



Statistics for Sustainable Development

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Domains covered in this presentation

1. UNECE/OECD/Eurostat Working Group on Statistics for Sustainable Development
2. Commission on the measurement of economic performance and social progress (Stiglitz Commission)
3. Global Project on Measuring the Progress of Society

1. WGSSD (a)

Origin

- Established by CES in 2005

Mandate

- Explore conceptually-driven approaches to measuring sustainable development
- Identify commonalities among existing indicator sets
- Propose a small set of indicators for international comparison coherent with conceptual approach and existing sets

Functioning

- WG meetings attended by some 48 countries and institutions
- Five face-to-face meetings from April 2006 to March 2008
- Chaired by Robert Smith, Statistics Canada
- Steering Committee provided governance and continuity between meetings
- Final report delivered to CES in June 2008, available on UNECE website in end-November and printed (as a research document) in March 2009

1. WGSD -- Core concepts (b)

- Sustainable development is about improving human well-being
 - Some wanted to emphasize well-being of future generations
 - Others argued that sustainable development requires attention to both current and future well-being
 - Debate remains unresolved
- Sustainable development indicators must adhere to the principles of official statistics
- Sustainable development is a global issue but responsibility for achieving it rests mainly with nation states
 - National indicator sets are essential

1. WGDS – Comparison between policy- and conceptual-driven indicators (c)

- National sets of SD indicators policy driven, changing with new policy priorities: no obvious conceptual foundation, limited comparability across countries
- Conceptually-driven indicators can be based on notion of “capital” : SD as non-declining per capital wealth over time
 - Broad view of capital: financial, produced, human, natural and social capital are all relevant to sustainable development
 - Some elements of capital better understood than others
 - Relevant to the future-oriented view of sustainable development
 - In theory, possible to define a single measure of change in national wealth that to measure sustainable development
 - In practice, problems of valuation and “critical” forms of capital prevent this: both physical and monetary indicators required
 - A set of indicators sufficient to measure sustainable development; consistent with capital approach; relevant from policy perspective; suitable for comparing performance: 28 stock and flow indicators, “robust and complete” not necessarily “readily feasible”.

1. WGSDI -- Small set of stock indicators (d)

Indicator domain	Stock Indicators	Flow Indicators
Economic well-being (i.e. well-being derived from market activity)	Real <i>per capita</i> net foreign financial asset holdings	Real per capita investment in foreign financial assets
	Real <i>per capita</i> produced capital	Real per capita investment in produced capital
	Real <i>per capita</i> human capital	Real per capita investment in human capital
	Real <i>per capita</i> natural capital	Real per capita investment in natural capital
	Reserves of energy resources	Depletion of energy resources
	Reserves of mineral resources	Depletion of mineral resources

1. WGSDI -- Small set of stock indicators (e)

Indicator domain	Stock Indicators	Flow Indicators
Foundational well-being (e.g. well-being derived from critical forms of capital)	Health-adjusted life expectancy	Index of changes in age-specific mortality and morbidity (place holder)
	Percentage of population with post-secondary education	Enrolment in post-secondary education
	Temperature deviations from normal	Greenhouse gas emissions
	Ground-level ozone and fine particulate concentrations	Smog-forming pollutant emissions
	Quality-adjusted water availability	Nutrient loadings to water bodies
	Fragmentation of natural habitats	Conversion of natural habitats to other uses

1. WGSDI - Future work (f)

- Questions deemed to remain open by WGSDI
 1. Measurement of total national wealth
 - Conceptual and methodological uncertainties
 2. Physical indicators of capital, especially critical capital
 - Are the proposed indicators the best available?
 3. Social capital
 - Concepts must be better defined before more definitive indicators can be proposed
- Other questions (not in WGSD list)
 - Measurement of human capital. OECD Workshop in Turing 3-4 November 2008. Follow-up if supported by voluntary contributions.
- New task force proposed: decision to be taken by CES Bureau in October (today)

2. Commission on the measurement of economic performance and social progress (a)

- Established by French Presidency in early 2008.

- Motivation: growing gap between current measures of economic performance and people's perceptions of their own experience; this gap cannot be explained by psychological characteristics. Analytic and political issues.

