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MAKSWELL Kick off Meeting
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Istat
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MAKSWELL Kick off Meeting

Summary

This report contains the description of the Kick off meeting of the project *MAKing Sustainable development and WELL-being frameworks work for policy analysis* organised by Istat, the project co-ordinator, on 9 January 2018 in Rome. The report will give an overview of the presentations in Agenda given by representatives of the Italian National Statistical Institute, by representatives of the other Institutions partners of the project and the intervention of Martin Karlberg as Eurostat's point of view representative, in his role as Team leader for research and innovation in official statistics. This document reports the contents of the presentations and focuses on the debate that took place with the selected participants invited as representatives to foster the debate on best practices from the official statistics point of view. This event officially launched the 30-month co-ordination action MAKSWELL (11/2017-04/2020), coordinated by Istat with the partnership of other three NSIs (CBS, Destatis and HCSO), three Universities (University of Trier, University of Southampton and University of Pisa) and a non-profit entity focused on public management and organisation (Consorzio MIPA).

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1. The purpose of the meeting. The Agenda[1]

On 9 January 2018 the Kick off meeting, organised by Istat, the project co-ordinator, officially launched the 30-month co-ordination action MAKSWELL (11/2017-04/2020), coordinated by Istat with the partnership of other three NSIs (CBS, Destatis and HCSO), three Universities (University of Trier, University of Southampton and University of Pisa) and a non-profit entity focused on public management and organisation (Consorzio MIPA).

MAKSWELL, *MAKing Sustainable development and WELL-being frameworks work for policy analysis*, is funded by EC DG for Research and Innovation within the H2020 Work Programme 2016 – 2017 responding to the CO-CREATION-07-2017 call topic identifier "Europe in a changing world – inclusive, innovative and reflective Societies -Towards a new growth strategy in Europe - Improved economic and social measurement, data and official statistics". The call had the general objective to "focus on the incorporation and alignment of new, possibly unofficial and unstructured, sources with established official statistics. It should build on the rich body of results in the alternative growth approaches, social, environmental and sustainable indicators, new consumption models and "Beyond GDP" domain – in consistency with National Accounts - covering both novel domains and non-traditional sources as well as innovative data collection approaches. It should incorporate a strong statistical methodological component focusing on obtaining consistency, representativity/social inclusion (in particular when innovative data collection methods are used) and measures of uncertainty. Piloting and proof of concept should be at the forefront. Disaggregation of statistics - geographically, or by other domains (e.g. identifying vulnerable population groups) - to provide greater insights and providing evidence allowing more focused policy decisions should be covered, as should metadata and other aspects of quality of statistics. At the same time data protection concerns should be addressed".

Its expected impact was consequently centered on the fact that "better data and official statistics should improve our understanding about the changing nature of overall investment and growth dynamism in Europe. Widening of the concept of investment should bring insights for the European growth strategy and reveal cross-country differences in growth and productivity performances taking into account the role of tangible and intangible capital in the modernisation and competitiveness of EU industries and services. Moreover, through the investigation of the practical applicability of new sources, frameworks and methods for official statistics across a wide range of aspects regarding social and sustainable progress will provide a coherent framework of reliable evidence to the benefit of society. Public statistics and measurements being more explorative and future-orientated should provide new innovative policy support frameworks in "Beyond GDP" perspective".

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[1] Maria Grazia Calza is responsible for paragraphs: 2.1.1, 2.2.1, 2.3.1, 2.3.2, 2.3.4, 2.3.6, 2.3.9, 3
Maria Francesca D'Ambrogio is responsible for paragraphs: 1, 1.1, 2.1.2, 2.3.3, 2.3.5, 2.3.7, 2.3.8, 2.4

Following the request of the call, MAKSWELL was designed with the general objective to extend and harmonise the indicators able to capture the main characteristics of the beyond-GDP approach proposing a new framework that includes them in the evaluation of the public policies.

The main goals of the project can be summarized in the following four objectives:

1. considering the constraints which sets of indicators need to respect in order to be actually used in policy making processes, the project aims at building up a database on beyond GDP initiatives for a wide set of EU countries that selects and harmonises the national framework on well-being as well as the available SDG indicators;
2. improving the database on beyond GDP initiatives both in relation to the timeliness and to the integration with big data measures and the methodologies able to reach these extensions;
3. extending the geographical dimension especially focusing on the possible estimates of people vulnerability either looking at the measurement of poverty or to the measurement of regional inflation;
4. using the extended database for policy evaluation at macro level and for building up two comprehensive pilot studies for Italy and Hungary.

These objectives will be reached through the implementation of 8 Work Packages:

I. The WP1 provide an analysis of the existing frameworks on wellbeing and sustainability at national and international level for policy making. The WP will allow to build up a repository available to be shared. Attention will be done especially to the micro-macro approach derived inside the national account framework and the opportunities for extending the SNA beyond GDP.
II. The WP2 extends the actual set of information available on well-being and sustainability to including coherent new data sources (e.g. big data) able to derive local indicators.
III. The WP3 derives regional poverty measurement as a prototype for modern indicator methodology.
IV. The WP4 provides time series and multivariate methodology including nowcasting to be applied to well-being indicators and SDGs.
V. The WP5 will build up a pilot study for a country that aims to recollect the data and the analysis developed in an unified framework that will be easily implemented for other countries.
VI. The WP6 focuses on the dissemination and communication of project results, it is intended to give substantive impetus to the achievement of the project objective related to the improvement of our understanding about the changing characteristics of economies and societies in Europe.
VII. The WP7 represents the scientific coordination and project management of the entire project, that includes administrative and financial coordination, monitoring and reporting, quality assurance and risk assessment.

