

General overview of the MAKSWELL project MAKIng Sustainable development and WELL-being frameworks work for policy analysis

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- 1 Motivations
- 2 Motivations and organisation of the project
- 3 Relationship with previous projects and next steps

Motivation 1 - growing attention to the beyond GDP indicators



| BES | Quality of life | Better life Index |
|---|---|--|
| <ol style="list-style-type: none"> 1 Health 2 Education and training 3 Work and life balance 4 Economic wellbeing 5 Social relationships 6 Policy and institutions 7 Security 8 Subjective wellbeing 9 Landscape and cultural heritage 10 Environment 11 Research and innovation 12 Quality of services | <ol style="list-style-type: none"> 1 Overall experience of life 2 Material living condition 3 Productive or main activity 4 Education 5 Health 6 Leisure and social interactions 7 Economic and physical safety 8 Governance and basic rights 9 Natural and living environment | <ol style="list-style-type: none"> 1 Housing 2 Income 3 Jobs 4 Community 5 Education 6 Environment 7 Civic Engagement 8 Health 9 Life Satisfaction 10 Safety 11 Work-Life Balance |

Motivation 1

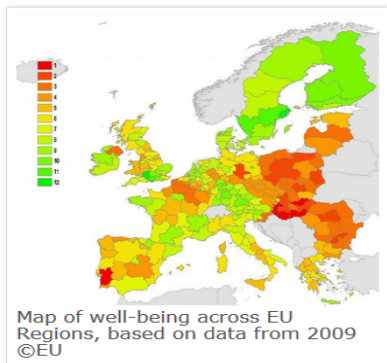
Mapping well-being in Europe

FEB

04

2015

A recent JRC report reviews the literature on the concept of well-being, and describes a method that can provide an integrated description of well-being across Europe. The authors measure well-being using 12 indicators available from Eurostat for all European



Motivation 1

European Commission > Environment > Beyond GDP

Home About us Policies Funding Legal compliance News & c

Beyond GDP

Measuring progress, true wealth, and well-being

- BEYOND GDP
 - About Beyond GDP
 - News
 - Newsletters
 - Events
 - Indicators

What is the 'Beyond GDP' initiative

The Beyond GDP initiative is about developing indicators that are as clear and appealing as GDP, but more inclusive of environmental and social aspects of progress.

This website updates on recent developments and ongoing work.

News

EU progress towards sustainable development in 2017 20.11.2017

Motivation 1



National News for Italy

State of natural capital in Italy 23.05.2017

PRIMO RAPPORTO SULLO STATO DEL CAPITALE NATURALE IN ITALIA
ISTAT

Read the [full report \(IT\)](#) and the [report synthesis \(EN\)](#).

Italy's 2017 Economic and Financial Document includes BES indicators 11.04.2017

DOCUMENTO DI ECONOMIA E FINANZA 2017

Read the article in [Italian](#) or [English](#).

Italian Indicators for the Sustainable Development Goals 14.12.2016

View the [indicators](#) and read the [information note](#).

[Read all news items for Italy.](#)

Motivation 2 - improving the data available

Why do we need flash estimates of income inequality and poverty indicators?



Providing timelier social statistics – especially indicators on income poverty and inequality – is a priority for the Commission and the European Statistical System.

Indicators on poverty and income inequality are based on EU statistics on income and living conditions (EU-SILC). They represent an essential tool to monitor progress towards the [Europe 2020](#) poverty and social exclusion target and to prepare the [European Semester](#) (the annual cycle of economic policy coordination between EU countries).

In order to better monitor the effectiveness of social policies at EU level, it is important to have timelier indicators.

In 2017, EU-SILC income indicators for 2015 (SILC 2016) will be available for all countries only by autumn, which is late for the EU's policy agenda. Efforts for improving the timeliness of EU-SILC data are ongoing but the collection and processing of EU-SILC data based on both survey and administrative sources, will always have a certain time lag.

A new approach was therefore proposed, which consists in the development of [flash estimates](#). These are calculated on the basis of a statistical or econometric model and have a release date appreciably earlier than the actual data: in autumn 2017, flash estimates of income for 2016 (SILC 2017) are available. These will **complement** the EU-SILC data and can be used in preliminary discussions and analysis until the final EU-SILC data becomes available.

The key income indicators for which flash estimates will be available are:

- [AROP](#) – at-risk-of-poverty rate for the total population
- [QSR](#) – income quintile share ratio.

