

# Sustainable and inclusive wellbeing, the road forward

Alina Sandor

Joint Research Centre of the European Commission

( P. Benczur, A. Boskovic, J. Cariboni, R. Chevalier, J. Le Blanc, A. Pagano, S. Zec)

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# Links with SFRs and resilience dashboards

Wellbeing is enshrined as a core concept in the Treaty on the European Union: Article 3(1) says that the Union's aim is to promote peace, its values and the [wellbeing of its people](#).



“This broad approach to measuring and monitoring resilience should feed into an **integrated approach to measuring people’s wellbeing**.”

“The resilience dashboards are an important step towards a more **integrated approach for measuring wellbeing beyond GDP**.”



# The official mandate: Strategic Foresight Report 2023

- Following up on the past Strategic Foresight Reports, the Commission has launched internal work on **developing Sustainable and Inclusive Wellbeing metrics for the EU to complement GDP**. It brings together different strands of work for the first time, with the aim of informing future EU policymaking.
- One option to develop beyond-GDP metrics consists of **assigning monetary values to relevant factors of wellbeing and using these values to “adjust” GDP**. [...] → *the health-adjusted GDP*
- In this context, beyond-GDP metrics should be further developed and progressively embedded into EU policymaking. **This will help monitor progress towards wellbeing, facilitate the communication of political challenges, and design the strategies to address them in a people- and planet-centred manner [...].**

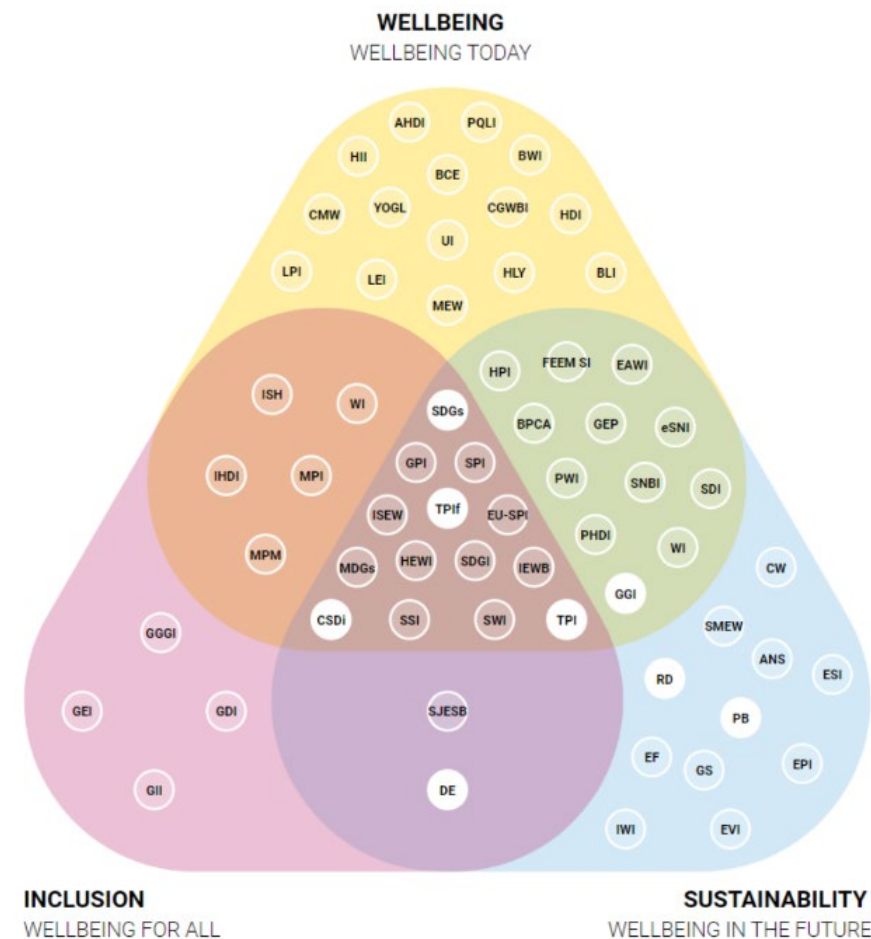
# Work plan: two main work streams and potential additional medium-term activities

- An expanding scope of **GDP adjustments** (single monetary value)
- A 2-tiered **SIWB dashboard**
  - A medium sized dashboard: balanced and comprehensive to assess a country's progress
  - A small headline dashboard: enabling communication
- Developing **new indicators (statistical and model-based)** to bridge identified gaps (e.g. spillover effects, planetary boundaries; social capital and cohesion)
- Using new methodologies to obtain **more timely indicators** (e.g. nowcasting and short-term forecasting)
- Developing **integrated assessment models** (e.g. socioeconomic and environmental) for policymaking, scenario analysis, projections

# An integrated approach

‘Sustainable and Inclusive Wellbeing’ (SIWB):  
the wellbeing of all people of current and  
future generations, and of the planet

- **Wellbeing today** (multidimensional approach, material and non-material aspects)
- **Sustainability**: resources for future wellbeing, under various challenges (**resilience**) and within **planetary boundaries**
- **Intergenerational solidarity** is crucial
- **Inclusiveness**: deliver wellbeing to all



