United Nations Network of Economic Statisticians Summary of First Beyond GDP Sprint 2023 Meeting

Updating social perspectives of wellbeing and the relevance of past and present UN work for today

1 June 2023, 7:00 am to 9:30 am (New York time) | United Nations, Virtual Meeting

Introduction

The <u>United Nations Network of Economic Statisticians</u> (Network) organized its First (Virtual) Session on 1 June 2023. The Beyond GDP Sprint 2023 aims to follow up on the request of the 54th session of the Statistical Commission to the Network to explore the feasibility of a research agenda for a new integrated statistical framework for measuring inclusive and sustainable wellbeing, as outlined in the background document "<u>A research prospectus for an integrated statistical framework for inclusive and sustainable wellbeing</u>". The sprint was attended by around 260 participants from countries, international and regional organizations and academia.

The Director of the Statistics Division provided the opening remarks at the meeting. He noted the success of the Network in bringing together experts from the global north and south in national accounts, economic statistics, social and demographic statistics, environment statistics and environment-economic accounting to discuss complementary metrics to GDP in line with the Policy Brief on Valuing What Counts: Framework to Progress Beyond Gross Domestic Product.

This first session of the Beyond GDP 2023 Sprint series explored initiatives to measure and monitor inclusive and sustainable wellbeing and quality of life. In particular, the meeting took stock of the evolution of social and demographic statistics, from measuring living conditions to measuring inclusive and sustainable economic and social development, based on a review of the UN Statistical Commission's decisions since its inception in 1947. The sprint was also an opportunity to re-address the question of the need for a *System of Population and Social Statistics* and present its potential scope and purpose. Moreover, the meeting detailed. the scope of wellbeing and sustainability measures to be included in the 2025 SNA, and the Beyond GDP initiatives and perspectives from the World Health Organization, the International Labour Organization, and the UN Economic Commission for Africa.

Overview of 70+ years of UN Statistical Commission's work on social and demographic statistics

The overview of 70+ years of UN Statistical Commission's work on social and demographic statistics and on measuring wellbeing as a multidimensional phenomenon, pointed out remarkable consistency in the issues of focus, augmented by changes over time in **social concerns and wellbeing dimensions**: from basic needs like food and clothing in the 1950s to environmental issues, human rights, equality, good governance and the rule of law, among the many social concerns still impacting well-being and social policy today. The call for statistics focusing on the needs of **vulnerable population groups and their special topics** also reached the Commission at different times, following political negotiations and outcome documents at

world conferences and summits, such as: women in the 1970s; youth in the 1980s; ageing population, and persons with disabilities in late 1990s-early 2000s.

Exploring the System of Population and Social Statistics as a reference framework

The above overview also pointed out that the Commission has repeatedly returned to the question of whether there is a need to better structure/organize/connect the many dimensions and components of social and demographic statistics and indicators through the development of a System of Population and Social Statistics¹ or whether promoting the production of social indicator dashboards focusing on the immediate needs of users is sufficient. Thus far the Commission has acknowledged the usefulness of a **Framework**² for countries to organize their social and demographic statistics, promoting the use of common classifications, definitions and concepts and stronger conceptual linkages when possible. However, designing and implementing a full reference System for Population and Social Statistics, similar to the SNA for economic statistics, was considered not attainable in the 1970s. The original System of Social and Demographic Statistics (SSDS) covering eleven domains of social concerns and living conditions was not considered equally policy relevant for developed and developing countries and implementable by countries with less developed statistical systems. Contrary to the Statistical Commission's adoption of the System of National Accounts 1968, the domain of social and demographic statistics was considered in early stages of development as compared to economic statistics. Moreover, the SSDS was perceived as being too demanding for developing countries by forcing socio-economic statistics and indicators to be compiled using sociodemographic transition matrices and economic accounts for social services. A new Friends of the Chair Group on Social and Demographic Statistics has been established by the UN Statistical Commission to review, among other tasks, national practices in conceptualizing, organizing and producing statistics in these important domains, and to provide related recommendations for more granular and timely data in support of SDGs and beyond.

The presentations of the ILO and WHO on the progress in the sub-domain of labor and health along with the progress on the national practices in the African region from a UNECA perspective revealed the significant progress of the social demographic (sub) domains since the 1970s that justifies revisiting the exploration of a System of Social and Population Statistics as a reference framework for the social and demographic domain, In particular, ILO described their Decent Work Indicators Framework and related ICLS resolutions, including on all forms of work and forthcoming on informality, while WHO described the work done on health accounts.

