

United Nations Committee of Experts on Environmental-Economic Accounting

Response from the United Nations Committee of Experts on Environmental-Economic Accounting to issues raised in CBD/POST2020/PREP/1/1



In response to recommendation 2/19 of the Subsidiary Body of Implementation, the United Nations Committee of Experts on Environmental-Economic Accounting (UNCEEA) submitted the document, *The Role of the System of Environmental-Economic Accounting as a Measurement Framework in Support of the post-2020 Agenda,* to the Secretariat of the Convention on Biological Diversity in 2018. The UNCEEA would like to take this opportunity to submit its views on the follow-up issues and questions for discussion identified in CBD/POST2020/PREP/1/1.

The responses below to the follow-up issues and questions for discussion highlight some of the many ways the System of Environmental-Economic Accounting (SEEA) can support the post-2020 global biodiversity framework. As an integrated framework on the environment and economy, the SEEA can identify the impacts and drivers of biodiversity loss and enable an understanding of the trade-offs and interlinkages between biodiversity and the economy. Furthermore, as an integrated framework, the SEEA can help enable a transformative agenda by bringing together and coordinating different stakeholders and communities, from environmental, statistical, economics and scientific communities. In addition, there is a strong case for aligning the post-2020 biodiversity framework with the 2030 Agenda. Using an international statistical standard, such as the SEEA, as an overarching support framework, can help harness synergies in measuring progress towards both the SDGs and "SMART" targets.

Issue A. Structure of the post-2020 global biodiversity framework: What could constitute an effective structure for the post-2020 global biodiversity framework, what should its different elements be, and how should they be organized?
 An effective structure for the post-2020 global biodiversity framework must address both the direct and indirect drivers and impacts of biodiversity loss. If the global biodiversity framework used to monitor progress, it is crucial that the measurement framework used to monitor progress allows for an understanding of the drivers of biodiversity loss, including the relationships between natural, societal and economic factors, as well as the effectiveness of responses to biodiversity loss. The System of Environmental-Economic Accounting (SEEA)¹ is the only international statistical standard that integrates environmental and economic information to provide a multipurpose view of the interrelationships between the economy and environment. By identifying the impacts and drivers behind biodiversity loss, as well as the effectiveness of responses to biodiversity loss, the SEEA can

¹ The SEEA Central Framework was adopted by the United Nations Statistical Commission as an international statistical standard at its 43rd Session in 2012. The SEEA Experimental Ecosystem Accounting was endorsed by the United Nations Statistical Commission as the basis for commencing testing and further development of ecosystem accounting in 2013.



support the post-2020 biodiversity framework to ensure a holistic approach in developing policy responses.

• Issue B. Ambition of the post-2020 global biodiversity framework: In the context of the post-2020 global biodiversity framework, what would "ambitious" specifically mean?

An ambitious post-2020 global biodiversity framework must serve as a call to action to all parties, stakeholders and sectors, if we are to ensure that the agenda is truly transformational. As an integrated framework, the SEEA can support this transformative agenda by bringing together different stakeholders and communities. The integrated nature of the SEEA means that the compilation of SEEA accounts necessitates interinstitutional relationships and the bringing together of groups, including environment, statistics, economic and scientific communities. This in turn promotes coherent action and coordinated responses by all parties.

As a statistical framework the SEEA integrates economic and environmental data to provide a more comprehensive and multipurpose view of the interrelationships between the economy and the environment and the stocks and changes in stocks of environmental assets. It contains the internationally agreed standard concepts, definitions, classifications, accounting rules and tables for producing internationally comparable statistics and accounts. The SEEA is a multi-purpose system that generates a wide range of statistics, accounts and indicators with many different potential analytical applications. This allows to make the case for biodiversity using language and measurement attuned to decision makers beyond the ministry of environment. Indicators derived from SEEA are based on cross-cutting environmental economic accounts which are regularly updated and comparable across countries because are based on a standard, and thus would be able to inform measurable and quantitative targets of the post-2020 biodiversity framework. The involvement of the national statistical office in the derivation of such indicators brings credibility, accuracy and consistency over time to the measurement framework to support the monitoring framework.

• Issue E. Biodiversity Targets

a. What does "SMART" targets mean in practical terms? The incorporation of science- and knowledge-based "SMART" biodiversity targets and indicators is crucial for a successful post-2020 biodiversity framework. However, facilitating country efforts to reach these targets are equally important. In order to reach "SMART" targets, countries must have information on the trade-offs and interlinkages across the different pillars of sustainability. As an integrated framework that sits at the



nexus of the environment and economy, the SEEA is well positioned to support integrated and holistic policies that can help achieve "SMART" targets. In particular, SEEA accounts can provide internationally comparable and reliable data that can be used to derive indicators to support regular monitoring of the post-2020 biodiversity targets. As the SEEA is a cross-cutting framework, these indicators can support an increased understanding of the trade-offs between the biodiversity and the economy.

In addition, the Committee understands that the new targets need to be pragmatic and easily measured in order galvanize progress and facilitate implementation. Not only can the SEEA support regular monitoring of progress towards these new targets, but the flexibility inherent within the SEEA can help facilitate progress according to countries' priorities and policy needs. Compilation of the SEEA can be done in a modular fashion, with countries compiling those accounts that address their policy priorities. In addition, not only can compilation of the SEEA take a modular approach, but it can also be applied at any level (local, regional, national).²

Furthermore, the SEEA Central Framework and SEEA Experimental Ecosystem Accounting Frameworks are the products of collaboration between statistical, scientific, environmental, economic and geospatial expert communities, thereby providing a science- and knowledge-based measurement framework for supporting "SMART" targets. In particular, the SEEA Experimental Ecosystem Accounting is currently undergoing a revision, to reach consensus on as many aspects of ecosystem accounting as possible by 2020. The revision process has been a collaborative effort between several of the abovementioned parties, and the Committee has made substantial progress towards its 2020 goal.

b. How should the set of targets in the post-2020 global biodiversity framework related to existing Aichi Biodiversity Targets? The Committee believes that the post-2020 biodiversity framework must be realistic to implement. To support implementation, a standardized set of scalable global biodiversity indicators based on clear definitions and agreed concepts would be beneficial to aid countries in identifying actionable and measurable responses.