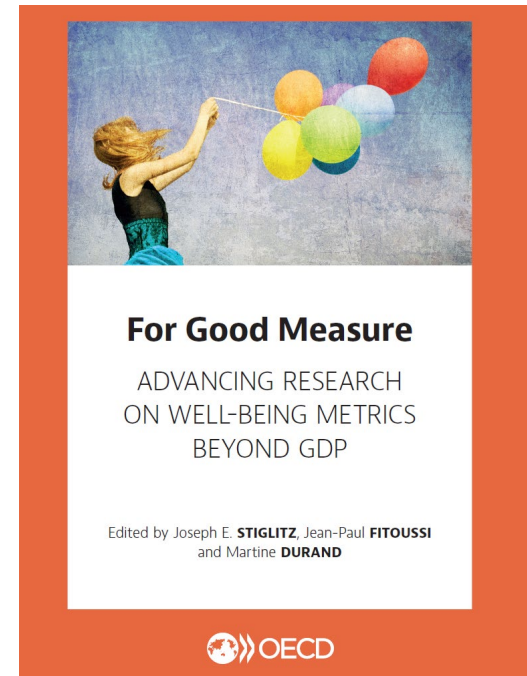
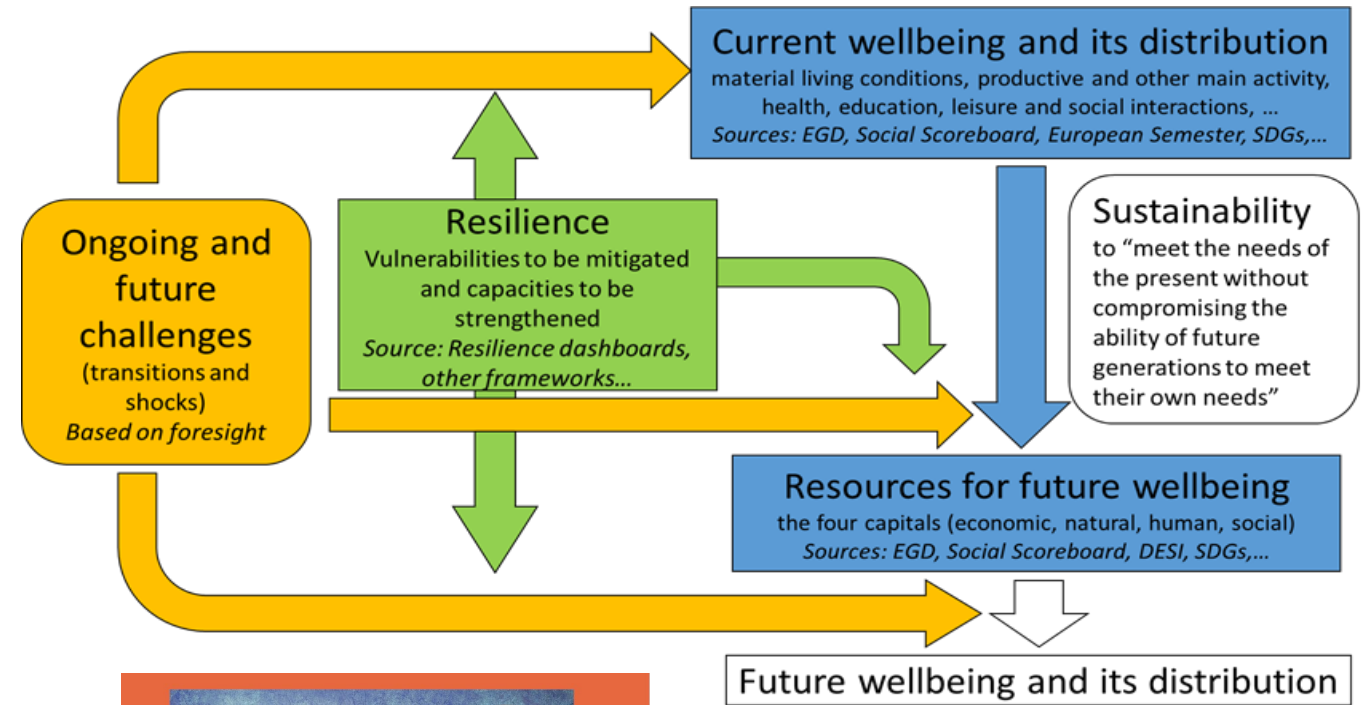
The WISE triangle: <https://beyond-gdp.world/>



