

System of
Environmental
Economic
Accounting

Session 7: International updates and opportunities from the statistical perspective

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Kampala, Uganda



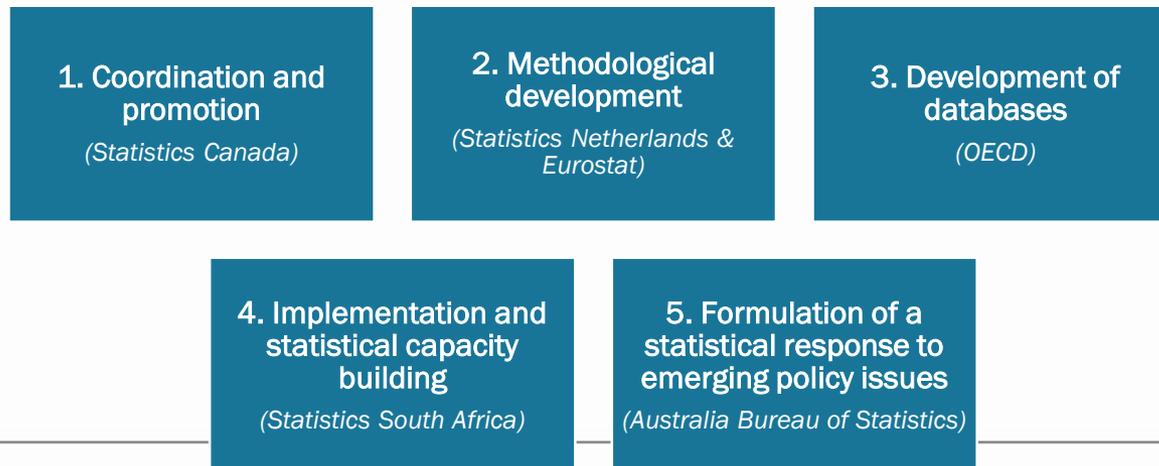
United Nations

Outline and objective

- What is happening in the global statistical community in relation of NCA
 - > Including UNSD and partners' activities
- What are the opportunities for engagement with the global statistical community

UNCEEA Work Programme

- The UNCEEA is the umbrella body for coordinating efforts in environmental-economic accounting
- A **Work Programme 2017-2020** was developed by the Bureau of the UNCEEA and takes a **5-pronged approach** to global implementation
- For each area of work, different **area leads** are responsible for; a) acting as a champion and providing leadership, b) developing more detailed work plans and strategies, and c) coordinating with other members of the UNCEEA

