



System of
Environmental
Economic
Accounting

Working Group #5: Valuation concepts and accounting treatments

2019 Forum of Experts on SEEA Experimental Ecosystem Accounting
Glen Cove, NY, 26-27 June 2019



United Nations

Purpose and objectives

- Place SEEA EEA revision in the context a wider economic and accounting thinking that has developed over time
- Establish proposals for appropriate treatments for ecosystem accounting purposes.
- Key issues
 - > Establishing the concept of exchange values in non-market situations for the valuation of ecosystem services
 - > Understanding environmental economic concepts of externalities, disservices and welfare values in an accounting context
 - > Valuing ecosystem assets, including link to the valuation of land and estimating the future flow of ecosystem services.
 - > Conceptualizing ecosystem capacity for accounting purposes
 - > Measuring ecosystem degradation and enhancement and establishing appropriate recording options for the accounts, including attribution to economic units

WG5 Discussion papers

- **5.1: Defining exchange and welfare values, articulating institutional arrangements and establishing the valuation context for ecosystem accounting**, David Barton, Alejandro Caparrós, Nicholas Conner, Bram Edens, Matías Piaggio, Jane Turpie [status: full draft, initial review]
- **5.2: Ecosystem disservices and externalities**, authors: tbc [status: future work]
- **5.3: A framework for the valuation of ecosystem assets**, Eli Fenichel and Carl Obst [status: full draft, initial review]
- **5.4: Issues and options in accounting for ecosystem degradation and enhancement**, Carl Obst, Peter van de Ven, Jim Tebrake, Joe St Lawrence, Bram Edens [status: full draft, initial review]

Overview

- General aim to establish a new baseline of understanding, including areas of agreement and in need for further consideration
- Broad and deep content across the three discussion papers drafted
- Key emerging themes emerge
 - > Values and prices
 - > Methods and practice
 - > Accounting boundaries
 - > Ownership and benefits
 - > Ecosystem condition, capacity, future flows of ecosystem services and conversions
 - > Disservices and negative externalities

Status and steps forward

- Three discussion papers drafted, one remaining
- This Forum and Technical Expert Meeting discussions to inform next steps
- Wider review of discussion papers also planned
- Overall aims
 - > Clarify areas of agreement
 - > Clarify the substance of disagreement (concept vs application)
 - > Focus on the core treatments - identify and group “special cases”
 - > Define appropriate next outputs (e.g. Complete wider review process, Draft Discussion paper 5.2, Compilation guidance)
 - > Document what’s missing and who’s missing
 - Existing research / Topics & themes / Experts & disciplines