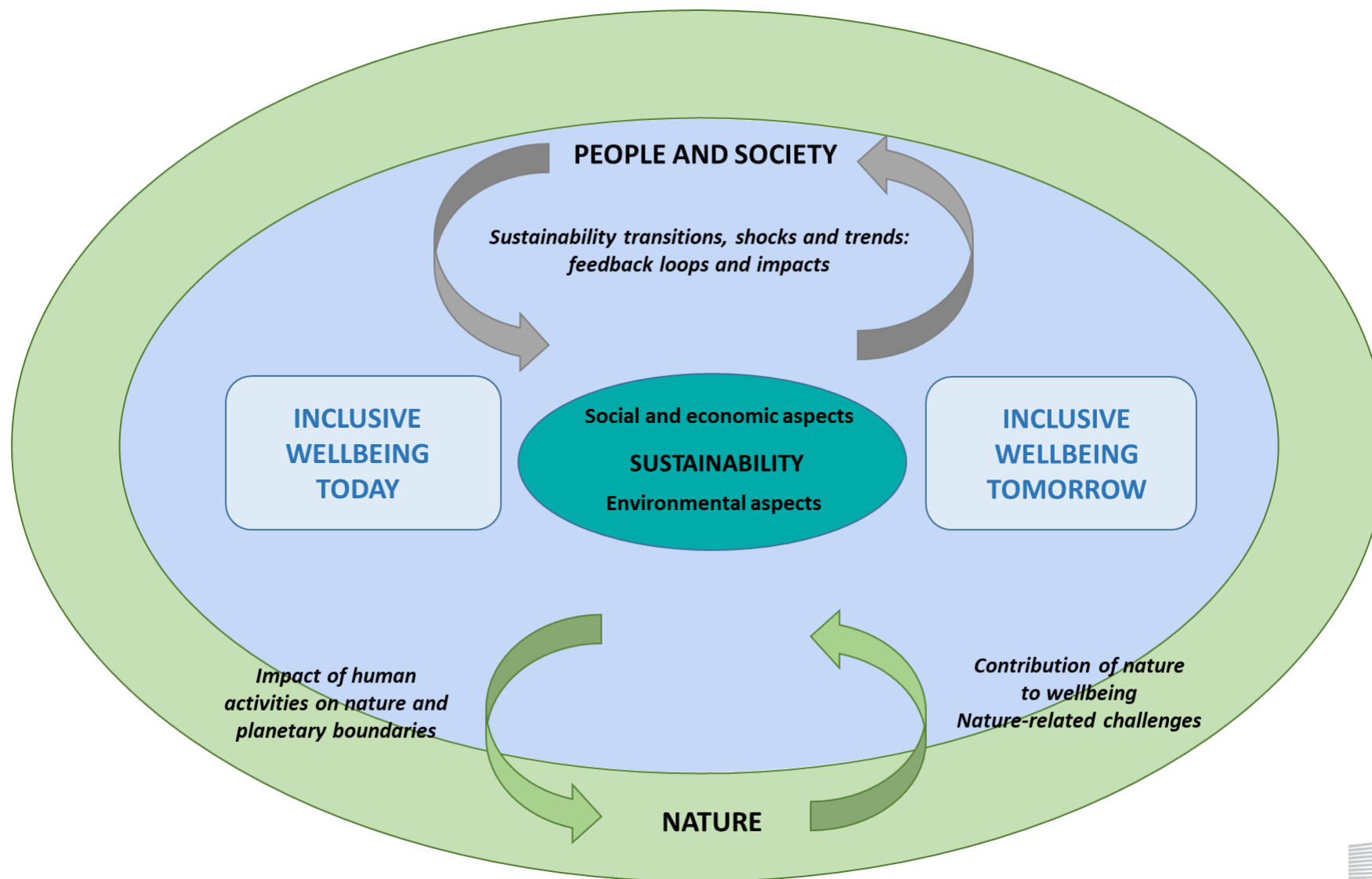
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# Wellbeing, sustainability and resilience



# SIWB: the conceptual framework



# SIWB: the structure

WELLBEING TODAY	SUSTAINABILITY		WELLBEING TOMORROW
<div>Material living conditions</div> <div>Productive and other main activity</div> <div>Health</div> <div>Leisure and social interactions</div> <div>Governance and basic rights</div> <div>Natural and living environment</div> <div>Overall experience of life</div>	SOCIAL AND ECONOMIC RESOURCES FOR FUTURE WELLBEING	RESILIENCE: SOCIETAL CHALLENGES AND SUSTAINABILITY TRANSITIONS	<div>Model-based projections of selected indicators</div>
	Human capital (health and education)	Social and economic resilience	
	Social capital	Digitalisation and technological change	
	Economic capital	Geopolitical resilience	
		Demography and urbanisation	
NATURE AND PLANETARY BOUNDARIES			
Safeguarding ecosystems and biodiversity			
Climate change mitigation and adaptation			
Sustainable use of resources			
Green economy and policies			
INCLUSIVENESS			
(Inequalities and spillover effects beyond the EU)			
INSTITUTIONAL CAPACITY AND QUALITY			



# SIWB: the detailed structure

1. Wellbeing today
1.1. Material living conditions and economic security
1.1.1. Economic and financial security
1.1.2. Income
1.1.3. Material deprivation
1.1.4. Poverty
1.1.5. Housing
1.2. Productive and other main activity
1.2.1. Employment quality
1.2.2. Employment quantity
1.2.3. Unpaid work and inactive
1.3. Health
1.3.1. Access to healthcare
1.3.3. Physical and mental health status
1.4. Leisure and social interactions
1.4.1. Leisure
1.4.2. Social interactions
1.5. Governance and basic rights
1.5.1. Active citizenship - political participation
1.5.2. Trust in institutions
1.6. Natural and living environment
1.6.1. Living environment
1.6.2. Natural environment
1.6.3. Safety
1.7. Overall experience of life
1.7.2. Satisfaction with life overall

