Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR)

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Morning Session

Agenda Item 3.
Enhancing comparability of sustainability reporting: Selection of core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals

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CORPORATE SUSTAINABILITY REPORTING AND OFFICIAL STATISTICS FOR SDG MONITORING

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24-26 October 2018
Outline

1. Integrated official statistics and the SDGs
2. Aligning corporate and national natural capital accounting
3. Roadmap
The missing piece of the puzzle

• Every country follows the System of National Accounts and every business relies on a balance sheet

• However, they largely omit the benefits from nature

• We need to integrate the contribution of nature into decision-making.
The System of Environmental Economic Accounting (SEEA)

- The **SEEA Central Framework** was adopted as an international statistical standard by the UN Statistical Commission in 2012 to measure the environment and its relation with the economy.

- The **SEEA Experimental Ecosystem Accounting** complements the Central Framework and represents international efforts toward coherent ecosystem accounting.
SEEA: From a silo approach to integration

Towards integration
- Institutional arrangements/governance
- Integrated decision making

Agency A
- Policy A
- Info A
- Data A

Agency B
- Policy B
- Info B
- Data B

Agency C
- Policy C
- Info C
- Data C

Indicators
Accounts
- SNA / SEEA
Basic data
- Economy / Environment / Social
The **SNA and SEEA** are statistical standards that can be used to monitor a number of environmental-economic SDG Indicators *in an integrated way*. 

[Image of the United Nations Sustainable Development Goals (SDGs) icons]

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**SEEA**
Corporate natural capital accounting

Natural Inputs

Products

Residuals
National natural capital accounting

Natural Inputs

Products

Residuals
Aligning corporate and national efforts

• Corporate sustainability accounting is an important information source for statistics to support national-level monitoring of the Sustainable Development Goals

• Contributions of the corporate sector to obtaining and monitoring the Sustainable Development Goals will require a harmonized monitoring effort

• Alignment of national and corporate sustainability will:
  - Reduce the reporting burden for businesses by aligning business surveys with corporate reporting
  - Streamline the process of using business statistics in the production of national statistics
  - Provide a set of common definitions and concepts so businesses can use statistical products efficiently
Alignment – How?

Multiple initiatives in corporate and finance sectors:

→ **Common definitions and concepts can build bridges among different initiatives**

1. Map existing initiatives and identify the differences and similarities with SEEA standard

2. Work to align terminology and classifications

3. Develop common valuation methodology and data validation techniques

4. Work towards a standardized collection process

➤ Business statistics have already been aligned with the System of National Accounts for economic statistics. The same steps can be taken for the environment.

SEEA
THANK YOU

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