Motivation 2

INCOME, CONSUMPTION AND WEALTH

Why do we produce statistics on the joint distribution of income, consumption and wealth?



Disparities in income and wealth are increasingly scrutinized, not only by the academic world but also by the public. The joint distribution of income, consumption and wealth data provides links between the three economic dimensions. These data help to describe more thoroughly material well-being and households' economic vulnerability. They also help to explain the dynamics of wealth inequalities. Further details on the results and the derived indicators can be found [here](#).

Motivation 3 - improving methodology

Big Data and Macroeconomic Nowcasting: from data access to modelling

EMANUELE BALDACCI, DARIO BUONO, GEORGE KAPETANIOS,
STEPHAN KRISCHE, MASSIMILIANO MARCELLINO,
GIAN LUIGI MAZZI, FOTIS PAPAILIAS

2016 edition

Motivation 4 - extending policy analysis

- In 2010 the European Union has set up a yearly cycle of economic policy coordination called the European Semester to ensure that Member States discuss their budgetary and economic plans with their EU partners at specific times throughout the year.
- It starts with the publication of the Commission's Annual Growth Survey (setting out general economic priorities) and Alert Mechanism Report (AMR) under the Macroeconomic Imbalance Procedure (MIP).
- The MIP aims to identify potential macroeconomic risks early on, prevent the emergence of harmful macroeconomic imbalances and correct the imbalances that are already in place.
- It is a system for monitoring economic policies and detecting potential harms to the proper functioning of the economy of a Member State, of the Economic and Monetary Union, and of the European Union as a whole.

Motivation 4

The MIP Scoreboard indicators cover:

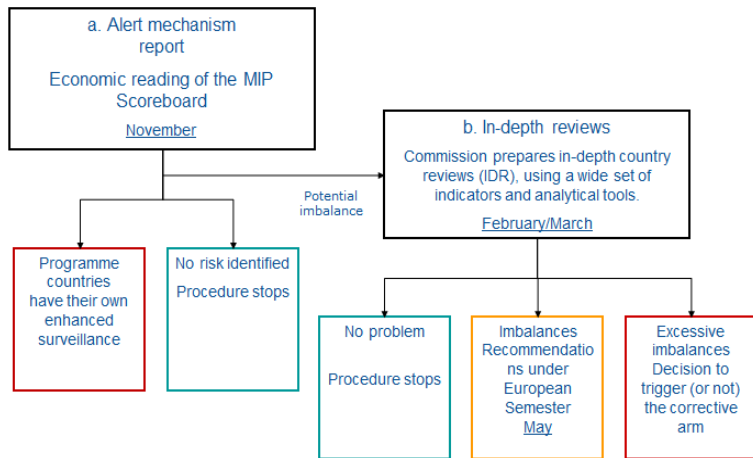
- Internal imbalances. these are imbalances that may arise from public and private indebtedness; financial and asset market developments, including housing and private sector credit flow, unemployment rate;
- External imbalances and competitiveness. they may arise from the evolution of the current account and the net investment positions of Member States, the real effective exchange rates, share of world exports and nominal unit labour cost;
- Employment indicators. these are activity rate, long-term and youth unemployment rates.

Motivation 4

Auxiliar indicator - 1

| | |
|--|-----------------------------------|
| Employment rate | 1 year % change |
| Activity rate | % of total population aged 15-64 |
| Long term unemployment rate | % of active population aged 15-74 |
| Youth unemployment rate | % of active population aged 15-24 |
| Young people neither in employment nor in education and training | % of total population aged 15-24 |
| People at risk of poverty or social exclusion | % of total population |
| People at risk of poverty after social transfers | % of total population |
| Severely materially deprived people | % of total population |
| People living in households with very low work intensity | % of total population aged 0-59 |