2. Social and economic resources for future wellbeing
2.1. Economic capital
2.1.1. Financial capital
2.1.2. Knowledge capital
2.1.3. Produced capital
2.2. Human capital
2.2.1. Health Determinants
2.2.2. Knowledge, skills and competencies
2.2.3. Physical and mental health
2.3. Social capital
2.3.1. Active citizenship - volunteering
2.3.2. Trust in others
3. Resilience: societal challenges and sustainability transitions
3.1. Social and economic resilience
3.1.1. Economic and financial resilience
3.1.2. Education and health resilience
3.1.3. Policies to facilitate transitions and decrease the vulnerabilities
3.1.4. Social impact of transitions
3.2. Digitalisation and technological change
3.2.1. Cybersecurity
3.2.2. Digital economy
3.2.3. Digital public services
3.2.4. Digital skills
3.3. Geopolitical resilience
3.3.1. Financial globalization
3.3.2. Raw materials and energy supply
3.3.3. Value chains and trade
3.4. Demography and urbanisation
3.4.2. Migration flows
3.4.3. Population dynamics
3.4.4. Urbanisation

4. Nature
4.1. Safeguarding ecosystems and biodiversity
4.1.1. Biodiversity status and preservation
4.1.2. Land
4.1.3. Soil
4.1.4. Forest
4.1.5. Air
4.1.6. Water
4.2. Climate change mitigation and adaptation
4.2.1. Drivers: Energy
4.2.2. Drivers: Transport
4.2.3. Emissions
4.2.4. Pressures and policies
4.3. Sustainable use of resources
4.3.1. Circular material use and waste
4.3.2. Material efficiency and footprint
4.4. Green economy and policies
4.4.1. Green economy and finance
4.4.2. Green policies
5. Inclusiveness
5.1. Inequalities
5.1.1. Vertical inequalities
5.1.2. Regional inequalities
5.1.3. Horizontal inequalities
5.2. Inequality of opportunity
5.3. Spillovers
6. Institutional capacity and quality
6.1. Control of corruption
6.2. Government effectiveness
6.3. Political stability
6.4. Regulatory quality
6.5 Rule of Law
6.6. Voice and accountability

# Mapping of existing tools into SIWB

		EC										non-EC	
<b>LEGEND</b> Score describing the coverage considering both the number of subdimensions covered and the number of indicators in each subdimension: <div><div></div> over 0.67</div> <div><div></div> 0.33 to 0.67</div> <div><div></div> 0 to 0.33</div> <div><div></div> 0</div>		EU SDGs 2022	Quality of Life	Social scoreboard	Resilience Dashboards	TPI	EU Regional SPI	8th EAP	Statistics for EGD	Circular Economy	ES Country Reports	OECD	The Doughnut
Wellbeing today		<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Sustainability	Social and economic resources for future wellbeing	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Resilience: societal challenges and sustainability transitions	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Nature and planetary boundaries	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Inclusiveness		<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Institutional capacity and quality		<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Total number of (mapped) indicators		100	103	39	119	27	55	24	25	22	155	79	28

Also helps the construction of the SIWB dashboard

# From the pooled indicators to the SIWB dashboard

## SIWB prioritisation tool

[Home](#)[Explore](#)

Load from excel

Save to excel

— WELLBEING TODAY0/140

— 1. Material living conditions and economic security0/16

— 1.1. Economic and financial security0/3

- Arrears (mortgage or rent, utility bills or hire purchase) from 2003 onwards - EU-SILC survey (ilc\_mdcs05)
- Inability to face unexpected financial expenses - EU-SILC survey (ilc\_mdcs04)
- Inability to make ends meet - EU-SILC survey (ilc\_mdcs09)

+ Add a new indicator

— 1.2. Income0/4

- Adjusted gross disposable income of households per capita (sdg\_10\_20)
- The real gross disposable income of households per capita (index = 2008)
- Household income (Mean household net adjusted disposable income)
- Mean and median income by age and sex - EU-SILC and ECHP surveys (ilc\_di03)

+ Add a new indicator

— 1.3. Material deprivation0/2

- Severe material and social deprivation rate
- Severe material deprivation rate by age and sex (ilc\_mddd11)

