

The FIGARO project

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Introduction

- Environmental accounts can be integrated into an IO framework for analysis and modelling purposes
- E.g. the EU carbon footprint and the EU's raw material consumption (RMC)
- Use for IO analyses of air emission accounts, economy-wide material flow accounts, and energy accounts (2017 onwards)



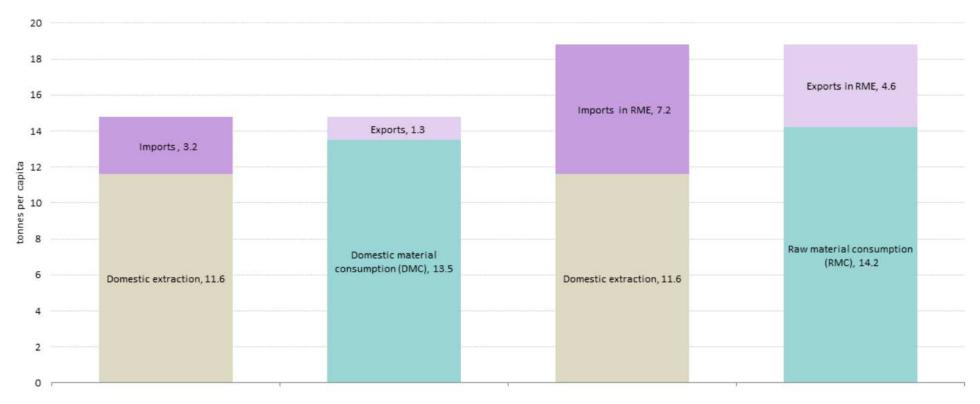
Current IO modelling work

- Greenhouse gas emission footprints for EU
 - Using the domestic technology assumption
 calculation of displaced emissions
- EU raw material consumption (RMC)
 - Based on a hybrid input-output model for the EU (hybrid: partial physical structures, use of LCA coefficients to represent different technologies)
- Drawbacks:
 - One average EU technology used (de facto measuring emissions saved through imports vs actual emissions induced abroad)
 - No estimates for individual Member States



Example: RME

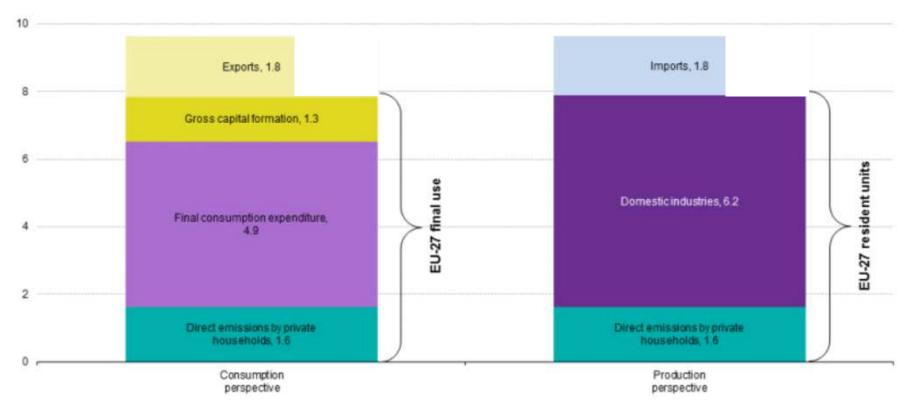
Comparison of actual material flow indicators with material flow indicators expressed in raw material equivalents (RME), EU-27, 2012 (tonnes per capita).





Example: Carbon footprints

Domestic and global CO2 emissions — consumption and production perspective, EU-27, 2011 (tonnes CO2 per inhabitant)





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(Full International and Global Accounts for Research in Input-Output Analysis= an EU consolidated SUIOT)

- Measuring the role of the European economy in globalisation
 - Establishing EU inter-country supply-use and input-output tables (EU-IC-SUIOT)
 - Develop a standard statistical production method for the EU-IC-SUIOT
- Time schedule
 - October 2015 until December 2017
- First deliverable: an experimental EU-IC-SUIOT for 2010 available in summer 2017
- Resources
 - 3 ½ FTE plus subcontracting some tasks



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- Partners are Eurostat and DG Joint Research Centre
 - National accountants, business statisticians, external trade statisticians, environmental accountants
- Steering Committee to consult international organisations
 - DGs, UN, OECD ECB, EIB, WTO
- Eurostat unit environmental accounts will supply its environmental accounts and benefit in its modelling applications
 - Resources unit E.2: 5.5 person-months
- Largest challenge: reconciling data from different statistical domains (and loop back to country data!)
 - Differences in underlying definitions of concepts
 - Valuation differences, territory-resident adjustments, treatment of re-exports, transit trade



Objectives

- 1. Take stock of current international projects
- 2. Define a suitable methodological framework for the regular production of EU-IC-SUIOT
- 3. Construct EU-IC-SUIOTs at basic prices for the reference year 2010
- 4. Integrate the EU-IC-SUIOTs into Global (World) Supply, Use and Input-Output Tables, in collaboration with the OECD and UN
- 5. Include a reduced version of the EU-IC-SUIOTs at the A10 sector classification with linked capital and labour productivity indicators
- 6. Integrate the EU-IC-SUIOTs with <u>environmental accounts</u> (in <u>particular air</u> emission accounts, material flow accounts and energy accounts)
- 7. Explore possible extensions of the EU-IC-SUIOTs
- 8. Elaborate a strategy for a regular production of Eurostat's annual EU-IC-IOTs and five-yearly EU-IC-SUIOTs



Present status

- Kick-off meeting took place on 23 October
- Focus first on reconciliation of trade statistics mirror flows
 - From now until spring next year
- Planned for December 15th: Steering Committee meeting
- Work on integrating the environmental accounts into the EU-IC-SUIOT starts in July 2016
 - Analyse the consistency between the SUT (economic output) and environmental accounts at country level
 - Address the difference between ESA 2010 and SEEA for processing trade



Related developments

- Global databases implementing SEEA
 - UNEP has developed a global EW-MFA database, next step: ensure continuity
 - Potential for other environmental-economic accounts databases
- Development of global inter-country input-output database (continuity an issue -> ideally one "official" world IOT)
 - In cooperation with OECD, where Eurostat would be responsible for EU countries (FIGARO data)

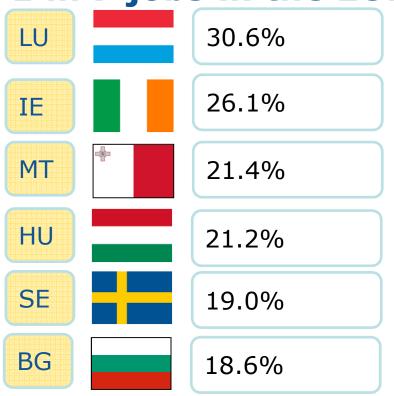


Not just environment. E.g. Around 31.1 million jobs in the EU were supported by exports to the rest of the world, of which:





This is 1 in 7 jobs in the EU...





And last but not least, 19.2 million jobs outside the EU were supported by EU exports, of which:





Thanks!