Economic and Social Commission for Western Asia

## Statistical Priorities for the UNESCWA in measuring wellbeing, inclusion, and sustainability

**Beyond GDP Webinar** 

Priorities in measuring wellbeing, inclusion, and sustainability in African and Arab Countries and findings of the Network's Beyond GDP Sprint

United Nations Network of Economic Statisticians, UNESCWA, UNECA, UNSD

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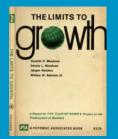




- I. Background on GDP Limitations
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- IV. High Relevance and Specificities in Arab Countries
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## **Background on GDP Limitations**



- Limits to Growth (LTG)-Club of Rome (Meadows at al.1972): "Measure and report the state of welfare, equity, justice, or efficiency, instead of highest per capita GDP,
- Steady-State: Index of Sustainable Economic Welfare (ISEW) (Daly and Cobb 1989)



- Degrowth:
- Beyond GDP: Wellbeing and Sustainability
- New trend in philanthropy foundations: Human flourishing: (Tempelton Foundation)
- Bill Gates Foundation



#### Nature.Vol611.10 Nov 2022

- Can An Economics Formula Save The Planet? <u>GDP Is Getting A Makeover-what</u> <u>It Means For Economies, Health And The</u> <u>Planet</u> The United Nations wants to downgrade GDP and instead gauge economic growth with metrics that include impacts on people, ecosystems and the climate. By E. Masood
- <u>The Middle East Is Going Green While</u> <u>Supplying Oil To Others By Elizabeth</u> <u>Gibney</u>

2022





#### Opportunities for Arab Region with the SNA update and UN Network

- Responding to policy priority in the Arab Region for Integrating economic, social, and environmental information into extended accounts and meaningful and actionable dashboards of indicators and indexes to measure wellbeing, inclusion, and sustainable development for which statistical systems in Arab Countries should be ready to implement
- The Central Role of Statistical Offices as well placed for extending the statistical framework to and invest in measuring wellbeing, inclusion, and sustainability measures in addition to GDP
- Engaging in regional consultations and communication
  - ESCWA in collaboration with partners organized regular Webinars on SNA update and Global Network of Statisticians and the UN Network of Economic Statisticians
  - Reached out to Economists and Social Scientists withing the organization and a wide network from countries and organizations



Opportunities for Arab Region with the G7 and T20 Proposal for Inclusive Wealth and Two Climate Summits in Arab Countries Egypt and UAE

- Building on the recommendation of Think20 (T20) summit in Saudi Arabia in 2020, a policy brief called for Group of 20 (G20) countries to move beyond GDP by complementing it with inclusive wealth indicators by 2025 to unlock the financing needed for the SGDs and achieving the 2030 Agenda.
- Moving beyond GDP requires complementary indicators that match GDP's conciseness, robustness and relevance while providing an improved foundation for decision-making that will enhance long-term wellbeing.
  <a href="https://www.g20-insights.org/wp-content/uploads/2022/08/TF9">https://www.g20-insights.org/wp-content/uploads/2022/08/TF9</a> Moving-Beyond-GDP-to-Achieve-the-SDGs.pdI
- Two Climate Summits in Arab Countries and commitments of Arab Countries Climate Change Conference (COP 27) Egypt 6-20 November 2022

2023 will be a historic year for the UAE. The country is going to host the 28th session of the Conference of Parties (COP 28) to the UNFCCC (United Nations Framework Convention on Climate Change).



#### High Relevance and Specificities in Arab Countries

# Wellbeing

### Sustainability

Distribution of HH Income Unpaid Work Labour, Education, Human and Social Capital Health and social conditions *Peace and Security Trust Good Governance* 

Natural resources exploitation: Benefits mostly MNEs Future Generations and Demographic Change: National Transfer Accounts Migration (Brain Drain ) Refugees

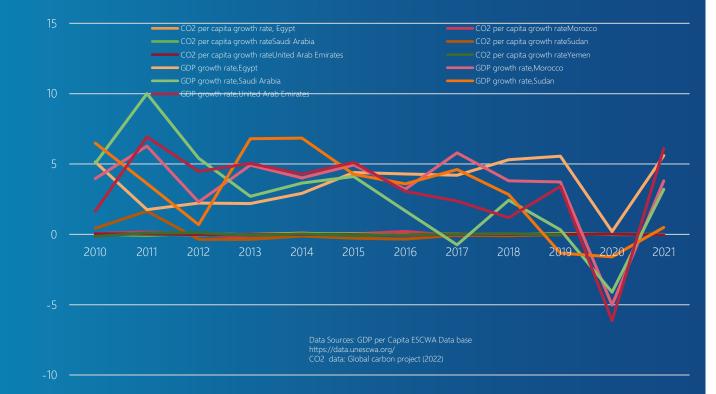


#### Decoupling of Growth from Environment and Natural Resources Use in Arab Countries

Environmental Kuznets Curve (EKC) hypothesis: empirical relationship suggesting that the relationship between Economic growth and environmental degradation and natural resource use in the long run, follows an inverse U-shape (from a certain per-capita income level, an increased economic growth is accompanied by improvements in environmental quality.