VIII.   The last one (WP8) sets out the 'ethics requirements' that the project must comply with.

The Kick-off Agenda was organised to provide an overview of the contents and vision of the project in the light of the project's activities, giving also some space to reflection on best practices with a round table on new data sources for official statistics and international and national experiences on main insights for policy use of wellbeing and sustainability indicators.

To this effect, after the *Welcome address* by the President of Istat, the *Opening Session* focused on the dialogue with the European Commission. It was organised to provide insights on expectations and potential of MAKSWELL project with respect to EU policy making and the European Statistical System. Unfortunately the Policy Officer, Marianne Paasi, from the European Commission, Directorate-General for Research and Innovation, was not able to attend the meeting and the session focused on Eurostat's point of view as reported by Martin Karlberg in his role as Team leader for research and innovation in official statistics at Eurostat.

In *Session 1* Fabio Bacchini, the scientific coordinator of the project, gave a general overview of the project activities focusing on the scientific motivations that stand behind MAKSWELL project and describing how these motivations were translated into an effective organisation of the project's activities.

In *Session 2*, further divided into three sub-sessions, all the work packages were presented by the WP leaders that focused on motivations, aims and implementation of the activities.

In *Session 3* the focus on new data sources for official statistics and international and national experiences on main insights for policy use of wellbeing and sustainability indicators gave the opportunity to discuss on future developments of statistical methods and applied studies in official and public statistics.

The event was closed by Fabio Bacchini who summarised the main findings of the day pointing out some important future steps.

1.1. Welcome address by Giorgio Alleva, Istat President

Istat President, Giorgio Alleva, welcomed the participants to the launch of MAKSWELL project underlining the relevance of the project in providing not only an useful landscape for a positive feedback of NSI, academics and stakeholder but with its results also to path ways for common research under the Ninth Research Framework Program (FP9).

The project is challenging as it proposes the policy evaluation of the beyond-GDP approach, looking beyond official statistics boundaries.

At this point he took the opportunity to remind that in November 2017 the European Statistical System Committee approved the ESS Vision beyond 2020 identifying Effective Partnership as one of the 5 priorities: this means not only close collaboration between ESS partners to enable

constant enhancement of European statistics but also enhancing cooperation with research and academia in developing methods for all the phases of the statistical process, giving, in addition, technical solutions for the use of big data and analytical interference from data and statistics. Thus, he added, the Consortium itself in its composition is a value able to produce concrete outputs as planned by the project, because it represents the real picture that statistical community, academia and private can work together for a common goal.

Giorgio Alleva went on stressing the relevant implications of MAKSWELL for issues such as the accessibility, stability and usability of new data sources, although they potentially offer better timeliness, higher granularity and insight into phenomena not measured yet. Indeed, aiming firstly at extending and harmonising the indicators to capture the main characteristics of the Beyond GDP approach tracking a new framework that includes them in the evaluation of the public policies, secondly at creating a shared knowledge on the state of the art on relevant dimensions of sustainable development and on vulnerabilities and potentialities of society, thirdly at increasing awareness of the value of data of official statistics, giving contribution to the debate on modernization of official statistics, enhancing the capacity to make decisions on the basis of evidence and promoting a dialogue with stakeholders, the project represents a very interesting opportunity in giving results in the new path of exploring big data in the context of beyond-GDP indicators, in order to evaluate the progress of society not only from an economic, but also from a social and environmental point of view. And at this point he was proud to add that Istat has a quite long experience on the work on the system to measure Equitable and Sustainable Well-being, referring to the BES (a multidimensional approach to measure it), of which in December 2017 was published the fifth Report. He made also a hint to the Sustainable Development Goals (SDGs)of the United Nations, indicators for monitoring the objectives of the 2030 Agenda for Sustainable Development as important source to look for indicators beyond-GDP.

Istat President concluded his speech pointing out that a key output of the project is to unite forces and resources, intelligence and skills, knowledge and information thus contributing to support and sustain research, investigation and analysis in present and future endeavors and to test not only the extension of the boundaries for the NSIs but also an extended database of beyond-GDP indicators for policy evaluation, which is a pillar for the research in the area providing new insight on the socio-economic evolution of the European countries compared to the MIP framework.

2. Presentations and discussion[2]

2.1. Opening Session: Dialogue with the European Commission

2.1.1. Context, expectations and potential of MAKSWELL project with respect to EU policy making, by Marianne Paasi, Directorate-General for Research and Innovation, European Commission

Marianne Paasi, the Project Officer of MAKSWELL was unfortunately prevented from attending the meeting. However she deemed important the consortium could have her message about the project. In particular, she asked to focus the attention on the policy impact of the MAKSWELL project. Namely, to put it into the sustainability context (social, economic, environmental), not only worldwide but also in Europe, as the project is looking at regions and households. This gives to the project policy connections to wider issues such as poverty/well-being and the recent results of the parliamentarian elections in Europe (GB, DE but also US).

2.1.2. The setting and challenges for beyond GDP statistics and the contribution of MAKSWELL: expectations from the European Statistical System, by Martin Karlberg, Team leader for research and innovation in official statistics, Eurostat, European Commission

As representative of Eurostat's point of view Martin Kalberg couldn't exempt himself from declaring his great pleasure in participating in the kick-off meeting of MAKSWELL, a research project of relevance to the European Statistical System, serving official statistics in partnership with the academic world and private research in a well-balanced consortium. He fondly announced that the project has a great potential for new findings, in particular with regard to the integration of new data sources and its emphasis on the regional dimension, which goes hand in hand with these new data sources.

