

# United Nations Network of Economic Statisticians

## Summary of Seventh Beyond GDP Sprint 2023 Meeting

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### Reporting Back on Progress over the Sprint

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

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#### **Sprint Seven: Overview of the Sprint Series**

This session aimed to provide a retrospective of the work of the sprint, its key findings and recommendations for the 2024 UN Statistical Commission.

**Stefan Schweinfest** (UNSD) opened proceedings with a welcome to delegates and a brief recap of the 2022 and 2023 sprint series.

**Atif Kubursi** (Professor Emeritus of Economics, McMaster University) provided a wide-ranging summary of the major issues facing the international community and confirmed the case for further investment in a range of statistics which reflected the need to understand the environment and its interaction with the economy. He then went on to engage in the Teams chat, reinforcing his point that 'it is bad for business if consumers cannot breathe' to make his point that economic measures need to internalise environmental impacts into their decision-making process, which requires integrated data.

**Sharon Kozicki** (Bank of Canada) described the uses that an institution who might be considered a large user of traditional economic data already engages with a range of data beyond inflation and GDP, including inclusive / distributional metrics and the need to look beyond traditional measures and utilise new data sources. Describing GDP as 'the tip of the iceberg for monetary policy' given the need to understand structural drivers of growth and the variation in household and firm behaviour, including the interaction between household production and labour supply. She flagged the value of using administrative data, and the need in the future to better understand international comparability, human and natural capital.

**Richard Heys** (UK ONS) recounted a summary of the work of the 2022 sprint, the Research Prospectus which emerged from this, and how the 2023 sprint had addressed key elements within this, summarising the six sessions held to his point:

- First session explored initiatives to measure and monitor inclusive and sustainable wellbeing and quality of life
- The second webinar provided a picture of key advances made with respect to measuring well-being, and showcased examples of combining existing metrics to track well-being
- The third session tackled the progress made in the development of the standards to measure Environment, Social and Governance performance
- The fourth webinar provided examples of the current state of domestic wellbeing dashboards, their uses and impact on policy making; many common challenges were identified
- The fifth session covered the synergies among the different distributional frameworks used for measuring economic inequality

- The second last meeting discussed the relative benefits and trade-offs between dashboards and composite (single measure) indices

He suggested some potential draft findings from the series:

- A rich variety of models of national wellbeing Dashboards, ranging from 10-20 metrics to 60+, but these are often shaped around local frameworks, tailored to domestic need. The majority of these are focussed on wellbeing in the here and now, but we need to consider how to capture private sector Environment, Social and Governance performance (ESG) data better.
- There is a growing acceptance of the measurement of subjective wellbeing as a developed scientific discipline.
- There are three front-running distributional frameworks (DNA, DINA and NTA) which have clear similarities but subtle differences, which give us a perspective of inclusive wellbeing here and elsewhere (domestically)
- There are three front-running measures of capital (national accounts, comprehensive wealth and inclusive wealth), which do exhibit material differences, but which are often caused by transparent differences in methods and scope. This provides a perspective on wellbeing now and in the future.
- Both dashboards and composite indices struggle with the common challenge of understanding and presenting trade-offs. New research on the synergies between viable weighting metrics may assist.

**Francesca Grum** (UN-DESA) then provided a summary of the work to improve social and demographic statistics by the ***Friends of the Chair Group on Social and Demographic Statistics***. The Group had initially taken stock of evolution of social and demographic statistics at the United Nations Statistical Commission, and then moved forward to setting the purpose and objectives of the Groups work, their current workstreams, timeframe and way forward. She recounted the history of developments in this area and flagged the shared objective of the Group and the Network of improving the measurement and understanding of inclusive and sustainable well-being. Francesca presented the current challenges; a lack of an overarching conceptual framework, the difficult modeling of social phenomena, increasing demands for data disaggregation and timeliness, declining response rates in household surveys and rising survey costs, tight fiscal environments, decentralized statistical responsibilities, and low public acceptability for administrative data linkages. Francesca highlighted the four year timetable from 2022 to 2026 which has been set by UNSC to provide recommendations for strengthened social and demographic statistics that better reflect society and its connections with the environment and the economy, in line with the central promise of the 2030 Agenda for Sustainable Development to Leave No One Behind. The Group will tackle three work streams: 1) mapping our collective work at the international level, identifying what is available as well as existing gaps (in data, tools, methods), 2) showcasing national practices for timely and granular data that have the potential to be scaled up at global level, and 3) elevating the role of social and demographic statistics in the eyes of users and producers.

This was followed by a facilitated panel discussion chaired by Richard Heys (UK ONS), which included the chairs of the individual sprint sessions, in an effort to understand their perspective from compiling, chairing and writing up their sprint sessions.

In response to the question: 'In light of the presentations from this year's sprint what is the one big thing you learnt which is shaping how you think we should go forward?' **Tim Miller** (UNDESA) highlighted the undeniable of distributions, particularly of income, consumption and wealth, the benefit of having a number of frameworks to analyse these and the potential of synergies, which inevitably required in the next stage for us to bring people together to contemplate how best to utilise these. **Rutger Hoekstra** (Leiden University) highlighted how the sprints had provided a strong overview of the progress made in this space, even since the publication of his book on this topic, and how they have brought together a wider community, which is a vitally important step.

