Environmental Economic Accounting

Towards a common national approach
Context

- Being led by Department of Environment
- ABS is partnering on the strategy, data sharing and accounts compilation
- Number of other experts/agencies involved
- Landmark step forward for SEEA use in Australia
On 27 April 2018 the Meeting of Commonwealth, state and territory environment ministers endorsed the strategy to deliver a common national approach to environmental-economic accounting in Australia.
Create stronger links for decision makers between social, economic and environmental outcomes

Improve consistency in reporting across Australia

Inform decision making and environmental management decisions

Coordinate effort and ensure the efficient use of resources
Some drivers for the Commonwealth

Aichi Targets

1. Understand values
2. Mainstream biodiversity
3. Address incentives
4. Sustainable production
5. Halve rate of loss
6. Sustainable fisheries
7. Manage within limits
8. Reduce pollution
9. Reduce invasive spp.
10. Minimize reef loss
11. Protected areas
12. Prevent extinctions
13. Conserve gene pool
14. Restore ecosystems
15. Enhance resilience
17. Revise NBSAPs
18. Respect and conserve TK
19. Improve knowledge
20. Mobilize resources
The process

- High level inter-jurisdictional steering committee
- Commonwealth agencies steering committee and other governance (technical/scientific)
- National workshop to consult a broad range of stakeholders
Developing the strategy

- A collaboration between the Commonwealth, state and territory govts, ABS

- A high level document with action plan attached

- Further consultation and revision after the first year
Key elements of national approach


- Developing a core set of national accounts (waste, land etc)
Key elements continued

- Agreeing on national standards and methods
- Ensuring accounts are driven by policy and decision making needs
- Developing nationally relevant account ready data
- Collaborating and information sharing (governance structures – e.g. steering, expert and scientific)
- Building capacity to produce, analyse and apply accounts
ABS NSO role - do we need to consider new collaboration models? (e.g. sign-off role, legislation)

Data sharing provisions

Policy needs versus exploratory accounts

Marketing accounts – benefits and national/international examples

Federal vs State vs Local govt perspectives (adaptive leadership in a policy environment)

Techniques - scientific vs statistical
A roadmap
Western Sydney EEA case study

Lessons learnt in using accounts to inform the Western Sydney Regional Assessment
and to address core policy questions of...

<table>
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<tr>
<th>Policy question</th>
<th>Relevant questions that environmental-economic accounts can answer</th>
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<tr>
<td>1. What are the main socio-economic, demographic, institutional &amp; natural resource factors that influence the supply of, &amp; demand for, affordable housing in Western Sydney growth areas over the next 40 years?</td>
<td>• How will urban development in the Western Sydney region affect the stock of environmental assets (water, ecosystems etc) &amp; flow of ecosystem services? How will the increasing scarcity of natural resources, in turn, affect the housing market?</td>
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<td>2. What mix of environmental protection &amp; housing, infrastructure, &amp; employment provision will optimise socio-economic benefits to the community over the next 40 years?</td>
<td>• What is the change in the extent and condition of natural ecosystems in Western Sydney? How might extent &amp; condition change over time under different development &amp; climate scenarios? • What are the social &amp; economic benefits of (a) preserving natural ecosystems &amp; (b) providing housing &amp; related infrastructure? • To what extent can the economic value of these benefits be estimated? • How might these benefits &amp; values change over time under different development scenarios?</td>
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<tr>
<td>3. What measures can agencies use to conserve &amp; improve healthy, functioning, enduring natural areas, &amp; biodiversity, while meeting the demand for affordable housing in Western Sydney, into the mid-term future?</td>
<td>• How effective are current policy instruments (including biodiversity offsets) for conserving high value biodiversity in the face of pressures for urban development?</td>
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What accounts are being developed?

- OEH developing 4 types of accounts using SEEA framework for its Western Sydney programs

- Accounts are:
  1. Socio-economic & demographic accounts (physical stock accounts)
  2. Regional economic activity (monetary and physical stock & flow accounts)
  3. Biodiversity offset accounts (physical & monetary stock & flow accounts)
4. Experimental ecosystem accounts (extent and condition)

Ecological integrity indicators for:
• ecosystem condition
• ecosystem connectivity &
• ecological carrying capacity indicators

Perhaps also some indicators for pressures on condition e.g.:
• land use management practices
• native vegetation extent
• inappropriate fire regimes
• inappropriate hydrological regimes
• invasive species
• altered climatic regimes variability and extremes etc.
Questions?
Thanks to Pete Nelson for slides/background

Initiatives tie to UNCEEA Communications Plan

Challenge to prioritise or to secure further resources
Goals for coming year

- Making the SEEA website more effective
- Creating a communications “toolkit”
- Engaging with key policy processes
- Connecting the SEEA community
Making the website more effective

- Making the information architecture more accessible to non-technical audience
- Increase connectivity across the site (i.e. more signposts to related material)
- Implementing the SEEA Knowledge Base
Creating a communication toolkit

- SEEA FAQ
- SEEA “Explainers”
- Slide Deck
- Brochure(s)
Developing short briefs showing SEEA relevance to key international policy processes:

Super-calendar: Creating communications plans around key international fora (including a Supercalendar)
Connecting the SEEA community

- The SEEA newsletter
  - Supplement reports on past activities with more features that look ahead
  - Streamline editorial process
- Proposed feature: SEEA visualizations
Questions/Comments?
Empathy Mapping
In groups of 5, use the empathy mapping template to put yourself in the shoes of a **policy maker** that would be (or is) a strong potential user of a SEEA account (25 mins):

- First agree on the type of policy maker and a scribe
- Consider the pressures on this person to deliver on policy requirements
- What support would they want from SEEA accounts? What would they need to convince others of the worth? What would make their life easier? Who else would be their key stakeholders that could also benefit?
- Report back one key point in each of the segments/boxes (20 mins)
Empathy Mapping Exercise continued.

- Pain and Gains flow from the 4 quadrants above

- Depending on perspective: possible pain points:
  - Presents more information than I can digest
  - Doesn’t contain information I can easily send to my Minister

- Depending on perspective: possible gain points:
  - This presents me with a common narrative for env. and economic picture
  - Someone else has built this – it hasn’t cost me anything
  - International standard – might hold some credence with peers
Empathy Mapping Exercise continued

- Will collect templates and bring together common themes after workshop.

- Remember – this isn’t about your pain and gain…. Think outside the box and put yourself in the shoes of this policy maker.
Reflecting on this afternoon’s range of speakers and discussion:

1. Using stick-it notes, individually write your top 2 insights on how London Group could use this information to improve policy use or communications around SEEA (2 mins)

2. Share these insights with your neighbour - pick two of these insights to share at the next stage (4 mins)

3. Join another pair (4 people) and share your insights - picking two that you want to share with the LG (6 mins)

4. Report back on top two insights – I will collect these, summarise and distribute to the group (15 mins)