

- The unpaid ecological costs

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For the session “Environmental accounting”, the statistical department of the French sustainable development Ministry (SOeS) proposes an intervention on the unpaid ecological costs. It relates to a practical application of the proposal of A. Vanoli to value the final demand of the economy at its total cost, i.e. integrating the unpaid ecological costs. This application relates to the cost of reducing greenhouse gases (GHGs) emissions in France in order to achieve the goal of their division by four between 1990 and 2050. This is a cost/effectiveness analysis which does not concern the associated costs to damage in France in the case of non-compliance with targets for reducing global emissions. The latter point refers to the issue of adaptation and to the works engaged by the National observatory on the effects of the global warming (ONERC).

The example developed by the SOeS simply shows that if the GHGs emissions continue at their current rhythm, an increasing divergence is likely to appear between the measurement of the final demand in the current national accounts and the aggregate integrating the unpaid costs. This undervaluation of the final demand affects national saving that appears overestimated when limited to paid costs. The cost of reducing GHGs emissions is based on the value of carbon proposed by the Strategic analysis Center (CAS) in 2008. This application, which only concerns a minor part of the unpaid ecological costs, constitutes a first valuation exercise. The ongoing work seeks to evaluate the unpaid costs of air pollution, then those of water pollution.