Counting what counts
How to make SDG indicators meaningful to hold governments to account

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Reaching the agreement on the 2030 Agenda and the SDGs in 2015 was an achievement of global significance bringing together policymakers, civil society and other stakeholders. Built into this process, and included as specific target 17.18, was the commitment for continuous monitoring with ‘high quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts’. Meaningful monitoring creates a basis for good policies, to ensure progress towards the Goals and to hold decision-makers to account.

It is said that ‘we treasure what we measure’, indicating that choices can be, and are, made about what and how we measure progress. The 2030 Agenda provides for adaptation to local contexts and recommends that its goals and targets be aligned with existing regional and national strategic frameworks and policies. This applies to the EU and its Member States. This explains why many countries and regions, and even cities and companies, have developed adapted monitoring systems with specific SDG indicators.

The number of 169 SDG targets and their interpretation allows for many potential indicators to be chosen to measure progress. Global, regional and national processes have been established for this. However, decisions on indicators are not straightforward and cannot be derived automatically from the 2030 Agenda and its 17 Goals. Agreements on indicators are subject not only to data availability and practical issues relating to statistical comparability and sampling but also to political preferences.

AT A GLANCE: Meaningful SDG indicators

✓ Focus on the issues where we face the biggest sustainability challenges (rather than on easy wins).
✓ Give attention to problems that affect a lot of people – inside and beyond the EU.
✓ Measure the EU’s negative impact on global commons and monitor negative spillover effects and externalities of European policies and practices in the world.
✓ Are valid, i.e. they are able to measure what they claim to measure (rather than creating illusions of sustainability).
✓ Are specific and time-bound by being linked to EU-wide targets (instead of trying to measure progress without clear goals set).
✓ Make use of disaggregated data to monitor progress for different parts of society to ensure that no one is left behind in the policy responses taken.
✓ Are selected and reviewed with meaningful involvement of civil society and the research community.
✓ Should also be obtained from sources other than statistical offices where data provided by civil society and research can close important gaps in SDG monitoring.
The EU context

In 2017, the European Commission developed an indicator framework, reviewed in 2019, to monitor the SDGs within the EU. Eurostat acts as its key monitoring body. The framework uses 100 indicators to address the 17 SDGs, limited to six indicators per SDG, and includes multi-purpose indicators (MPIs) to monitor more than one goal. The principle behind choosing six indicators per goal is to 'attach equal importance to all goals and to allow a balanced measurement of progress across the social, economic, environmental and institutional dimensions of sustainability'. New and replacement indicators can only be added by removing indicators already included in the set within the same goal, to be considered ‘if leading to an improved measurement of progress towards the SDGs in an EU context’.

Civil society is questioning both indicator substance – pointing out gaps in the indicator set as well as the lack of qualitative data – and the process, calling for a broad dialogue in indicator revision to enable questions to be asked about the choices being made. The current Eurostat indicator set, for instance, does not measure SDG 12.6 on sustainability reporting by companies or 12.7 on sustainable procurement, even though in recent years both issues have been given higher political priority. SDG 16.2 on human trafficking and SDG 16.4 on illicit financial flows and illicit arms flows are also not monitored in the SDG context. These targets may not have been considered as sufficiently relevant by the technical experts choosing the indicators, or adequate data may not be available. The issue here is not necessarily that Eurostat has limited its set to 100 indicators, but who may have a say in the selection of indicators.

Why do statistics matter?

While selecting indicators to monitor progress towards the SDGs may sound like a technicality, the reality is that only with the right indicators are we able to count what counts and to understand whether our policies and practices are on track to achieve the 2030 Agenda and the SDGs on time. This article argues that the choice of SDG indicators is highly political and is part of priority setting. The definition of indicators decides whether good intentions are carved in stone or are built on sand. It has major effects on the accountability of governments. Based on examples from five SDG indicator sets, this chapter sets out to discuss the challenges of selecting relevant and appropriate indicators.

Because of its political nature, the discussion on SDG indicators should not be left to technical experts and politicians alone. Rather, the choice of indicators must be a key element of a participatory, inclusive, and transparent SDG monitoring and reporting process in which civil society is guaranteed an active role, to make sure that all the most politically relevant indicators and data sets are included. While this chapter does not provide a final answer to the question of which indicators are the most relevant, it offers criteria to determine the relevance of indicators and argues that the selection process should be based on broad consultation and agreement amongst diverse stakeholders.

