

## Open Working Group on Sustainable Development Goals (OWG)

### Statistical note for the issue brief on:

#### Promoting equality, including social equity<sup>1</sup>

(draft, 16 January 2014)

### 1) Main policy issues, potential goals and targets

The issue of “*addressing inequalities*” in the Post-2015 development agenda has been widely acknowledged as being of critical importance by a variety of stakeholders, ranging from governments to civil society, to the UN system and beyond. In the Millennium Declaration adopted by UN Member States in 2000, world leaders acknowledged their responsibilities to “uphold the principles of human dignity, equality and equity<sup>2</sup>” for all of the world's people. In practice, however, the Millennium Development Goals (MDGs) that emanated from the Millennium Declaration focused more on global and national averages and aggregate progress without addressing inequalities explicitly, both within and between countries.

It is essential that the new framework explicitly goes beyond global and national averages and aggregate progress, by disaggregation that measures the different levels of achievement of different social groups and highlights who is being left behind. Incorporating targets to ensure progress for all social groups and reduce the differences in achievement, i.e. the inequalities, will also be essential to ensure that action is taken to improve the situation of all groups. In existing proposals and suggestions so far, including in a number of the major reports<sup>3</sup> on Post-2015 development agenda, this issue of addressing inequalities is always referenced in some form, -although there are some differences in the framing.<sup>4</sup> For example, gender equality is often expressed as stand-alone “headline” goal, while other forms of inequalities and social exclusion are sometimes separate headline goals or are mainstreamed throughout all of the goals.

A mix of a) global aspirational goals; with b) regionally, nationally or sub-nationally set and contextualized targets; and c) a common core set of global indicators, with additional nationally-contextualized ones, might be a way to better address unique issues of different states/regions and put greater focus on the collection and analysis of data at the subnational level where disparities and inequalities within countries become more apparent. Additionally, the use of intermediate targets

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<sup>1</sup> The following organizations contributed to the drafting and review of this statistical note: OHCHR, UNDP, UNICEF, and UNWOMAN. Please consult other statistical notes which have been produced separately on relevant topics such as gender equality and women's empowerment, and human rights including the right to development.

<sup>2</sup> UN General Assembly Resolution 55/2: United Nations Millennium Declaration. <http://www.un.org/millennium/declaration/ares552e.htm>

<sup>3</sup> A New Global Partnership: Eradicate Poverty and Transform Economies Through Sustainable Development: The Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda. [http://www.un.org/sg/management/pdf/HLP\\_P2015\\_Report.pdf](http://www.un.org/sg/management/pdf/HLP_P2015_Report.pdf);

A life of dignity for all: accelerating progress towards the Millennium Development Goals and advancing the United Nations development agenda beyond 2015: Report of the Secretary-General. <http://www.un.org/millenniumgoals/pdf/A%20Life%20of%20Dignity%20for%20All.pdf>;

Sustainable Development Solutions Network: An Action Agenda for Sustainable Development. <http://unsdsn.org/files/2013/11/An-Action-Agenda-for-Sustainable-Development.pdf>;

Global Thematic Consultation on the Post-2015 Development Agenda: Addressing Inequalities: Synthesis Report of Global Public Consultation. <http://www.worldwewant2015.org/node/299198>.

<sup>4</sup> The calls for universal or “zero-based” targets; leaving no one behind; increased capacity in data collection and disaggregation of data and that “targets will only be considered ‘achieved’ if they are met for all relevant income and social groups” all speak to the need for robustly and boldly addressing and monitoring major inequalities and their structural causes in the next development framework.

specially aimed to reduce inequalities has been proposed.<sup>5</sup> These could include targets to specify required rates of progress among nationally-identified deprived population groups, and/or targets to specify the extent to which gaps between groups or locations should be reduced.<sup>6</sup>

There are multiple options for setting targets under each goal to reduce the inequalities between groups. One option would be to set universal or 'zero' targets which should be met for all groups by a particular date (e.g. 2030 or possibly a later date if this is not realistic). Also, setting interim progress targets (e.g. 2015, 2020, 2025 for different groups) would ensure that no one is left behind, and ensure that inequalities would be progressively and systematically reduced over time. Special attention would need to be paid to the most disadvantaged groups, as faster progress would be necessary in order to catch up to reach the national target.