- Mandate:

- i) to identify the limits of GDP as an indicator of economic performance and social progress; ii) to consider additional information required to produce a more relevant picture; iii) to discuss how to present this information in the best way; iv) to check the feasibility of various measurement tools

- Structure:

- J. Stiglitz (Columbia University), Chair; A. Sen (Harvard University) Chair Advisor; J-P Fitoussi (Institut d'Etudes Politiques de Paris, OFCE) Co-ordinator.

- Membership:

- 24 experts from universities, governmental and intergovernmental organisations; secretariat from INSEE, OECD, OFCE.

2. Commission on the measurement of economic performance and social progress (b)

- Work methods. Three working groups on:
 - classical GDP issues, chaired by Enrico Giovannini (OECD). Making the best possible use of economic accounting and investigating possible extensions (GDP vs. household income; per capita vs. consumption unit; mean vs. median; non-market services; home-work and leisure; public and private SS contributions; capital gains/losses and defensive expenditures);
 - sustainable development and the environment, chaired by Geoffrey Heal (Columbia University). Impact of environmental resources on current well-being (air, water, environmental amenities); impact on future well-being of management of natural and exhaustible resources (impacts on “green GDP” and net adjusted savings)
 - quality of life, chaired by Alan B. Krueger (Princeton University). Moving beyond monetary metrics (aspects: hedonic experiences, evaluative judgements and capabilities; determinants: personal activities; political voice; social connections; insecurity; inequalities)

2. Commission on the measurement of economic performance and social progress (c)

- Work plan:
 - issue paper outlining the main directions of its work (available on the Commission website, http://www.stiglitz-sen-fitoussi.fr/documents/Issues_paper.pdf)
 - Next meeting of the Commission in NYC in November to discuss “interim report”
 - Final report to be delivered to French Presidency in April 2009

3. Global Project on measuring progress of society (a)

● Background

- Huge number of initiatives around the world to measure progress/ well-being/ sustainable development. Need platform to share information /best practices
- Istanbul declaration signed by EU, OECD, UN, WB, others at 2nd World Forum on “measuring and fostering progress of society”(June 2007) encouraged OECD to start Global Project

● Institutional setup

- Project officially established by Council in July 2008 to i) foster development of indicators to provide comprehensive picture of progress; ii) encouraging use of indicators; iii) promoting evidence based decision-making
- First meeting of the Board, programme of work endorsed, partners and associates of project.
- ToR of the OECD Co-ordination group will be discussed by Council in October. The group will be established in January.

3. Global Project on measuring progress of society (b)

● What to measure?

- Progress means different things to different societies and groups. Goal: to produce shared understanding of what progress means. How? Through dialogue: measuring-progress roundtables in US, Canada, Australia, SA, Mexico, Morocco; contacts in Italy, New Zealand, Spain, Russia

● How to measure?

- Different dimensions can be measured in different ways. Goal: Develop a better understanding of how progress can be measured. How? *Research work*: Handbooks on measuring progress nationally (OECD) and in local communities (Council of Europe); taxonomy of dimensions (in preparation); report on what makes an indicator set successful (in preparation) ; trust (Unicredit); governance (UNDP). *Conferences*: i) regional (Russia, CIS and Eastern Europe, 9/2008; for Asia and Pacific region, Tokyo 3/2009); session at the African Economic Forum); ii) thematic (Women Forum on “What is progress? “ (10/2008); evidence-based policy making, with US NAS); iii) global (3rd World Forum in Busan, Korea, Oct. 2009; meetings of WEF Global Council on “benchmarking progress in societies”, session in Davos; meeting of IAQLS, Florence)

3. Global Project on measuring progress of society (c)

● How to use?

- Good statistics often go unnoticed and misunderstood. Goal : Develop tools and approaches to develop a better knowledge of their society using statistical information. How? *Training courses*: First summer school organised in Siena in 2008, proposals to organise summer schools in 2009 in several countries. *Development of software*: led by Kessler Foundation. *Development of “wikiprogress”*: Web2.0 platform to serve people to understand and debate, using statistical indicators, how countries/regions compare on a wide range of dimensions, in 2 parts: i) a “classical wiki” (to inform and disseminate information, e.g. www.wikigender.org; and ii) a “statistical wiki”, where data and metadata can be shared, assessed and uploaded following a quality assurance process.