

Contribution to Beyond GDP „Virtual Indicator Expo“

<http://www.beyond-gdp.eu>

Name of the indicator/method: **EU set of Sustainable Development Indicators (SDIs)**

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The need for a European set of SDIs

The renewed sustainable development strategy identifies seven key challenges which are seen as threats to achieving the overall long-term objective of improving the quality of life and well-being on earth for present and future generations. While it could be argued that there is some interest in having an aggregated measure of well-being, it is also important to measure the different elements that influence it over time, as they are not perfectly substitutable. Through identifying key challenges to sustainable development, the strategy implicitly identifies what are these key influences on well-being and the threats to long term development. The EU set of sustainable development indicators (SDIs) is designed to monitor the related objectives and targets.

Measuring progress towards objectives and targets is an integral part of the renewed strategy. Eurostat is foreseen to produce a monitoring report every second year, based on the EU set of SDIs, which underpins the European Commission progress report.

Historical context

In 1996, the United Nations Commission on Sustainable Development (UNCSD) proposed a list of indicators, linked to the thematic chapters of Agenda 21, to be tested, developed and used by governments. Eurostat contributed to the international testing phase and issued two publications drawing from the UN list of indicators.

Following the adoption of the EU sustainable development strategy in Gothenburg in June 2001, a task force was established to develop a common response from the European statistical system to the need for indicators on sustainable development. The Commission endorsed a first set of 155 indicators based on this work in February 2005. Some 98 indicators from this list formed the basis of the first monitoring report published by Eurostat in December 2005. Upon the expiry of the mandate of the task force at the end of 2005, a working group on sustainable development indicators (SDIs) was set up, composed of both

statistical and policy representatives at national and EU levels. Following the mandate of the renewed strategy, the review of this first set was carried out by the Commission in close cooperation with the working group on SDIs, with the objective of adapting the 2005 SDI set to the renewed strategy, taking into account recent statistical developments.

Description of the reviewed SDI set

The purpose of the SDI set, as seen in the strategy, is to ensure an adequate assessment of progress with regard to each particular challenge. The reviewed set therefore specifically aims at measuring progress towards the objectives and targets of the sustainable development strategy.

The SDI framework is based on ten themes, reflecting the seven key challenges of the strategy, as well as the key objective of economic prosperity, and guiding principles related to good governance. The themes follow a general gradient from the economic, to the social, and then to the environmental and institutional dimensions. They are further divided into sub-themes to organise the set in a way that reflects the operational objectives and actions of the sustainable development strategy (see table 1).

Table 1: Themes, Sub-themes and headline indicators

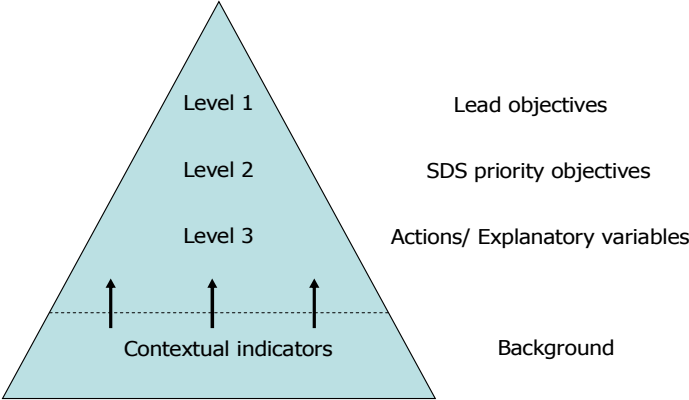
THEMES	SUB-THEMES				HEADLINE INDICATORS
Socio-economic development	Economic development	Innovation, competitiveness, and eco-efficiency	Employment		Growth rate of GDP per inhabitant
Sustainable consumption and production	Resource use and waste	Consumption patterns	Production patterns		Resource productivity
Social inclusion	Monetary poverty and living conditions	Access to labour market	Education		At-risk-of-poverty rate after social transfers
Demographic changes	Demography	Old-age income adequacy	Public Finance sustainability		Employment rate of older workers
Public health	Health and health inequalities	Determinants of health			Healthy life years and life expectancy at birth, by gender
Climate change and energy	Climate change	Energy			Greenhouse gas emissions Consumption of renewables
Sustainable transport	Transport growth	Transport prices	Social and environmental impacts of transport		Energy consumption by transport
Natural resources	Biodiversity	Freshwater resources	Marine ecosystems	Land use	Common Bird Index Fish catches outside safe biological limits
Global partnership	Globalisation of trade	Financing for sustainable development	Global resource management		Official Development Assistance
Good governance	Policy coherence and	Openness and participation	Economic instruments	

	effectiveness				
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The reviewed set of SDIs retains the three-storey pyramid structure of the 2005 set. This distinction between the three levels of indicators reflects the structure of the renewed strategy (overall objectives, operational objectives, actions) and also responds to different kinds of user needs, with the headline indicators having the highest communication value (see figure 1). The three-levels are complemented with contextual indicators, which do not monitor directly the strategy’s objectives, but provide valuable background information for the analysis.

