



Our Common Agenda
Policy Brief 4

**Valuing What
Counts:
Framework to
Progress Beyond
Gross Domestic
Product**

MAY 2023



Introduction

CHAPEAU

The challenges we face can only be addressed through stronger international cooperation. The Summit of the Future in 2024 is an opportunity to agree on multilateral solutions for a better tomorrow, strengthening global governance for both present and future generations (General Assembly resolution [76/307](#)). In my capacity as Secretary-General, I have been invited to provide inputs to the preparations for the Summit in the form of action-oriented recommendations, building on the proposals contained in my report entitled “Our Common Agenda” ([A/75/982](#)), which was itself a response to the declaration on the

of the United Nations (General Assembly resolution [75/1](#)). The present policy brief is one such

Our Common Agenda, taking into account subsequent guidance from Member States and over one year of intergovernmental and multi-stakeholder consultations, and rooted in the purposes and the principles of the Charter of the United Nations, the Universal Declaration of Human Rights and other international instruments.

PURPOSE OF THIS POLICY BRIEF

In the 2030 Agenda for Sustainable Development and Our Common Agenda, it is recognized that a harmful anachronism exists at the heart of global policymaking, which is that our economic models and measurements overlook many aspects that sustain life and contribute to human well-being, while perversely placing disproportionate value on activities that deplete the planet. The intention of the proposals presented in the present policy brief is not to replace gross domestic product but to outline a path to develop complementary metrics in which what matters to people, the planet and the future is more fully recognized.

Today, the world is facing catastrophic and interconnected crises – including climate change, deteriorating ecosystems and biodiversity loss,

As mentioned in paragraphs 38 and 39 of my

development that complement GDP and support statistical capacity-building in developing countries by 2030.

This call was taken up in Our Common Agenda and in the report of the High-level Committee on Programmes entitled *Valuing What Counts: United Nations System-wide Contribution on Progress*

Why do we need to move beyond gross domestic product?

GDP is the most widely used benchmark to measure a country's economic progress and the value of its domestic production of goods and services. It is part of the System of National Accounts that sets out a common language for statisticians, economists and policymakers across all countries. GDP can be considered a success story insofar as it has enabled thousands of national accountants worldwide to be trained to produce reliable, consistent, comparable and replicable national accounts. It also provides a useful way to tell a compelling economic narrative.

It has, however, been used in unintended ways. By using GDP or income as a proxy for development, we fail to recognize that sustainable development is multidimensional and affected by multiple factors, such as access to resources, productivity traps, social and environmental dependencies, inequalities, vulnerabilities, challenges related to institutional capacity,⁶ - vulnerabilities that may exist in countries with high levels of GDP. Similar levels of national GDP can obscure the very different development realities, vulnerabilities and challenges that exist in different countries.

Nevertheless, GDP continues to play a key role as a yardstick for providing international support to least developed⁷

demic, when women spent an estimated 512 billion hours globally doing additional unpaid childcare work that sustained our economies.¹⁰

- GDP does not offer a lens on distributions to identify and address inequalities, including inequalities between women and men and those faced by refugees, migrants and minorities, nor does it account for the targeted interventions needed to address the needs of people facing intersectional forms of inequality. The social and environmental exclusion inherent in GDP perpetuates the misallocation of resources in ways that further exacerbate inequalities.

- As a result of serious compilation and mea-

surements, GDP does not sufficiently capture new economic phenomena, for example, digitalization and the use of free digital services, the use of crypto assets and the development of data. These particular issues are being addressed in the current discussions on the 2025 revision of the System of National Accounts.

Over time, it has become clear that there are intrinsic limitations to what GDP can measure. It does not fully capture the complexities of the urgent

In addition, many countries are developing statistics for the System of Environmental-Economic Accounting to analyse and measure not only how the economy affects the environment but

MOVING BEYOND GROSS DOMESTIC PRODUCT TO ACHIEVE THE SUSTAINABLE DEVELOPMENT GOALS

Income inequality and extreme poverty are increasing. We need a new social contract of solidarity and inclusiveness in which economic benefits are shared. Measures of progress should go beyond gross domestic product (GDP) to consider distributional impact and uphold the principle of leaving no one behind.

Food prices hit a record high in 2022. Hunger and food insecurity severely undermine well-being, risk pushing more people into poverty and increase vulnerabilities and debt levels.