In response to the question: 'what do you think is the right next step for the Network's activity?', **Sonia Raizenne** (Statistics Canada) highlighted that the debate about environmental, social and governance (ESG) data had reached a level of maturity which still required extensive work and that statisticians need to create a forum for a far more active discussion with data providers both around consistency of definitions and treatment, but also about efficient and effective use. Sonia indicated that a working group to focus on this question would be a good next step. Sprints have proved good for fact-finding and community-building, but are clearly not the only way of working. **Eleanor Rees** (UK ONS) also highlighted the nature of the sprints in community-building and the need to retain this community and to recognise the wide degree of variation internationally.

In response to the question: 'we've talked a lot about the measurement of inclusive, sustainable wellbeing, relating this back to the Prospectus's proposal for a Framework to underpin measurement. How has what we've heard changed the way we might want to update this thinking?' **Eleanor Rees** continued and talked on two points. The first was about the need to reflect on and incorporate country's need to deliver against their local requirements. The second was to signpost the work of De Neve and Layard, which demonstrated the science of the measurement of Subjective Wellbeing (SWB) is now firmly established. **Ivo Havinga** (UNNES member) highlighted the need to ensure any next steps should have a clear purpose and be deliverable. This is the time to be clear on what and who to bring together to move forward, with a timeline to ensure we take the next step. **Sonia Raizenne** highlighted the need to build consortia in support of development activity; both between institutions but also within them. The wide breadth of wellbeing inherently compels very different statistical domains to come together in common cause.

In response to the question: 'Do you still consider a unifying framework as the right way forward? How do you see this fitting with the Secretary General's agenda?' **Ivo Havinga** highlighted the pace of work in this area and the clear need for a consolidating process to bring together the wide variety of actors active in this space. He highlighted the risk of small teams doing this in isolation, for example the need to

bring together NSIs and academics. **Rutger Hoekstra** highlighted the need for interdisciplinary work, and the need to draw on important contributions from parallel fields of research. **Tim Miller** concluded our discussion with reference to 'Our Common Agenda' and 'Valuing What Counts'. The need to produce inclusive, sustainable wellbeing measures 'hits lots of bases' and importantly looks to the future. We clearly need to consider the intergenerational thinking at heart of development, and in terms of renewing the social contract with citizens.

Stefan Schweinfest concluded the sprint series by providing a series of reflections, structured around five key points:

1. **Social and demographic element is essential:** A better understanding of well-being and sustainability should incorporate social and demographic statistics to ensure a more people-centric approach. This can be done by developing a System of Population and Social Statistics (name subject to discussion). Compiling agencies can use this System to generate appropriate tables and matrices/accounts for thematic areas such as population size and structure, labor and work, health and health services, using a flexible and modular approach similar to the approaches used in the SNA and SEEA.
2. **Corporate aspect should not be ignored:** A better assessment of well-being and sustainability should incorporate non-financial elements such as Environmental, Social, and Governance data in corporate reporting. He noted that standardization in ESG reporting is presently lacking, which leads to challenges in comparability and harmonization. He suggested that stakeholders should find ways to move towards a common reporting standard, noting that ESG reporting is voluntary: in order to facilitate this transition to mandatory reporting, stakeholder engagement needs to be fostered, including with employees, investors, and business communities.
3. **Going "beyond averages":** It is important to track disparities in the distribution of household income, consumption, savings and wealth, given the observation that the fruits of economic growth are not evenly distributed across the population, with those in the higher income groups getting an increasingly larger share of the pie at the expense of those in the lower income groups. Traditional macroeconomic indicators such as GDP per capita, income per capita, consumption per capita, savings per capita etc. are becoming irrelevant in tracking the economic health of the general population. Thus, appropriate methods that go "beyond averages" should be developed to track and measure the disparities in income, consumption, savings and wealth between the different groups in the general population. Such an endeavour can leverage the above-mentioned System of Population and Social Statistics and the proposed Framework for Inclusive and Sustainable Well-being to properly conceptualize and define the groupings.
4. **Dashboards versus composite measures:** The conceptual merits and demerits of compiling dashboards and composite measures to measure well-being and sustainability are well recognized, but the interesting question is whether these can be reconciled by compiling a dashboard of composite indicators or developing methods to build composite measures from dashboard indicators to derive additional insights.
5. **Complementary role of sprint and Network to other initiatives:** He noted the request for better data at the 78<sup>th</sup> session of United Nations General

Assembly and the potential important role of the Network in facilitating initiatives to meet this request. He also reiterated the important role of the Network in contributing to work to implement the recommendations in the UN Secretary General's [Policy Brief on Valuing What Counts: Framework to Progress Beyond Gross Domestic Product](#) and "[Our Common Agenda](#)". In addition, he noted that the 2008 SNA update has a well-being and sustainability component and that the beyond GDP work that the Network intends to undertake after this sprint should build on or complement this SNA component.

6. **Mechanism for collaboration across and within domains is essential:** The breadth and depth of topics in the beyond GDP space implies it is not possible for a single group to work in this space alone. Thus, there is a need for strategic and collaborative partnerships between groups such as the newly formed Friends of the Chair group on social and demographic statistics, national accounts, environmental-economic and environment statistics, and geospatial communities. He suggested that the Network can assess the feasibility of forming a specific group comprising high-level experts from these communities and, where appropriate, academia, and private sector representatives to bring the work forward. He recommended getting this proposal to form the group endorsed at 55<sup>th</sup> session of the Statistical Commission.

Stefan concluded by thanking all presenters for the excellent and insightful presentation at all the sprint meetings, all participants from various time zones for their enthusiasm in attending the meetings and sharing their insights, experiences and inputs and the Network's Bureau for successfully organizing another sprint.

**Richard Heys** echoed Stefan's thanks, specifically thanking task-team and UNSD colleagues, and formally closed the sprint series.