

# European environmental economic accounts

2010/0073(COD) - 19/10/2016 - Follow-up document

The Commission presented a report on the implementation of Regulation (EU) No 691/2011 of the European Parliament and of the Council on European environmental economic accounts. The first report was published in 2013.<sup>2</sup> This is the second report.

As a reminder, environmental economic accounts are a statistical system bringing together economic and environmental information, in order to measure on the one hand the contribution of the environment to the economy and on the other hand the impact of the economy on the environment. They offer a means of monitoring the pressures exerted by the economy on the environment and of exploring how these might be reduced.

**Legal framework:** the Regulation establishes the European environmental economic accounts. The Regulation structures the accounts in modules. It originally created **three modules** as follows: (i) air emissions accounts; (ii) environmentally related taxes by economic activity (energy, transport, pollution and resources); (iii) economy-wide material flow accounts.

One major development since the last implementation report was the amendment of the Regulation with the **addition of three further modules** as follows: (i) environmental protection expenditure accounts; (ii) environmental goods and services sector accounts; (iii) physical energy flow accounts.

## Developments since the last report:

- in 2015, the Commission adopted one [Implementing Regulation](#) and one [Delegated Regulation](#) to complement the general framework established in the Regulation. Both Regulations were designed to ensure comparability across countries and to enforce quality standards;
- whilst the environmental accounts are already contributing to a number of policymaking initiatives, **they have not yet achieved their full potential**. The accounts are new and still relatively unknown among institutional users. Statisticians can accelerate the growth of awareness by better communicating and promoting the data already available. Explaining the analytical power of environmental economic accounts is also part of the initiatives currently being implemented;
- the statistical data submitted by Member States under the Regulation is, overall, of **high quality**. There are still a number of areas where improvement is needed, and the Commission (Eurostat) continues to work with the Member States to resolve issues at a technical level. A number of measures are being implemented or are planned to improve quality.

**Measures being taken for improving data quality:** the European strategy on environmental accounts for the period 2014 to 2018 shall co-ordinate European efforts and paves the way for possible new modules in the Regulation. The strategy programme of work for the period 2014 to 2018 focuses on:

- consolidating the quality of the accounts in Annexes I to III to the Regulation (air emissions, environmental taxes and material flows);
- promoting the use of existing environmental economic accounts;
- improving timeliness of the accounts, including by developing early estimates, in order to make environmental policy aspects more prominent in economic planning;
- implementing the accounts in Annexes IV to VI to the Regulation (expenditure on environmental protection, the environmental goods and services sector and physical energy flow accounts);
- investing in statistical infrastructure (i.e., reference methodologies, classifications, specialised software, etc.) to improve the availability, quality and usefulness of the environmental accounts;
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developing methodologies for and launching voluntary data collections in other areas (water and forests, environmental subsidies and similar transfers and expenditure on resource management).

Of the areas where new developments are taking place, **environmental subsidies** accounts is perhaps the most promising in the short term. A regular, annual voluntary data collection exercise was introduced in 2015, with the agreement and cooperation of the Member States. Experimental work on **ecosystem accounts** will also be a focus.

At the same time, work is also being carried out to further improve the quality of the existing modules.

The Commission (Eurostat) continues to **assist the Member States in improving the quality of accounts** in a variety of ways, including:

- providing grants for pilot studies and quality improvements;
- reducing the time delay in the availability of data by producing early estimates;
- setting up voluntary annual data collection exercises in preparation for obligatory reporting;
- producing EU aggregates even where some Member State data are missing;
- publishing handbooks and providing methodological guidance;
- facilitating training courses under the European Statistical Training Programme as well as promoting the exchange of experience between countries.