

P7_TA(2011)0264

GDP and beyond - Measuring progress in a changing world

European Parliament resolution of 8 June 2011 on GDP and beyond – Measuring progress in a changing world (2010/2088(INI))

The European Parliament,

- having regard to the Commission Communication of 20 August 2009 on GDP and Beyond – Measuring progress in a changing world (COM(2009)0433),
- having regard to the ‘Beyond GDP Conference’ organised by Parliament, the Commission, the Club of Rome, the WWF and the OECD in November 2007 in Brussels,
- having regard to the report by the Commission on the Measurement of Economic Performance and Social Progress (Stiglitz Report), presented on 14 September 2009,
- having regard to the Economics of Ecosystems and Biodiversity (TEEB) global initiative endorsed by G8+5 leaders in June 2007 and its results published in 2009 and 2010,
- having regard to the Stern Review on the Economics of Climate Change published on 30 October 2006,
- having regard to the Istanbul Declaration signed during the 2nd OECD World Forum on Statistics, Knowledge and Policy on 30 June 2007,
- having regard to the conclusions of the European Council of 10 and 11 December 2009, 25 and 26 March 2010 and 17 June 2010,
- having regard to the Council conclusions of 10 November 2009 (Economic and Financial Affairs) on Statistics,
- having regard to the Council conclusions of 23 October 2009 (Environment) on Eco-Efficient Economy in the context of the post-2010 Lisbon Agenda and the EU Sustainable Development Strategy,
- having regard to the Commission proposal for a Regulation on European Environmental Economic Accounts (COM (2010)0132),
- having regard to the EU 2020 integrated guidelines for European economic and employment policies, proposed by the Commission on 27 April 2010,
- having regard to the Communications on European Governance: Better lawmaking (COM(2002)0275), A strategic review of Better Regulation in the European Union (COM(2006)0689), A second strategic review of Better Regulation in the European Union (COM(2008)0032) and A third strategic review of Better Regulation in the European Union (COM(2009)0015),
- having regard to the EU’s Sustainable Consumption and Production Action Plan (COM (2008)0397),

- having regard to existing statistical instruments, such as the EU-SILC, the Labour Force Survey (LFS), Eurobarometers, the European Values Survey and the European Social Survey (ESS),
 - having regard to the European Quality of Life Survey (EQLS), coordinated by Eurofound, which provides a comprehensive portrait of quality of life and living conditions in European Countries (covering all EU Member States and candidate countries) with over 120 indicators providing comparative data across countries¹,
 - having regard to its resolutions of 10 March² and 16 June 2010³ on the EU 2020 Strategy, its resolution of 8 October 2009⁴ on the Pittsburgh G-20 Summit of 24 and 25 September 2009, its resolution of 15 June 2006⁵ on the revised sustainable development strategy and its resolution of 24 April 2008⁶ on the Green Paper on market-based instruments for environment and related policy purposes,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on the Environment, Public Health and Food Safety and the opinions of the Committee on Economic and Monetary Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on Industry, Research and Energy and the Committee on Regional Development (A7-0175/2011),
- A. whereas the need to improve data and indicators to complement GDP for overall societal development is increasingly recognised by all international institutions,
1. Welcomes the Commission Communication on ‘GDP and Beyond – Measuring Progress in a Changing World’ as a possible complementary tool to contribute to improved policy analysis and debates;
 2. Stresses that GDP is an indicator of economic market activity that has become a standard benchmark used by policy-makers throughout the world; emphasises that GDP is a measure of production and does not measure environmental sustainability, resource efficiency, social inclusion and social progress in general; underlines furthermore that it can be misleading in the sense that remedial measures following certain incidents such as accidents and natural disasters are treated as a benefit instead of a cost;
 3. Notes that besides measuring economic development and productivity there are other indicators that influence and explain the living standards in a country and that have not been quantified until now although relevant indicators exist;

¹ EQLS covers the following core domains of the quality of life concept: economic resources, deprivation; health and access to health care; employment and job quality; work-life balance; family relations and support; social inclusion/exclusion (community life and social participation); education and training; quality of housing and local environment; social capital and quality of society; quality of public services; subjective well-being (including happiness, life satisfaction, optimism about the future).

² OJ C 349 E, 22.12.2010, p. 30.

³ Texts adopted, P7_TA(2010)0223.

⁴ OJ C 230 E, 26.8.2010, p. 1.

⁵ OJ C 300 E, 9.12.2006, p. 487.

⁶ OJ C 259 E, 29.10.2009, p. 86.

4. Stresses the need to develop additional indicators for measuring medium- and long-term economic and social progress; calls for the development of clear and measurable indicators that take account of climate change, biodiversity, resource efficiency and social inclusion; furthermore calls for the development of indicators that focus more closely on the household-level perspective, reflecting income, consumption and wealth;
5. Welcomes the Commission initiative to present an index for environmental pressure, to be submitted alongside GDP, which will initially comprise the following major strands of environmental policy: 'climate change and energy use', 'nature and biodiversity', 'air pollution and health impacts', 'water use and pollution', 'waste generation and use of resources';
6. Expects that shifting attention towards broader and more sustainable indicators will lead also to more systematic focus on social and environmental factors in developing countries, including climate change, biodiversity, health, education and governance, and thereby enable development policies to target the most needy and disadvantaged populations; underlines that such indicators should be compatible and consistent with existing global initiatives, such as the UN Human Development Index;
7. Underlines the need to measure quality of life in societies; considers that achieving and sustaining quality of life involves important, consensual factors such as health, education, culture, employment, housing, environmental conditions etc.; takes the view that indicators which measure such factors should be assigned a greater role; suggests that the EQLS indicators, which cover the core domains of quality of life, are built upon in the further development of both qualitative and quantitative metrics;
8. Takes note of the measures and tools adopted at European level to measure and analyse possible impacts of legislative initiatives on progress, such as impact assessments, including cost-benefit, cost-effectiveness and multi-criteria analyses, risk assessments, data collection, statistics, environmental economic accounts, political analysis at various political levels, reports on monitoring of implementation and enforcement and reviews carried out in different areas of EU legislation; supports fully the establishment of a solid legal framework for the European Environmental Economic Accounts as a positive step in the 'GDP and beyond' process;
9. Takes note of the growing international recognition of limits to GDP as an indicator of social progress, natural resources and eco-system services, major transformations like those ensuing from climate change and sustainable development; acknowledges progress made in different fora, such as the UNDP, World Bank and OECD, and by the Commission among others, on the development of indicators to measure and analyse progress;
10. Stresses the importance of agreeing on a systemic approach to setting up a coherent 'Beyond GDP system' to contribute to improved policy analysis and debates;
11. Emphasises that the challenge is to develop a clear and comprehensible set of indicators that are at the same time theoretically consistent, politically relevant and empirically measurable and ensure comparability between countries and regions; stresses the need for this work to be done in close cooperation with other relevant institutions and organisations;
12. Stresses the need to develop reliable, harmonised and timely statistics and to obtain series of data and indicators covering a long period that can be used in projecting future

developments and designing policies; recommends that various databases maintained by public authorities should be better used and combined and that similar methodology, common standards, definitions, classifications and accounting rules should be used in each Member State in order to guarantee the quality and comparability of data; calls for data collection and processing to be performed in accordance with principles of professional independence, impartiality, objectivity, statistical confidentiality and cost-effectiveness, with proper attention nevertheless being paid to personal data protection issues; takes the view that Eurostat should play a major role in this process;

13. Instructs its President to forward this resolution to the Council and the Commission.