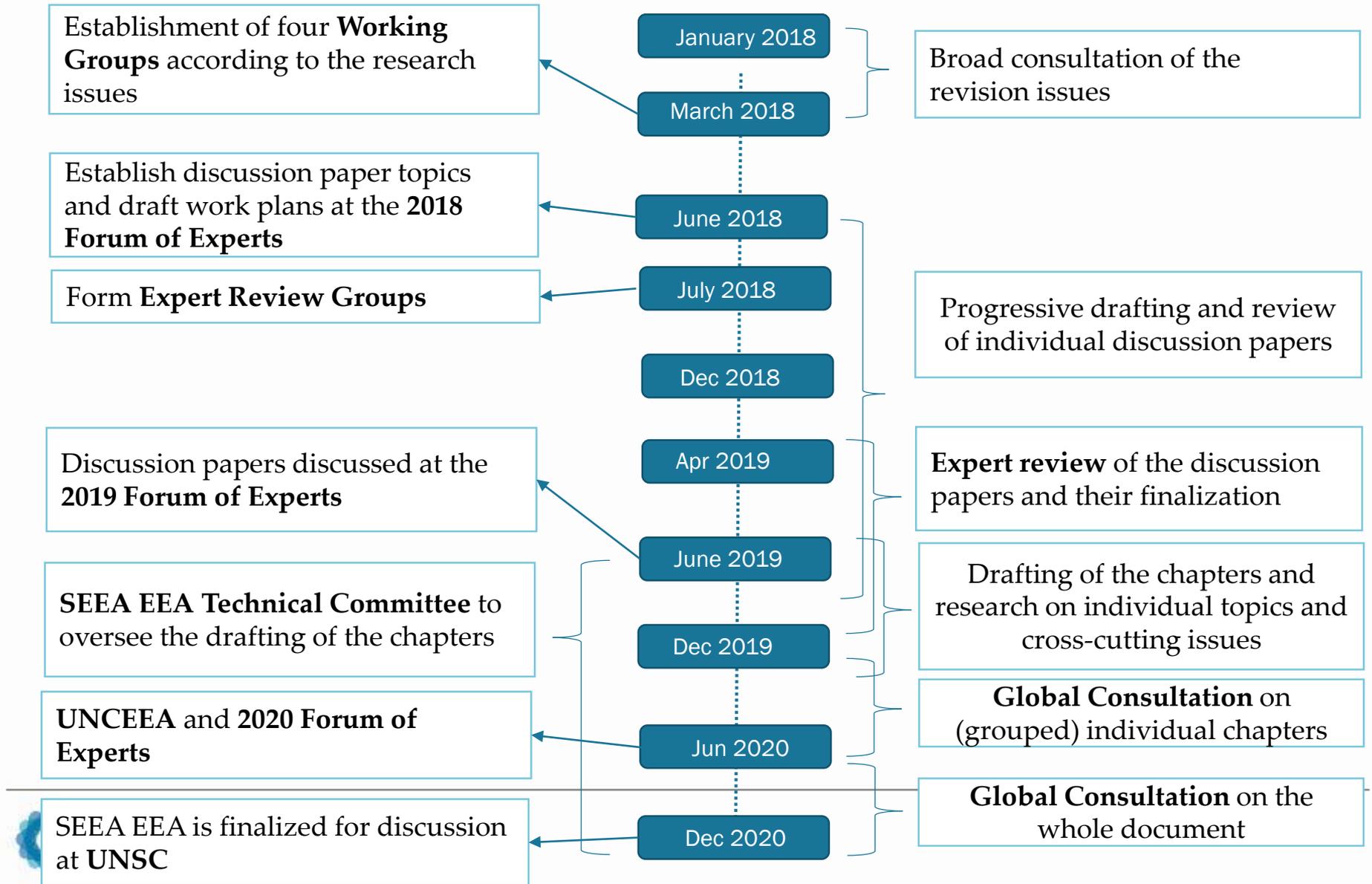


Methodological work

Revision of the SEEA Experimental Ecosystem Accounting

- Launched in March 2018 with the aim to finish by the end of 2020
 - > For endorsement by UN Statistical Commission in March 2021
- Engagement with various stakeholders – wide engagement of various communities, including ecologists, environmental economists, earth observation, etc.
- Seek for broad involvement of partners and experts in the process – **in the first year over 80 experts contributed to drafting of the discussion papers**
- Ambition is to elevate it to an agreed methodological document – international statistical standard
- Process aligned with the post-2020 global biodiversity framework, review of SDG and climate change process

Revision process: keystones & timeline



Thematic accounts

- SEEA for biodiversity
 - > Technical Group on Accounting for Biodiversity for SEEA EEA
 - > IUCN motion
- Ocean accounts (led by UNESCAP and Ocean Partnership)
 - > Technical Guidance on Ocean Accounting
 - > Global Dialogue on Ocean Accounting: 12–15 November 2019 in Sydney
- SEEA for Protected areas ??

