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*****I**
REPORT

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 691/2011 on European environmental economic accounts
(COM(2013)0247 – C7-0120/2013 – 2013/0130(COD))

Committee on the Environment, Public Health and Food Safety

Rapporteur: Elena Oana Antonescu

PR_COD_1amCom

Symbols for procedures

RR\1011767EN.doc

PE521.527v02-00

EN

United in diversity

EN

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ▬ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 691/2011 on European environmental economic accounts (COM(2013)0247 – C7-0120/2013 – 2013/0130(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2013)0247),
 - having regard to Article 294(2) and Article 338(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0120/2013),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on the Environment, Public Health and Food Safety (A7-0420/2013),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Decision No xxx of the European Parliament and of the Council of xxx 2013 laying down the Seventh Community Environment Action Programme^l provides that sound information on the key trends, pressures and drivers for environmental change is essential for the development of effective policy, its implementation, and

Amendment

(1) Decision No .../... /EU of the European Parliament and of the Council of xxx 2013 laying down the Seventh Community Environment Action Programme⁺ provides that sound information on the key trends, pressures and drivers for environmental change is essential for the development of effective policy, its implementation, and

the empowerment of citizens more generally. Instruments should be developed with a view to enhancing public awareness of the environmental effects of economic activity.

¹ *OJL ...*

Amendment 2

Proposal for a regulation

Article 1 – paragraph 1 – point 1

Regulation (EU) No 691/2011

Article 2 – point 4

Text proposed by the Commission

(4) 'environmental protection expenditure' means the economic resources devoted by resident units to environmental protection. Environmental protection **includes** all activities and actions which have as their main purpose the prevention, reduction and elimination of pollution as well as any other degradation of the environment. This includes measures taken in order to restore the environment after it has been degraded. Activities which, while beneficial to the environment, primarily satisfy technical needs or the internal requirements for hygiene or security of an enterprise or other institution are excluded;

the empowerment of citizens more generally. Instruments should be developed with a view to enhancing public awareness of the environmental effects of economic activity. ***It is important that such data are made available in a comprehensible and accessible form and published together with conventional economic data such as GDP.***

⁺ *OJ: Please insert the title and reference number of ...*

Amendment

(4) 'environmental protection expenditure' means the economic resources devoted by resident units to environmental protection **activities**. Environmental protection **activities include** all activities and actions which have as their main purpose the ***promotion of good environmental status (GES), and the*** prevention, reduction and/or elimination of pollution as well as any other degradation of the environment. This ***also*** includes ***all*** measures taken in order to restore the environment after it has been degraded. Activities which, while beneficial to the environment, primarily satisfy technical needs or the internal requirements for hygiene or ***safety and*** security of an enterprise or other institution are excluded;

Amendment 3

Proposal for a regulation

Article 1 – paragraph 1 – point 1

Regulation (EU) No 691/2011

Article 2 – point 5

Text proposed by the Commission

5) ‘environmental goods and services sector’ means those production activities of a national economy that generate environmental products. Environmental products are products that have been produced for the purpose of environmental protection and resource management. Resource management includes the preservation, maintenance and enhancement of the stock of natural resources and hence safeguarding against depletion;

Amendment

(5) ‘environmental goods and services sector’ means those production activities of a national economy that generate environmental products (***environmental goods and services***). Environmental products are products that have been produced for the purpose of environmental protection ***as defined in the second sentence of point (4)*** and resource management. Resource management includes the preservation, maintenance and enhancement of the stock of natural resources and hence safeguarding against depletion;

Amendment 4

Proposal for a regulation

Article 1 – paragraph 1 – point 1

Regulation (EU) No 691/2011

Article 2 – point 6

Text proposed by the Commission

(6) ‘physical energy flow accounts’ means consistent compilations of the physical energy flows into national economies, the flows within the economy and the outputs to other economies or to the environment.