+ Add a new indicator


1116

466

152

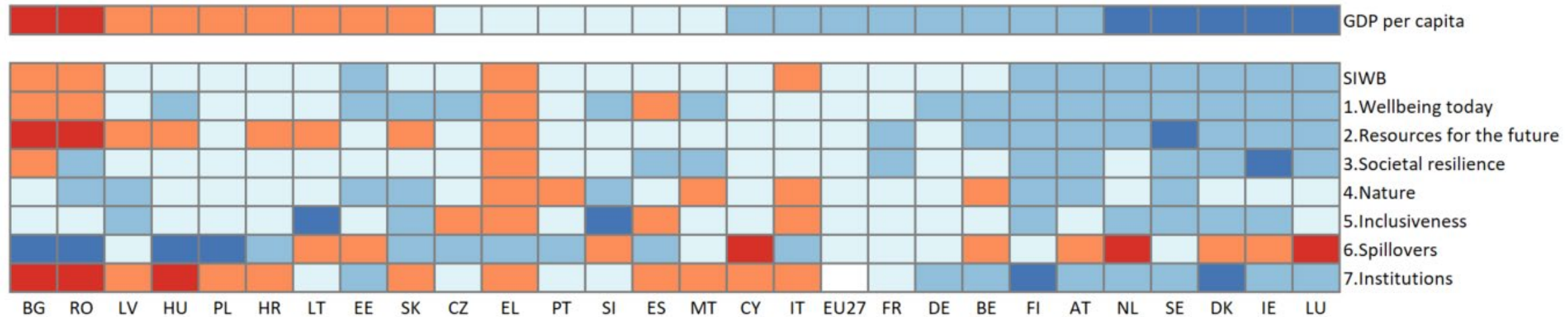
140

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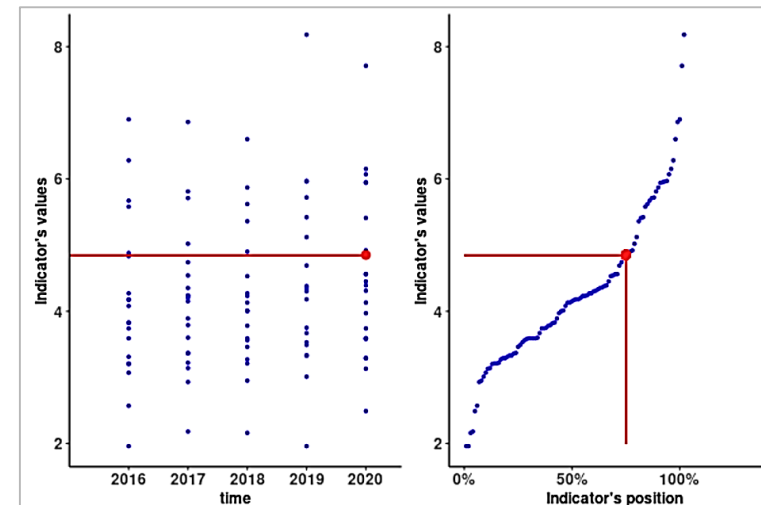


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# The synthetic SIWB indices – work in progress