No evidence of EKC relationship for 12 Middle East and North African countries over the period 1981-2005. <u>(Arouri et al. (2012)</u>,

Population growth is the primary driver of  $CO_2$  emissions in the Middle East with a contribution rate of 54%, followed by energy intensity (32 %) and economic growth (18%) (Rajabi Kouyakhi 2022.)

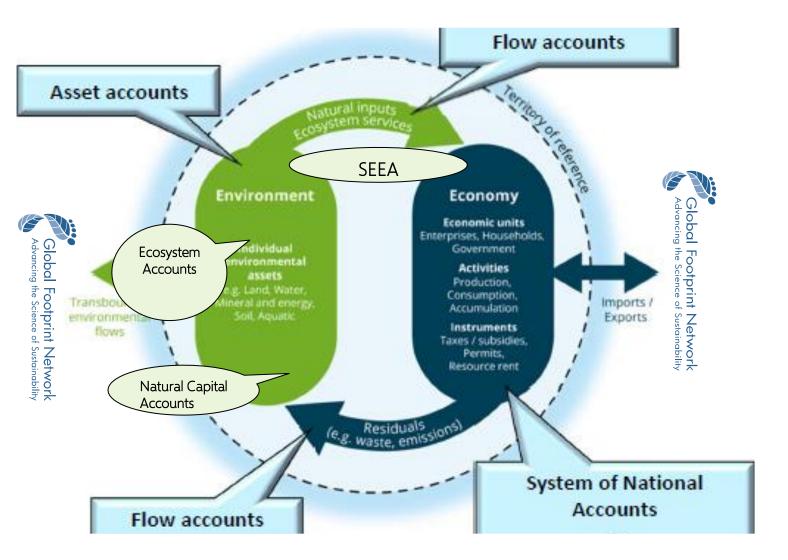


% Annual Growth: GDP Per capita and CO2 per Capita in Arab Countries



#### **Statistical Frameworks-Environment and Natural Resources**

- System of Environmental-Economic Accounting-Central Framework SEEA-CF and Ecosystem Accounting SEEA-EA
- SUT (Supply and Use Tables)
- NCA (Natural Capital Accounts and Wealth Accounting and the Valuation of Ecosystem Services (World Bank WAVES projects in Africa)
- Ecological Footprint and Biocapacity (Produced by University of Guelph and the Global Footprint Network

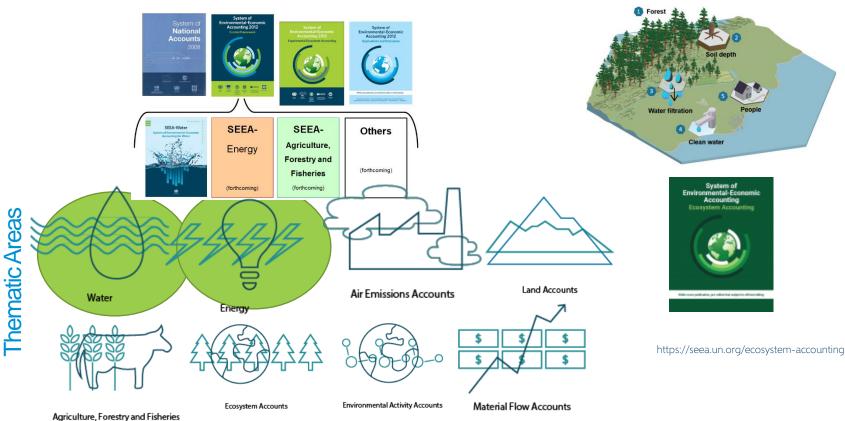


Accounting and classification rules provide link to the national accounts and to the input-output tables (useful for analysis, modelling and estimations of footprints) The same conceptual framework is used for materials, water, energy air emissions land, ecosystems and waste, etc.



#### **SEEA: Central framework and Ecosystem Accounting**

https://seea.un.org/



ESCWA had projects funded by UNDA and XB since 2004 on Environment, Energy and SDGS to provide technical assistance and capacity building to develop pilot accounts with Member Countries on SEEA Water and SEEA Energy.

But the production stopped when the projects ended. Countries do not produce regular accounts.



