

Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation 2022/0210(COD)	Awaiting Council's 1st reading position
European environmental economic accounts: new modules Amending Regulation 2011/691 2010/0073(COD)	
Subject 3.10.11 Forestry policy 3.70.01 Protection of natural resources: fauna, flora, nature, wildlife, countryside; biodiversity 3.70.20 Sustainable development 8.60 European statistical legislation	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Environment, Public Health and Food Safety	 CANFIN Pascal	12/09/2022
		Shadow rapporteur	
		 MARTUSCIELLO Fulvio	
		 JERKOVIĆ Romana	
		 EICKHOUT Bas	
		 VONDRA Alexandr	
		 KOKKALIS Petros	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Economic and Monetary Affairs	The committee decided not to give an opinion.	
Council of the European Union	Commission DG	Commissioner	
European Commission	Eurostat	GENTILONI Paolo	

Key events			
11/07/2022	Legislative proposal published	COM(2022)0329	Summary
12/09/2022	Committee referral announced in Parliament, 1st reading		

12/10/2023	Vote in committee, 1st reading		
17/10/2023	Committee report tabled for plenary, 1st reading	A9-0296/2023	Summary
09/11/2023	Decision by Parliament, 1st reading	T9-0390/2023	Summary
09/11/2023	Matter referred back to the committee responsible		
14/02/2024	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE759.099 GEDA/A/(2024)000912	
10/04/2024	Results of vote in Parliament		
10/04/2024	Decision by Parliament, 1st reading	T9-0194/2024	Summary

Technical information	
Procedure reference	2022/0210(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation 2011/691 2010/0073(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 338-p1
Stage reached in procedure	Awaiting Council's 1st reading position
Committee dossier	ENVI/9/09570

Documentation gateway					
Legislative proposal		COM(2022)0329	11/07/2022	EC	Summary
Committee draft report		PE738.601	10/05/2023	EP	
Amendments tabled in committee		PE749.916	12/06/2023	EP	
Committee report tabled for plenary, 1st reading/single reading		A9-0296/2023	17/10/2023	EP	Summary
Text adopted by Parliament, partial vote at 1st reading/single reading		T9-0390/2023	09/11/2023	EP	Summary
Coreper letter confirming interinstitutional agreement		GEDA/A/(2024)000912	09/02/2024	CSL	
Text adopted by Parliament, 1st reading/single reading		T9-0194/2024	10/04/2024	EP	Summary

European environmental economic accounts: new modules

PURPOSE: to introduce new modules on environmental accounts into the existing legal framework for European statistics on European economic accounts for the environment.

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

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: [Regulation \(EU\) No 691/2011](#) of the European Parliament and of the Council on European Environmental Economic Accounts establishes a common framework for the collection, compilation, transmission and evaluation of European Environmental Economic

Accounts.

Environmental economic accounts are a multipurpose statistical framework bringing together economic and environmental information. They measure the contribution of the environment to the economy and the impact of the economy on the environment in a consistent and compatible way with macroeconomic statistics (national accounts).

Article 10 of Regulation (EU) No 691/2011 lists potential new modules to be introduced at a later stage on the basis of Commission proposals, such as environment-related transfers (subsidies), forestry accounts and ecosystem services accounts.

In order to carry out its tasks under the Treaties, especially those related to the environment, sustainability and climate change, the Union should have relevant, comprehensive and reliable information. In order to better monitor progress towards a green, competitive and resilient circular economy and to monitor progress towards the Sustainable Development Goals in a Union context, additional data is required.

The main objective of the proposal is to extend the scope of the European environmental economic accounts to provide better information for the European Green Deal, a growth strategy that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy.

CONTENT: the proposal adds three new modules to the list of European environmental economic accounts modules: (i) forest accounts, (ii) ecosystem accounts, and (iii) environmental subsidies and similar transfers accounts.

Ecosystem accounts integrate biodiversity and natural capital considerations with mainstream economic questions on resource allocation and sustainability.

Forest accounts specifically measure forest area and its available share for timber extraction and trace their changes over time.

Environmental subsidies and similar transfers accounts identify and quantify domestic fiscal policy measures and non-EU resources that support the Green Deal through economic activities and products, protecting the environment and safeguarding natural resources.

The three proposed modules respond to and are underpinned by international statistical standards: the System of Environmental Economic Accounts (SEEA) Central Framework and SEEA Ecosystem Accounts.