By providing internationally comparable information on individual environmental assets; ecosystem extent, condition, services; as well as information on biodiversity expenditures and their effectiveness, the SEEA can provide reliable

² The Committee is also exploring how the SEEA can be applied at the corporate level, through the alignment of terms, definitions and concepts used by corporate sustainability reporting initiatives. This is also relevant to "Issue H: Mainstreaming."



and consistent data for standardized indicators to support regular monitoring of the post-2020 biodiversity targets. Given the integrated approach of the SEEA in the measurement of biodiversity, it supports indicators that are currently not in the existing indicator framework such as for example the measurement of ecosystem services

In addition, the Committee recommends keeping the inclusion of the integration of biodiversity values through national accounting in the post-2020 biodiversity framework, given the importance natural capital accounting has as a tool in mainstreaming biodiversity across government and society.

- How should the set of targets in the post-2020 global biodiversity framework c. align with other global targets, including those adopted under the 2030 Agenda for Sustainable Development? There is a strong case for aligning the post-2020 biodiversity framework and targets with the 2030 Agenda. Alignment of the two initiatives will help harness synergies and reduce the burden placed on countries. In particular, the post-2020 biodiversity framework and SDGs can be aligned through the use of common international statistical standards, such as the SEEA, which can provide an overarching supporting framework to measure progress towards both SDGs and "SMART" targets and a coherent statistical framework to organize data collection on ecosystem and biodiversity. There is strong support for the usage of the SEEA for both the SDGs and the post-2020 biodiversity framework from the statistical community. At its fiftieth session, the United Nations Statistical Commission welcomed "collaboration between the Committee of Experts and the IAEG-SDG to identify the best ways to use the SEEA to improve the global indicator framework." In addition, they requested the UNCEEA to work on "mainstreaming the use of the SEEA for policy processes, particularly biodiversity, in view of the Post-2020 Biodiversity Agenda" (E/2018/24-E/CN.3/2018/37, chap. II, section L)³.
- Issue H. Mainstreaming: How can the post-2020 global biodiversity framework incorporate or support the mainstreaming of biodiversity across society and economies at large?

Official SEEA statistics, which are often compiled by the National Statistical Office, have a broad reach that go further than any one particular sector, particularly since compilation of the SEEA necessitates collaboration between National Statistical Offices and different parties and ministries. This inter-ministerial, whole-of-government

³ This document is currently available as a draft, subject to editing: <u>https://unstats.un.org/unsd/statcom/50th-session/documents/Report-on-the-50th-session-draft-E.pdf</u>.



approach can, in turn, generate buy-in and facilitate a common approach to conserving and sustainably using biodiversity. In addition, policy makers place a high value on official statistics, given their quality and reliability. By bringing transparency to the contribution of biodiversity to the economy to policy makers, the SEEA is well positioned to support the case for investment in biodiversity to secure the benefits and contribution of biodiversity to the economy. Furthermore, the SEEA is used for other international frameworks and initiatives, including certain environment-related SDG indicators and circular economy and green growth initiatives. Further implementation of the SEEA will help to mainstream biodiversity into these initiatives and promote coordination among different various stakeholders in a synergistic manner.

Issue K. Indicators: What indicators, in addition to those already identified in decision XIII/28, are needed to monitor progress in the implementation of the post-2020 biodiversity framework at the national, regional and global scales? The Committee supports the indicator proposed in decision XIII/28, "Number of countries implementing natural resources accounts, excluding energy, within the System of Environmental-Economic Accounting (SEEA)" (Target 2/1). More broadly, the SEEA can serve as an overarching framework to monitor progress for several other indicators mentioned in decision XIII/28 and potentially additional indicators that are suggested. The SEEA can also be used to derive indicators where no specific indicator has yet been proposed in decision XIII/28. For example, SEEA Central Framework and ecosystem extent, condition and service accounts can provide information on "Trends in fragmentation of forest and other natural habitats", "Trends in safeguarded ecosystems that provide ecosystem services" (Target 5/3), "Trends in proportion of production of aquaculture under sustainable practices (Target 7/3), "Trends in impacts of invasive alien species on ecosystems" (Target 9/5), "Trends in extent and condition of other vulnerable ecosystems impacted by climate change or ocean acidification" (Target 10/5), "Trends in safeguarded ecosystems that provide essential services (Target 14/1), "Trends in restoration of ecosystems that provide ecosystem services" (Target 14/4), and "Trends in ecosystem resilience" (Target 15/1).

It should also be noted that the Secretariat of the UNCEEA, the United Nations Statistics Division, is currently working with five countries (South Africa, China, Mexico, Brazil and India) to support the development of national ecosystem accounts. As part of this work, an assessment of existing indicators at the global and national level that support reporting to the Aichi Targets, SDGs and other global processes was carried out to determine the value that SEEA can provide in their delivery. This work was supported by an expert workshop held 12-14 February 2019 in



Cambridge. The workshop report (forthcoming), along with a technical report setting out the assessment of different global indicators can be found on the event webpage <u>here</u>.

The UNCEEA is ready to collaborate with the Secretariat of the CBD and its Parties, to ensure the success of the post-2020 biodiversity agenda.