Going further in his speech, he highlighted some significant items about the expectations stemming from the project's research activities, stating that the desirable added value brought by them would be to start from the state of art, taking into account all pre-existing European practice and work in the field and be **complementary** with already ongoing development ones. The wish is to see the **uptake** of the results ESS-wide. Analyzing the description of the project work, as a stimulus to foster ideas, he put the participants some questions about the typical project's output, i.e. a deliverable, and how it would be rendered available, or about other measures foreseen to facilitate dissemination.

Stress was put on the database as one of the central project outputs and more details to better define its nature were asked, whether it is just an aggregate database of indicators of public domain or it will actually contain confidential microdata. This item could be strictly connected to sustainability and reuse of project results.

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[2] The full presentations and the videos are available at www.makswell.eu

He then started going through each Work Package according to the project plan and for each of them he commented on and gave suggestions, sometimes also with an interesting stimulating effect. Particular interest was reserved to WP1, specifically in its tasks 1 and 2, because of their activity on indicators and focus on analysis at regional level, which is, in fact, a novelty. With regard to this, Martin Karlberg asked to better clarify whether the deliverable of this WP would be a database or an inventory. As for the WP2, he stressed the importance to demonstrate MAKSWELL complementarity with respect to other projects on methodology on Big data and the integration of new data sources. As to WP3, which is related to regional poverty measurement, he asked for details about the concern of scanner data activities on regional household expenditure or inflation and about the possibility to share the methods/data at the end with other stakeholder interested in the output of MAKSWELL. On WP4 activities about nowcasting, he suggested to limit the scope of the analysis to SDGs and Europe 2020. Moreover, it was asked if the pilot study foreseen in WP5 would be open/replicable and how would it be complementary with respect to ongoing activities in ESS. About WP 6 on dissemination and communication he suggested to be not only stuck to the traditional means of communication but to adopt also a strategy for **outreach**, using for example, multipliers or influencer, cross-posting on relevant website, actively soliciting stakeholder input. In addition, as far as the website is concerned, he proposed to take into account also some recycle solutions, such as the CROS-Portal could offer, focusing on their pros and cons in comparison with a traditional communication channel such as a project website could represent.

2.2. Session 1: Aim of the project

2.2.1. General overview of the MAKSWELL project by Fabio Bacchini, Istat, Scientific Coordinator

Fabio Bacchini, the scientific coordinator of MAKSWELL, gave an overview of the project vision, structure and objectives. He started his speech by explaining the motivations that are behind the research activities of the project. The first important motivation is the growing attention to beyond GDP indicators as testified by the various initiatives developed all over the world (i.e. BES, Quality of life index, Better life index). The second important motivation is the need for improving data availability, providing timelier social statistics, especially indicators on income poverty and inequality, or statistics on the joint distribution of income, consumption and wealth. The third motivation concerns the need for improving methodology and the last the need for extending policy analysis as also proved by the Italian case where the Budget Law establishes that policies are also evaluated through the effects on well-being indicators. All these motivations have been translated into effective research work that the consortium will implement into the various work packages of the project as he clarified by showing the list of work packages, deliverables and milestones. To this effects he explained that the whole activity of the project can be divided into three different parts: the first related to work package 1, the second to work packages 2,3 and 4 and the last one to work package 5. Finally he stressed the importance of the communication and dissemination activities and the need as mentioned also by Martin Karlberg in his speech to

disseminate the results as much as possible. Moreover it's important that all the information collected could be reused and updated and the presence of four NSI into the project could help to reach this goal. Finally he mentioned the importance of the coordination and management of the project to support all the other activities.

2.3. Session 2: Presentations of the Work Packages

2.3.1. WP1: Analysis of the frameworks on wellbeing and sustainability at national and international level for policy making, by Alessandra Tinto, Istat

Alessandra Tinto, Work Package leader of **WP1,** started her presentation stressing the need of official statistics for coherent frameworks on wellbeing and sustainability that can deliver consistent evidences and narratives to policymakers. Building on this, the aim of WP1 is the compilation of a comprehensive collection of the existing initiatives and frameworks on well-being as well as the available SDG indicators at local, national and European level referring to official statistical production. The work will help to reorient the definition of wellbeing and sustainable development frameworks to enhance a more direct use by policy makers and the use of evidence based decision making practices. In a second step the integration between different experiences will concentrate on the analysis of a micro-macro approach. The potential of the extension of national accounts to the household level developing micro-macro approaches represents a crucial elements in the inclusion of beyond GDP indicators within the SNA framework. Participants in this WP, besides Istat, are the other NSIs involved into the project, that is CBS, DESTATIS and HCSO. The Work will deliver two deliverables: D1.1 - Report on international and national experiences and main insight for policy use of well-being and sustainability framework. D1.2 - Definition of the existing database on Beyond GDP initiatives within official statistics.

2.3.2. WP2: Extend the actual set of information available on well-being and sustainability to include coherent new data sources (eg. big data) able to derive local indicators, by Jan van den Brakel, CBS

Jan van den Brakel, Work Package leader of **WP2,** focused his presentation on non-traditional data sources (big-data) that can complement the traditional ones available to construct SDGs. These sources allow to measure indicators that cannot be measured with current traditional data sources and to have indicators more precise, detailed and more timely (estimation in real time). The aim of the work is to give insight in aspects of traditional and non-traditional data sources and collection of good (and bad) practices; to develop methodology to use big data (with or without traditional data sources) and to give recommendations for new data sources and methodology. The work will develop SAE methodology and methods for estimation in real time, use mobile phone data, scanner data to evaluate local prices, remote sensing data, search behavior on internet, admin data. In more details, big data sources for SDGs indicators will be analysed with respect to their degree of harmonisation across EU countries coherently with WP1; a review of good practices in using big data (literature, experience CBDS, …) will be developed and indicators

will be constructed using mobile phone data, scanner data for poverty indicators, natural disaster risk management and unemployment. A feasibility study will be developed on the usability of remote sensing data, satellite data and soil science data to improve and extend SDGs. New indicators will be developed.

