Dear Members of the SDSN,

Welcome to the fifth edition of the SDSN Members’ Bulletin, which examines the role of a data revolution in the post-2015 agenda.

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We hope you will find this Bulletin of interest.

Please share with us any information you would like to see included in the next edition, which will focus on an update on SDSN's work on financing sustainable development.

With best wishes,

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Executive Director
SDSN Blog: Delivering a Data Revolution

By this time next year, the Sustainable Development Goals will be a reality. Assuming no one trips in the corridors of political power, goals will have been agreed, targets set, and a clear process underway for setting the indicators. These indicators will be the backbone of the new development agenda. They will act as a management tool to help countries develop implementation strategies and allocate resources accordingly, and as a report card to measure progress towards achieving a target and to ensure the accountability of governments and other stakeholders for achieving the SDGs.

The MDG indicators failed to fully accomplish this function because “data and metrics were a mere afterthought.” Indicators were agreed upon years after the MDGs had been set and with little thought to data gaps and requisite investments. This time around monitoring must be given serious consideration before the SDGs are launched on January 1, 2016.

In recognition of this, SDSN has been working on a proposed SDG indicator framework for over a year. Our draft report, “Indicators and a Monitoring Framework for the SDGs”, sets out 100 Global Reporting Indicators and a set of Complementary National Indicators. In December, we released our fourth public iteration of this report, which pays particular attention to the sources of data and the feasibility of annual reporting. We will continue to work closely with the UN Statistics Division, national statistical offices, and leading experts to refine our proposal and to provide this technical input to the UN Statistical Commission and other relevant processes in 2015. At the request of the UN Statistical Division, the SDSN will launch a second global public consultation on the draft Indicators report, which will begin on January 16, 2015. Following the two-week consultation, the draft report will be revised and serve as key input for the UN Statistical Commission, which will meet in Geneva from March 5-6, 2015.

But SDG monitoring does not hinge solely on a set of indicators. It will require investments in the nuts and bolts of national statistical systems. National statistical offices (NSOs) need to be strengthened to collect more frequent data, improve quality, and make data interpretable for the general public. The Secretary-General Ban Ki-moon highlighted this need in his Synthesis Report, which called for a “new innovative financing stream to support national data capacities, and a global data partnership to promote leadership and governance” (para. 143).
This is a welcome step forward, and provides a good platform for action at the Financing for Development Conference in July 2015. It is at this conference in Addis Ababa that new resources will be identified, pledged, and allocated, so we need a clear sense of the scale of resources required. However, a preliminary SDSN review suggests there is little consensus amongst expert communities on the cost of strengthening national statistical systems.

In 2004, the Marrakech Action Plan for Statistics (MAPS), an initiative of the World Bank, regional development banks and the OECD, estimated that improving national and international statistical systems would require an additional $140-160 million per year. Two important assumptions were made: on average, low-income countries could not afford on their own the recurrent costs of a statistical system that would meet General Data Dissemination System (GDDS) recommendations, while middle-income countries’ government resources would be sufficient to meet these requirements.

Ten years later, MAPS remains the most comprehensive attempt to estimate the scale of additional resources required to boost national statistical offices. However, recent estimates of the cost of ‘core statistical products’ question the Marrakech figure, which appears a gross underestimate of current requirements. For example, the World Health Organization (WHO) estimates the cost of scaling up investment in global civil registration and vital statistics (CRVS) at $1.99 billion in 73 countries over a 10 year period, or an average of US$199 million per year – this is $40 million more than the Marrakech estimate per annum, for just one statistical tool!

SDSN is working with a range of organizations, including the Center for Global Development, Gates Foundation, ONE Campaign, Open Data Watch, PARIS21, Simon Fraser University, the UN Statistics Division, the World Bank, and others, to examine current estimates of the cost of core statistical tools. This group is undertaking a comprehensive needs assessment in time for the March meeting of the UN Statistical Commission in Geneva and the Conference on Financing for Development in Addis in July. We intend to develop a typology of the different types of SDG data, to estimate costs for each of the core statistical tools, and then, to identify capacity requirements and financing gaps across a range of countries, focusing predominantly on low-income countries. As the global statistical system is not a single, centrally-governed entity, costing such a complex set of tasks with so many key partners is not an easy job. But even rough estimates will help to better inform discussions and provide a basis for decision making.
We have an opportunity to lay the foundations for a robust, evidence-based sustainable development agenda between now and January 1, 2016. This is not just a technical challenge; government leaders, private sector representatives, civil society and academics must join together to spell out the key components of a data revolution and to find the resources to back this up. In the words of former Secretary of State Hillary Rodham Clinton, “data not only measures progress, it inspires it”. Securing a robust monitoring framework for the SDGs will inspire the progress we need for sustainable development.

This Month’s Spotlight: The Data Revolution for Sustainable Development

Governments will adopt the Sustainable Development Goals (SDGs) in September 2015, and the world must be ready to start implementing when they come into effect on January 1, 2016. Monitoring the SDGs will require a “data revolution,” as called for by the High-Level Panel and many others. The term “data revolution” has different meanings to different people – some emphasize citizen accountability, others highlight new forms of social and geophysical data, or new ways of sharing data. Yet any data revolution would be meaningless if it did not also address the essential nuts and bolts of monitoring the SDGs. As recognized in the Open Working Group (OWG) outcome document and the UN Secretary General’s Synthesis Report, there is a critical need to strengthen data collection capacity and improve data quality.