## 2) Conceptual and methodological tools

Local data collection and monitoring as well as the capacity to disaggregate data are crucial elements in being able to understand where progress is unequal. As outlined in the statistical note<sup>7</sup> on "*Human Rights, including the Right to Development*" prepared for the Open Working Group (OWG), all indicators should be disaggregated by different social groups as far as possible, at a minimum in relation to sex, age, disability status, location (e.g. rural-urban/remote areas/slum locations) and income/wealth as well as for the most disadvantaged groups in each country context (e.g. caste, indigenous peoples, migrants), through a consultative and participatory national process and in accordance with related human rights, ethical and statistical standards.

From a statistical perspective, it is therefore important to consider 1) the stratification variables for disaggregation and 2) particular indicators that reflect inequality issues not captured by disaggregation under other goals (e.g. Gini coefficient and relative poverty for income inequality or measures to reflect multidimensional poverty, or gender equality measures, etc.).

## 3) Existing and new indicators

Because inequalities cut across all dimensions of development, there has been much discussion on whether there should be a stand-alone goal (or goals) on equality, whether addressing inequalities should be mainstreamed across all goals, targets and indicators; or a combination of both.

In the current MDG framework, there are some already-established goals, targets and indicators with respect to gender equality, among others, on primary, secondary and tertiary education, seats in national parliaments and in wage employment in the non-agricultural sector. For the Post-2015 development agenda, there are proposals for additional targets and indicators around gender equality including on violence against women and girls.<sup>8</sup>

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<sup>5</sup> Watkins, K (2013); Inequalities as a barrier to human development. Overseas Development Institute, UK.

<sup>6</sup> Anderson, E (2013). Inequality Measurement and Options for the Post-2015 Development Agenda. Commissioned by the Office of the High Commissioner for Human Rights (OHCHR)

<sup>7</sup> Open Working Group on Sustainable Development Goals (OWG) Statistical Note on: Human Rights, including the Right to Development (Draft from 2 December 2013)

<sup>8</sup> See OWG Statistical Note on Gender Equality and women's empowerment.

There have also been discussions around a goal and/or targets and indicators with respect to income inequality. National household income and expenditure surveys are the main source of data on income inequality and income poverty. Over the past two decades, there have been significant improvements in the quality, consistency and frequency of those surveys. Efforts led by international organizations such as the World Bank have improved the availability of data on indicators such as the Gini Index of income distribution and poverty headcount ratios. Looking forward, some noted economists and academics<sup>9</sup> have called for the use of the “Palma Ratio” which compares the income share of the top 10 per cent of a population to the bottom 40 per cent. It has been argued that the Palma Ratio would give a more precise and accessible view of income inequality. A further challenge for the new development agenda is how to accurately measure the multi-dimensional nature of poverty, beyond income. Proposals on this include indices that track multiple deprivations<sup>10</sup> or having “minimum floor” or “relative gain” indicators based on wealth quintile or location.<sup>11</sup>

An area where further development of a statistical framework is necessary is the measurement of *inequality of opportunity*. Inequality of opportunities now takes a central space in the discussions on Post-2015 development goals, alongside discussions on *inequalities of outcomes*, yet there is no agreed upon concept to measure and capture inequality of opportunities. The most notable attempt so far is the World Bank’s ‘Human Opportunity Index’<sup>12</sup> which pulls together in a single composite indicator both how many opportunities (e.g. overall access to primary education, clean water etc.) are available in a given country or region, and how equitably those opportunities are distributed between rich and poor. A composite index would provide a summary measure, but this composite data may not be essential if data on inequalities in opportunities access to education, clean water, etc., is provided under each goal, if all indicators are disaggregated.