Participants in this WP besides CBS are ISTAT, UT, DESTATIS, SOTON, UIPI. The Work Package will deliver three deliverables: D2.1 - Report on aspects of existing database and traditional and non-traditional data sources and collection of good practices and recommendation; D2.2 - Report on methodological aspects for using big data; D2.3 - Report on identification of future research needs in terms of statistical methodologies and new data.

2.3.3. Discussion on WP1 and WP2

In the discussion which followed Martin Karlberg, as moderator, invited to ask questions for clarification or to give quick and pertinent comments on the issues just presented. It was asked to Jan van den Brakel to clarify something on the estimates using indicators by means of big data. He answered that the work will be to review what made in the past. The goals are to develop some indicators based on big data or applied in monobased estimation procedures to construct more detailed regional indicators in combination with survey data and to work on time series models that are useful to nowcast, for example unemployment in real time, using all kind of big data such as search behaviour on internet for jobs. He also has the idea to combine data from surveys with those from auxiliary series, as a general approach to solve more problems simultaneously.

Monica Pratesi added the clarification about the framework under which sustainability has been studying in Dagum Centre which University of Pisa collaborates with. One of its representatives explains that the framework is called: "Inputs state and output" and it is used to describe systems. In the intervention it was stated that Makswell project could represent a good opportunity to experiment this kind of framework.

Maria Pia Sorvillo at this point clarified that it is important to distinguish SDGs from Well-being indicators, as the SDGs for their global framework reasonably don't take into account the subjective dimension. For exempla, the level of satisfaction for social relationships, it has been proved that represents an important part of people's wellbeing. She took the occasion to ask if in the approach through new sources of data presented by CBS the use of big data will be considered to estimate this kind of indicators for countries that do not have it through surveys. Jan van den Brakel answered that is an issue to look at during the research activities.

Paul Smith from University of Southampton let know with reference to WP1 that as far as the use of wellbeing indicators in legislation in the UK they have been incorporated by law, so adding the regional part in the project's research work is deemed a good idea. It is answered that this would be included in the inventory.

Martin Karlberg put a question about data access issue, which is always somewhat problematic in the field of big data. It is then asked if the work of WP2 will be made through data that are already available, thus avoiding any risk of negotiation, for example with mobile phone data handled by companies or other data custodians. The answer by Jan van den Brakel was that if you are

developing new indicators using that kind of sources, time would be very tight, but at CBS they already work a lot with mobile phone data. What M. Karlberg asked, emphasises the big issue on quality aspects. In this respect, they have to bear in mind the quality aspect in a sensitive way.

 M. Karlberg then suggests to do what is feasible to do, instead of getting bogged down in trying to access to new data in an unfruitful negotiation for the project. J. van den Brakel remarks that last output is "Future needs for data and methodology" which perfectly fits with this issue.

The other question put always by M. Karlberg is referred to the concept of the database to be improved in the project and a clarification firstly on its nature, in the sense that it will be the same throughout the 5 technical work packages and secondly what is its typical records and attributes in it. It is also requested whether it's talking about microdata or rather aggregated data as a sort of indicator at regional level. A. Tinto answered saying that, as starting point in WP1, they are going to work more on the idea of an inventory of frameworks and experiences, thus not being properly a microdata database but it might evolve in an indicator database during the course of the work. About the impact on the other WPs it is still to explore.

2.3.4. WP3: Regional poverty measurement as a prototype for modern indicator methodology, by Ralf Münnich, University of Trier

Ralf Münnich, Work Package leader of **WP3,** started his presentation explaining the motivations that are behind the work proposed. These are the reduction of poverty that is one of the top EU priorities and the fact that more than one third of EU's budget is devoted to cohesion policies. Thus there is a need for accurate regional indicator values and for applying and further developing adequate statistical methodologies. To this effect WP3 proposes: to develop derivation of regional poverty measurements as prototype for modern indicator methodologies; to implement comparison of regional measurements between participating countries; to focus on poverty measurement and consumer price indices (CPIs). In more details, the aim of the first task is the development of an adequate statistical methodology for measuring poverty and inequality at regional level (At-Risk-of-Poverty Rate, AROPE indicator). In the second task the aim is the estimation of prices for regional baskets based on household expenditure surveys; the definition of appropriate quality measures for price indices; the exploration of use of big data on prices; the comparison of data sources between different countries. The final task will provide recommendations for transferring the methodologies to other areas, e.g. estimation of regional price indices. Participants in this WP besides UT, are ISTAT, SOTON, UNIPI-DAGUM, CBS, DESTATIS, HCSO. The Work Package will deliver two deliverables: D3.1 - Report on methods and data bases for regional income and household expenditures; D3.2 - Guidelines for best practices implementation for transferring methodology.

