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How Africa can move beyond GDP: A roadmap for a regional dashboard

**Final statement
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On 28-29 October 2014, the Centre for the Study of Governance Innovation (GovInn) at the University of Pretoria, South Africa, hosted a workshop in partnership with the Sustainability Institute. The title of the workshop was 'Beyond-GDP in Africa: Innovative Ideas for a Regional Dashboard.' Its goal was to take stock of the various criticisms raised against the gross domestic product (GDP) as a measure of economic progress and to propose a way forward for African countries.

The workshop saw the participation of officials from various national statistical offices, senior representatives of international institutions such as the United Nations Environment Programme and the International Labour Organization, plus local organizations such as the South African National Biodiversity Institute, the Gauteng City-Region Observatory, the Council for Scientific and Industrial Research and a variety of local and international academics. The workshop also included two keynote addresses, delivered by Prof. Robert Costanza of the Australian National University and by Prof. Enrico Giovannini, former chief statistician at the Organization for Economic Cooperation and Development (OECD).

After two days of presentations and deliberations, the participants compiled the following list of recommendations with a view to identifying a practical roadmap for the translation of the 'beyond GDP' debate into policy reforms throughout Africa.

Recommendation no 1 – How to improve GDP and make it more relevant for Africa's economies

There was general consensus that GDP has been improperly used as a measure of economic progress, while it is only designed to measure levels of production and consumption. Overall GDP can be useful to gauge economic dynamics, but participants agreed that African economies should possibly complement it with measures of income inequality, fiscal flows (as much wealth produced in Africa ultimately leaves the continent), as well as sustainable consumption and production. Lessons could also be learned from the Genuine Progress Indicator and Genuine

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Savings, which emphasize the depletion of natural resources and the impact of environmental degradation.

Recommendation no 2 – Integrate GDP within a regional dashboard

A complemented/refined GDP should then become part of a dashboard of various indicators/indices (one of which would be GDP itself). This dashboard should be standardized at the regional level among African countries willing to experiment with a new form of accounting. A regional collective approach would strengthen the impact of the initiative, would lower the transaction costs vis-à-vis countries moving ‘beyond GDP’ on their own and would make it more relevant for global economic governance (as it would be felt as a united effort by pioneering African countries).

The dashboard should include the following indicators/indices:

- ❑ Human development (e.g. education, health, etc.)
- ❑ Quality of the environment
- ❑ Decent work (e.g. beyond mere employment/unemployment figures)
- ❑ Governance
- ❑ Inclusion and social capital

Recommendation 3 – A pragmatic roadmap

Participants felt a sense of urgency in defining a viable roadmap towards a ‘beyond GDP’ system of national accounts. As representatives of the statistical offices were outspoken about the limited resources at their disposals and the overall quality of these additional data, it was decided to distinguish between data that official statistics already include (e.g. via specific surveys or the satellite accounts) and that can be updated at least once every year (in order to inform policy making on a regular basis). To this, official statisticians added a list of indicators/indices that could be generated if governments or international donors were willing to invest more resources in data collection.

Information already available in participating countries:

- ❑ Human development: investment in knowledge and education, infant mortality, enrolment rates, morbidity rates, doctors to population ratio, crime.
- ❑ Quality of the environment: air quality, material flows, land use, ecosystems (through experimental accounts as part of WAVES and SEEA), levels of pollution and waste.
- ❑ Decent work: labour force surveys standardized across African countries (in partnership also with ILO).
- ❑ Governance: voters’ turnout and Ibrahim Index of African Governance.
- ❑ Social inclusion/social capital: poverty, time use at household levels

Information that could be gathered if more resources were available:

- Human development: life expectancy, literacy rates.
- Quality of the environment: land cover change, water stress, geological surveys.
- Decent work: measures of skills development that can help assess the extent to which education is aligned with sustainable development policies with a view to building an economy which is in touch with local needs.
- Governance: citizen participation in policy processes.
- Social inclusion/social capital: systematic and timely household surveys, mapping social connections in civil society, participation in community activities.

It was also suggested that input/output indicators should be used as a fallback option when good quality outcome indicators are not available.

As regards wellbeing, official representatives felt that research into subjective assessments in Africa has not yet reached a sufficient level of maturity to integrate life satisfaction indicators/indices into the dashboard. Perhaps in the future, data gathering may improve and such measures may be added to the dashboard.

Recommendation 4 – Reach out to regional statistical initiatives

Participants recommended that the above points be discussed not only with national governments, but also with regional institutions. Particularly, they mentioned the following: the African Centre for Statistics at UNECA (for expertise and coordination), the African Union Commission (for political support and coordination), the African Development Bank (for infrastructural and economic support). Key regional organizations, such as the Southern African Development Community (SADC), the East African Community (EAC) and the Economic Community of West African States (ECOWAS) should also be involved.

List of participants:

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