

Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs) 2025 Comprehensive Review Proposal Submission Form

Background

In accordance with [GA Resolution 71/313](#), the Inter-Agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs) will conduct a Comprehensive Review of the global indicator framework in 2024 with the aim to submit its proposed revisions, replacements, additions and deletions to the 56th session of the United Nations Statistical Commission in March 2025 for its consideration.

Types of proposal

Proposals will fall into one of these four groups:

- A. **Replacements:** a proposal to replace an existing indicator for an SDG target with a different indicator; will be considered if the existing indicator does not map well to the target or does not track the target well.
- B. **Revisions/adjustments:** a proposal to revise or adjust an existing indicator for an SDG target; will be considered if the current indicator does not map well to the target or does not track the target well.
- C. **Additions:** a proposal to add an additional indicator for an SDG target; may be considered only in exceptional cases when a crucial aspect of a target is not being monitored by the current indicator(s) or to address a critical or emerging new issue that is not monitored by the existing indicators.
- D. **Deletions:** a proposal to delete an existing indicator for an SDG target; may be considered when a tier II indicator has not been able to submit any data to the global SDG monitoring or is proven to be challenging for countries to implement. *A proposal to delete an indicator will not be considered if it is the only indicator monitoring the corresponding target.*

Guideline/checklist

To help prepare the proposal, below are some guiding principles and helpful and/or required information. The IAEG-SDGs will not be able to properly review and consider submissions without the required information.

- The review aims to **maintain the same number of indicators** currently in the framework to not alter significantly the original framework, which is already being implemented in most countries and to not increase the reporting burden on national statistical systems.
- A proposed indicator must have an agreed methodology (tier III indicator proposals will not be considered) **and data available for at least 40% of countries and of the population across the different regions where the indicator is relevant** and be suitable for global monitoring.
- The addition of a sub-indicator within an existing indicator is discouraged as it adds to the reporting burden.
- Each submission proposal must include:
 - Background and rationale for the indicator proposal
 - Information on how and when the methodology has become an international standard and who is the governing body that approves it (*except for proposals to only delete an indicator*)
 - Link to available data and/or link to where data can be located (*except for proposals to delete an indicator*)
 - Completed metadata template (*except for proposals to only delete an indicator*). The metadata of proposed revisions/adjustments must be submitted with the **track changes**.
- Except for proposals to delete an indicator, it is highly recommended to consult the appropriate custodian agency(ies) prior to submitting the proposal to use their indicator.

For more information on the 2025 Comprehensive Review process, please refer to the following [webpage](#).

**ALL PROPOSALS MUST BE SUBMITTED ONLINE. PLEASE SUBMIT THE COMPLETED FORMS AT:
bit.ly/2025_review BY 30 APRIL 2024**

If you encounter issues with the online form, please contact the IAEG-SDGs Secretariat (statistics@un.org).

Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs) 2025 Comprehensive Review Proposal Submission Form

To be completed by and submitted to the Secretariat for the IAEG-SDGs review during the 2025 Comprehensive Review. All fields are required unless otherwise indicated; incomplete forms will not be considered. *Please use one submission form per proposal. If you have more than one proposal, please submit one form for each proposal.*

Submitter information

Please enter information about the focal point of this submission.

Full Name:	Click or tap here to enter text.
Agency/organization name:	World Health Organization
Email address:	Click or tap here to enter text.

Please list other contacts and other agencies/organizations (if any) associated with this submission below.

Full Name	Agency/organization name:	Email address:
Click or tap here to enter text.	The World Bank	Click or tap here to enter text.
Click or tap here to enter text.	World Health Organization	Click or tap here to enter text.
Click or tap here to enter text.	World Health Organization	Click or tap here to enter text.

Type of proposal

1. This is a proposal for a(n): *(please select only one)*:

- REPLACEMENT:** to replace an existing indicator for an SDG target with a different indicator.
- REVISION/ADJUSTMENT:** to revise or adjust an existing indicator for an SDG target.
- ADDITION:** to add an additional indicator for an SDG target.
- DELETION:** to delete an existing indicator for an SDG target.