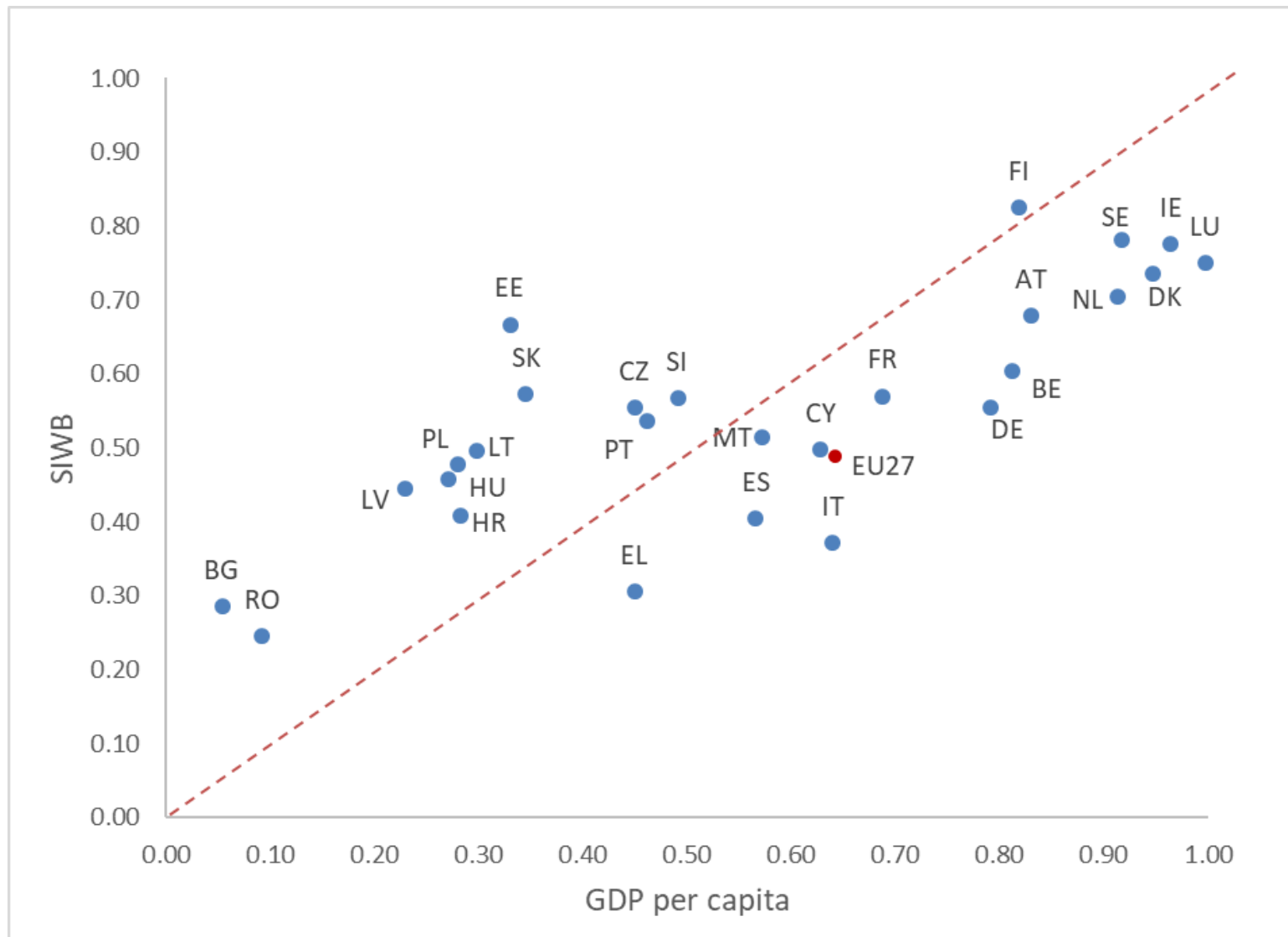


- Assess the position of a given country's value in the distribution of the reference database per indicator (collection of values of that indicator for all Member States and all years between 2011 and 2022)
- For each country, the index per component is the median value of all the indicator positions included in the component



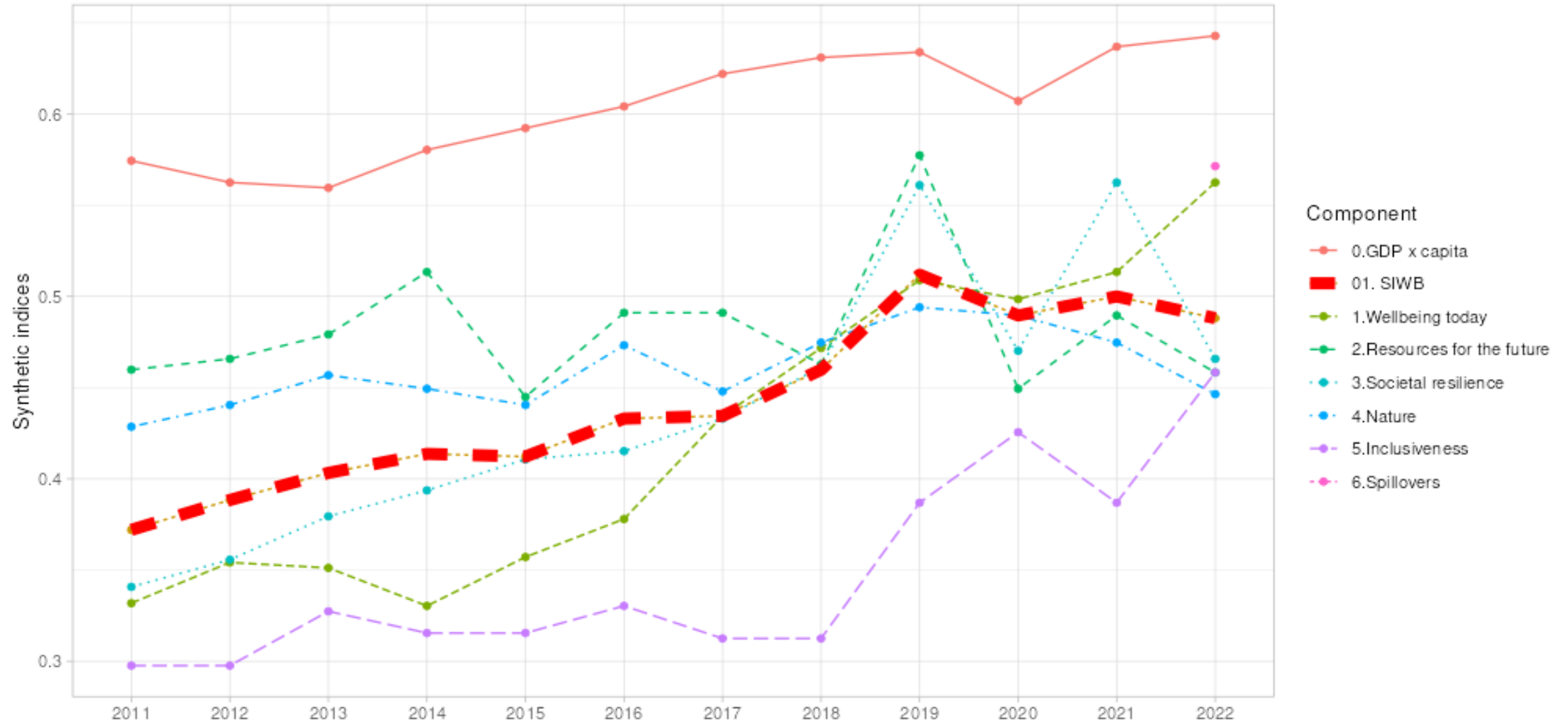
Top 12.5% (>87.5%)
62.5% - 87.5%
37.5% - 62.5%
12.5% - 37.5%
Bottom 12.5% (<12.5%)