In September 2014, UN Secretary-General Ban Ki-moon launched the Independent Experts Advisory Group on the Data Revolution (IEAG) to advise on the implementation of the data revolution. Their report, A World That Counts, emphasizes three main points: 1) Data are essential for decision-making and accountability and should serve as both a management tool to inform policy and a report card to measure progress; 2) Data needs improving—whole groups of people are not being counted and important aspects are still not measured; and 3) New technologies are leading to an exponential increase in the volume and types of data available, but there are huge and growing inequalities in access and use of to data and information.

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The report sets out key recommendations, including the establishment of four new processes:

1. A Global Consensus on Data to adopt principles concerning legal, technical, privacy, geospatial and statistical standards;
2. A Network of Data Innovation Networks to create mechanisms through which technology and innovation can be shared and used for the common good;
3. A Global Partnership for Sustainable Development Data to mobilize and coordinate the actions and institutions required to make the data revolution serve sustainable development;
4. An SDG Data Lab to support the development of the SDG indicators, as well as an analysis and visualization platform.

The IEAG report also calls for a new funding stream to support the data revolution and capacity development. Indeed, increased investments are essential and the Financing for Development (FfD) conference in Addis Ababa in July 2015 presents a crucial opportunity.

To prepare for the implementation of the monitoring framework for the SDGs, SDSN recommends the articulation of a clear roadmap with four key steps:

1. **Agreement on a Limited Set of Global SDG Indicators**

Since a very large number of indicators would be required to comprehensively track progress towards all 169 targets proposed by the OWG, we recommend that countries consider two sets of indicators: **Global Reporting Indicators**, reported by every country on an annual basis, and **Complementary National Indicators**, for issues that may be applicable to some countries only. For instance, these include indicators for neglected tropical diseases, or those that give countries greater scope in applying complex concepts, such as inequality, to their specific needs. They are a menu of options for countries to choose from, though the list we include is far from exhaustive.

We underscore the importance of limiting the number of Global Reporting Indicators to no more than 100, which seems to be the upper limit on which the international system report. Of course, governments collect vastly more variables than this. Moreover, the SDG indicators cannot and must not replace the much more detailed thematic reporting in key areas.
2. Filling Indicator Gaps

Many indicators, especially relating to poverty and economic development, are already collected (e.g. as part of the MDGs), but important gaps remain. In developing our report – *Indicators and a Monitoring Framework for the SDGs* – we identified several key gaps. We suggest that for each issue, the specialized UN agencies and other international statistical organizations, such as the OECD or Eurostat, launch technical processes for reviewing available indicators. By mid-2015 working with national statistical offices and other stakeholders, they should propose new indicators for inclusion in the SDG framework.

In other cases, sound indicators exist, but data is not systematically collected on a routine, harmonized, and comparable basis, as highlighted in two SDSN Briefing Papers on household survey and indicator coverage, important gaps exist. National statistical offices and international organizations should study these coverage gaps carefully and identify practical strategies for filling them.

3. Improving the Frequency of SDG Data

Timeliness is crucial for data to be a useful management and policy tool. Annual reporting is therefore essential and should become the norm for the SDGs. However, annual reporting does not necessarily mean new data being produced every year. For some indicators, this may be impossible or inadvisable. In such cases it may be sufficient to produce data every two to three years and to prepare projections or modeled estimates for the intervening years. Clearly, though, moving towards annual data reporting will require a step change in the international data architecture.

Given how infrequently some indicators are collected today, it might seem impossible to shift towards such high frequency reporting. Yet, a review of the issues suggests it is feasible. In fact, many countries have shown what can be done with clear commitments, the creative use of modern technologies, institutional innovation, and modest resources. Some 60 countries already report annually on multiple social and economic indicators based on annual survey data. International institutions also have made the effort to generate annual estimates.

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3 Indicators unsuited to annual production are indicators that (i) exhibit year-on-year variation that is significantly smaller than the error margin, (ii) require a very large number of observations to be computed, (iii) may be affected or compromised by year on year monitoring, such as attitudinal and behavior change. A preliminary assessment suggests that this applies to four of the Global Indicators featured in this report: life expectancy, maternal mortality rate, fertility rate, and prevalence of non-communicable diseases.
4. Determine Financing Needs and Mechanisms; Mobilize Resources

Sound SDG monitoring systems will require additional resources. The international community and countries need to assess the amount of incremental financing required. Some of this work has already been launched by PARIS21, working with the Gates Foundation. The SDSN is working with them and other interested organizations to help consolidate available data on financing needs. We plan to share initial findings in time for the meeting of the UN Statistical Commission in March 2015, and then to present our final conclusions ahead of the Financing for Development Conference in July 2015.

Current financing mechanisms and modalities for data are not only underfunded, they are also fragmented and beset with high transaction costs. Therefore, the international community will need to determine how additional resources can be used most effectively to ensure maximum results. Experience in other areas suggests that pooled financing mechanisms or dedicated financing windows can be very effective.\(^4\) Recommendations on pooled funding mechanisms for SDG data will require careful deliberation.

Based on a clear indicator framework and a robust needs assessment, the first steps towards a data revolution can start in early 2015, including resource mobilization. Given the public attention that will be paid to the SDGs during 2015, it would seem possible to complete the fundraising by the second half of the year – in time for implementation.