The proposal provides information for the European Green Deal by integrating environmental sustainability considerations for economic policy purposes. The data produced under the Regulation will also contribute to the European Semester's greening initiatives, to the integration of sustainability into all EU policies, and to the monitoring of the United Nations 2030 Agenda for Sustainable Development.

A new provision empowers the Commission to adopt a delegated act to decide on which of the ecosystem services, already included in the reporting tables in Section 5 of Annex IX monetary values, will be reported. The provisions in Annex IX set ecosystem services in physical and monetary units. The ecosystem services in monetary units will be a subset of the ecosystem services in physical units.

The proposal allows Member States to use innovative approaches other than those already foreseen for data collection. It provides for the possibility to request a derogation from data reporting for the three new modules.

Lastly, it updates the areas to be included in the report to the Parliament and the Council on the implementation of the Regulation.

European environmental economic accounts: new modules

The Committee on the Environment, Public Health and Food Safety adopted the report by Pascal CANFIN (Renew, FR) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 691/2011 as regards introducing new environmental economic accounts modules.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

The report stated that it is critical to get relevant and granular data from Member States about their climate, energy and environment investment gaps to make sure that the Union is on the right track to deliver on the European Green Deal objectives with sufficient public and private capital allocated to the Green transition.

Given the urgent need to expand the system of European environmental economic accounts (EEEA) for policy-making and monitoring, the Commission should be empowered to adopt, by means of delegated acts, the new modules listed in this Regulation and to improve and further develop the existing modules set out in annexes to Regulation (EU) No 691/2011.

Modules

By 3 years from the date of entry into force of this Regulation, the Commission should adopt delegated acts to supplement this Regulation with the following further modules:

- energy subsidies including fossil fuel subsidies;
- subsidies or support measures potentially harmful for the environment;
- water accounts (quantitative and qualitative);
- waste account;
- circular material use rate;
- climate mitigation;
- climate adaptation;
- protection and restoration of biodiversity and ecosystems;
- pollution prevention and control;

- resource management expenditure accounts, including critical raw material;
- environmental footprint.

By 18 months from the date of entry into force of this Regulation, the Commission (Eurostat) should submit a report on the monetary valuation of ecosystem services. By one year from the date of entry into force of this Regulation, the Commission should publish a study analysing the reporting data currently included in this regulation for Climate change mitigation, as well as propose the creation of a dedicated climate adaptation module to ensure that all reporting values to deliver the objectives of the European Green Deal and European Climate Law, the Fit for 55 package and the Net Zero Industry Act are provided by Member States. The study should be accompanied by an indicative timeline for the future development of the modules.

The Commission is also empowered to adopt delegated acts to amend the annexes in order to adapt and further develop the modules.

Pilot studies

The Commission should 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 should include pilot studies to test the new environmental economic account modules. In drawing up the programme, particular attention should be given to modules producing data on energy subsidies, including fossil fuel subsidies, and ensure that no additional administrative or financial burdens are placed on the Member States.

European environmental economic accounts: new modules

The European Parliament adopted by 449 votes to 102, with 41 abstentions, amendments to the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 691/2011 as regards introducing new environmental economic accounts modules.

The matter was referred back to the relevant committee for interinstitutional negotiations.

Purpose of the regulation

Members clarified that the general objective of the Regulation is to provide data that supports the monitoring and evaluation of the Unions progress of meeting its environmental objectives laid down in Union law as well as its international commitments in this area.

Modules

By 3 years from the date of entry into force of this Regulation, the Commission should present a legislative proposal to develop the following modules:

- energy subsidies including fossil fuel subsidies;
- subsidies or support measures potentially harmful for the environment;
- water accounts (quantitative and qualitative);
- waste account;
- circular material use rate;
- climate mitigation;
- climate adaptation;
- protection and restoration of biodiversity and ecosystems;
- pollution prevention and control;
- resource management expenditure accounts, including critical raw material;
- environmental footprint.

By 18 months from the date of entry into force of this Regulation, the Commission (Eurostat) should submit a report on the monetary valuation of ecosystem services. The report should include an assessment of methodological possibilities and the feasibility of monetary valuation, possible reporting values where those values are missing and possible alternative ways of measuring for Ecosystem services Accounts. The report may, where appropriate, be accompanied by a legislative proposal to amend this Regulation.

By one year from the date of entry into force of this Regulation, the Commission should publish a study analysing the reporting data currently included in this regulation for Climate change mitigation, as well as propose the creation of a dedicated climate adaptation module to ensure that all reporting values to deliver the objectives of the European Green Deal and European Climate Law, the Fit for 55 package and the Net Zero Industry Act are provided by Member States. The study should be accompanied by an indicative timeline for the future development of the modules.