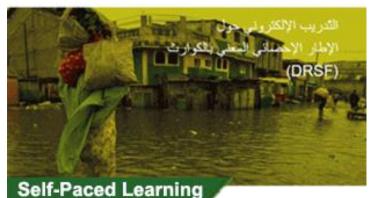
#### SEEA status in Arab Countries in 2018

Country SEEA status	•	Funding?	CF account	EEA account	Plans to begin compilation of accounts in Other notes new thematic area?		
2018	accounts?		(thematic	compiled (thematic area)			
	Planning					Priority of water	
	Yes (compilation/publis hing status unclear)		Water			Priorities of water, energy and land	
Jordan	Planning					Received technical assistance and training in 2014, but could not establish programme at that time; there is a need for more training and more integration with other ministries Priorities are water, energy and waste. Would like to have a field visit to Indonesia to learn about their experience in applying the SEEA.	
Kingdom of Saudi Arabia	No					Plans of the Department of Environment Statistics are: 1. Participation in UNSD/ESCWA/AITRS training; 2. In 2019, include questions in forms used by the General Authority of Statistics to cover the part of the environmental economic accounting; 3. Statistics data of environmental-economic accounting will be published in 2020. Priorities of waste, water and energy	
Kuwait	No						
Oman	No					Priorities of water and energy	
Palestine	published	Periodic funding but are planning to increase staff by three employees	EPEA		MFA, water, energy, land, timber, aquatic, water emissions, air emissions, waste, ReMEA, EGSS, taxes, subsidies, Agriculture forestry and fisheries; Plan to do all ecosystem accounts after 2020	SEEA embedded in NSDS; have received technical assistance for water ar waste accounts Priorities of energy and water	
Qatar	Planning				Materials, water, energy, land, aquatic, biological, air emissions, water emissions, EPEA, ReMEA, EGSS, taxes, subsidies, agriculture forestry and fisheries	Water and EPEA are highest priority	
Sudan	No					Priorities of energy and minerals, water and forest	
	Yes (compilation/publis hing status unclear)		Water			Did not respond to Global Assessment, but have water accounts; waste an energy are priorities	
Turkey		Regular funding	MFA, water, energy, timber, air emissions, EPEA, EGGS, taxes			SEEA is in NSDS; DG Forestry did pilot study on ecosystems in 2015 for Bolu, Duzce region via WAVES. Have received technical assistance on CF accounts from Eurostat.	
Yemen	No					Priorities of water and land	



SEEA-Central Framework SEAA-Energy SEEA-Water





Environment and Disaster statistics (DRSF) التَدريب الإلكتروني حول الإطار الإحصائي المعنى بالكوارث Language: Arabic

#### Elearning Platform and Arabic Content In Collaboration with UNSD and SIAP

- <u>E-learning course on the System of Environmental-Economic Accounting 2012 -</u> <u>Central Framework (SEEA CF) Arabic</u>
- <u>SEEA In Depth Training on Energy Accounting (Arabic)</u> تدريب متعمّق حول المحاسبة في مجال الطاقة

•<u>SEEA - IN DEPTH TRAINING ON WATER ACCOUNTING (ARABIC)</u> https://elearning-cms.unstats.un.org/course/detail/26

•SIAP In-depth Training on Water Accounts (e-Learning course) https://www.unsiap.or.jp/on line/Environment/WA/Water Accounts.html

 <u>SIAP</u> on-line training open to ESCWA member states: <u>Compiling Climate Change</u> <u>Indicators: An Accounting Approach</u> 6 January - 12 February 2021

• التّدريب الإلكتروني حول الإطار الإحصائي المعني بالكوارثDRSF

•Arabic Version of the <u>Framework for the Development of Environment Statistics (FDES</u> 2013)[Arabic] https://unstats.un.org/unsd/envstats/FDES/FDES-2015-supporting-tools/FDES\_Arabic.pdf النسخة العربية الجديدة إطار تطوير إحصاءات البيئة

•<u>Arabic Version of the International Recommendations of Energy Statistics (IRES)</u> <u>https://unstats.un.org/unsd/energystats/methodology/documents/IRES-ar.pdf</u> (accessible <u>https://unstats.un.org/unsd/energystats/methodology/ires/</u>)

• النسخة العربية الجديدة من التوصيات الدولية لإحصاءات الطاقة (IRES)



#### <u>World Bank: Wealth Accounting, Valuation of Ecosystem</u> <u>Services and Natural Capital Accounts</u> Projects Mostly in African Countries not in Arab Countries



#### Natural Capital Accounts Explained

What exactly is a forest, land or water account? This new series describes in simple terms what they are, how they are produced, and their potential benefits. They also provide examples from WAVES countries.