2.3.5. WP4: Provide time series and multivariate methodology including nowcasting to be applied to well-being indicators and SDGs, by Paul Smith and Nikos Tzavidis, University of Southampton

Nikos Tzavidis, Work Package leader of **WP4**, started his presentation describing the three tasks of the Work Package. Task 1 focuses on time series methods for survey estimation with auxiliary information from big data; CBS will take the leading terms of the methodology in it with contributions of Istat and UNIPI. Task 2 focuses on the mapping of indicators, dealing with representation of the well-being and performance indicators with maps; mapping change; spatial cluster analysis of extreme indicator values. Challenges with interpreting maps. Analysis will use micro level survey data on the SDGs, MIP or other performance indicators. Task 3 deals with estimating and adjusting for survey discontinuities. Surveys try to maintain consistent methodologies (sampling/survey design) over time. The input from surveys was already given by Jan van Brakel from CBS but ideas and suggestions from other partners participating in the WP are welcomed. The higher frequency of the auxiliary series can also be used to estimate sample survey parameters in real time, i.e. the nowcasting idea. He stressed on the fact that there are a few methodological problems. These refer to multivariate STS models and to high-dimensionality. The idea is to use already existing multivariate STS model to produce labour force estimates and to extend the model with auxiliary series obtained from internet sources, for example. There are also proposals for methodological advancements and to handle the problem of high-dimensionality and ideas for application. In the deliverables to be produced, all those ideas will be certainly conveyed. Task 3 is similar to Task 1 in a certain sense. It is a bit more developed, there is already an ongoing work. In this case the point is: a) trying to advance in this work; b) communicating why this work is relevant for other statistical offices. There is strict collaboration on such topic between Southampton and CBS. The activity is meant to maintain consistent methodology over time and aid comparability of survey estimates over time. However, changes in design cannot be avoided. Changes are designed to increase efficiency/reduce costs and they can create breaks in the series known as discontinuities. The risk is to produce estimates of interest, e.g. poverty rates that ignore discontinuities. To avoid confounding, real period-to-period change with discontinuities, it is important to quantify them. Different methods are available e.g. parallel runs and time series modelling. The main aims of the research activity are: to investigate whether discontinuities present a challenge for other NSIs in Europe; to investigate the types of data needed for estimating discontinuities; estimating discontinuities - time series & SAE methods; to develop methods for adjusting series of estimates; to experiment applications using data from the UK and Netherlands; to identify areas for methodological research. Participants in this WP besides SOTON, are TRIER/CBS-UM/ISTAT/DESTATIS/HCSO/UNIPI. The Work Package will deliver three deliverables: D4.2 - Report on time series; D4.2 - Report on mapping; D4.3 - Report on survey discontinuities.

2.3.6. WP5: Pilot study for integrated frameworks at different territorial levels and measurements for policy making, by Tommaso Rondinella, Istat

Tommaso Rondinella, Work Package leader of **WP5**, started his presentation describing the main objective of the WP which is the use of the extended database of indicators for policy evaluation at macro level and the development of two comprehensive pilot study for Italy and Hungary. Thus the work in WP5 will build on the main advancements and results of the other work packages. The final aim is to contribute to reorient well-being and sustainable development frameworks towards a more direct use by policy makers to enhance evidence-based decision making practices.

As Rondinella stressed, the actual macroeconomic adjustment procedures are mainly based on models that do not include well-being and SDG indicators, e.g.

• QUEST developed by European Commission

• MEMO-IT developed by Istat

The project will improve this picture starting from a structural macroeconometric model that will be extended to account for well-being dimensions. First proposals are the inclusion of measures of income inequality, poverty, CO_2 emissions, with the aim of producing nowcasting estimates.

The research work will build up a national example based on the extended database at both national and regional level, and on the methodological approach developed in the previous WPs in order to guarantee locally available information and policy making usability. For Italy and Hungary a pilot study is proposed where all the measures implemented in the project will build a unified framework that could be used for policy evaluation. This comprehensive framework will be set up to be implemented for the other countries.

According to the first version of the DoA the results of this pilot study should have been used to give recommendations for stakeholders and future pathways with respect of the 9th Framework Programme, but during the negotiation phase it was requested to anticipate these recommendation before summer 2018. Thus the Work package will produce a reflection paper to support FP9 in its statistical dimension that will be delivered before summer 2018. The paper will be the outcome of a reflection workshop that will involve ES and other statisticians.

All the partners of the consortium are involved in this Work Package and three deliverables are scheduled: D5.1: Early reflection paper to define future pathways with respect of FP9 outcome of the first mid-term workshop; D5.2 - Technical report on a macro evaluation of wellbeing using a macro-econometric model; D5.3 - Report on results of Pilot study and recommendation for stakeholders.

2.3.7. WP6: Dissemination and Communication activities of project results, by Fabio Lanzoni and Dario Cirillo, Consorzio Mipa and Maria Francesca D'Ambrogio, Istat

Being MIPA in charge of the project dissemination and communication activities of project results with the support of Istat, the Work Package was introduced by Maria Francesca D'Ambrogio from Istat, who, starting from stressing how important the communication approach is for the project, went on declaring the communication and dissemination objectives among which the organization

of fora where NSIs and academics and all the main actors in policymaking can share and discuss relevant and best practices on the project's outcomes. She also underlined the relevance of the visual identity for an incisive impact, issue directly connected to the main communication and dissemination channels, such as the website or the CROS-portal, on one side, and the communication products, such as the brochure, on the other. A hint to the dissemination plan was also made, followed by a focus on some EU and international initiatives and events such as the UN world data Forum scheduled on next October 2018 and the NTTS2019 conference. Participation in these meetings from MAKSWELL representatives is deemed a good opportunity for dissemination. Finally some activities about monitoring and impulse during the lifecycle of the project which would involve all the partners were also briefly described.

MIPA representatives took, then, the word, as Work package leader of **WP6**. Fabio Lanzoni explained the work already initiated with respect to the website and the logo in order to fulfill the deadlines of the related outcomes. Dario Cirillo explained more in detail, in technical terms, the development of the website, which represents the main platform where all relevant information about the project can be updated and shared. He also showed directly its main functionalities and structure divided in different sections and pages about the project, its outputs, the events and a space to share ideas together with a private area for the project's users only. It contains in its homepage direct access to the main Social Media tools ready to go live, too.

As far as the logo is concerned, Dario Cirillo showed three options already developed by the graphic following some indications about the project's main objectives and results.