Such a System would undoubtedly still advocate for **statistical modelling** and the progressive use of **statistical balancing techniques** based on proposed tables, matrices, and accounts to impute missing data needed to connect the System's social dimensions/components of wellbeing, to create longitudinal data sets, as well to capture the lived experiences of population groups of interest, and their intersectionality, relying on proper data disaggregation and data granularity.

¹ Towards a System of Social and Demographic Statistics (SSDS), 1970, 1975

² Framework for the Integration of Social and Demographic Statistics in Developing Countries (1974)

In addition to adequate statistical capacity, experts pointed out that other specific **enabling factors** need to be present for such a System to work including: a legal framework allowing data access and sharing across the many data producers of social and demographic data in any given country; a modern data infrastructure (architecture and IT) for the above to technically happen; strong co-ordination and collaboration across the data stakeholders; and an agreed governance mechanism. Therefore, the System should be modular and flexible allowing for early country implementation for a limited number of domain specific statistics and indicators, not necessarily compiled from matrices and accounts. The System should also recognize the differences in the statistical capabilities among member countries.

The expert presentations (see their summaries below) highlighted the progress made with those various enabling factors on data capability, legal frameworks, data infrastructure, and institutional collaboration for the sub-domains of, labour, health, distribution, and time use for measuring unpaid household service work. Similar progress is expected to be established in the subdomain of education, housing, food and nutrition, social security, and in the other subsystems to be defined in future assessments.

On the **advantages of such a system**, experts pointed out the ability to use tables and matrices/accounts, similar to those used in the SNA, for coherent simulations and conducting scenario analysis when planning where to allocate national budgets across varied domains³. Being able to connect domains through a common meta data/terminology and techniques, such as integrated stock and flow presentations for tables, matrices, and accounts, the social demographic phenomena/concerns are now increasingly interconnected to economic and environmental concerns. Experts pointed out this integrated approach to understand the contributions and impacts of the 3 pillars of sustainable and inclusive development on each other.

New wellbeing and sustainability dimensions in the 2025 SNA

The meeting was also informed about the upcoming update of the 2008 **SNA** to be presented to the Commission in 2025. New detail aims to address inclusive and sustainable wellbeing in a range of domains, including the distribution of household income, consumption, saving and wealth, unpaid household service work, human capital, labour accounts and new information on the healthcare and education systems⁴. A number of these were also areas identified in the 1970s

³ Tables and matrices/accounts highlight the relationships across social dimensions/components to understand potential trade-offs, and the impact of policies and programmes on multiple social concerns.

⁴ As noted at the session, the majority of the guidance in this area has been finalized and endorsed by the Advisor Expert Group. The most important outstanding item is an updated description of the overall broadened SNA framework linking all the elements together. This will be available imminently, pending final endorsement by the Advisory Expert Group on National Accounts, https://unstats.un.org/unsd/nationalaccount/towards2025.asp

for the welfare-orientation of the SNA⁵, and many draw on mature satellite account frameworks which include both monetary and physical dimensions. In the case of the environment, updates aim to align aspects of the SNA with the SEEA to further harmonize the standards and better account for the emerging phenomena such as renewable energy, biological resources, emissions permits or provisions

Given the ambitious scope of these new dimensions, in many developing countries it will be necessary to set priorities and target the most relevant statistical outputs progressively, in line with national policy priorities. Practical implementation guidance and related technical assistance activities are planned.

The WHO, ILO, and ECA perspective on the Beyond GDP initiatives

The meeting welcomed the ongoing work led by the ILO, WHO and ECA Statistics to improve the labour and health sub systems of the SPSS and to support African countries in strengthening the integrated data collection system for social and demographic statistics.