The SDI set also describes indicators which are not yet fully developed but which would be necessary to get a more complete picture of progress, differentiating between indicators that are expected to become available within two years, with sufficient quality ('indicators under development'), and those to be developed in the longer term ('indicators to be developed').

Figure 1: The SDI pyramid



Current success and key challenges

National sets of sustainable development indicators in EU Member States and the rest of the world may differ from the EU SDI set, reflecting different policy priorities, and different levels of availability of statistics. There is however some added value in measuring the same objectives with the same indicators to allow for meaningful cross-country comparisons. The EU SDI set is already guiding this convergence process to a certain extent.

Figure 2: Example of individual indicator presentation in the 2007 monitoring report

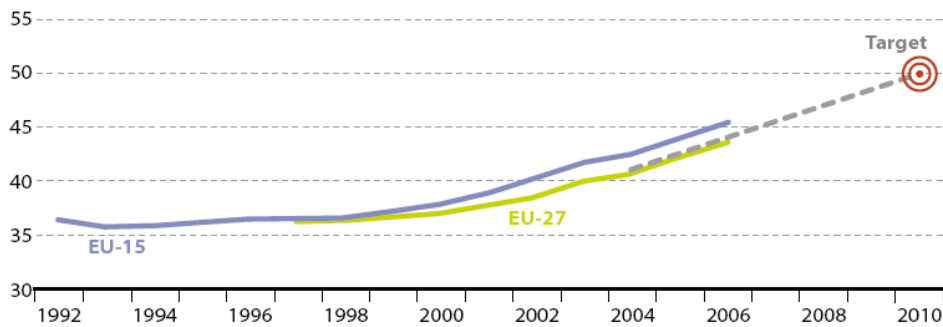


Figure 8.1:
Employment rate
of workers aged
55-64 (%)

Source: Eurostat.

The Eurostat monitoring report provides a factual analysis of progress focusing on trends and distances to targets (figure 2). Evaluation is based on quantitative rules applied consistently across indicators, and visualised through weather symbols that illustrate whether changes are favourable in the context of sustainable development objectives (figure 3).

Figure 3: Conclusions table in the 2007 monitoring report

Table 11.1: Evaluation of changes in the headline indicators (from 2000)

SDI theme	Headline indicator	EU-27 evaluation of change
Socioeconomic development	GDP per capita	
Climate change and energy	Greenhouse gas emissions	¹
	Consumption of renewables	
Sustainable transport	Energy consumption of transport	
Sustainable consumption and production	Resource productivity	¹
Natural resources	Common birds	²
	Fish catches	²
Public health	Healthy life years	¹
Social inclusion	Risk of poverty	:
Demographic changes years and over	Employment rate of older workers	
Global partnership	Official development assistance	¹

LEGEND:

- favourable change/ on target path
- no or insufficient change
- unfavourable change/far from target path
- :
- ¹ Evaluation based on EU-15.
- ² Usual EU aggregates not applicable.

The first progress report on the sustainable development strategy has used sustainable development indicators extensively, demonstrating the usefulness of factual and objective assessment as a background for policy analysis. The combination of a policy relevant set of indicators with rigorous analysis based on independent statistics is key in this context.

Future developments

The Commission, with the assistance of the working group on SDIs, is committed to constantly review the situation regarding the development of new and better indicators. This

development work will contribute substantially to further improve the homogeneity of the set of indicators.

A joint UNECE/OECD/Eurostat working group on statistics for sustainable development is currently assessing the use of the Capital approach to measure sustainable development, based on the rationale of maintaining stocks of financial, natural, human, and social capital to preserve opportunities for the well-being of next generations. This should yield useful insights for the selection and interpretation of sustainable development indicators

In response to current policy needs, Eurostat is also in the process of launching a feasibility study on a well-being indicator, by reviewing the merits and shortcomings of existing approaches and examining the feasibility of selected indicators at EU level.