

Global Workshop on Forest Accounting

Forest accounts implementation

Washington DC May 11-13 2014

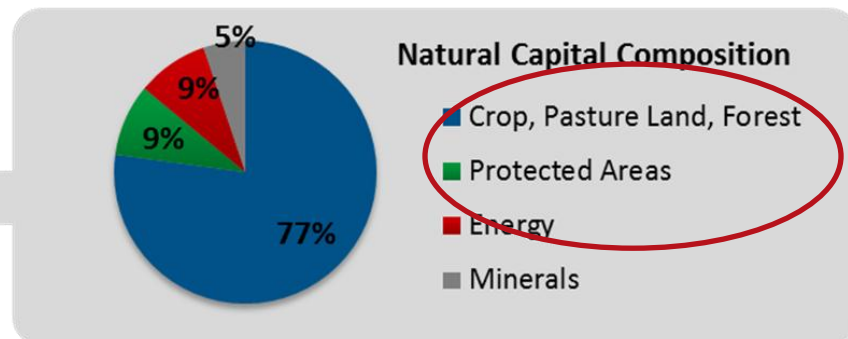


Forests are an important component of wealth

- The source of income and wellbeing is wealth, broadly defined to include: manufactured, natural and intangible capital.
- Change in GDP tells us if growth is occurring, **changes in wealth tell us if growth is sustainable**
- **Economic development** is a process of **building wealth** and managing this portfolio of assets

Wealth of Low Income Countries

<i>2008 US\$</i>	<i>Per Capita</i>
Total Wealth	7,670
Produced Capital	1,117
Natural Capital	2,403
Intangible Capital	4,290
Net Foreign Assets	-141



Source: Authors' calculations based on World Bank data.

Key information about forest assets is missing or invisible in the System of National Accounts (SNA)

STOCKS

- Depletion of natural forests is not captured

FLOWS

- Many non-market services are attributed to other sectors (tourism)
- ... or some are not represented (carbon storage)

What are the general uses of forest accounting?

Scorekeeping



Better indicators for **monitoring sustainable development**: Wealth and Adjusted Net Savings

Management



Better tools for **managing natural capital to promote growth and poverty reduction**

- Weighing tradeoffs of land use
- Prioritizing investments in forest resources management, protected areas

What is the policy relevance?

- .What is the real contribution of forests to the economy?
- .What are the linkages between forest and other sectors?
- .Is economic growth causing degradation of the resource and could limit future growth?

Problem definition

- .What are the tradeoffs?
- .Who are the stakeholders?
- .What are the priorities?
- .Local aspects to be considered?

Policy analysis and formulation

The policy cycle

Policy assessment

Policy implement.

- .Is the policy contributing to sustainability?
- .What is the impact of non-forest policies?

- .How to better allocate financial resources?
- .What is the distribution of benefits?

How to do forest accounts?



The revised SEEA consists of three parts: the *Central Framework*, which was adopted by the UN Statistical Commission as the first international standard for environmental-economic accounting; *Experimental Ecosystem Accounting* and *Applications and Extensions* of the SEEA. Subsystems of the SEEA framework elaborate on specific resources or sectors, including: *Energy*, *Water*, *Fisheries*, *Land and Ecosystems*, and *Agriculture*. These 'subsystems' are fully consistent with the over-arching SEEA, but provide further details on specific topics and try to build bridges between the accounting community and the community of experts in each specific subject area.

Meetings

Technical Cooperation

Workshops

Global Assessment

UNCEEA

UNCEEA Meetings

UNSC Reports

London Group

LG Meetings

Library

Keyword Search

Country Search

(SNA) and uses concepts, definitions and classifications consistent with the SNA in order to facilitate the integration of environmental and economic statistics.

The SEEA is a system for organizing statistical data for the derivation of coherent indicators and descriptive statistics to monitor the interactions between the economy and the environment and the state of the environment to better inform decision-making. The SEEA does not propose any single headline indicator. Rather it is a multi-purpose system that generates a wide range of statistics and indicators with many different potential analytical applications. It is a flexible system in that its implementation can be adapted to countries' priorities and policy needs while at the same time providing a common framework and common concepts, terms and definitions. The SEEA [brochure](#) provides additional information on what environmental accounting has to offer.

A multi-year process of [revision to the System of Environmental-Economic Accounting](#) was initiated by the [United Nations Statistical Commission](#). The revised SEEA consists of three parts: the *Central Framework*, which was adopted by the UN Statistical Commission as the first international standard for environmental-economic accounting; *Experimental Ecosystem Accounting* and *Applications and Extensions* of the SEEA subsystems of the SEEA framework.