The WHO perspective

The WHO expert reminded the meeting of the importance of connecting different wellbeing components both within social statistics as well as across pillars (economic and environment). The WHO through its World Health Assembly (WHA) is promoting the compilation of health accounts (now available in 70 percent of the member countries) to ensure a coherent measure of consumption, production and finance of health care services in support of the monitoring of national health care systems, Moreover, WHO is working with countries to strengthen their data infrastructure to produce **georeferenced data** and geospatial information as a way to improve interlinkages across datasets and to further enrich data analysis with spatial dimensions for the health monitoring information system. In addition, the WHO has developed composite health indexes, like the Universal Health Coverage (UHC) index, to better reflect the trade- off and relationship between the access to health care services and medicines and their financial affordability. The WHO progress in the advancement of health information system is commendable and an excellent basis to update the health and health service subsystem of the SPSS and its coherence with the other SPSS subsystems.

The ILO perspective

The ILO, with its 104 years of experience, including in servicing the International Conference of Labour Statisticians, is celebrating its centenary in 2023, and pointed out that the core of their work is conceptualized under the Decent Work Indicators Framework, adopted in 2008, This indicator framework also informs the SDG 8 on Decent work and economic growth and other

https://unstats.un.org/UNSDWebsite/statcom/session 19/documents/1976-477-Welfare-E.pdf

⁵ United Nations Statistical Commission documentation of 1974 and 1976 Session: https://unstats.un.org/UNSDWebsite/statcom/session_18/documents/1974-459-SNA-E.pdf

labor related indicators. Apart from the work on the defining the labor information system in terms of concepts, definitions, classifications, indicators, and tables, the ICLS has made considerable efforts in aligning labor supply and demand conceptual framework with the SNA and thus the socio-demographic reporting system. This progress will not only benefit the update of the SPSS labor and work subsystem but also the harmonization and reconciliation with other SPSS subsystems and the SNA.

The ECA perspective

ECA highlighted that African countries still rely mainly on household surveys (such as household income and expenditure surveys, labor force surveys, demographic and health surveys, and multi-indicator cluster surveys) and population and housing censuses to produce data and statistics to inform social and demographic policies. The region is also actively experimenting in making better use of administrative records and non-traditional data sources. The African countries mainly report wellbeing measures related to multidimensional poverty and inequality and SDG goals related to health and education. However, for the time being, while data availability and quality is still scarce, it would continue to focus on indicators for special population groups and SDGs while broadening its coverage of indicators related to decent work and economic growth (SDG 8), climate change (SDG 13), and peace, security, and strong institutions (SDG 16). Progressively, countries may take up the challenge for the region to implement a broader range of social and population statistics and indicators beyond the traditional coverage of the SPSS subsystems of population, housing, labor, education, health, and distribution. It was noted that when conceptualizing social and demographic indicators for wellbeing and quality of life, the African cultural realities should not be neglected such as those related to kinship relationships with an emphasis on family/communal relationships and spirituality. The expert concluded that given the ongoing concerted efforts from UNECA and other agencies, African countries can have more granular, timely data on social and demographic concerns integrated with economics and the environment to address wellbeing.

Conclusions

The meeting acknowledged that the proposed system approach to the social and demographic statistics domain should allow for flexible and modular implementation (akin to the System of National Accounts and the System of Environmental Economic Accounting) building on national practices of statistics, indicators, tables, and accounts produced for thematic areas such as population size and structure, labor and work, health and health services and using data from household surveys and population and housing censuses integrated with administrative sources, such as from national labor and health information systems. Moreover, where possible, the system should inform how to move beyond benchmark socio-demographic statistics and indicators to timeseries and demonstrate the measurement of living conditions in relationship with economy activity and the environment.

The meeting further concluded with the acknowledgment that much still needs to be explored and discussed. However, the first session of the Beyond GDP Sprint 2023 did already identify promising examples of the progress in the SPSS sub-systems of labor and health, in systematizing socio-demographic statistics in these sub-systems in terms of concepts, definitions,

classifications, statistics, indicators, tables, and matrices/accounts. Follow-up investigations should be accompanied by an assessment of good data collection and institutional collaboration practices supported by legal frameworks for data access and sharing as well as by examples of implementation of SPSS sub-systems on population, housing, education and distribution.

Next Session of the Beyond GDP Sprint 2023, 15 June 2023

Participants were reminded of the 2nd sprint session on 15 June 2023 when the above topics will be revisited from different angles (international organizations-UNCTAD; academia; national statistical office). The subsequent sessions of the Beyond GDP Sprint 2023 will continue to offer opportunities to share ideas and perspectives on which complementary measure(s) to promote and complement GDP, and its organizational framework to measure (and treasure) what counts!