

# Redefining progress to go beyond GDP in Europe

April 2024



Funded by European Union's Horizon  
Europe Programme under Grant  
Agreement No. 101094551





---

# Key messages

Going **beyond-GDP** is not simply a matter of adopting a new measurement framework. It requires embracing a Sustainable Human Development (SHD) vision, shifting the narrative toward the overarching goal of sustainable and inclusive well-being, and consequently boosting **political commitment** and institutional changes in policymaking processes and measurement.

It is necessary to critically revise beyond-GDP alternatives to improve their capacity to capture change and, especially, assess SHD. This entails fostering discussions to propose alternative methods for more **effective policy monitoring and evaluation**.

The creation of various beyond-GDP initiatives now calls for **international harmonization** driven by a collective commitment to sustainable and inclusive well-being, defining a coherent framework for societal progress based on SHD and in line with the 2030 Agenda.

Investments in **technical capacities** are necessary to improve SHD measurement, by providing adequate financing and tailored support to National Statistical Offices and other data providers.

It is crucial to adopt a **multilevel and multistakeholder approach** in the monitoring and assessment of public policy processes. This requires promoting connection among numerous stakeholders and across different governance levels to create a more informed and cooperative environment in policy design, implementation and impact evaluation.

A data-driven analysis is fundamental for the effective evaluation of complex societal challenges affecting SHD and sustainability transitions. Nevertheless, effective **communication** and a supportive role of media are equally crucial for improving and informing policy choices.

---

# Background & Context

## A new narrative **changing government** planning instruments

The paradigm of Sustainable Human Development and its associated pillars have undergone significant transformations over time which, starting from the definition of its theoretical meaning, have evolved towards a more practical implementation within international agendas and national policies, along with the structuring of specific monitoring systems.

This shift reflects the understanding that sustainable and inclusive well-being depends on a multitude of factors such as health, education, and natural resources. In this sense, GDP, the dominant index in public disclosure meant to measure economic activity, is not sufficient.

The United Nations agrees that the world needs a common direction with a framework to guide national, regional and global efforts in order to define key policy goals, such as the SDGs of the 2030 Agenda. Specifically, policies aligned with Beyond GDP (namely those that adhere to a more comprehensive approach to measuring prosperity and well-being to overcome limitations and drawbacks

of GDP) would contribute to achieving transformational progress that is inclusive, just, and sustainable.

## Monitoring and **policy** evaluation

The promotion of SHD depends on a multitude of different actors that are different by affiliation (public, private, civil society, social partners, academia, nature), territorial scale (international, European, national, regional, local), and their main roles (policymakers, politicians, stakeholders). The change of paradigm requires action and collaboration among all of them.

In line with this argument, there is a clear need for a coherent and effective multilevel system for monitoring and evaluating European, national, regional, and local policies so that decision-makers are aware and equipped to design evidence-based policies. Indeed, we acknowledge the unique yet interconnected roles of monitoring and evaluation.

The data collected through monitoring efforts are instrumental in identifying the research question related to evaluation. At the same, insights gained from policy evaluation play

---

## A coherent and **effective multilevel system for monitoring and evaluation equips decision-makers** in designing evidence-based policies.

a crucial role in establishing the indicators needed for effective monitoring. They are these fundamental connections that justify the integration of both monitoring and evaluation into our current analysis structure.

Monitoring serves as a crucial management instrument, offering continuous and systematic insights into the impact of interventions at any given moment (and over time) in comparison to set targets and desired outcomes, along with relevant indicators. Its primary purpose is descriptive, aiming to highlight achievements, identify any issues or potential risks, and prompt the implementation of corrective actions. While it generally concentrates on input (the intervention required resources), activity, and/or output (the product of the intervention) indicators, it should also consider how these outputs contribute to achieving the intended outcomes (the goal of the intervention).

Many indicator frameworks exist and can be used according to the policy scope and research needs as well as the territory and related challenges it is applied to.

On the other hand, evaluation provides

clarity on the reasons behind the success or failure of intended changes. It delves into the causality aspect, aiming to understand why certain outcomes are or are not being realized. This process is fundamental for learning and making informed decisions regarding future strategies and interventions.

### A prospective approach to **impact evaluation**

To achieve SHD, many new policies are being adopted at all levels. Therefore, it is essential to understand whether these policies are working or not, in order to adjust the approach and determine if the invested funds are well-spent.

This should be done with a prospective approach that integrates the impact evaluation process with the design of the public intervention. Before the intervention is implemented, it is therefore necessary to establish the data and information needed for the evaluation, as well as the expected timeline for the measure's implementation. Following the implementation process of public policies, it is crucial to minimize the margin of error in evaluation. Evaluation is necessary to determine the

---

most efficient policy measure to achieve certain objectives. Prospective policy impact evaluations are a critical tool for politicians, enabling them to make more informed, strategic, and effective policy decisions that are likely to result in positive impacts for the society they serve. Nevertheless, politicians must understand and trust the methodology and outcomes of these evaluations, being also aware of their design and methods.