2.3.8. Discussion on WP5 and WP6

A discussion was opened about the project logo in order to obtain reactions and suggestions, from which the need emerged not to have too different colors together according to a basic visual rule. Other observations were to focus mainly on the name of the project and develop a sign around it, which could be a wave, otherwise a progression of a color tone in the name MAKSWELL. Another idea was to have the letters M, S and W which stand for Making, Sustainable and Wellbeing in a color and the remaining in another color and have a thicker font instead of the slim letters already proposed.

2.3.9. WP7: Project Management, by Maria Grazia Calza, Istat, Project Manager

Maria Grazia Calza, the project manager of MAKSWELL, provided a short presentation on the main deadlines of the project and the consortium's duties with respect to the European Commission. It was the occasion to present the list of the deliverables and milestones divided by those due within the first reporting period and those due in the second reporting period. The procedure to release the deliverables by the partner in charge was also explained. Attention was drawn to the requests made by the Project Officer during the negotiation phase. In particular, it was requested to anticipate the deliverable on the recommendation for the next Framework Programme, as it was

explained during the presentation of WP5. Then it was requested to add a work package on ethics in order to clarify the type of data that will be used by the project. Finally it was requested to have a review/event on November 2018 about the on-going work in WP2, 3 and 4. The presentation continued with a focus on the project management structure and in particular on the Advisory Board. This body, which is in charge of providing strategic advice to the management of the project, will be composed by four members that will represent: the producers of data; the Academia; the IT/Big Data sector and the media. At the moment the following three members confirmed their availability: Francesca Perucci, Chief of the Statistical Service branch of the UN Statistical Division, Michel Dumontier, Distinguished University Professor in the field of data science at Maastricht University; Milena Gabanelli, Italian journalist very active in independent investigative journalism. As to the last member (from the Academia) the consortium is waiting for the confirmation by Stephen P. Jenkins - Professor of Economic and Social Policy at the London School of Economics and Political Science. The presentation ended with a description of the distribution to the partners of the EU financial contribution and of the next deliverable on management issues, that is the "Data Management Plan".

2.4. Session 3: Forward Looking

The third section was chaired by Monica Pratesi from University of Pisa, who introducing it put emphasis on its importance for the project itself as it regards the future of its activities. In fact, even though formally a panel discussion, she would like to better define it as a "discussion among all the participants" in the kick-off and for this purpose she put two questions to focus on during the section:

1) best practices;

2) best practices on building indicators and/or big data usage in building indicators for policy on which realistic expectations can be developed for the project, as a tool to build on these best practices.

Marco Puts, data scientist from CBS, the Netherlands, was given the floor to present his study on road sensors as a new data source in the era of big data, thus giving the CBS a sort of leadership in the publishing of official statistics based on big data. But then he also specified that the purpose of his presentation was more likely to speak about what there was beyond that study. He firstly tried to explain the reasons why now statistics work on big data, among which: shorter time in publication, higher reliability, more detail, direct answer to current events as people are more and more eager to know what is going on in their country. All this brought to some considerations on infrastructure, competences (in CBS a group of 7 data scientists was created to work on big data) and also culture, as people have to accept that statistics can be based also on other data where sometimes the specific target variables cannot be found directly in the data sources. He, then, added that methodology has to change at a certain point and to this effect he described briefly his research work through road sensors in Dutch highways and how he was able to obtain data from

this tool in order to respond suddenly (in two days!) with almost real time statistics to the current event of icing, for example, happening during his study.

Coming to the point to define what big data is, he declared that he doesn't like the common definition for them with the words Volume, Velocity and Variety but to prefer a more sustainable definition. According to this, he compared the work with big data to an old analog radio where you have to tune in to a certain channel to have good reception. He explained that using big data you have direction where the information is in the data sources you are handling with and you have to turn around the data until you select the right information, filtering the data in the right way. In this process much carefulness is recommended, of course, in order to get rid of the noise, which is not relevant, from the data set and reach the information needed. Then he referred to other sources for big data, such as the scanner data from supermarkets or the web scraped data. Another example presented through a graph was the sentiment on social media: through an analysis made with a colleague of him they were able to develop a social tension indicator based on social media used as source of data, specifically after a threatening event in Europe happened. This aspect could be very interesting for SDGs because some data about people's feeling could be picked up. Last example brought in his presentation was aerial photos to identify solar panels: to this regard he suggested that this project with aerial photos, which is still in progress, could be used to develop indicators (the way how cars are parked, the room to park, etc...).

In his conclusion, he stated that in projects such MAKSWELL you cannot indicate a big data source in particular but there is the need to look at the different data sources and see some signal in there and make sense that there is a signal in there that can be used. Positively speaking, in a sort of wish for the new launched MAKSWELL project, he affirmed that the news can be reached through big data projects, as sometimes in CBS happens, and this is a very nice result.

It was then the turn of **Maria Pia Sorvillo** from Istat to have her presentation, focusing on the initiative in Italy of well-being indicators for policy making. She started highlighting that after a reformation of the Italian Budget Law in 2016 it was established that well-being indicators should be taken into account in order to monitor and evaluate public policies, thus bringing surely innovation in the production of economic laws by the Italian government. In fact, in the Document on economy and finance measures published every year there is an evaluation of the trends, of a selection well-being indicators, considering on one side the natural trends – without any change in policy - and on the other side what should happen if the measures presented in the document will become effective. As a second step of this process there is an early report to be presented to the Parliament, ten months later after the new law's approval to make a check on what's going to happen to these well-being indicators. At this point of the process she made a reference to the high level committee in charge of proposing the list of well-being indicators and among its members, beside the Minister Of Economy and Finance, there is Istat President, the Governor of the Bank of Italy and two recognized experts. The *iter* comes to an end with a decree through which the proposal comes into force, once discussed and approved. She then went on explaining