2. Please enter the SDG Target this proposal is for *(please enter the SDG target number. For example, 11.c)*:

Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

3a. For “REPLACEMENT” or “DELETION” proposals, please enter the indicator name **and** number you are proposing to replace or delete:

Click or tap here to enter text.

3b. For “ADDITION” proposals, please enter the name of the indicator you are proposing to add:

Click or tap here to enter text.

3c. For “REVISION/ADJUSTMENT” proposals, please enter the existing indicator name **and** number you are proposing to revise/adjust:

3.8.2 Proportion of population with large household expenditure on health as a share of total household e

Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs) 2025 Comprehensive Review Proposal Submission Form

Overview of proposal

4. Background and rationale for the proposal (*please provide a summary of the rationale for the proposal*)

SDG indicator 3.8.2 aims to capture the lack of financial protection in health which hinders progress towards target 3.8 of the SDGs on universal health coverage.

- SDG 3.8.2 is intended to track the rate of people who are forced to reduce their spending on other basic needs such as education, food, housing, and utilities due to out-of-pocket health spending. This is currently done with a focus on large household expenditure on health as a proportion of total household expenditure or income. Two thresholds are used to define "large", 10% and 25% of household total expenditure or income. In effect, two series are produced, one based on the 10% threshold and the other one based on the 25% threshold.

- When both thresholds were adopted as part of the SDG monitoring framework in 2017, it was expected that the lower threshold would better capture the financial hardship experienced by poorer people paying out-of-pocket for health given their more limited budgets compared to richer households. Six years after that decision, backed by the publication of 5 global monitoring reports on universal health coverage, 2 thematic global monitoring reports on financial protection in health and 5 regional reports on either universal health coverage or financial protection, the evidence is clear. The 10% threshold is still too high to capture the lack of financial protection experienced by the poorest. Of the latest estimated 1 billion people with household expenditures on health exceeding 10% of household total expenditure or income for 2019, only 9% were living in extreme poverty (i.e., with less than \$2.15 in 2017 purchasing power parity) and only 13% were living in relative poverty (with less than 60% of the median per capita daily consumption expenditure or income). Within countries, health expenditures exceeding more than 10% of household total consumption expenditure or income are mostly concentrated among the better off. Based on the latest available estimate for 151 economies, health spending exceeding 10% of the overall household budget is more concentrated among the better off in two third of the countries or territories.

- The WHO and the World Bank have assembled evidence that there is substantial financial hardship experienced by those living in poverty, which is not captured by the SDG indicator 3.8.2. As part of the joint monitoring framework, both organizations are tracking indicators identifying people who are pushed or further pushed into poverty due to out-of-pocket health spending in addition to those incurring large expenditure on health as defined by SDG 3.8.2. The latest available evidence for 2019 shows that household expenditure on health pushed or further pushed an estimated 344 million people into extreme poverty and 1.3 billion people were pushed or further pushed into relative poverty. The vast majority of those experiencing impoverishing out-of-pocket health spending spent less than 10% of their households' budgets on health.

- Not acknowledging that also relatively small health spending by the poor can lead to financial hardship also has implications for between countries comparisons. In particular, the indicator would suggest that financial hardship in health is similar in low- and high-income countries although out-of-pocket health spending contributes to finance a much larger share of the overall health expenditure in low-income countries, poverty rates are substantially higher and service coverage is substantially lower.

- Lastly, with the current definition of SDG 3.8.2 which allows for both consumption or income the tracking of socio-economic related inequalities within countries is extremely sensitive to such choice. Indeed, some people may appear to be richer than they are because they have borrowed money, depleted their assets, or used their savings to finance spending on health (or other items). In countries where many people rely on such type of funding, the percentage of the population with large household expenditure on health as a share of household total consumption might be more concentrated among the better off but more concentrated among the worse off when income is used. WHO and the World Bank can demonstrate that this does happen empirically.