Ecosystem accounting manuals under development

- 3 guidelines in support of country work on NCA
 - > Guidelines on biophysical modelling for SEEA-EEA
 - > Guidelines on valuation of ecosystem services and ecosystem assets in the context of SEEA EEA
 - > Guidelines on the use of ecosystem accounts in policy scenario analysis in the context of SEEA EEA
- Value proposition / niche:
 - > Lots of manuals exist, but few (if any) cater to principles + needs of accounting
 - > Provide easy entry points (e.g. “how to go about measuring / valuing ES x, y)”
 - > Be consistent with / support implementation of revised SEEA EEA
- Editorial boards have been (and are being) established, if you would like to participate in the review, reach out to seea@un.org

Guidelines on valuation

- Audience -> statisticians/policy makers planning to conduct (or commission) valuation in an accounting context
- Timeframe -> draft by Jan 2019, final by June 2020
- Scope/outline:
 - > Conceptual issues (e.g. welfare/ exchange, current vs constant, externalities)
 - > Valuing ecosystem services (for selection of 10-15 main ESS)
 - Methods per ESS, also by tiers
 - Examples
 - > Valuation of assets
 - Discount rates, time horizon,
 - Links to SNA balance sheets and wealth accounting
 - > Other issues:
 - Spatial disaggregation
 - Benefit transfer

Guidelines on scenario analysis

- Audience -> policy makers using the accounts, modelers and statisticians
- Timeframe -> draft by end 2019, final by July 2020
- Scope/outline:
 - > NCA and link to policy scenario analysis
 - > Main models used for scenario analysis (e.g. macro-economic, sectoral, integrated models)
 - Examples (e.g. CGE, T21, IEEM)
 - Which accounts required, what can be done with each account
 - > Policy questions that can be informed
 - Examples of policies and countries
 - > Technical annex -> computational methods

Capacity building

Capacity building activities

- E-learning
 - SEEA Central Framework
 - SEEA EEA
 - SEEA Water
 - SEEA Energy
 - Policy applications (macro economic policies, climate change, biodiversity, circular economy) – forthcoming
- Regional workshops
- Country projects
- New small project starting in 2020 (6 countries)

NCAVES project

- Implementing partners
 - United Nations Statistics Division
 - United Nations Environment Programme
 - Secretariat of the CBD
- Sponsor
 - European Union
 - Partnership Instrument
- Five partner countries
 - Brazil, China, India, Mexico, South Africa
- Project duration
 - 4 years from 2017-2020

Overall objectives of the NCAVES project

- **Advance the knowledge agenda on Natural Capital Accounting**, in particular ecosystem accounting
- By initiating pilot testing of SEEA Experimental Ecosystem Accounting, with a view to:
 - **Improving the measurement** of natural biotic resources, ecosystems and their services at the (sub)national level
 - **Mainstreaming** biodiversity and ecosystems in (sub)national level policy-planning and implementation
 - Contributing to the development of **internationally agreed methodology** and its use in partner countries.



Country	Type of accounts	Area	Note
Brazil	Services supply;	Matopiba region	Water flow regulation and soil retention (erosion control) using the Soil and Water Assessment Tool (SWAT)
	Extent; Forest and water accounts; Species accounts	National	Map of biomes will be published in 2019; further disaggregation under development Draft stock accounts of threatened species using IUCN data compiled; experimentation planned with Brazilian national data.
China	Extent; condition; Service supply (by main ecosystem type);	Guangxi and Guizhou provinces	Guidelines have been finalized in June 2019. Extent account for Guangxi has been compiled Multiple ES and a number of condition indicators will be assessed for up to 6 ecosystem types.
	Natural resource balance sheets	National	Cover Land, Water and Forest
India	Extent; condition; services supply;	7 districts in Karnataka States;	The pilot in Karnataka state will cover a comprehensive set of ecosystem services, in physical and monetary units for various years. Land cover maps are used for the extent account. The condition indicators typology developed during SEEA EEA revision will be tested.
	Extent; condition; services supply;	National	Crop provisioning and nature-based tourism have been assessed (physical and monetary). Additional ecosystem services will be added in 2020.

