

Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	2010/0073(COD) Procedure completed
European environmental economic accounts Amended by 2013/0130(COD)	
Subject 3.45.20 Business statistics 3.70.02 Atmospheric pollution, motor vehicle pollution 3.70.15 Environmental taxation 3.70.20 Sustainable development 8.60 European statistical legislation	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ENVI Environment, Public Health and Food Safety	S&D LEINEN Jo	27/04/2010
		Shadow rapporteur PPE SOULLIE Catherine	
Council of the European Union	Committee for opinion	Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs	NI MARTIN Hans-Peter	27/04/2010
	ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
European Commission	Council configuration	Meeting	Date
	Environment	3103	21/06/2011
	Commission DG Eurostat	Commissioner REHN Olli	

Key events			
09/04/2010	Legislative proposal published	COM(2010)0132	Summary
21/04/2010	Committee referral announced in Parliament, 1st reading		
09/11/2010	Vote in committee, 1st reading		Summary
17/11/2010	Committee report tabled for plenary, 1st reading	A7-0330/2010	
06/06/2011	Debate in Parliament		

07/06/2011	Results of vote in Parliament		
07/06/2011	Decision by Parliament, 1st reading	T7-0253/2011	Summary
21/06/2011	Act adopted by Council after Parliament's 1st reading		
06/07/2011	Final act signed		
06/07/2011	End of procedure in Parliament		
22/07/2011	Final act published in Official Journal		

Technical information

Procedure reference	2010/0073(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amended by 2013/0130(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 338-p1
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/7/02690

Documentation gateway

Legislative proposal		COM(2010)0132	09/04/2010	EC	Summary
Committee draft report		PE448.872	16/09/2010	EP	
Amendments tabled in committee		PE450.860	15/10/2010	EP	
Committee opinion	ECON	PE448.687	28/10/2010	EP	
Committee report tabled for plenary, 1st reading/single reading		A7-0330/2010	17/11/2010	EP	
Text adopted by Parliament, 1st reading/single reading		T7-0253/2011	07/06/2011	EP	Summary
Draft final act		00011/2011/LEX	06/07/2011	CSL	
Commission response to text adopted in plenary		SP(2011)6334	14/07/2011	EC	
Follow-up document		COM(2013)0864	09/12/2013	EC	Summary
Follow-up document		COM(2015)0577	23/11/2015	EC	
Follow-up document		COM(2016)0663	19/10/2016	EC	Summary
Follow-up document		COM(2020)0056	14/02/2020	EC	Summary
Follow-up document		COM(2020)0776	02/12/2020	EC	
Follow-up document		COM(2022)0718	15/12/2022	EC	

Additional information

National parliaments	IPEX
European Commission	EUR-Lex

Final act

[Regulation 2011/691](#)

[OJ L 192 22.07.2011, p. 0001](#) Summary

Final legislative act with provisions for delegated acts

Delegated acts

[2015/2993\(DEA\)](#)

Examination of delegated act

[2021/2992\(DEA\)](#)

Examination of delegated act

European environmental economic accounts

PURPOSE: to draw up a common framework for the collection, transmission and evaluation of European environmental economic accounts.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: users put much emphasis on analysis and applications of environmental accounts in modelling and forecasts/outlooks, both for preparing policy proposals and reporting on policy implementation and impacts. Examples are the design of taxation policies related, for instance, to climate change and energy uses, or the assessment of the effects of international trade on emissions and resource use. User needs may differ somewhat across countries reflecting national endowments with natural resources and environmental assets or specific national policy priorities but the key standard components of environmental accounts are similar: selected natural resources accounts, air emissions and energy accounts, material flows accounts, environmental expenditure, activities and taxes.

By gentlemen's agreement, Environmental Accounts data compiled in National Statistics Institutes (NSIs) is transmitted to Eurostat on a regular basis (yearly or two-yearly) via the following means: i) Joint Eurostat/OECD questionnaire (environmental protection expenditure and revenues); ii) a separate questionnaire on Economy-Wide Material Flows Accounts; iii) a separate questionnaire on air emissions accounts; iv) a separate questionnaire regarding environmental taxes by industry.