# GDP and SIWB



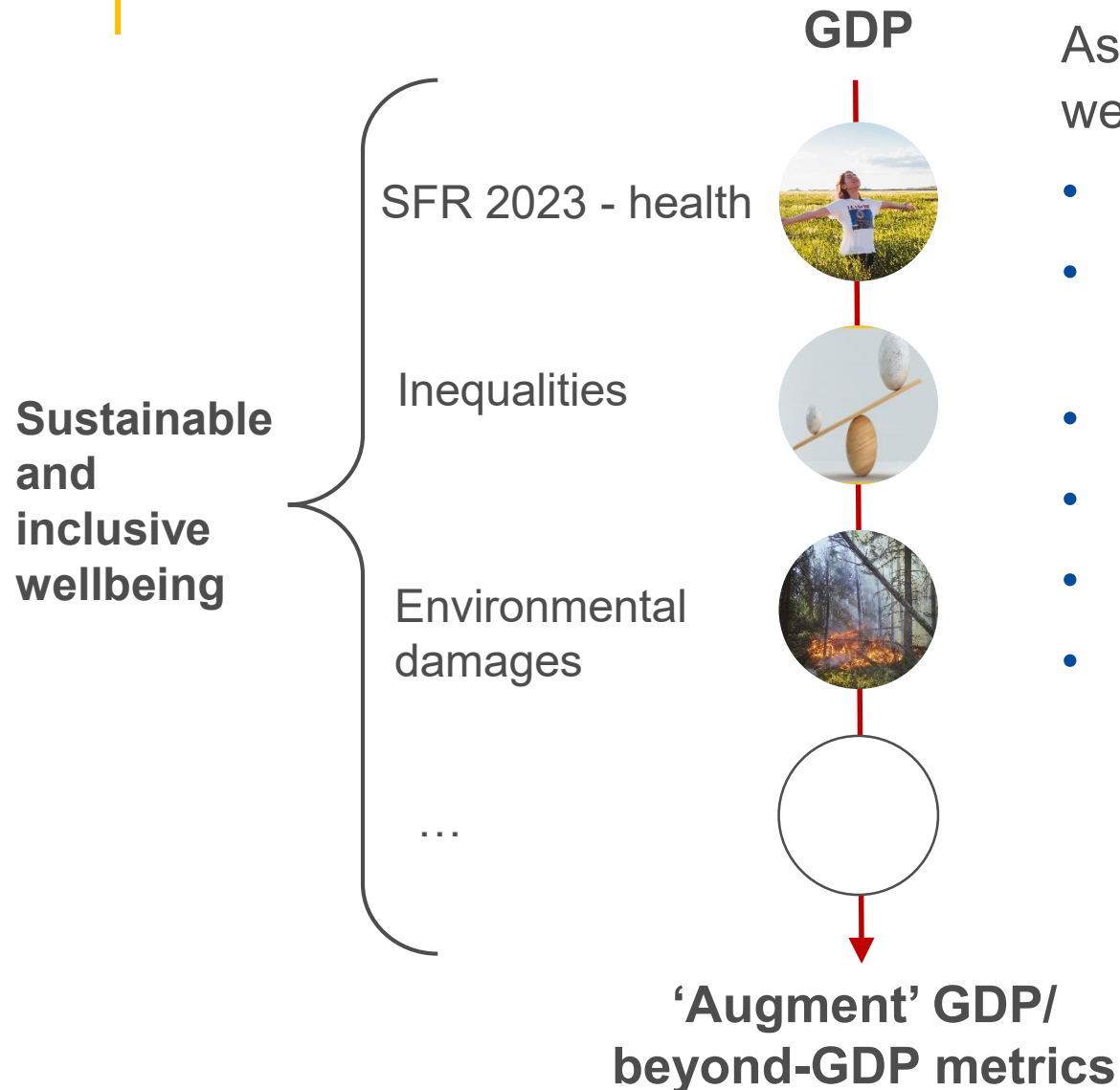
# Evolution of SIWB and its components over time