Motivation 4

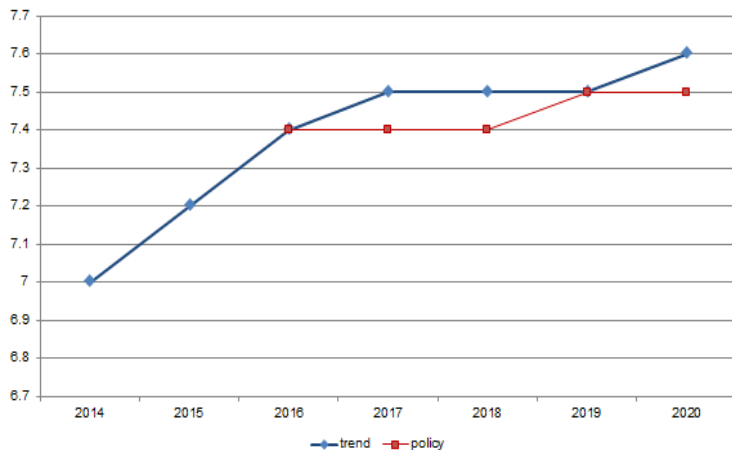


Motivation 5 - example Italy

- April 2017: First exercise for Bes in DEF
- The preliminary selection included only 4 indicators:
 - Mean adjusted income (per capita)
 - Non-participation in employment (rate)
 - Income inequality index (quintile ratio)
 - CO2 and other greenhouse gas emissions (tons x inhab.)

Motivation 5

CO₂ and other greenhouse gas emissions (equivalent tons x inhab.)



List of participants

| Participant No * | Participant organisation name | Country |
|-------------------------|---|-----------------------|
| 1 (Coordinator) | Italian National Institute of Statistics (Istat) | Italy |
| 2 | University of Trier (UT) | Germany |
| 3 | University of Pisa (Unipi-Dagum) | Italy |
| 4 | University of Southampton (SOTON) | United Kingdom |
| 5 | Statistics Netherlands (CBS) | Netherland |
| 6 | Destatis | Germany |
| 7 | Hungarian Central Statistical Office (HCSO) | Hungary |
| 8 | Consorzio MIPA | Italy |

Motivations vs organisation of WPs

WP1 < – > Motivation 1 - growing attention to the beyond GDP indicators

- WP1 will coordinate the creation of database for a wide set of EU countries that select and harmonize the national framework on well-being as well as the available SDG indicators.
- 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.

Motivations vs organisation of WPs

WP2,WP3, WP4 < — > Motivation 2 - improving the data available,
motivation 3 improving methodology

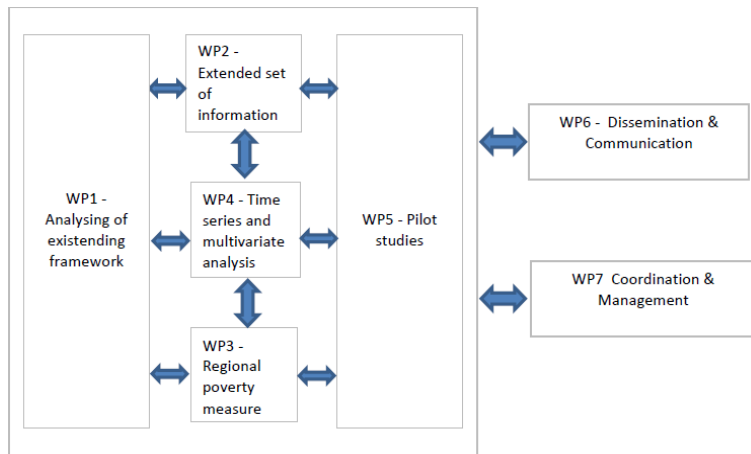
- WP2 and WP3 will help in the production of timely indicators selecting also new data sources (namely big data) and integrating them with traditional data (registers, administrative archives, survey data), surveying existing data from a range of data sources and illustrating where data exists and where there are gaps; the production of local estimates of poverty and living conditions are objectives of the WPs.
- WP4 will extend the previous results providing tools for policy making. It will provide at a macro level a framework that include in the traditional macro econometric models specific measures for wellbeing. At micro level integrated living standard analysis will be developed.

Motivations vs organisation of WPs

WP5 < – > Motivation 4,5 - extending policy analysis

- there will be built up a pilot national study that will be useful for each country and that represents the contribution of the project to a general switch toward the assessment of the country development including beyond-GDP dimension.