## Communication and Policymaking

Evidence-based analyses from monitoring and evaluation contain insights that empower

public decision-makers to craft measures that are both effective and efficient, thereby facilitating the promotion of SHD.

In addition to increasing the effectiveness of public sector activities, using reliable statistical evidence to support public policy also increases their transparency. It is essential that politicians comprehend these analyses completely, as this will immediately impact their capacity to make well-informed selections that take the insights from the data into account.

Consequently, the methods used to convey the outcomes of monitoring and evaluation to politicians are of paramount importance. In our view, politicians must be provided with the information and expertise required to recognize the importance of data and analysis in the creation of public policy by academics and National Statistical Offices.

This approach ensures that decisions are informed, strategic, and aligned with the overarching vision of SHD. Furthermore, to guarantee democratic control by citizens, data and methods must be openly acknowledged and made accessible to all societal stakeholders.



---

# SPES Evidence

The SPES project suggests that **development narratives, policy priorities and technical capacities must align before an appropriate SHD measurement framework** can be used effectively in policymaking processes.

Beyond-GDP is more than an upbeat slogan especially if we embrace a Sustainable Human Development paradigm that points to the overarching goal of promoting sustainable and inclusive well-being.

However, this is still hampered by the presence of political, institutional and technical barriers accruing from mainstream governance mechanisms, institutions, financing and policymaking, as well as vested interests, oriented, primarily, towards economic growth. Therefore, it is crucial to understand that the advancements of this new SHD narrative are characterized by an increasing level of contention by some of these actors.

Given the increasing global push to the beyond-GDP debate, it is essential to prioritize the alignment among different proposals by developing a clear and coherent framework and theory of change. This particularly involves the constellation of actors involved in this process to strongly support and influence policymaking. All of the above will enable effective planning and implementation of public policies, which may

---

give rise to a virtuous circle supporting the institutionalization of a new narrative.

Therefore, the SPES project underlines the dynamics and changes needed to foster a societal consensus – in political, institutional, and technical terms – towards SHD.

To achieve this, the approach considers several key aspects: the theoretical framing on which to build principles and directionalities for policymaking; the institutional changes required; the role and linkages between the different actors; and the technical capacities in policymaking and measurement.

In other words, improving theoretical frameworks and technical capacities are a necessary but not sufficient condition. Rather, as a general argument, the SPES project suggests that development narratives, policy priorities and technical capacities must align before an appropriate SHD measurement framework can be adopted at global and European levels and used effectively in policymaking processes.

**1.** As a first step, the SPES project has been mapping the most relevant indicator frameworks, showing that the Beyond-GDP debate is in full swing and has produced several alternative indices. A SPES analysis

confirms the increasing number and complexity of metrics used to measure one or more dimensions of SHD (i.e., productivity, equity, environmental sustainability, participation and empowerment, human security). The underlying concepts and the applied methodologies may lead to diverging outcomes (e.g., in terms of where a Member State is positioned with respect to SHD ) among these initiatives, thus challenging the interpretability of countries' position and evolution over time. Most composite indices show drawbacks and challenges in terms of data timeliness and availability, as data are not timely available for continuous monitoring of sustainability performance paths, as well as in terms of territorial coverage (e.g., going beyond national and sub-national aggregates).

**2.** Secondly, the project has focused on a more in-depth statistical analysis of five composite indicators that are broadly used by international policy institutions to capture SHD, well-being and transition performances: Planetary Pressure Adjusted Human Development Index - PHDI, the Transition Performance Index - TPI, the Better Life Index - BLI, the Green Growth Index - GGI, and the Sustainable Development Goals Index - SDG Index. Our analysis shows that most composite indicators are rather robust



---

to small changes in their components. The side effect of robustness is a relative insensitivity to actual changes in their components. For instance, increasing GDP per capita by 2% does not alter a country's overall score. This implies that these indicators have limited capacity to inform policymakers about transition performances in the short run. Still, we find that these indicators are relatively more sensitive to variables that, in principle, should not be of primary importance to define the indicator. For example, the GGI is significantly influenced by shifts in the gender gap in financial ownership, yet shows a relatively smaller response to metrics involving pollution or material footprint. Similarly, the BLI is more responsive to the duration of education than to educational achievements; and the TPI reacts more to a percentage change in internet user rates than to an equivalent rise in GDP. Despite often being overlooked, the assumptions underlying the construction of the indicators shape their outcomes and should be openly acknowledged and more deeply discussed in line with the crucial role played by the JRC Competence Centre on Composite Indicators and Scoreboards and the OECD.

