REPUBLIC OF SLOVENIA
STATISTICAL OFFICE

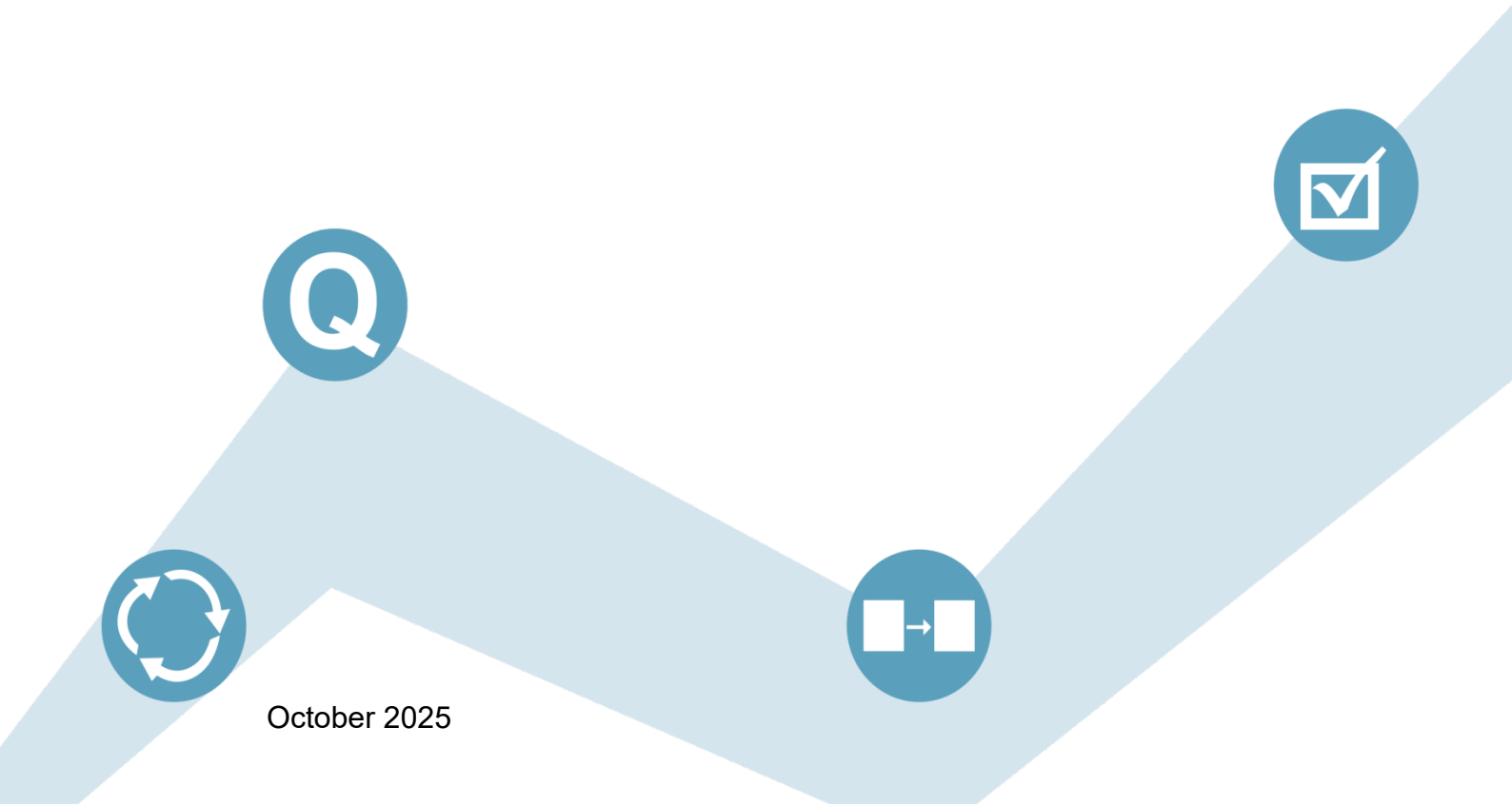
METHODOLOGICAL EXPLANATION

Mojca Pogačnik

ENVIRONMENTAL PROTECTION EXPENDITURE ACCOUNTS

This methodological explanation relates to the data releases:

Environmental protection expenditure accounts, annually (First Release)



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Content

1 PURPOSE

The purpose of publishing the data on the environmental protection expenditure accounts is to present the amount of financial resources for environmental protection.

