Environmental Protection Expenditure Accounts

NEEP

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## Calculation of NEEP

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Output of EP services at basic prices</td>
</tr>
<tr>
<td>2</td>
<td>- Intermediate consumption of EP services by producers of EP services</td>
</tr>
<tr>
<td>3</td>
<td>+ Imports of EP services</td>
</tr>
<tr>
<td>4</td>
<td>- Exports of EP services</td>
</tr>
<tr>
<td>5</td>
<td>+ Items to adjust the valuation of EP services from basic price to purchaser's price</td>
</tr>
<tr>
<td>6</td>
<td>= Supply of EP services available to resident units, at purchaser's prices</td>
</tr>
</tbody>
</table>

\[
\begin{align*}
7 & = \text{Uses of EP services by resident units at purchaser's prices (6=7)} \\
8 & = \text{of which final consumption} \\
9 & = \text{Gross fixed capital formation (}^{1}\text{) for production of EP services} \\
10 & = \text{Environmental protection transfers paid to the rest of the world} \\
11 & = \text{Expenditure for environmental protection by resident units} \\
12 & = \text{Environmental protection transfers received from the rest of the world} \\
13 & = \text{National Expenditure on Environmental Protection (NEEP)}
\end{align*}
\]
Uses of EPEA Data

EPEA data can be used for a variety of purposes,

• assess how much is spent on environmental protection and to what extent environmental protection expenditure impacts on total economic expenditure
• analyse the environmental protection expenditure and its financing by institutional sector
• present the level and composition of the efforts that countries or economic sectors make for environmental protection in the various domains;
• assess who produces environmental protection services
• assess production costs and employment
• assess to what extent the general government assumes responsibility for such production
Uses of EPEA Data

Key indicators from EPEA might include the following:

- national expenditure on environmental protection, by categories of users/beneficiaries and financing units and by domain (CEPA classes)
- the demand and supply of EP services and EP-related products
- the net cost of environmental protection
- the contribution of environmental protection activities to economic growth, exports and employment
- the contribution to environmental protection made by different economic sectors.
Uses of EPEA Data

Producers of EPS
- Institutional sector (NACE)
- Type of EPS output
  - Market
  - Non-market
  - Ancillary

Environmental domains
- CEPA classes

Category of expenditure
- Capital
- Current final consumption
- Intermediate consumption
- Structure of costs
  - Compensation of employees (Employment)
  - Consumption of fixed capital
  - Rest of the world

Environmental Protection Expenditure Accounts
Uses of EPEA Data

Indicators can be derived from NEEP, for instance:

- Environmental protection expenditure by inhabitant;
- Share of environmental protection expenditure to gross domestic product (GDP) or gross national income (GNI).
- Contributions to NEEP by institutional sector
- Final consumption expenditure of environmental protection services
- Investment for environmental protection
- EPEA output by type of output
- EPEA output by CEPA and sector
- GFCF of general government for environmental protection
- ...
Təşəkkür edirəm