
Professor Sir Ian Diamond | National Statistician

Rt Hon Philip Dunne MP
Chair, Environmental Audit Committee
House of Commons
London
SW1A 0AA

26 April 2022

Dear Mr Dunne,

Thank you for your letter of 5 April 2022¹, following oral evidence from the Office for National Statistics (ONS) for the inquiry, *Aligning the UK's economic goals with environmental sustainability*.

We welcome both the Committee's recognition of our work to date on wellbeing, the environmental accounts, and the cross-government UK climate change statistics portal, and its recommendations for potential future work. While a Gross Domestic Product (GDP) metric will always be required to measure the economy, we also accept the need for a broader set of indicators to account for wider environmental and social progress, building on our Sustainable Development Goals and National Wellbeing resources.

In particular, your main recommendation was that:

"The ONS publish quarterly estimates of greenhouse gas emissions alongside GDP figures, as part of the same release. As further methodologies are developed to improve the means of accounting for the impact of nature depletion, we suggest that the ONS consider including the relevant outputs in these releases. The ONS would thereby help to provide greater focus on the climate and biodiversity impact of particular policies in the public policy debate."

Building on the inclusion of environmental and natural capital accounts in the Blue Book, we will be increasing the prominence of 'Beyond GDP' elements of our outputs. We will publish a pilot publication of climate change-related statistics on the same day as the preliminary quarterly estimate of UK GDP on 12 May 2022. Subject to assessment of impact and feedback, the intention would be for this to become a regular quarterly publication. In addition, we will look to publish wellbeing-related statistics alongside preliminary GDP estimates from 12 August 2022.

We produce annual estimates of residence-based greenhouse gas emissions, which enable direct sectoral comparison with the national accounts. We have been reviewing options for a quarterly estimate of this emissions measure and will publish an initial methodological

¹ <https://committees.parliament.uk/publications/9586/documents/162272/default/>

publication also on 12 May 2022. Further progress will be informed by stakeholder and user feedback.

Linking economic activity with related environmental impacts through GDP or wealth accounts is a substantial undertaking. Our work developing robust estimates of UK natural capital accounts are world leading. Our work to adapt these figures to link with the national accounts is in progress, including publishing a new approach bringing together statistical indicators of the extent and condition of nature in the UK on 3 May 2022.

We will set out our Beyond GDP plans on 12 May, with a timeline for delivering an initial assessment of the environmental impact of changes in quarterly GDP by the end of 2023. We will also publish our detailed workplan for natural capital accounts development by July 2022.

We will be taking the Committee's recommendations into account as we deliver the above and accelerate our work and will update the Committee about this later in the year. We will also share all upcoming relevant publications noted within this response with the Committee when published.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ian Diamond', written in a cursive style.

Professor Sir Ian Diamond