

# European environmental economic accounts

2010/0073(COD) - 14/02/2020 - 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 previous reports were published in 2016 and 2013. This third implementation report covers the period from 2016 to 2018.

At EU level, the European economic environmental accounts highlight the supranational dimension of environmental issues and provide a systematic approach and coverage of Member States and environmental issues, allowing for assessments and comparisons of policies between Member States.

## *Legal framework*

The Regulation establishes the European economic environment accounts and structures these accounts into modules. It initially provided for three modules (annexes I-III): (i) air emission accounts; (ii) environmental taxes by economic activity (energy, transport, pollution and resources); and (iii) economy-wide material flow accounts. From 2013 onwards, it is mandatory to submit data for these modules to the Commission to Eurostat.

Three additional modules were added in 2014 (Annexes IV to VI): (i) environmental protection expenditure accounts; (ii) environmental goods and services sector accounts; (iii) physical energy flow accounts. These data are to be submitted to Eurostat from 2017 onwards.

## *Developments since the last report*

There have been no new legislative acts related to the Regulation since the last implementation report in 2016.

The Commission and the Member States continue to improve the European environmental accounts under Regulation (EU) No 691/2011 by various means, including: (i) improving data quality and efficiency, (ii) improving reporting, (iii) developing additional indicators to meet user needs, and (iv) assessing the need to adapt the European environmental accounts to new priorities and areas.

## *Data Quality*

Some issues identified in the previous implementation report (in particular with regard to Annex I) have now been resolved or are in the process of being resolved.

In addition to the resolution of these issues, the quality of the data for Annexes I to III has improved since the 2016 implementation report through (i) the production of longer time series; (ii) closing data gaps; (iii) improved consistency; (iv) improved validation and dissemination procedures; and (v) increased voluntary reporting of supplementary variables and breakdowns beyond the Regulation's requirements. Furthermore, the data are disseminated faster thanks to special, model-based early estimates by Eurostat and a faster delivery by Member States.

In general, for all Annexes I to VI, data quality has improved over the period 2016 to 2018.

## *Proposals for new modules*

Several new accounts continue to be developed and the pilot study programme established under the Regulation continues to be used. During the period 2016-2018, Member States carried out pilot studies on ecosystem accounts, environmental subsidies and similar transfers, water accounting, and resource management expenditure accounts.

Priorities about relevance may shift in the future. Many technical developments are underway, for example, in the field of mega-data, satellite images (Copernicus), etc., and there is a need to develop new tools for data analysis. The demand for information for policy-making is increasing in areas such as those related to sustainable development goals, the circular economy, natural capital. The Commission shall continue to monitor the implementation of the Regulation.

Improving the quality of the accounts shall remain a priority for the coming years.

Ongoing and future activities include the following:

- grants for pilot studies and quality improvements;
- production of early estimates in order to reduce delays in data availability;
- publication of handbooks and provision of methodological guidance;
- setting standards for data transmission and quality reporting;
- maintain classifications;
- provision of tools for compiling accounts available to Member States and other countries;
- facilitating training;
- promoting the exchange of experience between countries and participation in international initiatives organised by the OECD, the United Nations Economic Commission for Europe and the United Nations.