The concepts in the European System of Accounts (ESA) are multi-purpose: for a great range of uses the ESA concepts are accepted, though they need to be supplemented for some uses. For some specific data needs, as for e.g. the analysis of the interaction between the environment and the economy, the best solution is to draw up separate satellite accounts.

In its June 2006 conclusions, the European Council called on the European Union and its Member States to extend the national accounts to key aspects of Sustainable Development. The national accounts have therefore to be complemented with integrated environmental economic accounting that provides data that are fully consistent.

IMPACT ASSESSMENT: two options were identified:

- Option 1: continue with the existing Gentlemen's agreement;
- Option 2: establish a legal base to support the data collection on environmental economic accounts.

Option 2 is the preferred option because it is the one that produces better results. The required consistent and regular production and reporting of environmental accounts would improve the quality of the statistics. Moreover, other EU policies (e.g. recycling and prevention of waste, air emissions and climate change, sustainable consumption and production) would be much better monitored if good quality data linking environment and the economy were to exist. This data can be collected by means of the framework of environmental accounts, but it is necessary that every country participates and that harmonisation is fully guaranteed. An appropriate legal base for this data collection can ensure these requirements: data collection in an important area EU-wide, increased visibility of environmental accounts as a tool for policy monitoring exploring the possibility to link environmental and economic data, possibility to take advantage of the current revision of SNA / ESA and get synergies for data collection.

LEGAL BASE: Article 338 of the Treaty on the Functioning of the European Union (TFEU). The objective of the proposed action, namely the collection, compilation, transmission and evaluation of European environmental economic accounts, cannot be sufficiently achieved by the Member States and can therefore be better achieved at EU level on the basis of a Community legal act, because only the Commission can coordinate the necessary harmonisation of statistical information at Community level, while the collection of data and compilation of comparable environmental economic accounts can be organised by the Member States.

CONTENT: this proposed Regulation establishes a common framework for the collection, compilation, transmission and evaluation of European environmental economic accounts for the purpose of setting up environmental economic accounts as satellite accounts to ESA 95 by providing methodology, common standards, definitions, classifications and accounting rules, intended to be used for compiling environmental economic accounts.

The environmental accounts to be compiled within the common framework shall be grouped in the following modules:

- a module for air emissions accounts (as set out in Annex I of the proposal);
- a module for environmentally related taxes by economic activities (as set out in Annex II);
- a module for economy-wide material flow accounts (as set out in Annex III).

The Commission shall draw up a programme for pilot studies to be carried out by Member States on a voluntary basis in order to develop the reporting and data quality, establish long time series and develop methodology. The results of the pilot studies shall be evaluated and published by the Commission, taking into account the benefits of the availability of the data in relation to the cost of collection and the response burden. On the basis of the conclusions of the pilot studies, the Commission shall adopt the necessary delegated acts.

BUDGETARY IMPACT: the collection of data will have no additional impact on the Budget of the European Union.

European environmental economic accounts

The Committee on the Environment, Public Health and Food Safety adopted the report by Jo LEINEN (S&D, DE) on the proposal for a regulation of the European Parliament and of the Council on European environmental economic accounts.

It recommended that the European Parliament's position at first reading under the ordinary legislative procedure should be to amend the Commission proposal as follows:

Scope: Members stipulate that this Regulation must enable the Commission (Eurostat) to make reliable forecasts, based on comparable national data, about the environmental and economic situation of the individual Member States and the Union as a whole. They also state that it is of great importance that the European environmental economic accounts, as soon as the system is fully operational, are actively and accurately used in all relevant EU policy taking as a key input to impact assessments, action plans, legislative proposals and other significant products of the policy process.

Modules: in accordance with the Treaty of Lisbon delegated powers to the Commission should happen in accordance with Art. 290 of TFEU. This delegation of power should be restricted to the adjustment of modules and not encompass the introduction of new modules, since this would require a new legislative proposal in accordance with the ordinary legislative procedure.