#### Natural Capital Accounting: Forests

Forest accounts are a systematic framework for collating data on forest assets and activities, using methodologies approved by the United Nations to ensure these data are comparable and replicable. Importantly, they are linked to the System of National Accounts and its traditional indicators of economic performance, such as GDP. This means that results from forest accounts can be used by economic groups beyond the forestry sector, including agriculture, manufacturing and trade. Forest accounts also introduce a better recording framework, to understand stocks (i.e. total forests available in a country) and flows or changes during a period of time.

*"It is important to highlight the extent of uncontrolled timber extraction that the accounts reveal. There is no institutional control, and evidently an important part of it is illegal,"* **said Guillermo Alejandro Gándara, Universidad Rafael Landívar, Guatemala**.

#### Global Program on Sustainability



WAVES is now part of the broader World Bank umbrella initiative, the <u>Global</u> <u>Program for Sustainability (GPS)</u>.

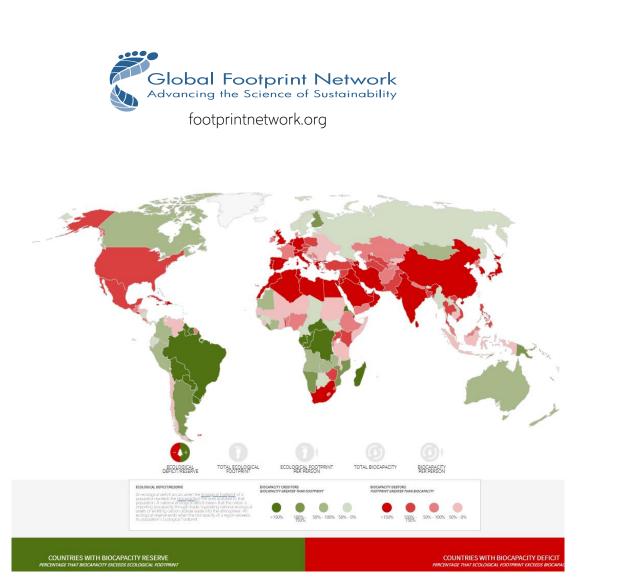


#### Ecological Footprint and Biocapacity in Arab Countries

50M

**Grazing Land** 

**Biocapacity of Countries 2018** 



global hectares 25M 0 <sup>1 Arab</sup> Republic United Arab Emirades Lebanon Morocco Ma<sub>uritània</sub> Sa<sub>udi Arabia</sub> <sup>Jam</sup>ahiriya Kuwait Jordan Bahrain D<sub>jibouti</sub> Sudan Algeria Yemen Qatar Somalia Tunisia 0<sub>man</sub> Syrian, **Ecological Footprint of Countries 2018** ● Carbon ● Fishing Grounds ● Cropland ● Built-up Land 15 🛑 Forest Products 🛛 😑 Grazing Land per person 10 global hectares 5 0 Unifed Arab Emirates Saudi Arabia Arab Janahiniya Lebanon Ma<sub>uritania</sub> Djibouti rab Republic Qatar Kuwait 0<sub>man</sub> Algeria Tunisia Iraq 10rocco Sudan lordan Somalia <sup>kemen</sup>

Global Footprint Network, 2022 National Footprint and Biocapacity Accounts

SL,

https://data.footprintnetwork.org/?\_ga=2.212413204.1827712850.1669024908-

9

24053431.1669024908#/compareCountries?type=EFCpc&cn=4,13,72,103,112,118,121,124,136,143,221,179,194,201,276,212,222,225,249&yr=2018



## Research on Sustainability and Well-Being- Beyond GDP UNESCWA and Others

- UNESCWA and partners' work on Measuring Progress Beyond GDP, Insights from potential indicators (BGI) and a framework
- New Development Challenges Index (DCI) that measures shortfalls in three development achievements: basic wellbeing freedoms as measured by the three quality-adjusted dimensions of the traditional HDI; environmental sustainability; and good governance

Abu-Ismail, K, V Hlasny, A Jaafar and others (2022) *Development challenges index: statistical measurement and validity*, ESCWA.

- <u>SDSN 2022 Arab Region SDG Index and Dashboard Report</u> (Mohammed bin Rashid School of Government (MBRSG), Anwar Gargash Diplomatic Academy (AGDA) and the UN Sustainable Development Solutions Network (SDSN)).
- Extended Accounts: labour, Education, Health,
- National Transfer Accounts (NTA): ESCWA was part of a DA project on NTA led by UNPD. The NTA exercise was implemented in Jordan and Palestine. A new project on NTA with the help of the UNPD was in the pipeline. The NTA network is rather active internationally and some countries from the Arab region used to participate in their annual conference.



## **Future Steps**

- Feed back from Consultation and Follow-up from organizations
- Further coordination within organizations and countries
- Outreach
- Networking
- Engage in the research and experimentation
- Capacity building and coordination
- Knowledge sharing and lessons learned (South-South and North-South)