

CONFERENCE OF EUROPEAN STATISTICIANS

For discussion and
recommendations

Meeting of the 2021/2022 Bureau
Geneva (online), 13-14 October 2021

Item IV (b) of the Provisional
Agenda

**PROGRESS ON KEY ACTIVITIES OF EUROSTAT, IMF AND OECD
IN CLIMATE CHANGE RELATED STATISTICS**

Prepared by Eurostat, IMF and OECD

This note is provided as a brief update following the discussion on climate action at the CES 2021 session and the paper “Official statistics for climate action” (ECE/CES/2021/26), prepared jointly by Eurostat, IMF, and OECD. The note includes updates on progress and planning for the areas of international collaboration mentioned in the joint paper.

The Bureau is invited to take these activities into account when deciding on follow-up to the CES 2021 session on official statistics for climate action.

I. EUROSTAT

1. Eurostat is performing a review of the climate change related statistics currently offered by the European Statistical System (ESS). The outcome of this review will be a report including findings and concrete recommendations on climate change related statistics to be implemented as part of the European Green Deal¹ action plan by the ESS.

2. This review is advancing as scheduled. Three workshops took place in April, July and September. They allowed users and producers partnered with Eurostat to discuss. There were also online consultations and selected interviews in May-June. The review report is being finalised and recommendations being drafted. There will be some recommendations about data gaps about climate change statistics, about improvements of data communication and about international coordination. The review report is scheduled to be ready by late October. In the following months, Eurostat will elaborate an action plan about the recommendations and consider them for the future annual work programme(s) as appropriate.

3. Another main area of work relates to quarterly greenhouse gas emissions estimates. Eurostat joined in June 2021 an international task team developing guidelines for methods and data sources. This task team also comprises representatives from International Monetary Fund (IMF), OECD, International Energy Agency (IEA), and United Nations Statistical Division (UNSD). The work on quarterly greenhouse gas emissions is focused on SEEA-type air emissions accounts and the quarterly estimates will be benchmarked to the annual accounts,

¹ The European Green Deal is one of the key priorities of the European Commission for the term 2019-2024.

which already exist for the European Union. Eurostat is applying techniques based on temporal disaggregation of the available annual accounts and extrapolating quarterly values for which no annual accounts are available. Eurostat is producing estimates for 18 relevant ‘data points’ which are combinations of greenhouse gases and groupings of economic activities or source sectors. Predictors identified include e.g. monthly energy statistics, quarterly production volume indices, quarterly gross value added, and bi-annual livestock numbers. The timeliness and data availability for predictors is comparatively good at the European level. Eurostat intends to provide full-fledged test estimates for time series up to 2021 Q2 by November 2021. Regular dissemination is planned to be implemented by early next year starting with reference period 2021 Q3.

4. Eurostat is further developing environmental accounts to better suit climate change information needs. Eurostat is developing three new mandatory European environmental accounts on forest accounts, ecosystem accounts and environmental subsidies and similar transfers, all of which are relevant for climate change. This is long-term work which could deliver results in 2025 or later. For the short term, Eurostat is developing the existing monetary environmental accounts to advance the work on climate change statistics, in particular as regards the existing module for environmentally related taxes, identification of climate change related activities under the classification environmental activities, maintained production of carbon footprint estimates and new voluntary collection of data on output of energy from renewable sources and related expenditure (including investments) of various economic sectors as well as investments in renewable energy production and for energy efficiency under the environmental protection expenditure accounts questionnaire.

II. INTERNATIONAL MONETARY FUND (IMF)

5. The IMF continues to support members’ efforts to address climate change related challenges through its surveillance, when macro-critical, and through its capacity development activities². The IMF Statistics Department is continuing its work to ensure that reliable climate data are available for macro-climate analysis. The work is progressing well to improve data for key areas of immediate policy needs: (i) greenhouse gas emissions; (ii) estimates of the availability of financing to address climate change and (iii) government climate-change policy indicators.

A. International cooperation in various climate-change areas

6. As reported in this is note by other member of the task team, the international collaboration on developing quarterly air emissions is progressing well. The key challenge will be to expand the coverage to non-OECD countries. In addition, the IMF is collaborating with OECD on research methods for monitoring the nationally-determined contributions, aiming to develop more harmonized monitoring of commitments from an international perspective. The IMF is also conducting a joint research with national authorities to develop forward-looking physical and transition risk indicators.