The first set of SDG indicators for the 2030 Agenda was negotiated at the level of the United Nations by the Interagency Expert Group of the Statistical Commission (IAEG). This indicator set was accepted by the UN General Assembly in 2017, is under constant review, and all countries, including EU Member States, are supposed to report data on these indicators. To monitor SDG implementation by and in the EU, Eurostat developed its own set of 100 indicators for the EU and its Member States. This selection was made by technical experts without acknowledging the political nature of indicator selection and without involving civil society in the process in a meaningful way.

Two other indicator sets are interesting for comparison. First, the indicator set developed by the OECD, which covers all EU Member States. Second, the SDG Index developed by the Sustainable Development Solutions Network and the Bertelsmann Foundation, a prominent example of an indicator set developed outside political institutions and with the involvement of sustainability experts. The indicator set linked to the German Sustainability Strategy is the national example chosen for purposes of comparison.

Are we focusing on our sustainability challenges?

One way of ensuring that indicators are relevant is to monitor progress in policy areas that are most challenging for sustainable development in our European context – rather than ignoring them. For example, SDG 8.3 calls for decent work. Eurostat has chosen to monitor this target with indicators that include measuring unemployment, work accidents and in-work poverty in the EU. Given that many products sold on the European market are produced outside the EU, SDG monitoring arguably should also look at the question

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2 See https://ec.europa.eu/eurostat/web/sdi/peace-justice-and-strong-institutions
of decent work for those producing goods for European consumers. Decent work should be monitored throughout the value chains. Eurostat does measure trade volumes with developing countries (as an indicator for SDG 17 which seeks to increase market shares of developing countries). This indicator, however, does not look at decent work. Any increase in import volumes of cheaply produced goods – often linked to labour exploitation and negative environmental impacts in low-income countries – paradoxically contributes to a positive evaluation of the sustainability performance of the EU.

The SDG Index, in contrast, has included the Slavery Index to monitor the prevention of labour exploitation around the world. The German Sustainability Strategy tried to cover workers’ rights throughout the value chain employing an indicator recording corporate memberships of an alliance for fair textiles. Methodologically, this indicator may be weak, but it is a positive attempt to focus on a real sustainability challenge.

SDG 10.7 calls for orderly, safe, regular, and responsible migration. The EU has signed international human rights agreements and has committed to a policy framework for migration. Nevertheless, thousands of migrants have drowned in the Mediterranean Sea since the adoption of the 2030 Agenda. Many more are kept in camps in inhuman conditions or are blocked from applying for asylum by diplomatic and military anti-migration measures. Eurostat chose to measure SDG 10.7 by the number of first-time asylum applicants and the number of positive decisions per one million inhabitants. Key problems of the EU’s migration policy and its failure to find a common approach for safe migration pathways cannot be measured with these indicators. The OECD, the SDG Index and the German SDG indicator set do also not include other indicators on migration.

**Are we focusing on the people affected?**

Indicators can be more relevant if they bring into focus the experiences of large numbers of people. For example, for SDG 16.1, which calls for significant reductions in all forms of violence and related death everywhere, the IAEG, Eurostat and the OECD have chosen the death rate due to homicide, and the German government uses its crime rate. These indicators only measure impacts on people within the EU or the Member State. A potential indicator for the EU could be to look into European arms trade. The export of arms from the EU affects populations in many conflict-prone regions of the world now and for years to come. The Eurostat indicator set, however, does not address the question of arms exports. Interestingly, the German government added an indicator for SDG 16.4 on arms trade: not to measure Germany’s role as an arms exporter, but to measure disarmament projects funded by German development cooperation. This is an interesting political choice that shows how governments perceive Europe’s contribution to sustainable development.

**Are we focusing on global commons and spill-over effects?**

Another way to make indicators more relevant is to make sure that impacts on the global commons and negative spill-over effects are accounted for. Indicators on issues that affect the global commons, such as CO2 emissions, the rise in ocean acidity or the volume of raw material consumption, would be preferable to many others, because these issues have long-term, global impacts on sustainable development that threaten human well-being and the functioning of the life support systems of the planet.

In addition to effects on global commons, policies and practices in the EU can have negative impacts on sustainable development in third countries, so-called spill-over effects or negative externalities. For instance, the consumption of certain agricultural commodities such as meat, palm oil or biofuels can exacerbate deforestation; increased demand for mined raw materials can drive displacement and environmental conflict; and cotton production for our textiles can be linked to desertification and forced labour. The facilitation of illicit financial flows or unfair tax regimes supported by governments in the EU have significant impacts on developing countries.