**3.** Third, the promotion of SHD is not only in the hands of decision-makers, who are key players in bringing changes within society. According to SPES findings, this transformation requires the cooperation of various stakeholders and sectors to create change. The current decision-making process needs to be improved and more participatory to be more effective and transparent. We believe that to move beyond current methods and toward more transparent decision-making models with an evidence-based approach, all societal stakeholders must be actively involved in policy development, implementation, monitoring, and analysis. Implementing public policies requires great awareness of the current problems of pursuing SHD, thus calling for a process in which there is continuous feedback and data available to decision-makers so that errors can be corrected, and improvements can be made. At last, the effectiveness of a monitoring system is strongly related to what one does with it, not just how it is built. The true value of monitoring systems indeed lies in their comprehensibility and in the actionable insights they provide to ensure that they can transform monitoring from a mere procedural task to a cornerstone of people's strategic decision-making.

**Find out more on the Report  
on mapping composite  
indicators and indices  
relevant to measure  
transition performances**



---

# Policy recommendations

01.

## Harnessing **science-policy interface** to fight misinformation

In a period characterized by great political challenges, it becomes essential to use scientific knowledge in decision-making processes. Better utilization of science can enhance public trust in governments and their competencies, elucidate policy choices for the public, fight misinformation, and improve the support and implementation of adopted policies. Three main challenges emerge for getting the best available science to decision-makers when it is needed and in a format that allows for its consideration. These challenges include: 1) creating better connections and relationships within and between national science-to-policy ecosystems, 2) developing the professional skills needed at the science-policy interface, and 3) strengthening good governance principles and processes in the use of science for policy. Addressing these challenges is a collective task that necessitates a more robust and interconnected science for the policy ecosystem across Europe.

02.

## Strengthening a **global collaboration** to go beyond GDP

There is a need for a broad global alliance among the most relevant international organizations and supranational institutions, including the UN, the OECD, the European Union and the top experts to coordinate convergence efforts and make the final decisive step to go beyond GDP. Indeed, as academia and institutions increasingly seek alignment, akin to the historical evolution of GDP measurement, consensus on broader metrics becomes imperative. However, beyond agreeing on measurements, it calls for envisioning the new world we desire. Overcoming the addiction to GDP requires a collective commitment to broader well-being and sustainability. A shared theoretical framework on Sustainable Human Development as a global reference point can facilitate dialogue, standardization, and mutual learning, fostering a coherent and meaningful approach to measuring societal progress. In this pursuit, the EU should seize the opportunity to harness the 2030 Agenda as a foundational stone of all its strategies and policies.

---

03.

### Refining **simpler composite indicators** for better policy insights

Composite indicators can contribute positively to the debate by informing and assisting decision-makers in monitoring and evaluation processes. Besides assessing multidimensional socio-economic phenomena, they allow cross-country comparisons and are accessible to the general public. However, the review of the composite indicators measuring SHD while accounting for transition performances shows they have limited capacities in capturing economic and social changes and, especially, assessing SHD. These shortcomings are closely tied to the methods and assumptions underlying their construction. Especially when addressing politicians, researchers should acknowledge their limitations, fostering discussion to propose alternatives and improve their methodological design for better SHD measurement. It is therefore key to carefully evaluate whether simpler composite indicators can be adopted instead of more complex ones that aggregate information from many dimensions. Moreover, changes in composite indicators should always be complemented with a comprehensive analysis of each component in order to make the public aware of what mechanisms drive SHD.

04.

### Placing **geostatistics** at the intersection of economic, social and environmental domains

Managing economic, social and environmental data together generates an unprecedented demand for statistical measures to embrace the complexity of interconnections at all levels. Adequate geographic disaggregation, which also allows for highlighting social and territorial inequalities, is a key component of national and international information demand, which needs due attention in current and future developments. The geostatistical approach is essential for promoting comparisons and the analysis of trends that cannot be developed only by considering aggregate data. Spatial disaggregation is an indispensable dimension of the analysis for measuring and monitoring development equity and inclusiveness. The availability of indicators of high spatial detail is also an essential prerequisite for designing tailored policies that anticipate eventual inequalities. However, it is necessary to keep in mind that more disaggregated measures may come at the cost of higher measurement errors, making the indicators more erratic and less robust. For this reason, a range of expected statistical errors should be provided to avoid drawing conclusions about variations across time and space that are simply due to noisy measurements.

---

05.

## Enhancing **National Statistical Offices** to produce evidence on Sustainable Human Development

Statistics not only empowers people and decision-makers with a clear understanding of our collective progress but also sheds light on the challenges ahead and the resources required to overcome them. By providing a comprehensive picture of where we stand and where we aspire to be, Official Statistics stimulate informed discourse and enrich public debate. Therefore, it is essential to integrate this information into the political process to enable stakeholders to comprehensively weigh the costs, benefits, and trade-offs of different policy options. Investing in robust monitoring systems (in line with the System of National Accounts) and therefore improving statistical capacity not only enhances accountability and transparency but also promotes evidence-based decision-making. Given the rapid escalation of multiple global crises, there is a need to focus on increasing comparability, timeliness and geographical coverage of data.

