



Classification of environmental activities

28th Meeting of the London Group on Environmental Accounting

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Outline

- Background information
- Introduction to the classification of environmental activities
 - Scope
 - Purpose and structure
- Next steps

Background information

- Aim: integrate all environmental activities
- Several years' discussion at European and international level
 - ✓ Task Force of European countries established in 2017
 - ✓ Progresses presented to the London Group since 2018

Classification of economic activities CEA - scope

- User target = environmental theme
- Generic, multi-purpose and functional classification for
 - products
 - activities
 - expenditures and other transactions
- Based on pre-existing classifications
 - CEPA: classification of environmental protection activities (international standard classification - SEEA CF)
 - CReMA: classification of resource management activities (used at European level - EU legislation)
 - Maintain clear bridge

Purpose of the Classification of economic activities CEA

- Offer an integrated framework to
 - report on environmental activities and transactions
 - cross-policy needs
- Detailed explanatory notes
- Clear set up at first level of the classification

Classification criteria

- Primary purpose is environmental
- Technical nature of activity and product (not effect)
- Extension to activities supporting production and use of environmental products
- Operational rules ensure comparability between countries

Structure of the CEA

- Primary environmental purpose
 - 7 classes
 - Homogenous
 - Two transversal classes: R&D, cross-cutting and other activities
- Secondary, third level or more...
 - Symmetry

Structure of the CEA - classes

Classification of environmental activities - classes	
1	Air, climate and energy
2	Wastewater and water resources
3	Waste and materials recovery
4	Soil, surface and groundwater, biodiversity and forest
5	Noise and radiation
6	Research and development
7	Cross-cutting and other activities

Structure of the CEA – levels 2, 3

- Second level
 - environmental protection or resource management
 - Bridge CEPA and CReMA
 - Time series reconciliation
- Third level
 - Based on activities, actions, expenditures (except Waste and materials recovery, Materials recovery and savings – by material type)
- More...

Structure of the CEA – more levels

- Flexibility at national level
- Fit policy needs
- Example CEA 1.2.1: Production of energy from renewable sources
 - 1.2.1.a Wind / 1.2.1.b Solar / etc.
- Example CEA 7.1: General environmental administration, management, regulation, dissemination and consultancy

Further split by environmental domains (waste, wastewater, air etc.)

Structure of the CEA – policy needs

- Structure includes explicitly policy themes (1:1):
 - Waste
 - Biodiversity etc
- Mapping to policy targets: circular economy, climate change mitigation and climate change adaptation etc

Next steps

- Task Force meeting early September: minor changes
- Feedback from London Group by **October 14th 2022**
(to ESTAT-MEA-METHODOLOGY@ec.europa.eu)
- October 2022: first discussion at the UN Committee of experts on international statistical classifications
- November 2022: global consultation
- Winter 2022-2023: summary of results; presentation of technical committee central framework and UN committee on classifications
- Feb 2023: submission to UN statistical commission

Thank you



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