



## **GGKP's Research on Indicators**

- Measuring Progress towards a Green Economy  
in the context of Sustainable Development

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# Introduction

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- GGKP's inaugural conference in Mexico in January 2012
  - “**Indicator**” as one of the priority research areas
- **Indicators**: crowded research field
  - SEEA, SDI, HDI, Adjusted Net Savings, WAVES, Beyond GDP Initiative, Ecological footprint, DPSIR, FDES, etc.
- How to build **Indicators work stream under the GGKP** on existing initiatives? How to add **value**?

# Possible Research Areas on Indicators

- Indicators of green economy/ green growth
- Indicators for making/assessing green economy/ green growth policies
- The policy impact of indicators
  - The role of indicators in influencing policy making
- How to strengthen indicators related capacity

# 1. Indicators of green economy/green growth

- Which proportion of the economy can be considered as green?
  - ✓ What is “green” criteria
  - ✓ No established statistical boundaries
  - ✓ Which proportion of the economy can be considered as “green”?
  - ✓ EGSS integral part of the SEEA
- Researches to answer these question
  - The classification of EGSS
  - The role of certification and labeling in categorizing as “green”
  - Social considerations in “green” criteria
  - Adjusted net savings as green economy/green growth indicator?
  - Statistical framework to capture the size of green investments?

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## 2. Indicators for making/assessing green economy/green growth policies

- Green economy/green growth: **Pathway** rather than **Destination**
  - **To provide guidance on the use of Indicators** in making and assessing green economy/green growth related policies needed
- Different indicators are being used at different stage of policy making

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## 2. Indicators for making/assessing green economy/green growth policies (continued)

- A core set of indicators, including composite indexes needs to be defined and agreed with the flexibility for national level adaptation.
- Key aspects of outcome indicators
  - Resource productivity
  - Competitiveness
  - Jobs
  - Environmental improvements, EGSS

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## 3. The policy impact of indicators

- Empirical research on how green economy/green growth related indicators have had impacts on policies
  - Identify examples where indicators have influenced policy at macroeconomic or sector level
  - Identify key factors in making indicators relevant to policymaking
- Examine issues on the role of monetizing environmental and natural resource indicators in influencing policy making
  - Policy use of private and social valuation of resource depletion or sink services of ecosystems
  - Assessment of the sensitivity of social valuation to changes in parameters such as discount rates

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## 4. How to strengthen Indicators related capacity

- **Weak statistical capacity** in developing countries
  - Look into the capacity constraints in some countries
  - Identify practical ways to strengthen capacity
    - Potential systematic technical support from the international statistical community or the statistical offices from developed countries
- Possible research on **support for data collection** with particular focus on environmental data in countries piloting green economy/green growth policies

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# A Call for Communication

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- **Strong Communication effort** needed for
  - Research community
  - Potential users of indicators of what is being planned by GGKP in the research on GE/GG related indicators
- To make clear how different stakeholders may participate in the various research streams
- Open and wide participation needed for the resolution of the contentious issues such as
  - Threshold value/indicators for governing substitution between different forms of capital
  - The relevance of social standards in green criteria



**Thank You**

## 2. Indicators for making/assessing green economy/green growth policies (continued)

### Indicators for Major Three Stages of Policy Making

- **Issue Identification**

- Indicators for identifying policy issues which trigger policy responses
  - ex) pertinence of land use change ~ loss of diversity

- **Policy Formulation**

- Indicators that express policy targets for the issues at hand
- Indicators that reflect policy interventions such as the extent of subsidy reform or level of investment in renewable energy
  - ✓ Composite indicators/indexes issue

- **Policy Assessment/Evaluation**

- Indicators for projecting and assessing the broad outcomes of policies
- ex) changes in GDP and jobs

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