## EU-27, 2011-2022





# From sustainable and inclusive wellbeing to 'augment' GDP

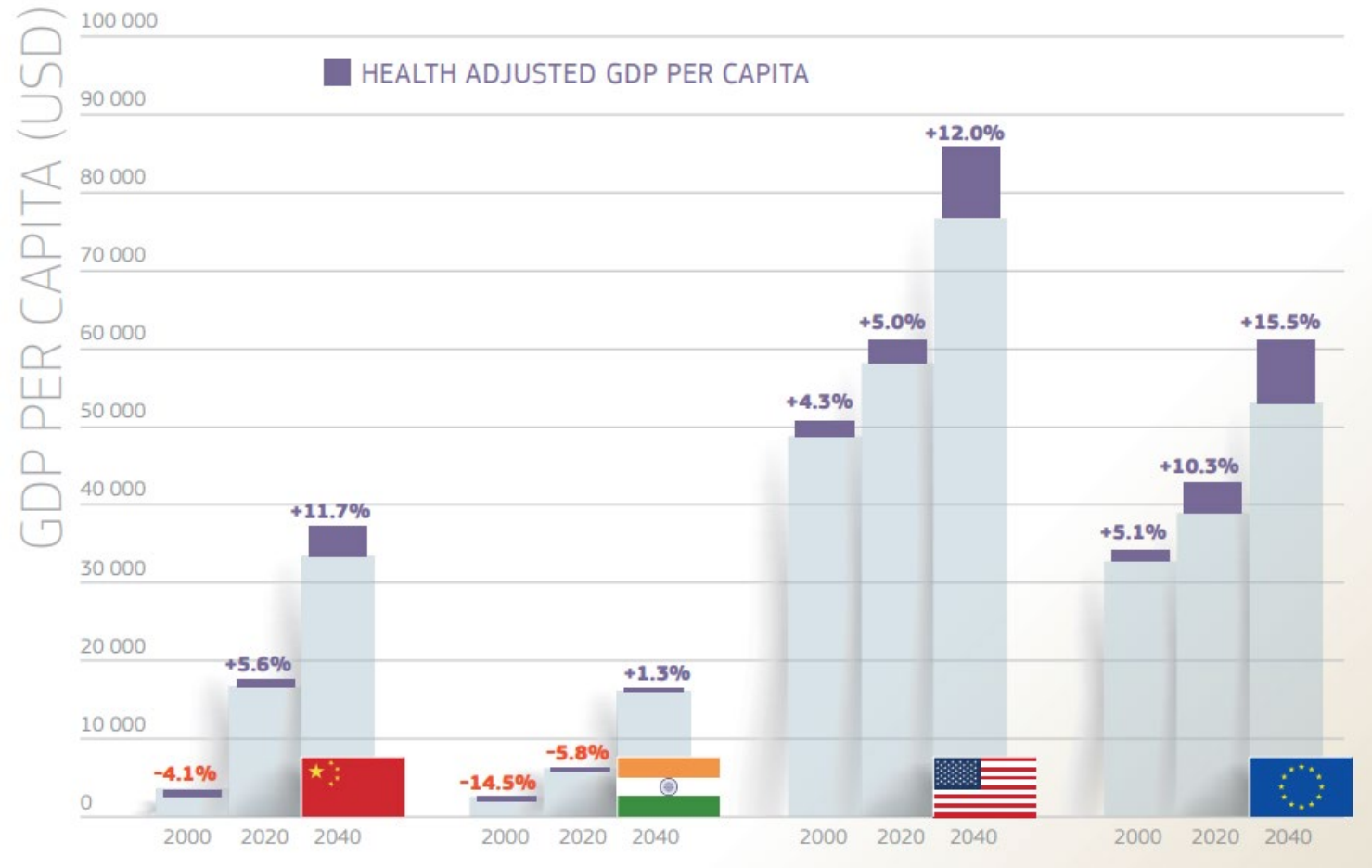


Assigning monetary values to relevant factors of wellbeing and use these values to “adjust/augment” GDP

- Different aspects of quality of life
- Unpaid care and domestic work (and others from satellite accounts, like the UK's [GII](#))
- **Inequalities**
- **Costs of environmental damage**
- Natural resource exhaustion
- ...



# First pilot on beyond-GDP metrics presented in SFR2023



- To **facilitate communication** around wellbeing and related policies
- To help **compare the EU's capacity to deliver sustainable and inclusive wellbeing, vis-à-vis others**
- To **highlight the contribution of environmental, health, and social policies** to people's wellbeing, complementing traditional economic narratives

# The road ahead, together

- The UN's 2021 "Our Common Agenda" report proposes a path forward, centred on the renewal of our social contract, greater solidarity with young people and future generations, and a new global deal, also informing the 2024 Summit of the Future → **a Pact for the Future**
- The UN Network of Economic Statisticians also works on the measurement of wellbeing by aiming to deliver a **Framework for Inclusive and Sustainable Wellbeing** (FISW).
- The UN System of National Accounts (SNA) is undergoing an update process scheduled to be completed by 2025, giving more prominence to the environment and wellbeing. → **European System of National and Regional Accounts** (ESA) as of 2029

# The road ahead, together

To catalyse scientific research efforts for the measurement of sustainability, inclusiveness and wellbeing, the EU has funded many related Horizon consortia and an ERC grant.

- [MERGE](#): Measuring what matters – Policy pathways to sustainable and inclusive wellbeing.
- [ToBe](#): Towards an economy for sustainable wellbeing: Integrated policies and transformative indicators
- [SPES](#): Sustainability performances, evidence & scenarios
- [WISE Horizons](#): Wellbeing, Inclusion, Sustainability & the Economy
- [WISER](#): Wellbeing in a Sustainable Economy Revisited

# Keep in touch

## Website

[https://joint-research-centre.ec.europa.eu/beyond-gdp-delivering-sustainable-and-inclusive-wellbeing\\_en](https://joint-research-centre.ec.europa.eu/beyond-gdp-delivering-sustainable-and-inclusive-wellbeing_en)

## Email

[JRC-Sustainable-Wellbeing@ec.europa.eu](mailto:JRC-Sustainable-Wellbeing@ec.europa.eu)

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# Thank you