



# Indicators of sustainability – “beyond GDP”

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# Political context

- **Growing consensus academically and politically**
- **GDP misses out important issues**
- **Need to complement GDP (not changing)**
  - With environmental and social information
  - To measure progress in a comprehensive way
- **Need confirmed by economic crisis**
- **Recent important international initiatives (EC, OECD, France, G20)**

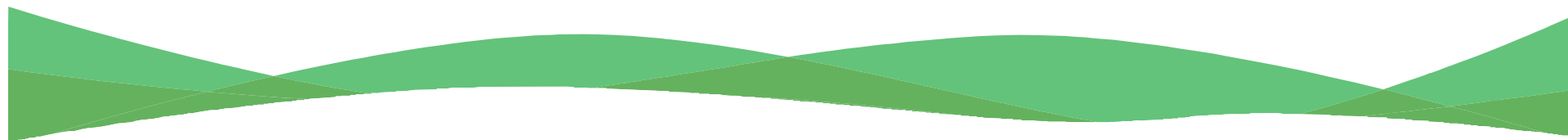
# The Commission's approach

- **Beyond GDP conference Nov 2007**
- **Road map for action: Communication to Council and EP (COM (2009) 433)**
  - Adopted 20 August 2009
  - presented 8 Sep 2009 ([www.beyond-gdp.eu](http://www.beyond-gdp.eu))
- **2 main lines of action**
  - Communication
  - Filling data gaps

# The Commission's 5 first actions

Possible in short to medium term:

- Composite indicators
- Increasing timeliness of data
- Focus on distribution and disparities
- Sustainable Development Scoreboard
- Integrated environmental, social and economic accounting



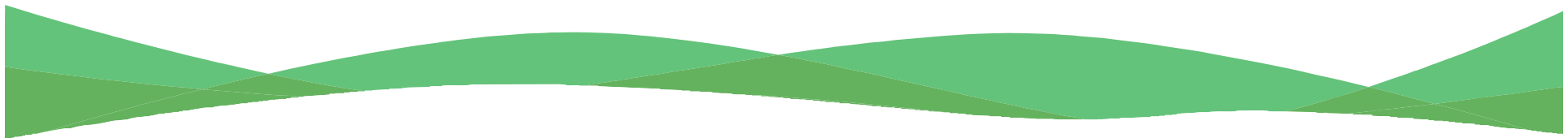
# Composite indicators

To complement GDP in policy debate

- Comprehensive composite indicators are a good way of communicating overall progress.
- Commission and EEA are working on a comprehensive composite indicator on the environment.
- ESTAT and Dublin Foundation (EFILWC) on well-being and quality of life indicators

# Timelines & Periodicity

- **Environmental / social statistics normally 2 to 3 years old, not always annually**
  - **In contrast to that:**
    - Energy statistics: monthly/quarterly
    - Key economic indicators: quarterly
    - Stock market information: daily
- ⇒ **integrated analysis difficult**
- ⇒ **hard for media to report in an integrated way**
- ⇒ **Options: „near real time“ and „now-casting“**



# Distribution and inequalities

- Figures per capita can hide change in distribution
  - Not only income, but also government services, health, education and environment
  - Poorer people pollute less, but live in more polluted areas
  - Social cohesion
  - Reforms / Transition to low-carbon resource efficient economy
- ⇒ One short-cut proposed by Stiglitz-Commission:  
„median“ instead of „mean“ – the „typical“ instead of the „average“ citizen

# Sustainable Development Scoreboard

- Concise and policy relevant overview
- Example: EU Innovation Scoreboard
- SDI set is the EU's comprehensive monitoring tool
- SD Scoreboard to support
  - communication
  - alert
  - policy responses
- Sustainability thresholds  
(critical capital / carrying capacity)

# Integrated national accounting

For integrated and consistent analysis of economic, environmental and social issues.

- **ESTAT step up work on Environmental Accounting (legal framework for EU)**
- **Complemented by EEA eco-system accounting**
- **Other initiatives: e.g. TEEB on valuation**

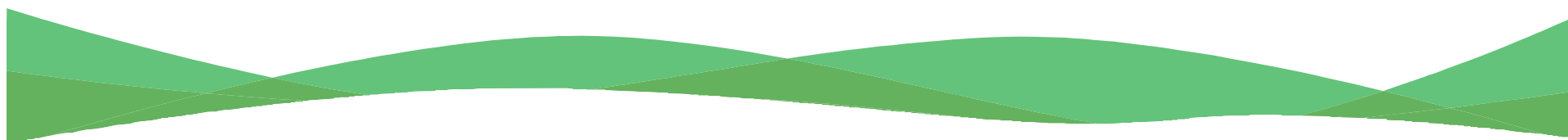
# Summary

## ■ Better communication of the existing information

- Composite indicators
- Scoreboard
- Environmental Accounting
- Communication efforts

## ■ Filling data gaps

- Timeliness of indicators (for analysis and communication)
- Quality of life and well-being
- Distribution and inequalities
- Sustainability thresholds, valuation and eco-system accounting



**Thank you!**  
**FOR MORE INFORMATION:**

**[www.beyond-gdp.eu](http://www.beyond-gdp.eu)**

**[contact@beyond-gdp.eu](mailto:contact@beyond-gdp.eu)**

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