Development of new environmental account modules: an amendment proposed by the committee states that as a matter of priority, the Commission shall, in cooperation with the Member States, develop the following modules for inclusion into the scope of this Regulation

by the end of 2014:

- Environmental Protection Expenditure and Revenues (EPER)/Environmental Protection and Expenditure Accounts (EPEA), Environmental Goods and Services Sector (EGSS);
- Energy Accounts;
- Environmentally Related Transfers (subsidies) and Resource Use and Management Expenditure Accounts (RUMEA);
- Water Accounts (quantitative and qualitative) and Waste Accounts;
- Forest Accounts; and
- Ecosystem services Accounts.

Pilot studies: Members consider that pilot studies should also be used for the introduction of new environmental account modules in order to obtain experience in using this instrument at an early stage, with a possible view to expanding the scope of the regulation.

In carrying out the evaluation of the results of the pilot studies, the Commission shall ensure that no additional administrative or financial burdens are placed on respondents.

Data collection: Members clarify that the collection requirements should be clarified. The regional data are of the same importance as national data. They call, in accordance with the annexes of this Regulation, on Member States to collect the necessary data for the observation of the modules' characteristics referred to in this Regulation, at national and regional level as relevant. The Commission may adopt delegated acts to provide methodological guidance to facilitate the application of this provision.

Quality assessment: the Commission (Eurostat) shall assess the quality of the data transmitted and may, within a time-limit of one month, raise an objection and require the Member State in question to submit an improved report.

Feasibility and effectiveness: a new measure provides for the Commission to establish the feasibility and effectiveness of environmental economic accounts.

Delegated acts: the report specifies that the powers to adopt the delegated acts shall be conferred on the Commission for a period of five years following the entry into force of this

Regulation. The Commission shall make a report in respect of the delegated powers at the latest 6 months before the end of the five-year period.

Review: the Commission shall submit a report on the implementation of this Regulation to the European Parliament and the Council every three years. The report shall assess the possibilities for introducing new environmental account modules. The first report shall be submitted not later than 31 December 2013.

The report highlights that the Member States should regularly make available to the public information in a comprehensible form contained in environmental accounts by publishing it together with GDP data, for example.

European environmental economic accounts

The European Parliament adopted by 616 votes to 26, with 24 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on European environmental economic accounts.

It adopted its position at first reading under the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise negotiated between the European Parliament and the Council. They amend the Commission proposal as follows:

Sound information: the text underlines the need to develop instruments with a view to enhancing public awareness of the environmental effects

of economic activity. Environmental economic accounts show the interaction between economic, household and environmental factors and consequently are more informative than national accounts alone. They provide a significant source of data for environmental decisions and the Commission should consult them when drawing up impact assessments.

Environmental tax: the text stipulates that "environmentally related tax" means a tax whose tax base is a physical unit (or a proxy of a physical unit) of something that has a proven, specific negative impact on the environment, and which is identified in ESA-95 as a tax.

Modules: the Commission shall be empowered to adopt delegated acts, where necessary to take account of environmental, economic and technical developments and provide methodological guidance. The Commission shall ensure that its delegated acts do not impose significant additional administrative burdens on the Member States and on the respondent units.

Pilot studies: the Commission shall draw up a programme for pilot studies to be carried out by Member States on a voluntary basis in order to develop reporting and improve data quality, establish long time series and develop methodology. The programme shall include pilot studies to test the feasibility of introducing new environmental economic account modules. In drawing up the programme, the Commission shall ensure that no additional administrative or financial burdens are placed on the Member States and on the respondent units.

The findings of the pilot studies shall be evaluated and published by the Commission, taking into account the benefits of the availability of the data in relation to the cost of collection and the administrative burden of responding. These findings shall be taken into account in the proposals for introducing new environmental economic account modules that the Commission may include in the report referred to in the Regulation.