- To overcome all these limitations and for consistency with the overarching principle of the SDGs which is to ensure that no one is left behind, WHO and the World Bank request a revision of SDG 3.8.2 indicator to adopt a definition that will better capture progress towards target 3.8 of the SDGs on universal health coverage. The revised indicator captures deteriorating living standards because of both large and impoverishing out-of-pocket health spending. As such it will be more relevant for both within and between country comparisons.

- This change is needed to align the global tracking of financial protection adopted for the SDGs with the global tracking that is conducted by both co-custodian agencies.

Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs)

2025 Comprehensive Review Proposal Submission Form

- The proposal is to measure the proportion of the population with positive out-of-pocket household expenditure on health exceeding 40% of household discretionary budget. Household discretionary budget is defined as household total consumption expenditure or income net of the societal poverty line.
- This proposal does not increase the reporting burden as the same data sources will be used, so the data coverage is similar, and the time series will be similar. The societal poverty line is computed based on the same data source, but it is not reported as a separate indicator. In fact, there will be a reduction in the number of SDG indicators 3.8.2, so reporting burden will decrease.
- For more details, please see the revised metadata with tracked changes.

5. Please indicate how and when the methodology has become an international standard and who is the governing body that approves it (*except for proposals to only delete an indicator*).

- The discretionary budget defined as total consumption or income net of a poverty line was proposed by the World Bank in 2014 and the WHO Regional Office for European office in 2015 building on previous methods developed by WHO and the World Bank in collaboration with academics to define a discretionary budget (sometimes called capacity to pay for health care).
- The methodology became an international standard first when the WHO started to use a discretionary budget approach in the WHO European Region in 2015 as mandated by the regional resolution EUR/RC65/13. Second, in 2021 when the World Bank and WHO started to report on a single indicator of financial hardship that captures both large household expenditure on health and deteriorating living standards because of both large and impoverishing out-of-pocket health spending.
- The societal poverty line was developed by the World Bank in 2017 following the recommendation of the Atkinson commission on Global Poverty to introduce a “societal” headcount measure of global consumption poverty, combining fixed and relative elements. It has been used for global poverty tracking since 2018.
- WHO and the World Bank have an institutional mandate to track progress Universal Health Coverage and develop relevant methods that are applicable to all countries at all income level. WHO mandate is underpinned by a World Health Assembly resolution on sustainable health financing, universal coverage and social health insurance.
- Both organizations as co-custodian agencies have agreed on this proposal based on a series of consultations.

6. Link(s) to available data and/or to where data can be located to demonstrate the 40% coverage threshold (*except for proposals to only delete an indicator*)

- Data coverage is included in the excel file. provided by UNSD. It is based on the estimates produced by WHO and the World Bank as of April 29, 2024. It differs slightly from the availability based on the current definition of SDG 3.8.2 indicator as it doesn't include yet any estimate produced by Member States. The data coverage will increase once the revised definition is adopted.
- Country time series has been reproduced but it will be published following a country consultation.
- The country consultation will be conducted right after the revised indicator is approved.
- Global and regional times series have already been reproduced and are included in the data availability excel file but in a separate sheet (“table aggregates”).

7. In case the current data coverage is below 50%, is there a plan for how the data coverage will be expanded? Please elaborate on it (*except for proposals to only delete an indicator*).

Click or tap here to enter text.

8. Conclusion/other comments (*please enter any other information about the proposal*):

Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs) 2025 Comprehensive Review Proposal Submission Form

The revised indicator better fits the UHC target by better capturing financial hardship in health. It is a better global indicator as it is more relevant for all countries at all income levels. It aligns better with the SDG framework agenda on leaving no one behind by emphasizing the financial hardship due to out-of-pocket health spending experienced by the poor populations. It doesn't increase the reporting burden. In effect it leads to eliminate one time series.

9. Metadata file (*except for proposals to only delete an indicator*).

I/We have attached the appropriate metadata file to this proposal.

10. Acknowledgement.

I/We have read and understand the information regarding the guiding principles, criteria and requirements for the 2025 Comprehensive Review proposals listed above.