

# Minutes of the 16th Meeting of the United Nations Committee of Experts on Environmental-Economic Accounting

Virtual; 15-17 June 2021

## Area A: Coordination and Communication

### The Committee:

- Acknowledged the importance of coordination within the Committee as well as coordination with external parties, and noted that coordination between parties should recognize each party's mandate and reporting requirements;
- Agreed with the working group's focus on coordination and mainstreaming the SEEA in relevant emerging initiatives, taking into account the priority areas identified by the Committee, namely climate change, biodiversity and circular economy, and noted the emerging area of sustainable finance in which the Committee may wish to engage;
- Emphasized the benefit of using the SEEA as the basis for the relevant indicator frameworks on biodiversity, climate change and circular economy, so as to promote harmonized indicators on the environment-economy nexus;
- Noted the progress made by the working group, the importance of the Committee's involvement in initiatives such as the UNECE Task Force on Circular Economy and stressed the importance of SEEA experts engaging in multidisciplinary groups such as the Task Force;
- Suggested further discussions with the UNECE Task Force on Circular Economy to ensure that the Task Force's outputs have global reach and globally-relevant outputs, and recommended using the SEEA accounts as the starting point for defining the statistical framework for the circular economy, identifying and repackaging relevant accounts and adding information not included in the SEEA accounts;
- Requested that the Technical Committee on the SEEA Central Framework review, and where possible, contribute to the statistical framework for the circular economy;
- Took note of the upcoming G20 data gap initiative on climate change and stressed the importance of such an initiative as an opportunity to advance the development of climate change related data using the SEEA;
- Took note of the opportunity for the UNCEEA to take a leading role in the upcoming G20 Data Gap Initiative on climate change to be further discussed within the group and the Bureau of the UNCEEA once the decision is taken to move forward with the initiative at the G20 meeting in July;
- Emphasized the importance of national statistical offices actively engaging and developing collaboration mechanisms with policy makers and the focal points of different policy initiatives, in order to provide relevant, high quality data that meets their monitoring and reporting needs;

- Supported further development of communication materials that promote usage of the SEEA for key policy initiatives, share successful case studies and can be used by countries with their stakeholders; and
- Noted the potential for the Committee to develop a set of core indicators that could be published jointly with GDP, to encourage policy makers to use the SEEA to go beyond GDP.

## Area B1: SEEA Central Framework (Methodological Development for Normative Standards and Other Research)

### The Committee:

- Noted that the SEEA Central Framework (SEEA CF) is broadly up to date and stressed the importance of updating the SEEA CF to maintain its relevance for policy and consistency with other macroeconomic statistical standards, noting however the resource requirements and need for prioritization in view of the many activities on the UNCEEA agenda;
- Suggested future integration with the SEEA Ecosystem Accounting;
- Emphasized the importance of making progress on the SEEA CF research agenda and agreed with the four work streams proposed to prioritize the work on the SEEA CF research agenda: 1) classifications; 2) links between the SEEA CF and SEEA Ecosystem Accounting (SEEA EA); 3) valuation issues (together with the SEEA EA); and input-output and indicators linked to the frameworks;
- Agreed that outputs of the SEEA CF research agenda should take the form of technical notes which are released through the SEEA website and SEEA News & Notes as they are completed, and noted that a decision on a revision of the SEEA CF could be made in 2023 on the basis of the status of the SNA update and progress on the SEEA CF research agenda;
- Stressed the importance of ensuring coherence between the SEEA CF and the revised SNA and other macroeconomic statistics (BoP/IIP, GFS, MFS, etc), noting the need for formal joint governance between the Committee and the AEG/ISWGNA and noting that several experts from the environmental accounting community are involved in the subgroup on SEEA as part of the Well Being and Sustainability Task Team;
- Agreed on the importance of the Committee formally engaging in the revision processes for classifications, in particular the ongoing processes for ISIC and CPC and functional classifications (e.g. COFOG), to ensure that these classifications are fit for purpose for compiling the SEEA;
- Requested the Bureau to identify entry points for the UNCEEA to engage with the update of the SNA as well as classification activities and to develop a work programme taking into account priority activities; and
- Took note of the importance of the Measuring the Sustainability of Tourism and encouraged its finalization.