The SDG Index shows that impacts on the global commons and negative spill-over effects can be measured by including, among others, indicators such as CO2 emissions embedded in imports. SDSN has also developed the Spillover Index Score to measure international environmental and socio-economic impacts embodied in trade for each country. As expected, many European countries have a very unfavourable score. As the Eurostat indicator set does not contain indicators on global commons and spill-over effects, the EU’s negative impacts on third countries’ sustainable development are unmeasured and unaccounted for.
Are the EU indicators valid?

While the question of what is most relevant to measure is already complex enough, another way to make indicators meaningful is to make sure they are valid. An indicator is valid if it measures what we want to measure. A few examples from the five mentioned indicator sets show how seemingly reasonable indicators provide a distorted picture of the level of sustainability that has been reached.

SDG 5 seeks to establish gender equality. The German government measures the number of women on the boards of large and publicly listed companies. These companies are required by law to have 30% of women on the executive board. Unsurprisingly, the performance on this indicator is very good. The same holds true for the Eurostat indicator, which also looks at women on the boards of publicly listed companies. While there is no EU-wide mandatory gender quota for such boards, several Member States have introduced quotas. The indicator, however, says very little about the representation of women in senior management across the whole spectrum of companies and organisations. Only a small part of the EU’s more than 27 million active enterprises is covered. If a broader data sample covering women in senior management in non-listed companies and SMEs had been chosen, performance against this indicator would be much weaker – in contrast to the Eurostat evaluation which claims significant progress for women in senior management roles.

SDG 8 seeks to ensure decent work and sustainable growth. Eurostat uses GDP per capita as an SDG indicator even though an increase in GDP may mean a reduction in decent work. As we have seen in the EU, in-work poverty can increase in line with GDP. Moreover, highly developed countries, including most EU Member States, should not treat GDP as an indicator of sustainable development. Recent research has shown that continuous GDP growth is incompatible with key sustainability objectives such as significantly reducing raw material use, land and water use, pollution, and emissions.

SDG 9 seeks to build resilient infrastructure, to promote inclusive and sustainable industrialisation and to foster innovation. The IAEG, the OECD and the German government propose to count the number of researchers and the amount of money spent on research in that field. Eurostat’s measure is the number of patent applications made to the European Patent Office. These indicators do not allow for a conclusive evaluation of whether innovations are beneficial or harmful for inclusive and sustainable industrialisation.

Eurostat also uses the indicator of average CO2 emissions of new passenger cars. While the emission levels of new car models have gone down due to better technology, the absolute number of passenger cars has increased over the same period of the time. CO2 emissions from passenger cars now account for more than 60% of the total CO2 emissions from road transport in Europe. The indicator also does not take into account a life-cycle approach which includes emissions during manufacture and disposal, and therefore ignores the growth in emissions resulting from high replacement rates and shorter car life cycles – now far shorter than the optimal life-cycle of 15-20 years. The indicator is not valid as it does not measure whether the absolute volumes of CO2 emissions from passenger car transport is decreasing or not.

SDG 11 focuses on sustainable cities and communities. One indicator used by Eurostat is recycling rates of municipal waste. While recycling is undoubtedly important, the more important question is how much waste we produce in the first place. Since the adoption of the 2030 Agenda, the generation of municipal waste per capita in the EU-27 has increased, according to Eurostat figures, but these are not used for SDG monitoring. The recycling indicator also does not account for waste that is exported from the EU for recycling (some of which ends up in landfills and is not recycled). According to the EEA figures, the EU exports 150 000 tonnes of plastic waste every month. So are we measuring what we want to measure?

SDG 15 focuses on sustainable ecosystems. The IAEG, the OECD and Eurostat use the share of forest cover as an indicator even though many forest areas are dead from a biodiversity perspective. With this indicator, 20% forest cover with rich biodiversity and habitat for endangered species would be less valuable than 25% of forest monoculture. Again, we do not necessarily measure what we want to measure, namely healthy forests rich in biodiversity.

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Are our indicators specific and time-bound?

The UN official indicators do not specify a level or date of achievement for each of the SDG targets, so where these are absent, they have to be set at the national or regional level. This is reasonable given varying levels of development between countries. Where levels of achievement are set, they may not be sufficiently ambitious or do not reflect the scientific consensus on what is needed to achieve sustainability. The setting of such specific targets and the level and date of achievement and progress towards achievement, measured by its indicator, are highly political choices.

