Classification of environmental activities

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7-10 October 2019, Melbourne, Australia
Questions for the LG

1. Structure integrated classification: discuss relative merits of the 2 proposals

2. Energy storage: is it environmental activity?

3. Construction of energy-efficient buildings: it is environmental activity?
Background

1) SEEA CF Research Agenda

Conceptual issues
- 3. Definition of resource management and structure of the resource management expenditure accounts

Implementation issues
- 1. Implementation issues related to classifications

2) Experience from ongoing data collections in Europe

Guidance to compilers on boundary cases and scope

Eurostat Task Force on the classification of environmental activities

+ debate in the 2018 meeting of London Group
Three topics selected for LG discussion

1. Structure integrated classification
2. Energy storage
3. Construction of energy-efficient buildings
**Topic 1: Structure of future classification environmental activities**

Whether to keep environmental protection (EP) and resource management (RM) separate or combined

<table>
<thead>
<tr>
<th>EP &amp; RM separate (‘small revision’)</th>
<th>EP &amp; RM combined (‘large revision’)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EP part will remain largely unchanged as in CEPA</td>
<td>No constrains regarding structure</td>
</tr>
<tr>
<td>RM part will be substantially revised from CReMA</td>
<td>Distinction EP - RM confuses users</td>
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<tr>
<td>Some continuity with past</td>
<td>Existing time series will be lost</td>
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<tr>
<td>Existing time series may be preserved</td>
<td>Current separation EPEA – ReMEA will be lost</td>
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</tbody>
</table>
## Proposal EP & RM separated

<table>
<thead>
<tr>
<th>CURRENT</th>
<th>NEW</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EP</strong></td>
<td></td>
</tr>
<tr>
<td>1. Protection of ambient air and climate</td>
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</tr>
<tr>
<td>2. Wastewater management</td>
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</tr>
<tr>
<td>4. Protection and remediation of soil, groundwater and surface water</td>
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<tr>
<td>5. Noise and vibration abatement</td>
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<tr>
<td>6. Protection of biodiversity and landscapes</td>
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<tr>
<td>7. Protection against radiation</td>
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</tr>
<tr>
<td>9. Other EP activities n.e.c. and indivisible</td>
<td>9. Other environmental protection activities</td>
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<tr>
<td><strong>RM</strong></td>
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<tr>
<td>10. Management of water</td>
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</tr>
<tr>
<td>11. Management of forest resources</td>
<td>11. Sustainable forest management – natural and cultivated forests</td>
</tr>
<tr>
<td>11A. Management of forest areas</td>
<td>13. Management of energy resources</td>
</tr>
<tr>
<td>11B. Minimisation intake forest resources</td>
<td>14. Mineral management</td>
</tr>
<tr>
<td>12. Management of wild flora and fauna</td>
<td>15. Material recovery</td>
</tr>
<tr>
<td>13. Management of energy resources</td>
<td>16. Research and other activities (*)</td>
</tr>
<tr>
<td>13A. Production of energy from renewable sources</td>
<td></td>
</tr>
<tr>
<td>13B. Hear/energy saving and management</td>
<td></td>
</tr>
<tr>
<td>13C. Minimisation intake fossil energy resources as raw material</td>
<td></td>
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<tr>
<td>14. Management of minerals</td>
<td></td>
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<tr>
<td>15. R&amp;D for RM</td>
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<tr>
<td>16. Other RM activities n.e.c. and indivisible</td>
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</tr>
</tbody>
</table>
# Proposal EP & RM merged

## CURRENT

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<tr>
<td>3. Waste management</td>
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<td>11A. Management of forest areas</td>
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<tr>
<td>4. Protection and remediation of soil, groundwater and surface water</td>
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<td>13A. Production of energy from renewable sources</td>
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<tr>
<td>9. Other EP activities n.e.c. and indivisible</td>
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<td>13C. Minimisation intake fossil energy resources as raw material</td>
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## NEW

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<tr>
<td>2. Wastewater management and activities aimed at reducing inland water input</td>
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<td>11. Management of forest resources</td>
</tr>
<tr>
<td>3. Protection and remediation of soil, groundwater, surface and marine water</td>
<td></td>
<td>11A. Management of forest areas</td>
</tr>
<tr>
<td>4. Waste treatment, recovery and minimization of material use</td>
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<td>11B. Minimisation intake forest resources</td>
</tr>
<tr>
<td>4.1 Waste management</td>
<td></td>
<td>12. Management of wild flora and fauna</td>
</tr>
<tr>
<td>4.2 Recycling/Recovery</td>
<td></td>
<td>13. Management of energy resources</td>
</tr>
<tr>
<td>4.3 Minimizing of the intake of forest, fossil and mineral resources</td>
<td></td>
<td>13A. Production of energy from renewable sources</td>
</tr>
<tr>
<td>5. Energy: Renewable energy and heat/energy saving and management</td>
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<td>13B. Heat/energy saving and management</td>
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<tr>
<td>6. Protection, maintenance and management of inland and marine biodiversity, flora and fauna</td>
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<td>13C. Minimisation intake fossil energy resources as raw material</td>
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<td>7. Protection against radiation (excluding external safety)</td>
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<td>8. Research and development</td>
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<td>15. R&amp;D for RM</td>
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Some considerations

• Intricate in
  • Recycling/recovery
  • Minimising intake of forest, fossil and mineral resources
  • Energy (renewables, savings, management)
  • Protection, maintenance & management of biodiversity, flora and fauna

• Categories at level 1
  • Are the topics relevant to users?
  • Number of categories (exigency for compilers)

• Split EP & RM
  • Relevance to users vs maturity of statistics
  • Added clarity vs break with the past
Questions for the LG

1. Discuss the relative merits (strengths and weaknesses) of the 2 proposals:
   - EP & RM separated
   - EP & RM combined
Topic 2: energy storage

• The case of pumped-storage hydropower stations
  • They store energy
  • They balance out peaks in supply and demand of energy

• Is this an environmental activity? Choose one:
  a) Yes, it is energy production
  b) Yes, it is energy storage
  c) No, it is not environmental

• Important precedent for: smart electricity grids, (large) batteries, hydrogen and compressed-air storage, etc.
Questions for the LG

2. Energy storage:
- Is it environmental activity?
- Where does it belong in the classification?
Topic 3: energy efficient buildings

- 2 situations:
  - energetic refurbishment of existing buildings
  - construction of new energy-efficient buildings
- First one is clearer
- Second one is more controversial
  - Moving benchmark of what’s ‘nearly zero-energy buildings’
  - Energy efficient buildings is getting the new standard
  - construction (of new buildings) dwarfs other environmental activities (circa 6% GDP vs 2% GDP)
- Full costs vs. extra costs?
Questions for the LG

3. Construction of energy-efficient buildings: it is environmental activity?

• *Do you have a practice in your country?*
• *What is your view?*
Timeline

Short-term objective – clarification of existing classifications (borderline cases, explanatory notes)

Long-term objective – assist develop a proposal for an integrated classification system

We are here

Mid-2017  2020  2021/22
Questions for the LG

1. Structure integrated classification: discuss relative merits of the 2 proposals
2. Energy storage: is it environmental activity?
   Where
3. Construction of energy-efficient buildings: it is environmental activity?
Thank you!

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