Amendment

(6) ‘physical energy flow accounts’ means consistent compilations of the physical energy flows into national economies, the flows, ***circulating*** within the economy and the outputs to other economies or to the environment.

Amendment 5

Proposal for a regulation

Annex

Regulation (EU) No 691/2011
Annex IV – section 1 – paragraph 1

Text proposed by the Commission

Environmental protection expenditure accounts present data, in a way that is **fully** compatible with the data reported under ESA, on the expenditure for environmental protection, i.e. the economic resources devoted by resident units to environmental protection. The accounts allow compiling the national expenditure for environmental protection (EP) which is defined as the sum of uses of EP services by resident units, gross fixed capital formation (GFCF) for EP activities, and transfers for EP which are not a counterpart of previous items, less financing by the rest of the world.

Amendment

Environmental protection expenditure accounts present data, in a way that is compatible with the data reported under ESA, on the expenditure for environmental protection, i.e. the economic resources devoted by resident units to environmental protection. The accounts allow compiling the national expenditure for environmental protection (EP) which is defined as the sum of uses of EP services by resident units, gross fixed capital formation (GFCF) for EP activities, and transfers for EP which are not a counterpart of previous items, less financing by the rest of the world.

Amendment 6

Proposal for a regulation

Annex

Regulation (EU) No 691/2011
Annex IV – section 3 – fourth indent

Text proposed by the Commission

– **VAT** and other taxes less subsidies on products on environmental protection services,

Amendment

– **Value-added tax (VAT)** and other taxes less subsidies on environmental protection services,

Amendment 7

Proposal for a regulation

Annex

Regulation (EU) No 691/2011
Annex IV – Section 4 – paragraph 3

Text proposed by the Commission

3. In order to meet user needs for complete and timely datasets, the Commission (Eurostat) shall produce, as soon as

Amendment

3. In order to meet user needs for complete and timely datasets, the Commission (Eurostat) shall produce, as soon as

sufficient country data becomes available, estimates for the EU-27 totals for the main aggregates of this module. The Commission (Eurostat) shall, wherever possible, produce and publish estimates for data that have not been transmitted by Member States within the deadline specified in point 2.

sufficient country data becomes available, estimates for the EU-28 totals for the main aggregates of this module. The Commission (Eurostat) shall, wherever possible, produce and publish estimates for data that have not been transmitted by Member States within the deadline specified in point 2.

Amendment 8

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex IV – Section 4 – paragraph 4

Text proposed by the Commission

4. The first reference year is the year *in which this Regulation enters* into force.

Amendment

4. The first reference year is the year *following the year of entry into force of this Regulation.*

Amendment 9

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex IV – Section 4 – paragraph 5

Text proposed by the Commission

5. In the first data transmission, Member States shall include annual data from **2013** to the first reference year.

Amendment

5. In the first data transmission, Member States shall include annual data from **2014** to the first reference year.

Amendment 10

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex V – section 1 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

Accounts for environmental goods and services should be drawn up using existing information obtained from national accounts, structural business statistics, business registers and other sources.

Amendment 11

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex V – Section 4 – paragraph 3

Text proposed by the Commission

Amendment

3. In order to meet user needs for complete and timely datasets, the Commission (Eurostat) shall produce, as soon as sufficient country data becomes available, estimates for the EU-27 totals for the main aggregates of this module. The Commission (Eurostat) shall, wherever possible, produce and publish estimates for data that have not been transmitted by Member States within the deadline specified in point 2.