pert chart



Work packages

| Work package No | Work Package Title | Lead Participant No | Lead Participant Short Name | Person-Months | Start Month | End month |
|-----------------|---|---------------------|-----------------------------|---------------|-------------|-----------|
| WP1 | Analysis of the frameworks on wellbeing and sustainability at national and international level | 1 | ISTAT | 11 | M01 | M06 |
| WP2 | Extend the actual set of information available on well-being and sustainability to including coherent new data sources (eg. big data) able to derive local indicators | 5 | CBS | 19,5 | M07 | M24 |
| WP3 | Regional poverty measurement as a prototype for modern indicator methodology | 2 | TRIER | 19 | M07 | M24 |
| WP4 | Provide time series and multivariate methodology including nowcasting to be applied to well-being indicators and SDGs | 4 | SOTON | 13 | M07 | M24 |
| WP5 | Pilot study for integrated frameworks at different territorial levels and measurements for policy making. | 1 | ISTAT | 17 | M20 | M30 |
| WP6 | Dissemination and Communication activities of project results | 8 | MIPA | 15,5 | M01 | M30 |
| WP7 | Scientific Coordination and Project Management | 1 | ISTAT | 11 | M01 | M30 |
| | | | | 105 | | |

Milestones

| Number | | Title | Lead Beneficiary | Due Date (in months) | Description | Work Package No. |
|--------|---|---|------------------|----------------------|--|-------------------|
| M1 | ✓ | Mid-term workshop 1 | Consorzio MIPA | 5 | Mid-term workshop 1 | 6 |
| M2 | ✓ | Reflection paper | ISTAT | 5 | Early reflection paper to define future pathways with respect of FP9. The paper, involving all participants, will come as the outcome of the mid-term workshop 1 | 5 |
| M3 | ✓ | Report on international and national experiences and main insight for policy use of wellbeing and sustainability framework | ISTAT | 6 | Report on international and national experiences and main insight for policy use of wellbeing and sustainability framework | 1 |
| M4 | ✓ | Mid-term workshop 2 | Consorzio MIPA | 17 | Mid-term workshop 2 | 6 |
| M5 | ✓ | Report on aspects of existing database and traditional and non-traditional data sources and collection of good practices and recommendation | CBS | 18 | Report on aspects of existing database and traditional and non-traditional data sources and collection of good practices and recommendation | 2 |
| M6 | ✓ | Report on methodological aspects for using big data | CBS | 18 | Report on methodological aspects for using big data | 2 |
| M7 | ✓ | Report on methods and data base for regional income and household expenditures | UT | 21 | Report on methods and data base for regional income and household expenditures | 3 |
| M8 | ✓ | Report on nowcasting and mixed frequency model for the integrated analysis of well-being and SDGs | SOUTHAMPTON | 24 | Report on nowcasting and mixed frequency model for the integrated analysis of well-being and SDGs | 4 |
| M9 | ✓ | Report on alternative estimators of discontinuity | SOUTHAMPTON | 24 | Report on alternative estimators of discontinuity | 4 |
| M10 | ✓ | Technical report on a macro evaluation of well-being using a macroeconomic model | ISTAT | 26 | Technical report on a macro evaluation of well-being using a macroeconomic model | 5 |
| M11 | ✓ | Report on identification of future research needs in terms of statistical methodologies and new data | CBS | 28 | Report on identification of future research needs in terms of statistical methodologies and new data | 2 |
| M12 | ✓ | Guidelines for best practices implementation for transferring methodology | UT | 29 | Guidelines for best practices implementation for transferring methodology | 3 |
| M13 | ✓ | Report on multivariate analysis on MIP and well-being and SDGs indicators | SOUTHAMPTON | 29 | Report on multivariate analysis on MIP and well-being and SDGs indicators | 4 |
| M14 | ✓ | Report on the results of pilot study | ISTAT | 29 | Report on the results of pilot study | 5 |
| M15 | ✓ | Mid-term workshop 3 | Consorzio MIPA | 29 | Mid-term workshop 3 | 6 |
| M16 | ✓ | Final Conference | Consorzio MIPA | 30 | Final Conference | 6 |