Country	Type of accounts	Area	Ecosystem services
Mexico	Service supply	National	Carbon sequestration + storage; water yield; crop provisioning services have been modelled. Modelling of coastal protection is in progress.
	Extent; Condition	National	National ecosystem extent accounts have been compiled. Ecosystem condition accounts have been compiled but are being reviewed. The condition indicators tested cover: <ul style="list-style-type: none"> - human footprint (pressure type), - conservation state of vegetation - ecosystem integrity. - indicators for soil quality (using S-World model)
South Africa	National ecosystem extent account; city-region accounts, protected area accounts; species accounts;	National	National ecosystem extent accounts have been compiled. Species accounts for rhinoceros and cycads have been developed, but not yet released.
	Service supply	KwaZulu Natal (KZN)	Multiple services covering provisioning services (e.g. harvested living resources), regulating services (e.g. carbon sequestration) and culture services (e.g. tourism value) for the catchment area in KZN

Events, activities and engagement

EnhaNCA project overview

- Enhance Natural Capital Accounting Policy Uptake and Relevance
- Project objectives:
 - > Create materials for policy makers on the policy applications of the SEEA and raise awareness
 - > Start with the questions that policy makers have
 - > Demonstrate potential and range of NCA policy applications
 - > Compelling case studies
- Outputs:
 - > Four papers
 - Overview, biodiversity, climate change, macroeconomic policy
 - > E-learning on policy applications
 - > Factsheets

EnhaNCA project – paper outlines

- Overview paper
 - > Brief introduction of the SEEA by way of urgent policy challenges
 - > Policy context of various domains/issues and how the SEEA applies
 - > Moving towards integrated policies
- Biodiversity/Climate change
 - > The policy issue in the context of natural capital
 - > Policy responses and instruments
 - > Policy process and information requirements
 - > How the SEEA applies
- Macroeconomic policies
 - > Need for measuring comprehensive wealth and a new economic strategy
 - > Policy context/key concerns for macroeconomic policy
 - > How the SEEA applies
 - > Complementing ongoing international initiatives in green finance

Business accounting

- Scoping Workshop on the SEEA and Business Accounting, 16-17 October 2019 in New York
 - > Bring the statistical community and the business community to identify synergies and differences in terms of natural capital accounting approaches and related data requirements.
 - > Inform each community about the latest developments in corporate NCA and SEEA EEA;
 - > Explore the possibilities to bring the accounting approaches closer to each other and possibilities for data collection; and
 - > Define the way forward in terms of future strategy (E-GAAP) and steps to be taken

Yale conference – March 2020

“Communicating the Path to Sustainability through Natural Capital Accounting”, 18-20 March 2020 at Yale University (New Haven, USA)

- The conference will address three key questions:
 1. Why do we need natural capital accounting?
 2. What narratives can natural capital accounting convey?
 3. How are big data and emerging technology changing the natural capital accounting story?
- Conference schedule:
 - > Day 1 - 2030 Sustainable Development Agenda and Natural Capital Accounting
 - > Day 2 - Bridging Users and Producers to Craft the Natural Capital Narrative
 - > Day 3 - Data Technologies for Creating and Communicating Natural Capital Accounts

Events in 2020

- UN Statistical Commission (March 2020, New York)
- Yale Conference on NCA Communication (March 2020, Connecticut)
- UN Ocean Conference (June 2010, Lisbon)
- IUCN World Conservation Congress (June 2020, Marseille)
- Forum of Experts in SEEA EEA (July 2019, New York)
- 15th meeting of the Conference of the Parties (COP 15) to the Convention on Biological Diversity (Oct 2020, Kunming)
- 5th Forum on Natural Capital Accounting for Better Policy (tbd)

Some final thoughts

- Communication – how do we inform IML of the existence of SEEA/NCA
 - > What are the channels
 - > Are the papers we have useful or do we need another paper speaking more to the IML community
 - > Tap into the resources of IML
- What are the entry points?
 - > Several NCA events
 - > IML events?

THANK YOU

seea@un.org // <https://seea.un.org/>