the initial choice made by the committee, which decided to start from the BES framework: Well-Being (Benessere), Equitable (Equo), Sustainable (Sostenibile). On this Project Istat is managing since 2010 in a collaboration with CNEL (National Council for economy and Labour) about well-being measures with the objective to produce a set of indicators to provide a shared view of the progress of Italian society. The project is built through a participative process involving also citizens through consultation, besides different stakeholders and Istat experts, naturally, and it is widely disseminated. The complete framework of the system used to measure well-being was hinted at, which includes 12 domains (Health, Education and Training, Work and Life balance, Safety, etc. ...). There are 130 indicators all together, some objective and some subjective. Recently also composite ones have been introduced. To prepare the proposal of the final list of well-being indicators to include in the budget law, the committee should consider whether composite indicators are preferable to simple ones, or whether to include subjective indicators. Territorial level could be also taken into account but it was not compulsory as the Budget law, refers to national policy. Last but not least, there are the international indicators, so the decision to make was to stick to indicators present in the international frameworks such as Europe 2020. In this case, non-compulsory prevailed. The process brought to a reduction of indicators from 130 to 12, through a selection made according to *criteria* such as sensitivity to public policies, practicability, i.e. the actual possibility to prepare evaluation models, timeliness, transparency in the methodology and data sources. At the end of the approval process, the Decree was published on last 16 October 2017. On the basis of the final set of indicators some first exercise for BES in DEF arrived in April 2017.

In her conclusions, she listed the steps to take in the future, among which there is obviously the report to Parliament. In addition, a full integration of the 12 well-being indicators into the policy making process and the development of evaluation model are envisaged. Increasing data timeliness is another important objective to bear in mind together with the update of the indicators with methodological and conceptual development and the spreading of the understanding and use of well-being indicators for policy making.

The moderator Monica Pratesi tried to recapitulate the next duties among which there is the reflection paper and asked whether to postpone it but Martin Karlberg let notice that even summer would be late for the FP9, because the guidelines will be defined by EC in summer. In order to influence somehow the debate on it and to provide some hints and guidelines the attempt should be made to produce the deliverable in spring. So, the conclusion is to start working on it on the basis of the knowledge and vision already in possess and shared between NSIs and academia, not losing this chance. Tommaso Rondinella, from his side, suggested also to bear in mind that there is a workshop foreseen to support the work on the document of the reflection paper. To this effect he invites to produce a draft of it, based mainly on the ideas of the project and not only and then to discuss it in a seminar. He proposes also to organise the event also back to back with another event which is already planned in the next months.

3. Summing up and next steps, by Fabio Bacchini, Istat

Fabio Bacchini concluded the event thanking all the participants for the fruitful debate and stressing some important issues arose during the meeting. He summarised the main goals of MAKSWELL in the following three points: official statistics in Europe needs to do further efforts toward the assessment of the country development including beyond-the GDP dimension; sustainability needs to be disentangled along each dimension of the development, with focus on inequalities; new and traditional data should be used and put in a coherent, reusable frame to use it for policy evaluation. Then he pointed out that the first important message arose during the meeting was related to WP1 and about the need, as suggested by Martin Karlberg and from the discussion, to start from the state of art in order to have a good collection of all the experiences that we have on the ground also those related to ESSnet projects. It will be very important if the project could develop a sort of database that will allow to reuse the information and the data. Then it emerged the need to work for the organisation of the reflection paper that will benefit from the contribution of all the partners. Moreover, he stressed the importance to organise more deeply the work within the work packages and their respective tasks. In particular, he stressed the need to have more details about the work planned in WP2-WP3 and WP4. Finally, as to the dissemination and communication issues, he summarised the results emerged from the discussion on the project logo and the need to create a common space into the project website to be used as a repository for references, past works and articles, with the aim that all the partners could have a common background about references.

Annexes

Annex 1: Agenda

MAKSWELL Project

MAKing Sustainable development and WELL-being frameworks work for policy

H2020 - Research and Innovation Framework Programme

GA n° 770643

Kick-off meeting

Programme

Tuesday 9th January 2018, Istat, Aula Magna (2nd floor), Via Cesare Balbo, 14 – Rome

9:00 – 9:30	Registration
9:30 – 9:45	Welcome address
	Giorgio Alleva, Istat President

	Opening Session: Dialogue with the European Commission
9:45 – 10:05	Context, expectations and potential of MAKSWELL project with respect to EU policy making
	Marianne Paasi, Policy Officer, Directorate-General for Research and Innovation, European Commission
10:05 – 10:25	The setting and challenges for beyond GDP statistics and the contribution of MAKSWELL: expectations from the European Statistical System
	Martin Karlberg, Team leader for research and innovation in official statistics, Eurostat, European Commission

	Session 1: Aim of the project
10:25 – 10:45	General overview of the MAKSWELL project
	Fabio Bacchini, Istat, Scientific Coordinator

	10:45 – 11:10
	Coffee break*

	Session 2: Presentation of the Work Packages
11:10 – 12:00	Session 2.1: presentation of WP1, WP2 and discussion
	WP1: Analysis of the frameworks on wellbeing and sustainability at national and international level for policy making
	Alessandra Tinto, Istat
	WP2: Extend the actual set of information available on well-being and sustainability to include coherent new data sources (eg. big data) able to derive local indicators
	Jan van den Brakel, CBS
	Discussion on WP1 and WP2 (Moderator: M. Karlberg)

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12:00 – 12:50	**Session 2.2: presentation of WP3, WP4 and discussion**

