



EUROPEAN POLICY BRIEF

e-Frame policy documents: moving forward the European debate on GDP and Beyond

This policy brief summarises two main policy outcomes of the e-Frame - European Framework for Measuring Progress - project, namely the “Map on Policy Use of Progress Indicators” and the “Roadmap for Future Research needs” intended to propose the way forward for the European agenda on “GDP and Beyond”.

e-Frame is an FP7 coordinating action, G.A. n. 290520

ABSTRACT

In the last decade, the research on measuring well-being and societal progress beyond the traditional indicator GDP has grown up fast. The debate on the use of well-being and societal progress indicators to support political decision making process is at the forefront of the European and global agenda, involving all relevant stakeholders: civil society organizations, social entrepreneurs, researchers, practitioners, consumers, workers, citizens and society at large

e-Frame project was aimed at fostering the European position over the measurement and use of well-being and sustainable development indicators. It provided a forum for discussing already achieved results as well as for highlighting existing gaps and needs for further research investments.

The policy oriented outcomes of e-Frame are contributing to move forward the European agenda on “GDP and Beyond”.

The *Map on Policy use of progress indicators* represents a contribution for supporting a greater use of well-being and sustainable development indicators in policies at the different levels, ranging from the local one to the national and supranational ones.

The *Roadmap for future research needs* discusses areas that need further investments and developments for European Statistics in order to reach the objectives of EU policies and Europe 2020 strategy.

Key words: policy, research areas, progress indicators

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e-Frame outcomes

Stating the European position

e-Frame provided a European framework for the debate over the measurement of well-being and progress among all relevant stakeholders. Activities focused on coordinated and streamlined stocktaking on results reached so far as well as on the organisation of several dissemination events, namely nine thematic Workshops and two general Conferences.

Contributing to future EU agenda

e-Frame activities contributed to state the European position in the International debate on GDP and beyond. e-Frame policy oriented outcomes aim at contributing to the setting of future European agendas on GDP and beyond.

The Map on Policy use of progress indicators

The Map: a joint project outcome

The *Map on policy use of progress indicators* aims at fostering the use of well-being and sustainable development indicators by policy makers and their advisors. It covers the topics dealt with by the e-Frame project and it is written in cooperation with project partners under Istat's editorial coordination, deliverable 11.1 in charge of Istat¹. It also benefits from the contributions from European Commission - Joint Research Centre and from the results achieved by EU FP7 BRAINPOol² and POINT³ research projects.

At the forefront of the GDP and Beyond debate

The *Map* stands at the forefront of the debate: despite a rich literature, progress indicators are not yet part of the political action, except for limited exceptions. Thus, the *Map* has the ambition to contribute to the current debate and to further promote policy use of progress indicators. It shows how progress indicators can be used in policy making and whether they have been actually used. It reports most recent advancements in measuring progress, presents successful experiences, discusses existing gaps, proposes improvements and recommendations for use.

¹ Available at <http://www.eframeproject.eu/fileadmin/Deliverables/Deliverable11.1.pdf>

² Whitby, A (WFC) et al. (2014), "BRAINPOoL Project Final Report: Beyond GDP – From Measurement to Politics and Policy" BRAINPOoL deliverable 5.2, A collaborative programme funded by the European Union's Seventh Programme for research, technological development and demonstration under grant agreement No. 283024. WFC (World Future Council), 31 March 2014

³ Point, 2011, A Synthesis of the Findings of the POINT Project, Deliverable 15, <http://www.point-eufp7.info/>. A collaborative programme funded by the European Union's Seventh Programme for research, technological development and demonstration under GA No. 217207

The contents of the *Map*

The *Map* is moving along the border between methodological issues and policy use. Yet, this frontier has not been reached uniformly for all topics covered by the *Map*: i) for some subject areas the relevant measures are not fully developed yet and some research is still needed to produce the required indicators; ii) for many other subject areas measures are currently produced by official statistics but they are often ignored by policy making and iii) finally, there exist good practices of policy making which already moved “beyond GDP” that are reported as well. It is organised in three main sections, each one preceded by an introduction. The initial chapter “Policy use of progress indicators” provides a general overview of the state-of-the-art on the actual use of beyond GDP indicators.

