



**An  
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Staidrimh**

Central  
Statistics  
Office

# **Standard Report on Methods and Quality for Environmental Subsidies and Similar Transfers 2018**

# **Standard Report on Methods and Quality for Environmental Subsidies and Similar Transfers**

This documentation applies to the reporting period:

**2018**

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## 1 Overview

As part of the implementation of the UN System of Environmental-Economic Accounting (SEEA), Eurostat, the European statistical office, has developed a series of environmental accounts modules, including the Environmental Subsidies and Similar Transfers module. Eurostat has sought data under this module since 2015 and will continue to seek annual submissions. Data collection is voluntary but may eventually be established on a legal basis.

Ireland has submitted data for all voluntary collections and this release is based on those submissions. Eurostat has published guidelines to assist countries and to ensure that there is a consistent methodology followed in all member states. As the data collection process matures, the guidelines will be developed into a more formal manual based on both SEEA principles and the practical experience of member states.

An environmental subsidy or similar transfer is defined as a current or capital transfer that is intended to support activities which protect the environment or reduce the use and extraction of natural resources. Environmental protection includes all activities and actions which have as their primary purpose the prevention, reduction and elimination of pollution as well as any other degradation of the environment. Resource management includes the preservation, maintenance and enhancement of the stock of natural resources.

Using a variety of mainly administrative data sources, overall environment subsidy and grant amounts are allocated to households and industries, with the industry amount further distributed across NACE Rev. 2 sections. NACE Rev. 2 is the Statistical Classification of Economic Activity in the European Communities.

## 2 General Information

### 2.1 Statistical Category

Environmental subsidies, grants and other transfers were identified, using a bottom-up approach, from the annual accounts of government departments and agencies.

### 2.2 Area of Activity

Environment accounts.

### 2.3 Organisational Unit Responsible, Persons to Contact

The Environment division of the CSO is responsible for compiling and publishing data on Environmental Subsidies and Similar Transfers.

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### 2.4 Objectives and Purpose; History

Data on environmental transfers are important for national environmental and economic purposes. The data are classified according to environmental domain, type of transfer, benefitting institutional sector and benefitting NACE Rev. 2 section so they can be used to evaluate environmental and economic policy and the effects of policy over time. Data collection also allows comparison of Ireland's environmental transfers with those of other EU member states.

### 2.5 Periodicity

Environmental Subsidies and Similar Transfers data are reported on an annual basis.

### 2.6 Client

Eurostat.

### 2.7 Users

National users of statistics on environmental subsidies and similar transfers include the environment sector, the government, the media, educational institutions and the public. International users include Eurostat, the European Environment Agency and the OECD<sup>1</sup>.

## **2.8 Legal basis**

Reporting of environmental transfers data is currently done on a voluntary basis.

# **3 Statistical Concepts, Methods**

## **3.1 Subject of the Statistics**

The amount of funding provided under various government grant and subsidy schemes was collected for the years 2000-2018. Each programme was classified according to the environmental protection and resource management classifications, CEPA (Classification of Environmental Protection Activities) and CReMA (Classification of Resource Management Activities). The beneficiaries of each funding programme were classified according to their institutional sector and their NACE Rev. 2 section. The funding transactions were classified using ESA 2010 definitions.

## **3.2 Units of Observation/Collection Units/Units of Presentation**

Not applicable.

## **3.3 Data Sources**

Much of the data was collected from the publicly available annual accounts of government departments and organisations. CSO's Government Accounts (part of National Accounts) were also very useful as they often provided more detail than the published annual reports. Local authority annual financial statements contain information on subsidies and grants received from central government for specific purposes.

Direct contact was made with the agriculture, forestry and marine divisions of the Department of Agriculture, Food and the Marine in order to request data on any environment-related transfers, along with a breakdown of the funding by national and EU contributions, current and capital amounts and information about the NACE section of the beneficiaries.

The Environmental Protection Agency (EPA), the Sustainable Energy Authority of Ireland (SEAI) and Bord Iascaigh Mhara (BIM), provided data on grant recipients that allowed for classification by institutional sector and NACE. Some of this information was published in their annual reports and some was obtained through direct requests for data to the relevant organisation. Annual costs of tax expenditures are published on the Revenue website. Where further details were required we contacted the Revenue Statistics division directly.

## **3.4 Reporting Unit/Respondents**

Not applicable.

## **3.5 Type of Survey/Process**

The process involves data collection from the sources named above and classification according to CEPA and CReMA, ESA 2010, institutional sector and NACE Rev. 2 Section.

## **3.6 Characteristics of the Sample/Process**

Data are collected from government departments and agencies that are identified as running environmental grant or subsidy programmes.

## **3.7 Survey Technique/Data Transfer**

Not applicable.

## **3.8 Questionnaire (including explanations)**

Not applicable.

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<sup>1</sup> Organisation for Economic Cooperation and Development.

### 3.9 Participation in the Survey

Not applicable.

### 3.10 Characteristics of the Survey/Process and its Results

The results are published on the CSO website.

### 3.11 Classifications used

#### CEPA 2000

01. Protection of ambient air and climate
02. Wastewater management
03. Waste management
04. Protection and remediation of soil, groundwater and surface water
05. Noise and vibration abatement
06. Protection of biodiversity and landscapes
07. Protection against radiation
08. Research and development
09. Other environmental protection activities

#### CReMA 2008

10. Management of water
11. Management of forest resources
12. Management of wild flora and fauna
13. Management of energy resources
  - 13A. Production of energy from renewable sources
  - 13B. Heat/energy saving and management
  - 13C. Minimisation of the intake of fossil resources for raw materials for uses other than energy production
14. Management of minerals
15. Research and development activities for natural resources management
16. Other natural resource management activities

#### Institutional Sectors

Sector	Description
S.11	Non-financial corporations
S.12	Financial corporations
S.13	General government
S.14	Households
S.15	Non-profit institutions serving households
S.2	Rest of the world

#### NACE Rev. 2

See <http://www.cso.ie/px/u/NACECoder/Index.asp> for details.