Key statistics are:

- total output of environmental protection services,
- total environmental protection expenditure.

2 LEGAL FRAMEWORK

- Annual Programme of Statistical Surveys (LPSR) (only in Slovene)
- National Statistics Act (OJ RS, No. 45/95 and 9/01)
- Regulation (EC) No 691/2011 of the European Parliament and of the Council on European environmental economic accounts (CELEX: 32011R0691) and Regulation (EC) No 538/2014 of the European Parliament and of the Council amending Regulation (EU) No 691/2011 on European environmental economic accounts (CELEX: 32014R0538).

3 UNIT DESCRIBED BY THE PUBLISHED DATA

The unit described by the published data is environmental protection expenditure that results from production and consumption of environmental services. We observe environmental protection services according to the Statistical Classification of Economic Activities in the European Community (NACE Rev. 2) relating to specialised producers of environmental protection services (NACE 37, 38.1, 38.2 and 39), the government or ancillary producers of these services.

4 SELECTION OF OBSERVATION UNIT

Observation units are the producers of environmental protection services:

- **general government,**
- **specialised producers** – companies and organizations that have environmental protection services as their main activity and are registered in environmental protection activities on the basis of the Statistical Classification of Activities (NACE Rev. 2),
- **ancillary producers** – companies and organizations registered in other activities where production of environmental protection services is their secondary or ancillary activity.

For calculations, data from the existing data sources at SURS (environmental expenditure survey OKI, which is carried out on a sample; general government accounts; supply and use tables) and administrative sources (especially budgetary data on government and local government) were used. During the data preparation, we focused on the environmental domains of the Classification of Environmental Purposes (CEP) and thus depend on the availability of the data.

5 SOURCES AND METHODS OF DATA COLLECTION

Data are collected annualy.

For the survey we obtain the data from administrative sources and statistical sources:

Statistical sources:

- annual statistical Survey on Environmental Protection Expenditure (OKI),
- statistical survey General Government Expenditure by Function (NA-COFOG),
- statistical survey Supply and Use Tables (NA-SUT).

Administrative sources:

- budgetary data for the central and local government.

6 DEFINITIONS

Gross fixed capital formation for environmental protection is divided by the nature and function of the activity into:

- **End-of-pipe investments**, which cover investments for new methods, practices, technologies, processes or equipment designed to collect and remove the pollution and pollutants after their creation. Their purpose is also to treat and dispose the pollutants and to monitor and measure the level of pollution (mainly end-of-pipe methods, techniques or equipment, e.g. air emissions filters, wastewater treatment plants, waste collection and treatment activities).
- **Investments in integrated technologies**, which cover investments for new or adaptation of existing methods, practices, technologies, processes or equipment designed to prevent or reduce the amount of pollution created at the source, thereby reducing the environmental impacts associated with the release of pollutants and/or polluting activities (reducing the impact to the environment). Pollution prevention can comprise different measures such as adaptation of equipment and technology, changes in production with the new improved technology, change of raw materials for cleaner products and/or changes in

environmental management.

Current expenditure for environmental protection is divided into internal current expenditure (originating with the reporting unit) and external current expenditure (environmental protection services paid to others). Excluded are the expenditures for health and safety at work.

Internal current expenditure is intended for:

- operation and maintenance of environmental protection facilities (use of material, energy);
- personnel costs;
- other internal current expenditure such as managing, informing, educating and other environment-related expenditure.

External current expenditure is intended for:

- payments to the third parties (public sector or specialised producers, either public or private) for environmental protection services (collection of waste, cleaning of waste water),
- monitoring by authorised institutions,
- other current expenditures such as the expenditures for the decontamination of earth and groundwater. The penalties are not reported. The expenditure for the research and development can be shown as internal current expenditure or external current expenditure for research and development.