#### **4) Data requirements, challenges and limitations**

A combination of quantitative and qualitative data is essential in order to gain a more complete understand of existing inequalities at international, national and sub-national levels and the barriers they pose to poverty elimination and human progress. The availability of household survey data has steadily increased over the last several years, including through technical support from specialized UN agencies.<sup>13</sup>

Disaggregating the data under each goal (e.g. under the indicators on health, nutrition, education) would also help to strengthen the analysis of social inequalities. Disaggregation of data for under-five mortality, nutrition, school enrolment and basic services access by location, household wealth and sex and age (as relevant) is widely possible and needed. However, it is also important to extend the variables for disaggregation, to allow disaggregation by disability status, ethnicity, and race, which will go beyond existing data availability.

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<sup>9</sup> Open letter to the Secretary-General’s Post-2015 High-level Panel: <http://post2015.files.wordpress.com/2013/03/inequality-letter-final-190313.pdf>

<sup>10</sup> Alkire, S. and Sumner, A. “Multidimensional Poverty and the Post-2015 MDGs,” Oxford Poverty and Human Development Initiative; <http://www.ophi.org.uk/wp-content/uploads/MPI-post-2015-MDGs-FINAL.pdf>

<sup>11</sup> Measurement and Assessment of Inequalities: Expert Online Discussion Synopsis: <http://www.worldwewant2015.org/node/307840>

<sup>12</sup> De Barros, Ricardo Paes. Measuring inequality of opportunities in Latin America and the Caribbean. World Bank Publications, 2009.

<sup>13</sup> Data collection through UNICEF-supported Multiple Indicator Cluster Surveys (MICS) and USAID-supported Demographic and Health Surveys (DHS) are, for example, now the primary source of disaggregated data (e.g. by wealth quintile, ethnicity, sex, area of residence, etc.) on the majority of MDG indicators.

Monitoring progress in the reduction of disparities will require an enormous amount of data in order to allow disaggregation at very different levels and groups as desired. Therefore, as a long term investment, it will be important to think of the improvement of other data sources, including administrative records and civil registration.

Additionally, with the advent of modern technologies, more opportunities exist for community-led, local and real-time monitoring (e.g. SMS-based surveys and data collection, crowd sourcing, big data analytics and participatory research methods such as focus-group discussions<sup>14</sup>). These monitoring modes should serve as a complement to data collected through household surveys and can provide an additional, deeper understanding of inequalities, deprivations, bottlenecks and barriers to addressing inequalities such as exclusion, stigma and discrimination that are often difficult to track. Such approaches can increase ownership of the new agenda among communities; provide clearer channels for accountability and feedback; and provide more rapid understanding on a particular issue.

A combination of higher and lower-tech local monitoring initiatives, alongside improved capacity for data collection and analysis through institutional systems and household surveys, is needed to better understand the true barriers and bottlenecks to development progress, to inform decision-makers and to empower individuals and community groups to hold public servants and other duty bearers more closely to account.<sup>15</sup>

## 5) Conclusions

In order to be able to effectively monitor progress towards the reduction of inequalities in all the different aspects, it is clear that the amount of data needed is much larger than the currently exist and major data investments in data systems will be essential at the global and national levels. More sustainable options should be promoted and improved at the national level, such as the use of administrative records including civil registration. Exploring the use of other non-official sources will be also important to complement those produced with the limited capacity of the statistical systems.

Looking ahead, significant international efforts are needed to improve the availability of disaggregated data at different levels to allow the meaningful monitoring in progress of some disadvantaged groups. In addition, methodological developments are needed to be able to analyze inequalities which have been neglected, such as those related to ethnicity, aging, urban poverty and children without family care.

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<sup>14</sup> <http://www.participate2015.org/>

<sup>15</sup> Morgan, R. and O'Shea, S. (2012) Locally-led monitoring as an engine for a more dynamic and accountable post 2015 development agenda <http://www.unicef-irc.org/research-watch/Post-2015--What-Next-/903/>