Pilot studies

The Commission should 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 should include pilot studies to test the new environmental economic account modules. In drawing up the programme, particular attention should be given to modules producing data on energy subsidies, including fossil fuel subsidies, and ensure that no additional administrative or financial burdens are placed on the Member States.

Data collection

The Commission may, within 3 months after being informed, advise Member States against using a specific innovative approach if it considers

that the quality of the data risks not to be sufficient or make recommendations of how to achieve the required quality of the data. It should facilitate the exchange of best practices on innovative approaches among all Member States.

Transmission to the Commission (Eurostat)

By 18 months from the date of entry into force of this Regulation, the Commission (Eurostat) and the European Environmental Agency (EEA) should develop and provide the European Environment Accounts Dashboard with a science-based and freely accessible state-of-play information on data covered by the modules, such as the GHG emission reduction path, taking into account the objectives set in the European Climate law, progress towards biodiversity restoration and the associated investments.

The Dashboard should be updated annually and cover new modules and data available.

In order to achieve the objectives laid down in Regulation (EU) 2021/1119 (EU Climate Act), Member States should submit data regarding climate change mitigation as from 1 January 2025.

European environmental economic accounts: new modules

The European Parliament adopted by 492 votes to 82, with 48 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 691/2011 as regards introducing new environmental economic accounts modules.

The position adopted by the European Parliament at first reading under the ordinary legislative procedure is as follows:

Aim of the Regulation

The amended text specifies that the Regulation contributes to provide sound information on key trends, pressures and drivers for environmental change and thereby supports monitoring and evaluation of the Unions progress in meeting its environmental objectives laid down in Union law as well as its international commitments in this area.

Delegated acts

To take account of environmental, economic and technical developments, the Commission should have the power to adopt delegated acts to supplement this Regulation by providing methodological guidance and to amend the Annexes.

Programme of pilot studies

The Commission should 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 should include pilot studies to test the new environmental economic account modules. In drawing up the programme, the Commission should give particular attention to modules producing data on energy subsidies, including fossil fuel subsidies, and ensure that no additional administrative or financial burdens are placed on the Member States and on the respondent units.

In addition to the programme of pilot studies, the Commission (Eurostat) should by 18 months from the date of entry into force of this Regulation at the latest, in cooperation with the Member States carry out an assessment of methodological possibilities and the feasibility of monetary valuation, possible reporting values where those values are missing and possible alternative ways of measuring for Ecosystem services Accounts taking into account international standards of SEEA EA. Based on the results of these studies, the Commission may submit to the European Parliament and to the Council a new proposal amending this Regulation in order to include monetary ecosystem accounts.

Derogations

The Commission may adopt implementing acts granting derogations to Member States in so far as the national statistical systems require major adaptations.

Financing

For the implementation of this Regulation, the Union should provide, from the Single Market Programme, financial support to the national statistical institutes and other national authorities for: (i) the development of methodologies for statistics under this Regulation; (ii) to improve statistical quality of accounts, in particular for the development or enhancement of processes, including digitally based solutions that aim to produce statistics of a higher quality; (iii) to improve timeliness of accounts and to reduce the administrative and reporting burden.

The amount of Union financial contribution should be established in accordance with the rules of the Single Market Programme as part of the annual budgetary procedure, subject to the availability of funding.

Environmental Economic Account Dashboard

The Commission (Eurostat) should establish an Environmental Economic Account Statistical Data Portal ('Dashboard'), which should summarise the key indicators from environmental economic accounts in a user-friendly and interactive way.

The Data portal should display the data provided by Member States in each of the modules covered in this Regulation and on climate change mitigation investment. The Data portal should be operational by December 2024 and should be updated by the Commission (Eurostat) once a year. The data portal should be made publicly available on the Eurostat website.

Review

By 31 December 2024 at the latest and at least every two years thereafter, the Commission (Eurostat) should issue a digital publication that contains data and statistics on climate-change mitigation including investments, compiled from the relevant data available from the environmental economic account modules and, if appropriate, from other data sources.

By 2 years from the date of entry into force of this Regulation, the Commission should assess the quality of data available on energy subsidies, including fossil fuel subsidies, on climate change adaptation and on water, and, if appropriate, submit a legislative proposal introducing the new modules.

Transparency

JERKOVI? Romana	Shadow rapporteur	ENVI	13/12/2022	ZOE Institute
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