Quality assessment: in applying the quality criteria, the Commission shall adopt implementing acts with a view to defining the modalities, structure and periodicity of the quality reports. The Commission (Eurostat) shall assess the quality of the data transmitted and may, within one month of receipt of the data, request the Member State in question to submit additional information regarding the data or a revised dataset, as appropriate.

Derogations: the Commission may adopt implementing acts with a view to granting derogations to Member States during the transitional periods referred to in the Annexes insofar as the national statistical systems require major adaptations. Those implementing acts shall be adopted in accordance with the examination procedure referred to in this Regulation.

Delegated acts: the delegation of power shall be conferred on the Commission for a period of 5 years and shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power may be revoked at any time by the European Parliament or by the Council.

A delegated act shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 2 months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by 2 months at the initiative of the European Parliament or the Council.

Review: by 31 December 2013 and every three years thereafter, the Commission shall submit a report on the implementation of this Regulation to the European Parliament and the Council. That report shall evaluate in particular the quality of the data transmitted, the data collection methods, the administrative burden on the Member States and on the respondent units, as well as the feasibility and effectiveness of those statistics.

The report shall be accompanied by proposals:

- for introducing new environmental economic account modules, such as Environmental Protection Expenditure and Revenues (EPER)/Environmental Protection Expenditure Accounts (EPEA), Environmental Goods and Services Sector (EGSS), Energy Accounts, Environmentally Related Transfers (subsidies), Resource Use and Management Expenditure Accounts (RUMEA), Water Accounts (quantitative and qualitative), Waste Accounts, Forest Accounts, Ecosystem services Accounts, Economy-Wide Material Stock Accounts (EW-MSA) and the measurement of unused excavated earthen materials (including soil);
- designed to further improve data quality and data collection methods, thereby improving the coverage and comparability of data and reducing the administrative burden on business and administration.

European environmental economic accounts

PURPOSE: to draw up a common framework for the collection, transmission and evaluation of European environmental economic accounts.

LEGISLATIVE ACT: Regulation (EU) No 691/2011 of the European Parliament and of the Council on European environmental economic accounts.

CONTENT: Regulation establishing a common framework for the compilation of European environmental economic accounts.

Supplement existing indicators: in its Communication of 20 August 2009 entitled "[GDP and beyond: Measuring progress in a changing world](#)", the Commission recognised the need to supplement existing indicators with data that incorporate environmental and social aspects in order to allow more coherent and comprehensive policy making.

To that end, environmental economic accounts offer a means of monitoring the pressures exerted by the economy on the environment and of exploring how these might be abated. Environmental economic accounts show the interaction between economic, household and environmental factors and consequently are more informative than national accounts alone. They provide a significant source of data for environmental decisions and the Commission should consult them when drawing up impact assessments.

Environmental statistics: the new regulation obliges member states to annually report to the Commission (Eurostat) statistics concerning their air emissions, the environmentally related taxes they charge and the material flows in their economy. It may be extended to other environmentally-related statistics in the future. The first reporting year is 2011 and member states have up to two years to transmit their data to Eurostat.

Pilot studies: the Commission shall draw up a programme for pilot studies to be carried out by Member States on a voluntary basis in order to

develop reporting and improve data quality, establish long time series and develop methodology. The programme shall include pilot studies to test the feasibility of introducing new environmental economic account modules. In drawing up the programme, the Commission shall ensure that no additional administrative or financial burdens are placed on the Member States and on the respondent units.

Report and review: by 31 December 2013 and every 3 years thereafter, the Commission shall submit a report on the implementation of this Regulation to the European Parliament and the Council. That report shall evaluate in particular the quality of the data transmitted, the data collection methods, the administrative burden on the Member States and on the respondent units, as well as the feasibility and effectiveness of those statistics.

The report shall be accompanied by proposals: for introducing new environmental economic account modules, such as Environmental Protection Expenditure and Revenues (EPER)/Environmental Protection Expenditure Accounts (EPEA), Environmental Goods and Services Sector (EGSS), Energy Accounts, Environmentally Related Transfers (subsidies), Resource Use and Management Expenditure Accounts (RUMEA), Water Accounts (quantitative and qualitative), Waste Accounts, Forest Accounts, Ecosystem services Accounts, Economy-Wide Material Stock Accounts (EW-MSA) and the measurement of unused excavated earthen materials (including soil).