## Area B2: SEEA Ecosystem Accounting (Methodological Development for Normative Standards and Other Research)

### The Committee:

- Applauded the adoption of the SEEA Ecosystem Accounting at the 52<sup>nd</sup> session of the United Nations Statistical Commission in March 2021, thanked the UNSD for supporting the revision process and acknowledged the plan to publish the (pre-edited) white cover SEEA EA in July 2021 and the final UN-edited publication in the beginning of 2022;
- Invited Committee members to submit written comments on the proposed implementation of the Commission's decisions into the final text, as outlined in the background document, by 25 June to UNSD, noting that changes need to be made in the document in accordance with the decisions of the UN Statistical Commission;
- Requested the Chair to seek clarification in terms of the Committee's mandate in explaining the text of the UN Statistical Commission's decisions within the manual;
- Acknowledged the draft of the Implementation Strategy and supported its finalization and submission to the Commission for adoption at its 53<sup>rd</sup> session in March 2022 and requested Committee members to submit comments by end of June;
- Recommended that the strategy also cover the SEEA CF and the subsystems on SEEA Water, Energy, Agriculture Forestry and Fisheries in addition to the SEEA EA;
- Noted the UN Statistical Commission request to promptly resolve the outstanding methodological aspects in Chapters 8 to 11 as identified in the research agenda and considered the valuation group outlined in the implementation strategy focusing on issues of implementation and the proposed group to be established with the AEG/ISWGNA on conceptual aspects of valuation the appropriate mechanisms to advance the methodological issues on valuation;
- Noted the role of the London Group in supporting the advancement of the research agenda as well as advancing issues of practical implementation; and
- Welcomed the draft Interoperability Strategy and applauded the progress made on the ARIES for SEEA Explorer which will allow to get better data at lower cost and build on the models already developed.

## Area C: Development of Global Databases for the SEEA

### The Committee:

- Noted the progress made on the establishment of global databases for SEEA priority accounts while stressing the need to speed up progress in compiling the priority accounts and possibly set priorities for other accounts, given that databases are a key link to the user community;

- Agreed with the proposed roadmap to develop data templates to expand geographic coverage, quality, and improve timeliness, and the mandate to include dissemination of indicators for policy applications;
- Noted the importance of focusing on areas with the highest policy demands, in particular related to SDGs, climate change, land/forest management, biodiversity, circular economy and the post-COVID recovery;
- Agreed that any extension of the priority accounts should be driven both by user demand as well as the ability to disseminate high-quality data;
- Noted the importance of the timeliness of the data, while still maintaining data quality, especially related to the modelled data, and suggested to develop indicators to measure the quality of the estimates;
- Agreed that any modelled data that is disseminated should be clearly labelled as such and accompanied by detailed metadata on the methodology, models and data sources used;
- Reiterated that, as agreed by the UNCEEA at its meeting in June 2019, national data, if available, should always have priority in global databases and that any modelled estimates should be validated by national agencies;
- Welcomed the advances made in the development of the ARIES for SEEA tool, agreed with the proposal to explore deriving global databases from the ARIES for SEEA, and stressed the importance of disseminating the results with the metadata, including information on the data and models used, as well as the status of the referenced methodological documents; and
- Noted the ability of the ARIES for SEEA to compile global land and other accounts and requested an analysis of the links and coherence between the ARIES for SEEA land accounts and others.