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Amendment 12

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex V – Section 4 – paragraph 4

Text proposed by the Commission

Amendment

4. The first reference year is the year in ***which this Regulation enters*** into force.

4. The first reference year is the year ***following the year of entry*** into force of ***this Regulation***.

Amendment 13

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex V – Section 4 – paragraph 5

Text proposed by the Commission

5. In the first data transmission, Member States shall include annual data from **2013** to the first reference year.

Amendment

5. In the first data transmission, Member States shall include annual data from **2014** to the first reference year.

Amendment 14

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – section 4 – point 2

Text proposed by the Commission

2. Statistics shall be transmitted within **18** months of the end of the reference year.

Amendment

2. Statistics shall be transmitted within **21** months of the end of the reference year.

Amendment 15

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – Section 4 – paragraph 3

Text proposed by the Commission

3. In order to meet user needs for complete and timely datasets, the Commission (Eurostat) shall produce, as soon as sufficient country data becomes available, estimates for the EU-**27** totals for the main aggregates of this module. The Commission (Eurostat) shall, wherever possible, produce and publish estimates for data that have not been transmitted by Member States within the deadline specified in point 2.

Amendment

3. In order to meet user needs for complete and timely datasets, the Commission (Eurostat) shall produce, as soon as sufficient country data becomes available, estimates for the EU-**28** totals for the main aggregates of this module. The Commission (Eurostat) shall, wherever possible, produce and publish estimates for data that have not been transmitted by Member States within the deadline specified in point 2.

Amendment 16

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – Section 4 – paragraph 4

Text proposed by the Commission

4. The first reference year is the year in *which this Regulation enters* into force.

Amendment

4. The first reference year is the year *following the year of entry* into force of *this Regulation*.

Amendment 17

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – Section 4 – paragraph 5

Text proposed by the Commission

5. In the first data transmission, Member States shall include annual data from **2013** to the first reference year.

Amendment

5. In the first data transmission, Member States shall include annual data from **2014** to the first reference year.

Amendment 18

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – section 5 – point 1 – introductory part

Text proposed by the Commission

1. For the characteristics referred to in Section 3, the following data shall be reported:

Amendment

1. For the characteristics referred to in Section 3, the following data shall be reported *in physical units*:

Amendment 19

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – section 5 – point 1 – first indent

Text proposed by the Commission

– Supply table for energy flows *in physical units*. This table records the supply of natural energy inputs, energy products, and energy residuals (row-wise) by origin, i.e. ‘supplier’ (column-wise).

Amendment

– Supply table for energy flows. This table records the supply of natural energy inputs, energy products, and energy residuals (row-wise) by origin, i.e. ‘supplier’ (column-wise).

Amendment 20

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – section 5 – point 5 – second indent

Text proposed by the Commission

– Energy products are grouped according to the classification of products by activity (*CPA*) and the classification used in European energy statistics.

Amendment

– Energy products are grouped according to the classification of products by activity and the classification used in European energy statistics.

Amendment 21

Proposal for a regulation

Annex

Regulation (EU) No 691/2011

Annex VI – section 5 – point 6

Text proposed by the Commission

6. The ‘bridge’ from the residence principle indicator to the territory based indicator is presented for the entire national economy (no breakdown by industries) and is obtained as follows:

total energy use by resident units

– energy use by resident units abroad

+ energy use by non-residents on the

Amendment

6. The ‘bridge’ from the residence principle indicator to the territory based indicator is presented for the entire national economy (no breakdown by industries) and is obtained as follows:

total energy use by resident units

– energy use by resident units abroad

+ energy use by non-residents on the

territory

= gross inland energy consumption
(territory based)

territory

+ *statistical differences*

= gross inland energy consumption
(territory based)

EXPLANATORY STATEMENT

Starting from 2003, environmental accounting was on the agenda of the European Union, as the GDP alone was not considered anymore a sufficient indicator for measuring progress and people's wellbeing in the world.

In June 2006, the European Council called on the European Union and its Member States to extend the classical national accounts to the key aspects of sustainable development and to supplement the national accounts with fully consistent, integrated environmental economic accounts.

In August 2008, the European Commission published its Communication on "GDP and beyond - measuring progress in a changing world (COM(2009)433)" in which it expressed its intention to develop strong tools to measure progress in delivering social, economic and environmental goals in a sustainable manner. The need to track the links between the environment and the economy, to measure what impacts the economy has on the environment and how the environment contributes to the economy already became very evident.