An example from the German indicator set illustrates how specific targets and linked indicators are not necessarily aligned with the scientific advice provided. To monitor SDG 2, the German government has selected nitrogen surplus on cultivated agricultural land as an indicator. It has set a target of 70 kg per hectare even though the expert commission of the German government on the environment recommends that the target should be a maximum of 50 kg per hectare.

Another example of a missing target on a key sustainability objective concerns the circular economy. The EU has made the circular economy one of its main priorities and a new Circular Economy Action Plan has been published as part of the European Green Deal. However, the Action Plan does not contain a clear and time-bound target for the circularity of the EU’s economy. Eurostat measures the circular material use rate to monitor progress towards SDG 12. This rate has increased in recent years and Eurostat evaluates this as progress towards the SDGs. However, the increase in the circular material use rate over the last decade has been extremely slow – only a few percentage points – so that we will still be a long way from a circular economy by 2030. The missing target makes it impossible to evaluate progress.

Do we have disaggregated data?

Another test of relevance is to have disaggregated data, that is, data that shows impacts on different sectors of society, men or women, younger and older people, people with disabilities, low-, middle- and high-income groups, people of colour, etc. Disaggregated data are essential if we are to honour a key principle of the 2030 Agenda: to leave no one behind. Using disaggregated data is included as a specific commitment in SDG target 17.18.1 to be reached by 2020.

Access to education, for example, can be measured for the population as a whole or assessed specifically for the most vulnerable groups. If only data for the general population is chosen, unequal access to education for children from poorer or less privileged households is hidden behind the general data. A concrete example from the Eurostat indicator set is access to basic sanitary facilities, as an indicator for SDG 6 on clean water and sanitation. The current rate of around 2% of the EU’s population without access to basic sanitary facilities is relatively low; therefore, Eurostat’s monitoring report concludes that the EU has made significant progress towards its SDG target. However, what is hidden behind the figures – due to a lack of disaggregated data – is that a majority of the EU’s estimated 6 million Roma people do not have access to water in their homes and that more than half of them rely on water sources more than 150m away from their homes. The lack of access to water and basic sanitation of Europe’s largest ethnic minority has not seen any significant progress and is obscured by the general data of the Eurostat SDG monitoring report.

What are we comparing?

Another question is: what are we comparing? Eurostat indicators have to cover all EU countries, so the indicators must use comparable data collected in each Member State. Monitoring SDG 10.7 on orderly, safe, regular, and responsible migration is again instructive: currently, the indicator looks at the number of asylum applications per million inhabitants. The ranking of countries would look quite different if Eurostat considered, for instance, the number of asylum applications in relation to the economic strength of a country. This example shows, again, that the choice of indicators and what makes them meaningful, is political as well as technical. We first need to be able to answer the question whether the wealthy EU Member States should take on more responsibility for refugees or not? And our answers should be based on broad stakeholder consultation.

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7 See ERCC https://www.europeaninterest.eu/article/europe-must-ensure-access-water-pandemic/
What has greater weight?

While Eurostat publishes comparable data for all Member States, it does not aggregate data to rank the Member States against each other. The SDG Index, on the other hand, does aggregate the performance of each country across all SDGs without weighting. As a result, poor performance in SDG 13, 14 or 15, which measures trends of global relevance concerning climate change and biodiversity loss, can be balanced out by a good performance in the education or the health sector. Because it uses a range of indicators which overall are more focused on challenges in developing countries, the SDG Index results in highly industrialised countries, with their well-developed social welfare systems, coming out as the top performers. It presents Denmark, Sweden and Finland as the sustainability pioneers. All 10 top performers are EU countries, so are 24 of the top 30. However, among these high performing countries are most of the biggest global arms exporters and countries with very high per capita CO2 emissions, and the highest levels of waste production and raw material consumption per inhabitant. Among the top performers are also important tax havens and the home countries of multinational corporations lobbying against stricter regulations on environmental and social protection in supply chains. Such comparisons of levels of sustainability are misleading and allow governments of countries with significant sustainability challenges to celebrate themselves as leaders.

What role for civil society?

The discussion on meaningful indicators so far has shown that the selection and definition of indicators is not a technical process that should be left to statistical experts. Instead, it should be acknowledged that decisions about indicators always reflect interests and political priorities and are thus highly political. For that reason, civil society must participate in, give input to and have an influence on this process. Civil society organisations have developed vast expertise on questions of sustainable development in the EU and beyond and have unique insights into very specific issues ranging from tax policies to arms exports, from particular aspects of inequality and exclusion to highly technical environmental issues. This expertise and the interests that civil society organisations represent must be considered in the selection of indicators to ensure that they embody the highest level of policy relevance.