#### Area D: Implementation and statistical capacity building

##### The Committee:

- Agreed with the proposed way forward for annual administration of the Global Assessment “light” in order to inform Sustainable Development Goal indicators, monitor the indicators proposed under the implementation strategy for the SEEA EA and inform global capacity building efforts, while minimizing respondent burden;
- Agreed with the proposed data items for dissemination of the Global Assessment results on the SEEA website as well as dissemination of these data items on the UNECE SEEA wiki page;
- Welcomed the contributions that regional Communities of Practice (CoPs) have made in advancing SEEA implementation and fostering regional collaboration while noting the importance of having the statistical community as the foundation for these CoPs, and encouraged the establishment of CoPs in regions which do not currently have one;

- Acknowledged the need for close collaboration between Area D and Area A on Coordination and Communication, particularly in terms of outreach and communication to countries and communicating the benefits of the accounts to potential funders;
- Stressed the crucial role of Regional Commissions in delivering capacity building and helping countries build programmes on SEEA implementation, given their strong knowledge of countries in their region;
- Noted the usefulness of including members of the Committee in relevant regional task forces and workstreams, as well as the formation of dedicated committees (or other suitable arrangements) on environmental accounts in each of the Regional Commissions which could ensure that sufficient resources are devoted to SEEA implementation in all regions; and
- Suggested that capacity building and implementation programmes should promote a common understanding of the concepts of natural capital accounting, ecosystem accounts and environmental accounts in general.

## The SEEA and Biodiversity

### The Committee:

- Welcomed the advances made in mainstreaming the SEEA for the post-2020 Global Biodiversity Framework (GBF), and stressed the importance of collaboration and coordination between national statistics offices, CBD Parties, government ministries and scientific communities on the development, implementation and maintenance of the GBF monitoring framework;
- Welcomed the collaboration between the CBD Secretariat and the SEEA EA Indicator Working Group in supporting the indicator development for the GBF monitoring framework; took note of the proposal by the CBD Secretariat to set up an expert group under the Convention to oversee the development of metadata for the indicators of the GBF monitoring framework; and expressed willingness to participate in the expert group to support the development of metadata and implementation in countries in the context of the SEEA implementation strategy, and to foster collaboration between NSOs and CBD focal points;
- Agreed with the proposed way forward for the Indicator Working Group to develop an information note documenting the linkages between the SEEA and GBF monitoring framework for submission to the Open-Ended Working Group on the GBF; analyze existing metadata developed by the scientific community with regard to consistency with the SEEA in collaboration with the relevant agencies; and prepare metadata sheets for selected SEEA indicators in the current list of the monitoring framework, with priority focus on indicators related to Goal A (size and condition of natural ecosystems) and Goal B (nature's contribution to people); and

- Took note of outstanding methodological issues on indicator development, and recommended the working group address these methodological issues to fill existing gaps.

## Business accounting

### The Committee:

- Agreed with the proposed way forward for the business accounting subgroup, acknowledging that the accounts are multipurpose and can be repackaged to address private sector needs, in addition to other stakeholder and user groups;
- Noted the importance of continuing to engage and strengthen collaboration with other non-government entities as well, such as environmentalist's associations, academia, etc.;
- Emphasized the benefits of closer SEEA CF and SEEA EA alignment with private and public sector accounting methodologies (IFRS and IPSAS), in particular the ability to better use existing data and the ability of national statistical offices to collect high-quality data which is consistent with the accounts;
- Agreed with the need to take a forward-looking view with the private sector and noted the necessity of finding a balance between responding to user needs while maintaining the role of a neutral data steward and ensuring adherence to principles of official statistics, and further noted the role of careful communication that remains understandable to users in this regard;
- Acknowledged the benefits of engaging with the business community in terms of obtaining buy-in and financial support from Central Banks and Ministries of Finance for SEEA implementation;
- Noted the need for strong engagement between the subgroup and other statistical groups working in the area of business accounting in order for the statistical community to speak with a unified voice to the private sector;
- Recognized the urgency in jumpstarting the subgroup given the rapid pace of developments in this area, both at the regional and global level; and
- Encouraged Committee Members to volunteer to join and/or chair the subgroup by informing the Secretariat.

## UNCEEA Programme of Work

### The Committee:

- Requested the Bureau to finalize its work programme, taking into account the meeting discussions on prioritization, for presentation to the UN Statistical Commission in 2022.