A framework to “value what counts”

Moving beyond GDP is fundamental to building an economic system that gives value to what counts – human well-being – now and in the future, for everyone. Effectively valuing what counts can have a transformative impact by better informing decision-making for a more just, inclusive and sustainable development path. To that end, I present three proposals.

A STRONG POLITICAL COMMITMENT

First, I propose that Member States make an explicit commitment to go beyond GDP by agree-

in the 2030 Agenda, by the time that the Summit of the Future is held in 2024. The report of the High-level Committee on Programmes provides a basis for the framework, as it draws on research carried out across the United Nations system and beyond, including discussions on GDP – its strengths, limitations and uses – and the identi-

work for the development of policies and metrics.

The framework should be designed to achieve three main outcomes:¹¹

A ROBUST TECHNICAL AND SCIENTIFIC PROCESS

Second, the political commitment to develop a conceptual framework to value what counts must

process to develop the metrics that inform the framework. In this regard, I propose the establishment of a high-level expert group of independent experts with a mandate to produce by March 2024 an initial value dashboard of a limited number of key indicators (ideally not more than 10–20 indicators) that go beyond GDP. This should be presented for consideration by Member States in preparation for the Summit of the Future.

The expert group should be multidisciplinary and comprise national and international experts, including policymakers, statisticians, civil society actors and academics. The technical work of selecting and verifying data indicators should be undertaken through the Statistical Commission, which also hosts the global indicator framework for the Sustainable Development Goals and targets of the 2030 Agenda, to ensure the robust and

One of the strengths of GDP is its conciseness. While GDP is anything but simple, it manages to summarize information in an intuitive manner that tells a story. The framework to “value what counts” must retain these strengths. It must be concise, widely accepted, comparable and applicable to decision-making.

At the same time, well-being, equality and environmental sustainability are complex multidimensional phenomena that cannot be addressed

by a single summary indicator such as GDP. This warrants the development of a broader measurement framework to monitor and analyse the multiple aspects of progress and enable a better understanding of trade-offs and consequences.

Therefore, the aim should not be to establish a single composite indicator that goes beyond GDP. An indicator of everything would summarize too much and reveal too little to be able to adequately inform policy. Instead, I propose the selection of a set of core metrics that would be assessed, devel-

plinary process and that would need to be:

- Comparable across time and countries, well-established and trusted
- Country owned
- Universally applicable
- Able to convey strong and clear messages that are actionable and intuitive
-
- Iterative and dynamic, based on what exists, while allowing for the addition of new indicators, as relevant

The methodology and process to develop these indicators should build on current capacities and ongoing work and incorporate appropriately the results of the High-level Panel on the Development of a Multidimensional Vulnerability Index, as well as existing indices and indicators, including the Sustainable Development Goal indicators, the human development index and other relevant indicators that account for human rights and gender equality.

A MAJOR CAPACITY- BUILDING INITIATIVE

Recommendations for Member States

Action to go beyond GDP must be driven by a clear and shared political commitment and underpinned by strengthened technical capacity and expertise.

I urge Member States to:

- a) develop a conceptual framework to “value what counts”, anchored in the 2030 Agenda. The framework should be designed to achieve the following

solidarity. Moreover, it should be based on the following elements to pave a

governance and stronger institutions;
- b) Agree to the establishment of an independent high-level expert group to develop a value dashboard of a limited number of key indicators (not more than 10–20) that go beyond GDP, using the report of the High-level Committee on Programmes as a starting point, and to present the result for consideration by Member States by March 2024, in preparation for the Summit of the Future. The expert group should be multidisciplinary

and comprise such experts as policy-makers, statisticians, civil society actors and academics, and should ensure that the methodology and the selection of indicators builds on current capacities, the ongoing work to develop the multidimensional vulnerability index and existing indices and indicators, including the Sustainable Development Goal indicators, the human development index and relevant thematic indicators that account for human rights and gender equality;

- c) Provide resources for and strengthen statistical capacity-building and data collection, in particular at the national level, to support efforts to go beyond

Sustainable Development Goals. Going

investments ipmomen-12.5 otts ic) cLang Lang (e31.855 T9

Discussions on going beyond GDP have been under way for decades. Now is the time for action. Primarily relying on GDP as a metric of progress