ENTRY INTO FORCE: 11/08/2011.

DELEGATED ACTS: the power to adopt delegated acts is conferred on the Commission subject to certain conditions. The delegation of power shall be conferred on the Commission for a period of 5 years from 11 August 2011 (tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than 3 months before the end of each period). It may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. A delegated act shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 2 months of notification of that act to the European Parliament and the Council.

European environmental economic accounts

The Commission presents a report on the implementation of Regulation (EU) No 691/2011 of the European Parliament and of the Council on European environmental economic accounts

To recall, the Regulation, which was the first Union Regulation on environmental accounting, introduced three modules:

- air emission accounts showing 14 different gases by 64 industry groups and by households;
- environmental taxes distinguishing 4 tax types - on energy, transport (other than fuel) pollution, resources - all broken down into 64 industry groups, households and non-residents who pay these taxes;
- material flow accounts for 50 material types showing domestic extraction, imports and exports. Then, Domestic Material Consumption, which equals domestic extraction plus imports, less exports, for each type of material and in total.

At the time this first Regulation was discussed, users in the Parliament and the Commissions DGs emphasised that these first three modules were to be seen as a beginning and that the policy needs for environmental accounting went much further. The European Parliament actually inserted into Article 10 a list of new possible modules as priorities for future development.

The main observations set out in the report are as follows:

Data transmission for the first three modules is good and improving: at the time of writing the report, the formal deadlines for the delivery of the data for the first data collection under the regulation have only just or not yet passed. However, a large number of countries have already supplied a considerable amount of data on a voluntary basis: by mid-2013 about 20 countries had supplied complete or almost complete data for the environmental taxes and the air emissions accounts and 24 had supplied the material flow accounts.

Progressively the coverage (number of countries and degree of completion of individual tables), the timeliness and reliability have consistently improved. Eurostat and the national statistical institutes work together in working groups and special thematic task forces to ensure a high level of accuracy, coherence and comparability of the data.

Eurostat has been assisting the Member States who needed it to implement the first three modules through grants for pilot studies, and facilitating sharing of experience between countries. The report notes that the administrative burden of fulfilling the data requirements of the Regulation is small.

The results of the voluntary data collections are published on Eurostats web site and in various publications.

The Commission (Eurostat) will thoroughly check the quality of the data received for the first three modules at the end of 2013 and suggest improvements to individual countries, or to the overall methodology, where needed.

Three additional modules have been proposed: Eurostat and the Member States continued to develop new modules in statistical working groups. In the period 2011-2012 methodologies were developed and pilot tests were carried out, in particular regarding the first three modules listed in Article 10: (i) environmental protection expenditure, (ii) environmental goods and services sector and (iii) physical energy flow accounts.

The Commission (Eurostat) Eurostat is assisting the countries to prepare for the three new modules with grants, exchange of experience, handbooks, etc. as in previous years for the first three modules.

The Commission adopted on 2 May 2013 a [proposal for an amending regulation](#) with the purpose of adding these three modules to the first Regulation. Discussions on the second batch of modules will continue in 2014 in the European Parliament and Council. Statisticians will continue to prepare for the practical implementation of these three additional modules.

Work is also continuing on most of the other accounts listed in Article 10: (i) environmentally Related Transfers (subsidies), (ii) resource Use and Management Expenditure Accounts (RUMEA), (iii) water flow accounts, (iv) forest accounts.

These are potential candidates for a third batch of modules.

The Commission indicates that the European Strategy for Environmental Accounts will be revised in conjunction with main user groups and

with the national statistical institutes. The target date for completion of this new ESEA is mid- 2014.

The Commission and the Member States administrations will continue to work together to ensure greater visibility and use of the results of the environmental accounts.

European environmental economic accounts

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 2013.² 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;
- 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.

European environmental economic accounts

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 Regulations 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.