In April 2010, the European Commission proposed for the first time the Regulation on European environmental accounts which was subsequently adopted and entered into force in July 2011 as Regulation 691/2011, introducing the first three modules: air emission accounts, environmental taxes and material flow accounts. At those times, these three new modules were seen just as a first step towards having a strong instrument of environmental accounting. In article 10 of the Regulation, the Parliament actively supported the insertion of a list of new possible modules as priorities for future development.

Following the entry into force of the Regulation, Eurostat together with the Member States started to carry out pilot tests especially in regard to the first three modules listed in Article 10 of the Regulation: environmental protection expenditure, environmental goods and services sector and physical energy flow accounts. They reached the conclusion that these were the most mature from a conceptual point of view and thus proposed an extension of Regulation 691/2011 to these new modules.

The rapporteur welcomes the proposal that the Commission has put forward and believes that the new accounts will contribute to further developing more comprehensive indicators for better public debate and policy making. Due to the financial and personnel restraints that the national statistical institutes have to face for the moment it is important to focus on improving quality and promote the use of the already existing modules and the ones that the Commission has brought forward through the current proposal. It is important that the additional administrative burden is kept to what is necessary.

After consulting several services in charge of collecting the data, it became clear that some Member States were not yet ready for this new exercise and wanted to postpone the application with one year. The rapporteur can agree with this, if it is for the benefit of the quality of the data provided by the Member States to Eurostat.

The rapporteur can only encourage the wider use of the environmental accounts data by the European Commission and the national administration in order to develop well targeted policies that are able to contribute to the Union's policy priorities of green growth and resource efficiency.

PROCEDURE

Title	European environmental economic accounts
References	COM(2013)0247 – C7-0120/2013 – 2013/0130(COD)
Date submitted to Parliament	2.5.2013
Committee responsible Date announced in plenary	ENVI 21.5.2013
Committee(s) asked for opinion(s) Date announced in plenary	ECON 21.5.2013
Not delivering opinions Date of decision	ECON 18.6.2013
Rapporteur(s) Date appointed	Elena Oana Antonescu 19.6.2013
Discussed in committee	24.10.2013
Date adopted	27.11.2013
Result of final vote	+: 59 –: 0 0: 0
Members present for the final vote	Elena Oana Antonescu, Paolo Bartolozzi, Sandrine Bélier, Sergio Berlato, Lajos Bokros, Franco Bonanini, Biljana Borzan, Yves Cochet, Spyros Danellis, Chris Davies, Esther de Lange, Bas Eickhout, Edite Estrela, Jill Evans, Karl-Heinz Florenz, Elisabetta Gardini, Gerben-Jan Gerbrandy, Matthias Groote, Françoise Grossetête, Satu Hassi, Jolanta Emilia Hibner, Dan Jørgensen, Karin Kadenbach, Martin Kastler, Holger Kraemer, Corinne Lepage, Kartika Tamara Liotard, Linda McAvan, Miroslav Ouzký, Gilles Pargneaux, Andrés Perelló Rodríguez, Pavel Poc, Frédérique Ries, Anna Rosbach, Dagmar Roth-Behrendt, Kārlis Šadurskis, Carl Schlyter, Richard Seeber, Bogusław Sonik, Claudiu Ciprian Tănăsescu, Thomas Ulmer, Glenis Willmott, Sabine Wils, Marina Yannakoudakis
Substitute(s) present for the final vote	Erik Bánki, Gaston Franco, Julie Girling, Eduard-Raul Hellvig, Georgios Koumoutsakos, Jiří Maštálka, Judith A. Merkies, Miroslav Mikolášik, James Nicholson, Alojz Peterle, Vittorio Prodi, Marita Ulvskog, Vladimir Urutchev, Anna Záborská, Andrea Zanoni
Date tabled	2.12.2013