Measuring well-being and societal progress

The first section *Measuring well-being and societal progress* presents the current state of use of progress indicators in a number of specific topics according to the themes dealt with by e-Frame (i.e. Material well-being; Measurement of intangible assets within National Account Frameworks; Subjective well-being; Social capital; Worker welfare and Labour market; Human capital; Sustainable development; Trends and challenges for environmental indicators; World Input-Output Tables: Tracing the Consequences of Globalisation; Social innovation; Corporate Social Responsibility and the Global Reporting Initiative).

Methodologies and tools for measuring well-being and societal progress

The second section *Methodologies and tools for measuring well-being and societal progress* deals with some relevant cross-cutting topics following project activities (i.e. Indicators legitimacy and stakeholders inclusion; Policies at local level: local indicators and their estimation; European NSIs’ activities beyond GDP; Visualisation tools and software; Social Monitoring and Reporting; Advanced training in beyond GDP: methodologies, indicators and use; The European Network on Measuring Progress; and Composite indicators).

Integrated policy frameworks

Finally, the third section *Whispering well-being in the ears of the prince: towards an integrated policy framework for better lives* describes overall frameworks supporting a well-being centred policy making. It highlights “existing policy frameworks where well-being serves as *the* integrating lens of policy targets and instruments”.

A flexible tool

The *Map* is intended to be a flexible guide for a policy use of progress indicators. To this aim, it is composed by self-contained chapters which follow a standard structure allowing the users to read only the chapters of interest without being obliged to follow a strict order.

The Roadmap for future research needs

A project milestone

The *Roadmap for future research needs* aims at addressing relevant gaps and research needs to be put at the centre of future research agenda at a European level by the European Commission in the area of measuring well-being, societal progress and sustainability. It benefits from the results of all the activities carried out by the project.

The *Roadmap*: a dynamic tool

It was thought as a dynamic tool to be periodically updated and revised as soon as the project results were available. Three releases of the *Roadmap* were foreseen

and delivered according to schedule. The final *Roadmap*, deliverable 11.2 in charge of Istat⁴, builds on the overall results achieved by the project, from January 2012 to June 2014.

The debate within the project and beyond

The *Roadmap* reports the main findings that emerged from the stocktaking activity and the European fora organised within the e-Frame umbrella. e-Frame Advisory Board, composed by outstanding world-wide recognised experts⁵, also contributed in addressing relevant topics that needed further investments. The *Roadmap* took advantage as well from major initiatives taking place outside the project such as the 4th World Forum on Measuring Well-Being for Development and Policy Making (2012, Delhi) and the BRAIPOOL EU project.

Four main streams for research areas

The *Roadmap* responds to the EC's call to “*identify research needs and gaps in relevant information and methods and propose research topics to be addressed at the European level*”. Furthermore, it attempts at categorising the research needs in four main areas in order to facilitate the identification of suitable actions and research activities. The four areas are shortly described below.

Measurement issues in official statistics

The first area identifies research topics related to official statistics and in particular to the availability and accessibility of progress indicators. Despite the great amount of work already undertaken by official statistics, there still exist information gaps namely topics for which information is lacking at all, or for given target groups or at the desired geographical level. Major problems concern data timeliness that prevents from a greater use from policy makers and their advisors as well as lack in comparability across different geographical levels (from local to national level, or among EU countries or between national and European frameworks).

Exploiting non official sources

The second area discusses gaps and needs that arise when exploiting non-official sources to complement official information on well-being and sustainable development. Given that non-official data sources are becoming more and more available and serviceable, also thanks to ICT opportunities and tools, the forefront of the debate is how to “best” use them by complementing traditional data sources and overcoming present limitations for instance for producing near real-time statistics or forecasting.

Communication issues

The third area emphasises the need for a more effective and straightforward communication policy in order to further support the use of progress indicators together with GDP in daily life. To this purpose efforts are required in order to reach out to policy makers, their advisors and economic journalists being supposed to understand and use progress indicators. At the same time, engagement and motivation of citizens on the beyond GDP movement has to be pursued in order to encourage them to access and utilize statistics as well as to contribute to crowd-sourced data.