Revenues from the environmental protection related activities are:

- revenues from providing environmental protection services,
- revenues from sold by-products that are the result of the environmental protection activities,
- savings because of the internal use of by-products that are the result of the environmental protection activities.

Output is market or non-market. If sales of produced services cover less than 50% of costs of production of these services than output is non-market. If sales cover more than 50% of the cost of production than output is market.

There are two methods for calculating **the value of output:**

- The value of non-market output is determined by the cost of production (internal current expenditure; compensations of employees; consumption of fixed capital; other taxes less subsidies on production).
- The value of market output is determined by the sales (from providing environmental protection services).

Environmental protection expenditure is the sum of environmental protection investments and current expenditure less revenues from sold by-products (that are the result of the environmental protection activities).

7 EXPLANATIONS

7.1 CLASSIFICATIONS

CEP – Classification of Environmental Purposes is published on Eurostats website: https://ec.europa.eu/eurostat/documents/1798247/12177560/Classification+of+environmental+purposes+%28CEP%29.pdf/7283e770-d10a-dd9a-b491-59661d2c9c42?t=1713873806611

COFOG – Classification of the Functions of Government is published on Eurostats website: http://ec.europa.eu/eurostat/statistics-explained/index.php/Government_expenditure_by_function

NACE - Statistical classification of economic activities in the EU is published on Eurostats website: http://ec.europa.eu/competition/mergers/cases/index/nace_all.html

7.2 DATA PROCESSING

WEIGHTING

Weighting was not performed.

SEASONAL ADJUSTMENT

Seasonal adjustment is not applicable.

DATA PROCESSING OTHER

We obtain data from different administrative and statistical sources and recalculate them in line with Eurostat's methodology for environmental protection expenditure accounts.

The tabulation of acquired data follows; processing ends with the preparation of tables arranged according to the values of certain variables. Within the final analysis we compare the data with the data from the previous year by individual variables. Any significant discrepancies are further examined. Data processing is followed by the final calculation and publication of data.

7.3 INDICES

Indices are not published.

7.4 PRECISION

The precision is not calculated.

7.5 OTHER EXPLANATIONS

8 PUBLISHING

- SiStat Database: Environment and natural resources – Environment – Environmental accounts – Environmental protection expenditure accounts. The published data are absolute divided by NACE activities at the level of Slovenia.
- First Release (Environment, Environmental accounts): »Environmental protection expenditure accounts, annually«.
- EUROSTAT (Statistical Office of the European Union)

9 REVISION OF THE DATA

9.1 PUBLISHING OF PRELIMINARY AND FINAL DATA

Only final data are published.

In the case of the revision of the input data, also the data in the environmental protection expenditure accounts are revised.

9.2 FACTORS INFLUENCING COMPARABILITY OVER TIME

Until 2023 prepared data based on two environmental classifications; Classification of Environment Protection Activities and Expenditure (CEPA) and Classification of Resource Management Activities (CReMA). These data are available for the period 2008-2022. From 2023 onwards a new environmental classification, combining the two previous classifications, the Classification of Environmental Purposes (CEP) is used for data preparation. According to this classification data are currently available for the period 2021-2023.

10 OTHER METHODOLOGICAL MATERIALS

Methodological materials on SURS's website are available at https://www.stat.si/statweb/en/Methods/QuestionnairesMethodologicalExplanationsQualityReports.

- Questionnaire:
    - SURS does not collect data for this survey by using a questionnaire.

Methodological explanation for the survey:

- Gross fixed capital formation and current expenditure for environmental protection,

theme: Environment, sub-theme: Investments in Environmental Protection.

- Input-output tables, supply and use tables,

theme: GDP and National Accounts, sub-theme: Supply and use tables, input-output tables.

- General government expenditure by function,

theme: GDP and National Accounts, sub-theme: Supply and use tables, input-output tables.

- Eurostat, Environmental protection expenditure accounts - Handbook, 2017

http://ec.europa.eu/eurostat/documents/3859598/7903714/KS-GQ-17-004-EN-N.pdf/7ea9c74b-eda4-4c23-b7bd-897358bfc990