06.

## Translating **research and science in the public discourse** to facilitate civic engagement

Academia, statistical offices and research organizations should take on the responsibility of translating research work into a language that is accessible, yet still rigorous and scientific. To facilitate this, it is necessary to forge a strong alliance between research institutions and both new and traditional media. This partnership is essential to stimulate the production of research findings that are more usable and relevant to the public, especially on topics of significant public concern. There are three practical steps for effective communication: 1) simplified language making findings accessible to a non-specialist audience, 2) effective use of data visualization bridging the gap between complex data and public comprehension, 3) transparency, openness, and accessibility of new evidence and knowledge. It is essential that the entire community, regardless of their level of education and skills, can discuss political issues in an informed manner. Increasing public understanding of economic, social, and environmental items can build trust and facilitate civic engagement in political decisions.

---

# References & other info

- Attanasio, R., Calzaroni, M., Ciancio, A., Olivieri, F., Siciliano, G. (2022). [\*The territorialisation of the 2030 Agenda: a multilevel approach.\*](#)  
In di Bella, E., Fabbris, L., Lagazio, C. (2022). Data-Driven Decision Making – Book of short papers, pp. 89-94, Firenze University Press and Genova University Press.
- Biggeri, M., Ferrannini, A. (2024). [\*The “winds of change”: Fostering Sustainable Human Development in Europe.\*](#)  
SPES Policy Brief n° 1, SPES project – Sustainability Performances, Evidence and Scenarios. Florence: University of Florence.  
Available at: <https://www.sustainabilityperformances.eu/publications-deliverables/>
- Biggeri, M., Ferrannini, A., Lodi, L., Cammeo, J., Francescutto, A. (2023). [\*The “winds of change”: the SPES framework on Sustainable Human Development.\*](#)  
SPES Working paper no. 2.1, SPES project – Sustainability Performances, Evidence and Scenarios. Florence: University of Florence.  
Available at: <https://www.sustainabilityperformances.eu/publications-deliverables/>
- European Commission (2022). [\*Supporting and connecting policymaking in the Member States with scientific research.\*](#)  
Commission Staff Working Document. Brussels. Brussels, 25.10.2022 SWD (2022) 346 final.
- Gábos, A., Lelkes, O., Cammeo, J. (2023). [\*Report on mapping indicators and composite indices relevant to measure transition performances.\*](#)  
SPES Report no. 3.1, SPES project – Sustainability Performances, Evidence

---

and Scenarios. Florence: University of Florence.

Available at: <https://www.sustainabilityperformances.eu/publications-deliverables/>

Hoekstra, R. (2024). .

*[Tilting the Scale: A Theoretical Framework to re-direct Public Policy away from Economic Growth towards Sustainable and Inclusive Wellbeing.](#)*

WISE Horizons Deliverable D1.4.

Available at: <https://zenodo.org/records/10797898>

Katramiz, T., Okitasari, M. (2021).

*[Accelerating 2030 Agenda Integration: Aligning National Development Plans with the Sustainable Development Goals.](#)*

Policy Brief No. 25, 2021. United Nations University, Institute for the Advanced Study of Sustainability

Nathan, M. (2023).

*[Things We Don't Want to Know? Monitoring and evaluating place-based policies.](#)*

Background paper for the OECD-EC High-Level Expert Workshop Series on Place-Based Policies for the Future, Workshop 4, 7 July 2023, Paris.

### **This Policy Brief was written by**

Francesco Ottaviani – researcher of the SPES project, ASviS;

Camilla Sofia Grande – researcher of the SPES project, ASviS;

Manlio Calzaroni – Team leader and researcher, ASviS.

### **Contributors and peer reviewers**

Mario Biggeri, University of Florence; Laura de Bonfils, Social Platform;

Paolo Brunori, London School of Economics and Political Science; Andrea

Ferrannini, University of Florence; Albert Ferrari, European University

Institute; Adam Francescutto, University of Florence; András Gábos, TÁRKI;

Orsolya Lelkes, TÁRKI; Amaia Palencia, London School of Economics and

Political Science; Katja Reuter, Social Platform.

### **Disclaimer**

This deliverable contains original unpublished work except where clearly indicated otherwise. Acknowledgement of previously published material and of the work of others has been made through appropriate citation, quotation or both.

This document reflects the authors' view and the European Commission is not responsible for any use that may be made of the information it contains.

Cover photo @Kande Bomfim for Unsplash





Funded by European Union's Horizon  
Europe Programme under Grant  
Agreement No. 101094551



Sustainability  
performances,  
evidence & scenarios