⁴ Available at <http://www.eframeproject.eu/fileadmin/Deliverables/Deliverable11.2.pdf>

⁵ The Advisory Board, chaired by Enrico Giovannini, former Istat President and by Gosse van der Veen, former CBS Director General, was composed by the following members: Sabina Alkire (Oxford University); Bart van Ark (Conference Board Washington/University of Groningen); Anthony Atkinson (Oxford University); Jeroen van den Bergh (Universitat Autònoma de Barcelona/ ICREA /VU University Amsterdam); Daniel Daianu (former Romanian Minister of Finance); Hubert Escaith (World Trade Organization); Jean-Paul Fitoussi (OFCE); Jeni Klugman (World Bank); Alan Krueger (Princeton University); Khalid Malik (United Nations Development Programme); Andrea Saltelli (JRC-ISPRA); Joseph Stiglitz (Columbia University)

For a policy use of progress indicators

Finally, the fourth area elaborates on the research topics that need to be addressed for strengthening a policy use of progress indicators. It is not only a matter of being able to use progress indicators to inform domain specific policies, rather it is necessary to look forward to a wide integrated vision identifying the main drivers of well-being and to assess the overall impact of alternative policy options on people's life. Models should be developed to support policies allowing for ex.ante as well as for ex-post evaluation, for simulating trade-offs between dimensions of well-being, for analysing the long term effects of policies in order to enable a sustainability assessment.

Work in partnership: the lesson learned with EU projects

As available resources are limited, it is vital to join efforts and to coordinate research activities at a European level. Partnerships between National Statistical Institutes, the academia and other relevant actors in the well-being debate could contribute to a large extent to reach faster and sounder results in the above mentioned areas. Many of the above mentioned needs explicitly call for a proactive role from official statisticians given their mission. Nevertheless, in order to increase the use and relevance of beyond GDP indicators, it is extremely important to establish a dialogue with the society at large. This can be achieved, among others, by exploiting the potentialities of the web 2.0 and by activating bottom-up deliberative processes.

PROJECT PARAMETERS

The key purpose of e-Frame coordination action was to provide a European Framework for the debate over the measure of well-being and progress among all relevant stakeholders. e-Frame project aimed at taking into account significant aspects of the debate on measuring economic performance, development, well-being and, more generally, the progress of societies in order to coordinate the activities of relevant stakeholders and propose the way forward.

The consortium, formed by 19 partners and co-chaired by Istat and CBS, was composed by major European National Statistical Institutes and included universities, research centres and civil society organizations and with the participation of the International Organization OECD.

e-Frame targeted the following general objectives:

- Stocktaking of available results and of ongoing research activities on the measurement of well-being and societal progress, including issues of sustainability and social as well as human capital;
- Fostering a European debate over the issue;
- Defining guidelines for the use of existing indicators;
- Proposing a coherent way of “delivering” information (areas of interest, statistical information);
- Identifying new topics to be put at future research agendas;
- Harmonising National Statistical Institutes initiatives in progress measurement areas

PROJECT IDENTITY

Co-ordinator	ISTAT- Italian National Statistical Institute Project Coordinator: Marina Signore Project Manager: Donatella Fazio e-FrameNetwork coordinator: Donatella Fazio
Consortium	ISTAT - Italian National Institute of Statistics CBS - Statistics Netherlands ONS - Office for National Statistics INSEE - Institut National de la Statistique et des Etudes Economiques CFMR - Romanian Academy National Institute for Economic Research FEEM - Fondazione ENI Enrico Mattei GESIS - Leibniz Institut für Sozialwissenschaften OFCE - Fondation Nationale des Sciences Politiques OECD - Organisation for Economic Co-operation and Development NEF - New Economics Foundation YOUNG - The Young Foundation UNISI - University of Siena UNIVPM - Marche Polytechnic University UOB - University of Birmingham RUG - University of Groningen ZEW - Zentrum für Europäische Wirtschaftsforschung GmbH UT - University of Trier UNIPI - University of Pisa UM - University of Maastricht
EC contacts	Marianne Paasi, European Commission, DG Research and Innovation
Duration	1 January 2012 – 30 June 2014 (30 months)
Budget	EU contribution: 1,495,065 €
Website	www.eframeproject.eu
Further reading	Research papers and reports are available at http://www.eframeproject.eu/index.php?id=28
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