

**TERMS OF REFERENCE
JOINT UNECE/EUROSTAT/OECD TASK FORCE
ON MEASURING SUSTAINABLE DEVELOPMENT**

I. BACKGROUND

1. The Joint UNECE/Eurostat/OECD Working Group on Statistics for Sustainable Development (WGSSD) was commissioned by the CES in 2005 to develop a broad conceptual framework for measuring sustainable development based on the capital approach, and to identify a small set of indicators that could serve for international comparisons. As a result of its two years of work, the WGSSD prepared a *Report on Measuring Sustainable Development*. The WGSSD noted in the Report the need for further conceptual and methodological development to refine certain elements of the capital approach. The final version of the Report will be made available before the end of 2008. A print version is expected to be available by March 2009. With the finalization of this Report, the mandate of the WGSSD is fulfilled.

2. In February 2008, the CES Bureau reviewed the Report and recognized that many issues remain unresolved and can be further developed. The Bureau agreed on a proposal that a new Task Force be created. The proposal was presented to the plenary session of the CES in June 2008. The CES expressed general support for continuing the work in this area and recommended that the Bureau discuss how to proceed further at its October 2008 meeting.

3. In October 2008, the CES Bureau reviewed the first draft version of the Terms of Reference and provided a more detailed guidance on the work of a future Task Force. The Bureau made the following main recommendations:

- (a) The indicators should be useful for policy makers and should allow comparison across time;
- (b) The refinement of the small set of capital indicators should continue;
- (c) The areas of social and human capital should be further developed.

II. PROPOSAL

4. Taking into account the recommendations of the Conference and the Bureau, it is proposed that a Task Force on Measuring Sustainable Development be established.

III. OBJECTIVE

5. The objective of the new Task Force should be to further pursue the conceptual development of the capital approach in identifying indicators to present the long-term dimension of sustainable development. In addition, indicators to present the distributional aspects under each capital indicator could be considered to respond to the needs of the policy makers. The work should focus on those indicators where further research is most likely to result in improved statistical concepts or methods.
6. The Task Force will produce a report to be presented to the Conference and its Bureau.

IV. MANDATE

7. The Task Force will further refine and, if necessary, expand the small set of indicators based on the capital approach proposed by the WGSSD in the Report on Measuring Sustainable Development and will also explore possibilities to include indicators that link the capital approach concept to policy-oriented indicators. The Task Force will examine the indicators in order to determine whether they capture the long-term conceptual perspective of the capital approach to measuring sustainable development.
8. The work will follow up on dimensions unresolved in the Report, focusing on but not limited to social and human capital. The Task Force could include in the set of indicators new or revised long-term social and human capital indicators that the Task Force might identify.
9. The Task Force will carry out further work on comparing the proposed indicators with the existing national and international indicator sets and assess their compatibility with the policy-oriented indicators, as well as their usefulness for both international and inter-temporal comparisons.
10. The Task Force will further explore the limits of the monetization methodologies and the monetary indicators and, where possible, advance them.
11. The Task Force will consider conducting a consultation with policy makers in order to validate the policy relevance of the indicators based on the capital approach among the CES member countries.
12. The Task Force will analyse the set of indicators from the point of view of data availability and resource implications for their compilation by official statisticians and others.

V. GOVERNANCE AND MODE OF OPERATION

13. The Task Force will report to the CES Bureau. It will be a joint UNECE/Eurostat/OECD Task Force. The World Bank will be invited to contribute. Existing groups will be consulted on issues in specific domains (e.g. the London Group on environmental accounting, etc.).

14. The Task Force should consist of a limited number of experts selected from the statistical and academic communities who have the capacity to advance the theoretical aspects of the capital approach, address the challenges of policy relevance and implications, and develop further the links to official statistics.
15. The Task Force should be chaired by a statistician with experience and knowledge of the issues. The Chair will have the responsibility for ensuring that the Task Force fulfils its mandate and that its composition is balanced between statisticians and other experts. A leadership sub-group from among the Task Force members could be created to assist the Chair in managing the work.
16. The Task Force should develop a more detailed work plan at its first meeting, which will be presented for information to the CES Bureau. The Task Force will meet face-to-face at least once per year as agreed by the Chair and members. Much of the work is expected to be carried out electronically.
17. The UNECE will provide secretariat support to the work of the Task Force and its Chair. Eurostat and OECD will also provide support.

VI. TIMETABLE

18. The mandate of the Task Force will extend from March 2009 to June 2011. The Task Force will prepare interim reports for the Bureau meetings and for the Conference in 2010 and present its final report at the CES plenary session in June 2011.

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