Diagnostic Tool & Policy Use
Session 3 Day 4

A Joint USP and ESCAP Presentation

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Objectives

To discuss how key findings from environment statistics can better feature in policy making and how policy makers can support work on environment statistics.

Background rationale:

1. Better understanding of effects of resource use and climate change on economic assets, incomes, resources and welfare
2. Experience some of these effects in our countries, with increased intensity and frequency; and we know that we remain vulnerable
3. Limited availability of reliable statistics on environment concerns
4. Environment statistics we have, is used for policy? Are policy makers able to use?

Policy sources in SEEA Central Framework

1. Supply and Use Tables (P&M) show flow of natural inputs, products and residuals (Y+IM = C+I+G+X)
2. Asset Accounts (P&M) for individual environmental assets (show opening, closing stock and change (C-O) of assets
3. Sequence of economic accounts (production, income and use accounts, see SNA08, highlighting depletion-adjusted economic flows) for – “green national accounts”
4. Functional accounts that record transactions and information about activities related to environment

    Analysis of these data (or whatever sub-set you compile) can be extended to relevant income, employment, demographic of social information

Diagnostic Approach and Policy

- Integrates policy concerns and allows for understanding of priority data compilation with rationale
  - Policies, budget documents and plans remain important sources for justifying the production of statistics
  - Policy makers need to be involved in the process, for ownership and confirmation of priority SEEA statistics
- Requires a loop back from results of SEEA findings and climate change statistics publication to INFORM policy
  - Communication of results critical - presentation, outreach (social media)
  - While stating the facts, providing leads for policy enquiry will help raise demand for such statistics
  - Stakeholders, such as those in the media, academia, and CSO remain valuable users/advocates

Country Diagnostic Results – Day 1 Recap

- All countries have national development plans, with regional and international plans
- All have indicated policy priorities
- Identified national environmental concerns – wide ranging
- Mapped institutional stakeholders and data sources
- Identified a short-term workplan to progress data compilation in a few area
- Common SEEA statistics included water, energy, waste and land

What user possibilities may arise from diagnostic results?

- Monitoring of national development priorities
- Reporting against global commitments, e.g. SDGs, UNFCC etc
- Policy use, including:
  - fiscal policy, such as taxation to create incentives that determine use of natural resources; or dealing with emissions or pollution
  - regulations to shape supply and use of resources; and
  - infrastructure investment and maintenance planning

Lessons from SEEA findings in the region

- In addition to the accounting tables, a few countries have provided a range of interpretive and analytical texts.
- Generally, there is limited capacity to interpret and analyse the accounts. Need to engage policy makers better targeting the messages and ensuring connection back to original policy questions (reasons for developing the accounts) is critical.
- Messages in the release of SEEA statistics - as simply presented and written as possible - remains a critical step. Any use depends on it!

Lessons from SEEA findings in the region

- FSM, Palau and Fiji SEEA releases helps illustrate examples of issues for policy use. It underscores the point that statisticians and statistical offices alone cannot fully anticipate and understand policy use perspectives.
- To improve policy use - involve planners, key sector and budget policy makers into the early planning, production and post-production analysis phases to build ownership, and raise understanding of key policy applications.
- Use broader policy and planning coordination systems to drive use of SEEA findings and raise ownership, in turn will create necessary policy demand for sustaining SEEA efforts.

Example from a SEEA release

5.2 Infrastructure planning

Using data from the accounts to examine options for increasing supply or reducing demand, for example, loss of energy in generation and distribution, and losses in distribution of water (Figures 10 and 17), global comparisons could facilitate the assessment of investment decisions on appropriateness and efficiency of technologies and infrastructure within the water and energy supply industries as well as more efficient use of water and energy in other industries (e.g. by using more energy efficient appliances). Estimates for the overall energy and water supply and distribution capacity can help plan for future requirements, noting demand/ use trends that the SEEA accounts present, including intensity of use by category of users. For example, the significance of tourism sector activities to Palau's economy means considering water and supply challenges vis-à-vis the number of visitor arrivals and forecast arrivals. The concept of

Last words….

- Starting points/sources of policy interests (e.g. plans, budgets) as the rationale for compiling SEEA accounts – matters!
- Keeping policy makers, planners, statisticians informed and engaged in the pre and post SEEA compilation efforts – matters!
- Coordinating within the broader policy and statistical system stakeholders – matters!
- How we communicate the results of SEEA findings – matters a lot!
- Finding policy applications for SEEA accounts as part of the compilation and dissemination process, in collaboration with policy stakeholders – matters a lot!
- Connecting SEEA to policy use is not always apparent, and globally, applications are still emerging – caring about policy use, particularly when trying to sustain use of new environment statistics, matters a lot!

Questions?

- Introduction to Exercise

Exercise 1

Renewable energy share in the total final energy consumption is a concern. The amount of electricity produced from solar is less than 1 percent but has increased from 1,397 to 2,907 GJ between FY2014 and FY2016.

- What stakeholders could have interest in this finding?
- What policy implications arise?
- Possible policy measures to address?

Exercise 2

Losses in distribution of water amounts to 40% of total supply.

- What stakeholders could have interest in this finding?
- What policy implications arise?
- Possible policy measures to address?

Exercise 3

Fossil fuel energy use is rising by 15% per annum – unsustainable rate vis-à-vis macroeconomic concerns:

- Retail price of fossil fuel and retail price of electricity are lower than regional benchmarks.
- Can we review fiscal policies (government taxes and subsidies on energy products),and regulations that might lead to a more equitable and user pays pricing regime, encourage renewable energy and switching to hybrid or electric cars etc?
- One or two minutes to communicate this result and policy implication to a policy maker/Minister?