In certain cases, civil society can also contribute with data that is not collected anywhere else. A good example of this is Transparency International’s Corruption Perception Index which is used by Eurostat, the SDG Index, and the German government. Another example is the Financial Secrecy Index compiled by the Tax Justice Network, which has collected and analysed data on illicit financial flows and tax havens for many years. The data collection method is highly transparent and has been vetted by tax experts. The rating of individual countries based on the data could be a valuable contribution to the monitoring of SDG 16.4 in the EU. A third example is the data collected at a national level in Germany by the NGO Frauen in die Aufsichtsräte (FIDAR). This NGO collects data on the number of women on the boards of private sector companies and publishes three different indices based on different company samples (of which the German government only uses one for the monitoring of the National Sustainability Strategy). The fact that collaborative indicator selection involving civil society is not only possible but can be very fruitful has been shown by the SDG monitoring tool 2030Watch, which was piloted by the Open Knowledge Foundation in Germany. The initiative was based on an intensive research process of possible indicators and existing sets of sustainability indicators. The research included interviews and workshops with civil society experts and researchers, and it resulted in a list of several hundred potential SDG indicators. This list was then assessed based on criteria such as the availability of current data and regular historical data, the availability of data for different countries and the possibility of identifying a clear baseline and target value. The indicators were also assessed as to their relevance to the current situation in Germany. Next to the indicator selection, another key aspect of the project was the visualisation of data. To be useful for awareness-raising and advocacy, it was important that the users of the web tool quickly understand the assessment and its political message. The tool received positive feedback, particularly from civil society and policymakers. The project will soon be relaunched by the German Forum on Environment and Development.

Despite the potential of civil society to make positive contributions, its involvement to date in the selection of SDG indicators has been limited. At the UN level, an open consultation process was held under the auspices of the Inter-Agency Expert Group (IAEG), where governments, civil society stakeholders, researchers and companies could
contribute online to the discussion on indicators. All inputs were published. However, given the complex nature of the process, the number of inputs from civil society was relatively low. Many civil society organisations lacked the resources and capacity to contribute to the process. The IAEG held further internal discussions with statistical experts from institutions and some governments. The work on SDG indicators is ongoing; recommendations are periodically made by the Statistical Commission on SDG indicators and submitted to the General Assembly for approval.

In their selection processes, both Eurostat and Germany invited feedback on the indicators from stakeholders while the main discussions and decisions were made in an internal process. In the case of Germany, the consultation covered not only indicators, but general input on the revised German Sustainability Strategy. Eurostat invited stakeholders to a meeting in March 2017 before finalising its initial indicator set. However, the meeting came at a relatively late stage in the process of indicator selection. The draft indicator set had already been developed in consultation with the European Commission and with the Member States but without the meaningful engagement of civil society. Invitations to the consultation were sent at short notice, giving insufficient time for proper preparation and input from civil society. As a result, there was effectively very little scope for civil society to contribute to the development of the indicator set, and there was no broad consultation of stakeholders. Later, when the European Commission set up its expert group, the ‘Multi-Stakeholder Platform for the Implementation of the SDGs’, its main advisory body on the SDGs was not involved in the review of the Eurostat indicator set.

What is needed now?

A different selection of indicators, more ambitious EU-level targets with measurable achievements and dates and the inclusion of indicators covering the global commons and spillover effects on people around the world would result in a very different ranking – which would in turn change the political discourse about the EU being a sustainability leader.

The first step for an inclusive process would be to convene, at the very beginning of a review of the current indicator set, a range of public debates with stakeholders, inviting them to contribute their specific expertise. As pointed out above, the SDG targets and the existing EU policies are very broad. Public discourse is needed for each SDG to identify what topics within a given policy area should be prioritised in the monitoring system. The selection of concrete indicators should then be based on that broad consultation and should consider the integration of data from civil society or independent research bodies where adequate and available.

If the new European Commission, which has made sustainability and the just transition to a low-carbon economy its main priority, is serious about its ambition, it must initiate as a matter of urgency a broad stakeholder consultation – now long overdue – on both the most meaningful SDG indicators and clear and time-bound targets to achieve the SDGs by 2030. Ideas of how civil society can be engaged in both indicator selection and the monitoring and reporting cycle are laid out in the following chapter.