Deliverables

| Number ▲ | Relative Number in WP | Title | Lead Beneficiary | Type | Dissemination Level | Due Date (in months) |
|----------|-----------------------|---|------------------|------|---------------------|----------------------|
| D1 | D1.1 | Report on international and national experiences and main insight for policy use of wellbeing and sustainability framework. | ISTAT | R | PU | 6 |
| D2 | D1.2 | Definition of the existing database on Beyond GDP initiatives within official statistics. | ISTAT | R | CO | 6 |
| D3 | D2.1 | Report on aspects of existing database and traditional and non-traditional data sources and collection of good practices and recommendation | CBS | R | PU | 18 |
| D4 | D2.2 | Report on methodological aspects for using big data | CBS | R | PU | 18 |
| D5 | D2.3 | Report on identification of future research needs in terms of statistical methodologies and new data | CBS | R | PU | 28 |
| D6 | D3.1 | Report on methods and data base for regional income and household expenditures | UT | R | PU | 21 |
| D7 | D3.2 | Guidelines for best practices implementation for transferring methodology | UT | R | PU | 29 |
| D8 | D4.1 | Report on nowcasting and mixed frequency model for the integrated analysis of well-being and SDGs | SOUTHAMPTON | R | PU | 24 |
| D9 | D4.2 | Report on multivariate analysis on MIP and well-being and SDGs indicators | SOUTHAMPTON | R | PU | 29 |
| D10 | D4.3 | Report on alternative estimators of discontinuity | SOUTHAMPTON | R | PU | 24 |
| D11 | D5.1 | Reflection paper | ISTAT | R | PU | 5 |
| D12 | D5.2 | Technical report on a macro evaluation of well-being using a macroeconomic model | ISTAT | R | PU | 26 |
| D13 | D5.3 | Report on results of Pilot study and recommendation for stakeholders and for future pathways forward Framework Programme FP9 including identification of future research needs in terms of statistical methodologies and new data | ISTAT | R | PU | 29 |
| D14 | D6.1 | Report on website and e-platform development | Consorzio MIPA | R | PU | 3 |

| | | | | | | |
|-----|------|-------------------------------------|----------------|--------|----|----|
| D15 | D6.2 | Report on the brochure development | Consorzio MIPA | R | PU | 3 |
| D16 | D6.3 | Report on policy briefs development | Consorzio MIPA | R | PU | 3 |
| D17 | D6.4 | Mid-term workshop 1 | Consorzio MIPA | OTHER | PU | 5 |
| D18 | D6.5 | Mid-term workshop 2 | Consorzio MIPA | OTHER | PU | 17 |
| D19 | D6.6 | Mid-term workshop 3 | Consorzio MIPA | OTHER | PU | 29 |
| D20 | D6.7 | Final conference | Consorzio MIPA | OTHER | PU | 30 |
| D21 | D7.1 | Kick off meeting | ISTAT | OTHER | PU | 1 |
| D22 | D7.2 | Data Management Plan | ISTAT | ORDP | CO | 6 |
| D23 | D8.1 | POPD - Requirement No. 1 | ISTAT | ETHICS | CO | 6 |
| D24 | D8.2 | GEN - Requirement No. 2 | ISTAT | ETHICS | CO | 1 |

SPINTAN project

Smart Public Intangibles aims at discovering the theoretical and empirical underpins of public intangible policies

SPINTAN Data

- **SPINTAN database on intangibles in the Public sector (1995-2012) and Real Time data (2013-2015).**

[Download](#)

When using this database, a reference should be made to the [following publication](#):

Measuring Intangible Capital in the Public Sector: A Manual

Edited by: Carol Corrado, Kirsten Jäger and Cecilia Jona-Lasino

December 18, 2016

SPINTAN database includes data on public intangible investment and capital services for 22 European countries and other additional countries, over the period 1995-2012. The data is cross-country harmonized and consistent with the National Accounts (NA) principles. This implies that it is coherent with other NA aggregates (output, tangible gross fixed capital formation, intermediate costs) and with the business sector estimates of intangibles developed by INTAN-Invest (Corrado, Haskel, Jona-Lasino, and Iommi, 2012)

Background document: [SPINTAN Manual](#)

Real Time data is based on the methodology developed by Fabio Bacchini and Roberto Iannaccone (2016).

Background document: [SPINTAN Working Paper No. 22](#)

Goals

- 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

Points to take in mind

- start from the state of art: Martin, ESSnet and direct collection from partners (from the website)
- inventory vs database
- reflection paper
- organisation of the WP and tasks
- logo
- details for WP2, WP3 and WP4 (April)
- repository for references, past works, articles

- Until one is committed, there is hesitancy, the chance to draw back, always ineffectiveness. Concerning all acts of initiative and creation, there is one elementary truth the ignorance of which kills countless ideas and splendid plans: that the moment one definitely commits oneself, then providence moves too.
- Whatever you can do or dream you can, begin it. Boldness has genius, power and magic in it. Begin it now

J.W. Goethe

Next steps

- MAKSWELL will evaluate necessary conditions for designing well-working pilot studies. The conditions shall allow for deriving best practice recommendations.
- MAKSWELL will explore also the ways statistical agencies and NSIs use new data sources and related methodologies
- The analysis and summary of the main features of the piloting process will produce recommendations.