WP3: Regional poverty measurement as a prototype for modern indicator methodology
Ralf Münnich, University of Trier
WP4: Provide time series and multivariate methodology including nowcasting to be applied to well-being indicators and SDGs
Paul Smith and Nikos Tzavidis, University of Southampton
Discussion on WP3 and WP4 (Moderator: M. Paasi)

12:50 –14:15
Lunch break*

14:15 – 15:30	**Session 2.3: presentation of WP5, WP6, WP7 and discussion**

WP5: Pilot study for integrated frameworks at different territorial levels and measurements for policy making
Tommaso Rondinella, Istat
WP6: Dissemination and Communication activities of project results
Fabio Lanzoni and Dario Cirillo, Consorzio Mipa – M. Francesca D'Ambrogio, Istat
WP7: Project Management
Maria Grazia Calza, Istat, Project Manager
Discussion on WP5 and WP6 (Moderator: F. Bacchini)

15:30 –15:45
Coffee break*

Session 3: Forward looking

15:45 – 17:00	New data sources for official statistics and international and national experiences on main insights for policy use of wellbeing and sustainability indicators

Marco Puts, CBS
Maria Pia Sorvillo, Istat
Marianne Paasi, Policy Officer, DG Research and Innovation, European Commission
Martin Kalberg, Eurostat, European Commission
Moderator: Monica Pratesi, University of Pisa

17:00 – 17:30	**Summing up and next steps**

F. Bacchini – M. Paasi

19:00
Social Dinner

* Service for coffee break and light lunch will be provided by the social cooperative "Il Grande Carro", a non-profit organization actively engaged in the employment of disadvantaged people.

Annex 2: List of participants

MAKSWELL Project

MAKing Sustainable development and WELL-being frameworks work for policy

H2020 - Research and Innovation Framework Programme

GA n° 770643

Kick-off meeting registration

Tuesday 9th January 2018, Istat, Aula Magna

N. Participant	Organisation Name	Surname	Name
1	Eurostat	Karlberg	Martin
2	Istat	Bacchini	Fabio
3	Istat	Brandimarte	Cristina
4	Istat	Calza	Maria Grazia
5	Istat	D'Ambrogio	M. Francesca
6	Istat	Di Consiglio	Loredana
7	Istat	Gandolfo	Marina
8	Istat	Guardabascio	Barbara
9	Istat	Ferruzza	Angela
10	Istat	Laureti Palma	Antonio
11	Istat	Lioy	Filippo
12	Istat	Paparelli	Andrea
13	Istat	Righi	Alessandra
14	Istat	Rondinella	Tommaso
15	Istat	Sorvillo	Maria Pia
16	Istat	Tagliacozzo	Giovanna
17	Istat	Tinto	Alessandra
18	Istat	Tuoto	Tiziana
19	Istat	Zangla	Tamara

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20	Universitat Trier	Ertz	Florian
21	Universitat Trier	Münnich	Ralf
22	UNIPI-DAGUM	D'Agostino	Antonella
23	UNIPI-DAGUM	Giusti	Caterina
24	UNIPI-DAGUM	Laureti	Tiziana
25	UNIPI-DAGUM	Lemmi	Achille
26	UNIPI-DAGUM	Mauro	Vincenzo
27	UNIPI-DAGUM	Petrucci	Alessandra
28	UNIPI-DAGUM	Pratesi	Monica
29	UNIPI-DAGUM	Pulselli	Federico M.
30	UNIPI-DAGUM	Salvati	Nicola
31	University of Southampton	Smith	Paul
32	University of Southampton	Tzavidis	Nikos
33	CBS Statistics Netherland	van den Brakel	Jan
34	CBS Statistics Netherland	Puts	Marco
35	Destatis Statistisches Bundesamt	Rosenski	Natalie
36	Destatis Statistisches Bundesamt	Zimmermann	Thomas
37	Hungarian Central Statistical Office	Fábián	Zsófia Melánia
38	Consorzio MIPA	Cirillo	Dario
39	Consorzio MIPA	Lanzoni	Fabio

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Annex 3: Presentations

The full presentations and the videos are available at www.makswell.eu

Opening Session: Dialogue with the European Commission

- Martin Karlberg, Team leader for research and innovation in official statistics,
Eurostat, European Commission

Session 1: Aim of the project

- Fabio Bacchini, Istat, Scientific Coordinator

Session 2: Presentation of the Work Packages

Session 2.1: presentation of WP1, WP2 and discussion

- WP1: Alessandra Tinto, Istat

-WP2: Jan van den Brakel, CBS

Session 2.2: presentation of WP3, WP4 and discussion

-WP3: Ralf Münnich, University of Trier

-WP4: Nikos Tzavidis, University of Southampton

Session 2.3: presentation of WP5, WP6, WP7 and discussion

-WP5: Tommaso Rondinella, Istat

WP 5
Pilot study for integrated frameworks at different territorial levels and measurements for policymaking

[Months: 4-29]

ISTAT, UT, UNIPI, SOUTHAMPTON, CBS, DESTATIS, HCSO, Consorzio MIPA

Tommaso Rondinella

Istat

-WP6: Fabio Lanzoni and Dario Cirillo, Consorzio Mipa – M. Francesca D'Ambrogio, Istat

MAKSWELL
MAKing Sustainable development and WELL-being frameworks work for policy

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WP6
Dissemination and Communication activities of project results

Maria Francesca D'Ambrogio
Istat - Division for International Affairs

Istat

-WP7: Maria Grazia Calza, Istat, Project Manager

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Rome, 9 January 2018
Istat, Aula Magna, Via Cesare Balbo 14

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WP7 management - coordination of the consortium

Maria Grazia Calza – Istat
Project Manager

Istat

Session 3: Forward looking

- Marco Puts, CBS

- Maria Pia Sorvillo, Istat