² <https://www.imf.org/en/News/Articles/2021/07/30/pr21238-imf-executive-board-discusses-strategy-address-climate-change-related-policy-challenges>

B. Climate-Change Indicators Dashboard

7. Significant progress has been made in refining and further expanding the coverage and granularity of indicators housed at the Climate-Change Indicators Dashboard ahead of the IMF 9th Statistical Forum “Measuring Climate Change: economic and Financial Dimensions” in November. Among others, the national mitigation targets calculated by the IMF have been refined in July, based on the IMF’s interpretation of each country’s Nationally Determined Contributions (NDC). In September, data on fossil fuel subsidy estimates have been added. The work is also progressing on updating the existing financial, physical and transition risk indicators.

C. A possible new G-20 Sponsored Data Gaps Initiative

8. In their July 2021 Communiqué, the G20 Finance Ministers and Central Bank Governors took note of the Concept Note prepared by the IMF, in close cooperation with the Financial Sector Board and the Inter-Agency Group on Economic and Financial Statistics (IAG), on a possible new Data Gaps Initiative. The initiative, among others, focuses on climate-change related data gaps. The IMF is currently working, in cooperation with the other IAG members, to develop a detailed work plan and steps to identify data gaps and specific recommendations. This initiative will, among others, facilitate the development of a collection framework for climate data which would result in greater availability and comparability of national data and facilitate effective policymaking.

III. ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD)

A. Environmental activities: Climate-related public budget and government expenditure

9. An important source of information for monitoring climate change and mitigation efforts is Environmental protection expenditure accounts (EPEA). Eurostat and the OECD jointly compile EPEA statistics from member States. Climate change discussions have brought attention to increased use of these data and to some potential improvements and extensions for analyses for the statistics. Current work is aimed at improving comparability between countries and potentially extending the scope for analyses, with a focus on identifying climate change related activities.

B. Environmental activities: Fossil fuel subsidies

10. Work on fossil fuel subsidies (FFS) is anticipated, aiming at improving comparability between countries, in close collaboration among international agencies and as part of a climate change component of the G20’s Data Gap Initiative.

11. New developments in these domains are works-in-progress and will be coordinated with the Eurostat Task Force on the Classification of Environmental Activities.

C. Air emissions

12. Eurostat and OECD continue to work together closely on development of air emission accounts (AEAs), aligned with objectives and planned actions of the UN Committee of Experts

on Environmental-Economic Accounting (UNCEEA) Area ‘C’ Task Force, towards global AEA databases. Resources for compiling AEAs continue to expand, in alignment with Eurostat and UN guidelines, including via development of detailed global OECD estimates for GHG emissions from international transport.

13. An inter-agency task team was established to develop quarterly estimates of greenhouse gas emissions by country. Part of this work involves bringing together available official and related greenhouse gas emission statistics, particularly annual Air Emission Accounts, as the starting point and benchmark for estimating the accounts on a quarterly basis. The work is ongoing to develop a joint methodology among the international agencies involved, and in consultation with member countries, towards a harmonized estimation approach for temporal disaggregation and improved timeliness of AEAs at the international level.

D. National Emissions targets

14. OECD and the IMF are collaborating on research methods for monitoring the nationally-determined contributions (NDCs), aiming to develop more harmonized monitoring of commitments from an international perspective. As noted in the report to the CES Plenary, NDCs are not reported using a consistent methodology or set of benchmarks. Development of a standardized approach to present reported national emissions targets in a consistent manner (i.e. using the same reporting units) was identified as an important task for the new IPAC Annual Climate Action Monitor and dashboard of climate-related indicators.

E. IPAC

15. In April 2021, OECD established the International Programme for Action on Climate (IPAC). IPAC offers participating countries a new steering instrument to pursue progress towards the transition to net-zero greenhouse gas emissions and a more resilient economy by mid-century, thanks to evaluation of their action and the sharing of good practices. The programme will have four key deliverables: the Annual Climate Action Monitor, a dashboard of climate-related indicators, concise country notes with targeted policy advice and an interactive online platform. Work to design and implement the four deliverables is ongoing in close collaboration with partners including UNECE, UNSD, IMF, Eurostat, and a group of technical experts from countries.

IV. CONCLUSION

16. The key recommendations, identified in the joint paper by the by Eurostat, IMF, and OECD (ECE/CES/2021/26), continue to serve as a blueprint to further improve coordination and collaboration across international agencies and their respective memberships to produce high-quality, high-frequency, and comparable climate-change related data necessary for policy making. The work on individual activities, as reported in the note, is progressing well. The deeper collaboration among international agencies will facilitate development of a standard set of climate-change indicators, as well as integration of climate-related statistics in the next International Statistical Standards Update (Balance of Payments and System of National Accounts Manuals) that is expected to be completed in 2025.