Energy

Information on Energy statistics and accounts



Water

Information on Water statistics and accounts



Land and Ecosystems

Information on land and ecosystems

ons Statistics Division

[Site search]

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revision

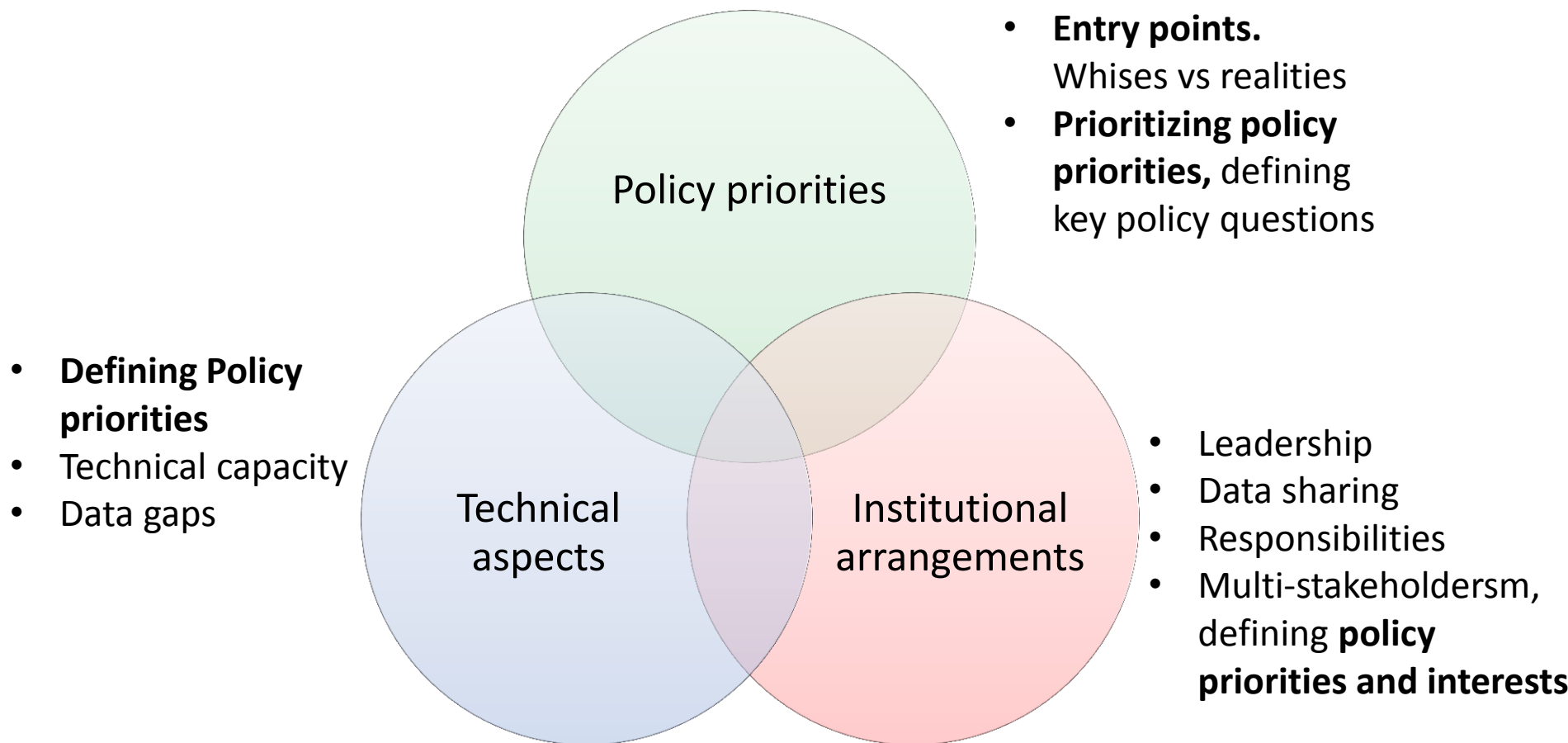
n on the revision of SEEA

Who does forest accounting?

Countries	Most common `Flow` accounts	Most common `stock` accounts
27 EU countries, Australia, Canada, New Zealand, Norway	<ul style="list-style-type: none">•Energy•Water•Air and water pollution	<ul style="list-style-type: none">•Minerals & energy resources,•Forest timber
Colombia, Korea, Mexico, South Africa	<ul style="list-style-type: none">•Energy•Water•Pollution	<ul style="list-style-type: none">•Minerals and energy•Forest timber
Countries initiating environmental accounting, or renewing earlier pilot programs: Botswana, Brazil, Costa Rica, Guatemala, Kenya, Madagascar, Mauritius, the Philippines, Qatar, Vietnam		

How to implement forest accounts?

The “art” of accounting... Is it possible? Could we have a “recipe” to go from A to Z in a linear process?



What to expect from WAVES?

- Support to implementation programs
- Training material and guidelines
- Workshops
- Community of practice
- PTEC – Work on methodologies for forest ecosystem services.

Forest Accounting for Development

Capturing the Value of Forests Using Natural Capital Accounting

www.wavespartnership.org