#### ESA 2010

Transfers	ESA 2010 Definition
Other subsidies on production (D.39)	Current unrequited payments other than subsidies on products which general government or the institutions of the EU make to resident producers.
Social transfers in kind (D.63)	Goods and services provided for free or at prices that are not economically significant to individual households by government units and non-profit institutions.
Current transfers within general government (D.73)	Transfers between the different subsectors of general government (central government, local government, social security funds) with the exception of taxes, subsidies, investment grants and other capital transfers.
Current international cooperation (D.74)	Transfers in cash or in kind between general government and governments or international organisations in the rest of the world, except investment grants and other capital transfers.
Investment grants (D.92)	Capital transfers in cash or in kind made by governments or by the rest of the world to other institutional units to finance all or part of the costs of their acquiring fixed assets.
Other capital transfers (D.99)	Transfers other than investment grants and capital taxes which do not themselves redistribute income but redistribute saving or wealth among the different sectors or subsectors of the economy or the rest of the world.

### 3.12 Regional Breakdown of Results

Environment transfers are reported for Ireland as a single regional unit.

## 4 Production of the Statistics, Data Processing, Quality Assurance

### 4.1 Data Capture

Not applicable.

### 4.2 Coding

Not applicable.

### 4.3 Data Editing

Not applicable.

### 4.4 Imputation (for Non-Response or Incomplete Data Sets)

Not applicable.

### 4.5 Grossing and Weighting

Not applicable.

### 4.6 Computation of Outputs, Estimation Methods Used

The outputs of the process are the amounts of funding assigned to each classification.

Where a programme has more than one objective and is not wholly aimed at environmental protection or resource management then a share of the programme funding is included. If possible, this is done by obtaining information on the amount of expenditure relating to the environmental objective under the programme. When this is not possible we apply an environment coefficient to the funding. To keep this process straightforward, easy to use and easy to understand we have applied environment coefficients as follows:

Coefficient	Description
1.00	Main objective or technical nature of the programme is environmental protection or resource management
0.40	One of the main objectives of the programme is environmental protection or resource management
0.00	The main objective of the programme is not related to environmental protection or resource management

The environmental purpose of programmes was mainly characterised by a unique CEPA/CreMA domain. However, when more than one domain was required, a share was assigned between the CEPA/CreMA domains involved. This share was calculated directly from the breakdown of activities supported by the programme.

Allocation of funding to NACE sections and institutional sectors was straightforward for certain programmes but posed a challenge for others. Agricultural, forestry and fishing transfers, international funding commitments, transfers to public bodies and transfers to households were in general quite simple to assign. However, identifying the sector, and in particular the NACE section, of the recipients of industry and commercial services grants (such as energy efficiency retrofit grants) was a more involved process. Details of grant recipients were sometimes published in the annual reports of the coordinating bodies. Otherwise we requested the data from the relevant organisations. The beneficiaries were assigned to NACE sections using the CSO's Business Register.

### 4.7 Other Quality Assurance Techniques Used

Data have been collected for the years 2000-2018 so a time series is available for comparison across years. Contact was made with government departments and bodies to check figures when the amount seemed inconsistent with data from previous years.

## **5 Quality**

### **5.1 Relevance**

Data on environmental transfers are important for national environmental and economic purposes. The data are classified according to environmental domain, type of transfer, benefitting institutional sector and benefitting NACE Rev. 2 section so they can be used to evaluate environmental and economic policy and the effects of policy over time. Data collection also allows comparison of Ireland's environmental transfers with those of other EU member states.

### **5.2 Accuracy and Reliability**

Data are collected directly from government bodies using a bottom-up approach. Administrative data are requested from grant-giving organisations. The data are considered to be reliable.

### **5.3 Timeliness and Punctuality**

The accounts are submitted to Eurostat within 23 months of the end of the year to which the figures relate. They are also published on the CSO website.

### **5.4 Coherence**

Data are reviewed in relation to amounts from previous years to assess consistency.

### **5.5 Comparability**

Environmental Subsidies and Similar Transfers statistics are compiled in line with Eurostat guidelines in so far as this is possible. They can therefore be considered methodologically sound and as they are compiled annually in a consistent manner they are comparable over time.

### **5.6 Accessibility and Clarity**

#### **5.6.1 Assistance to Users, Special Analyses**

Background notes are provided with each release on the CSO website.

#### **5.6.2 Revisions**

We have published two major revisions in this release:

(i) Previous figures of EU LIFE programmes were based on both estimation and final reports when available. This year, figures of EU LIFE programmes have been revised and are now all estimated using the same methodology for homogeneity and comparison purposes. This revision resulted in a decrease or increase in the value of the subsidy, compared with figures published in the 2017 release.

(ii) This year we received amended figures for two programmes: Data Collection Scheme, provided by the Marine Institute, and Local Authority Estate Energy Retrofit recorded in appropriation accounts. Revised figures resulted in increases of the value of both subsidies compared to the 2017 release.

Revisions will continue to be made in the case that further data become available or in the case of reviewing our classification of each subsidy as relatively new methodological guidelines are still being developed.

#### **5.6.3 Publications**

The data are available on the CSO website.

#### **5.6.4 Confidentiality**

All confidential data are treated in accordance with Part V of the Statistics Act 1993.