



Chief Executives Board for Coordination

Distr.: General
1 March 2022

Original: English

Second regular session of 2021
New York (online), 18 November 2021

Summary of deliberations

I. Introduction

1. The second regular session of 2021 of the United Nations System Chief Executives Board for Coordination (CEB) was held on 18 November 2021. Owing to the coronavirus disease (COVID-19) pandemic, the session could not be held in person. It was instead held entirely as a videoconference and scaled down from one and a half days to four hours, with the Secretary-General chairing from New York.
2. The session consisted of two segments, on the following themes: (a) state of the world; and (b) measuring progress beyond gross domestic product (GDP). In the present summary, the highlights of the deliberations during the session are provided.

II. Segment 1 – state of the world

3. The Secretary-General presented an overview of the current state of the world, reflecting on existing and emerging ideological, economic and geopolitical tensions and the impact of the resulting polarization on the multilateral system. He underscored the critical role of the United Nations system in helping to bridge the growing divides, reduce inequalities and support the most vulnerable by finding new cooperation mechanisms and engaging in conflict resolution and conflict prevention. He appealed to members to adopt a firm stance against ideological divides and to promote social cohesion, equality, human rights and mutual respect.
4. The Secretary-General briefed the Board on his participation in the twenty-sixth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in Glasgow, United Kingdom of Great Britain and Northern Ireland, and reiterated his call for increased ambition to bring about a green transition and address the emissions gap.
5. In the ensuing discussion, the Board considered global economic trends, including in international trade, and warned of rising inequalities and a worrying reversal in development gains. Principals reflected on the serious setbacks observed in the area of human rights, which had been partly exacerbated by the COVID-19 pandemic, and expressed concern about global disparities becoming more entrenched as a result of widening vaccine inequity.



6. It was also noted that global supply chain disruptions and rising inflation could further exacerbate inequalities. Principals reaffirmed their commitment to working in partnership within and beyond the United Nations system to support economic recovery and mitigate the negative impacts of the COVID-19 pandemic. The Board was also provided with an overview of the status of nuclear non-proliferation efforts.

III. Segment 2 – measuring progress beyond gross domestic product

7. Since its adoption as a standard tool for measuring a country's production capacity and economic growth at the Bretton Woods conference in 1944, GDP has increasingly been used as a proxy for both economic and general welfare. However, because of its limited focus on economic output, GDP does not incorporate key indicators of quality of life, such as health and education, or negative externalities resulting from production, such as pollution. Moreover, it also fails to capture the value created by the informal and care economies, as well as the "free" goods and services provided by nature and by the digital economy. The limitations of GDP as a measuring tool have become even more apparent in the aftermath of the financial crisis of 2008 and in the light of the COVID-19 pandemic.

8. Opening the discussion, the Secretary-General reiterated the call he had made in the report entitled "Our Common Agenda" ([A/75/982](#)) to introduce new measures of economic prosperity and progress beyond GDP. He reminded the Principals that this would directly support the implementation by 2030 of target 17.19 of the Sustainable Development Goals (By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries).

9. Outlining some of the limitations of GDP as a measure of societal progress and well-being, such as those relating to the environment and inequalities, as well as of a country's financial resilience, the Secretary-General noted that the continued use of GDP as the sole indicator of progress could be a serious obstacle to an equitable, inclusive recovery from the pandemic and to the achievement of the Sustainable Development Goals.

10. The Board heard briefings from the following three external speakers on the limitations of GDP as a measure of progress: the former Chief Statistician and Director of the Statistics Division of the Organisation for Economic Co-operation and Development, Martine Durand; the Professor Emeritus of Economics at Cambridge University, Sir Partha Dasgupta; and the co-founder and Executive Director of the Instituto Igarapé, Ilona Szabó de Carvalho.

11. The external speakers addressed the risk of developing and implementing unsound policies as a result of inaccurate measurements, and highlighted the economic and societal value of key natural, social and digital assets that were not captured by GDP. There was a disconnect between current measures of economic growth and the perception of progress as a more holistic concept. One number could not capture the full range of well-being; a dashboard approach that included measures concerning production, well-being and sustainability would be more appropriate. Such an approach would involve improving existing measures and investing in the development of new ones.

12. It was suggested that the environment, natural assets, risks and resilience factors should be considered as areas for inclusion. Measures of quality of life – including housing, work-life balance and health – and inequalities, along with unpaid household

work, the informal economy and globalized production, were also discussed. Digital assets and the digital economy also needed to be better captured.

13. The intergenerational dimension, particularly of natural assets, was stressed. Natural capital was missing in economic accounting and was not fully taken into consideration by institutions, resulting in a huge underestimation of natural assets and their value and use. It was noted that the miscalculation of natural capital was mainly due to its mobility and, often, its invisibility, and it would be beneficial to update economic models of growth, development and poverty to take into account natural capital.

14. Lastly, it was noted that, following the rapid expansion of data capturing and processing capability, an increasing amount of the world's economic output had become reliant on the production, export, import or application of data. However, the global digital economy remained widely unregulated, and the economic value generated in the digital domain had not been accurately reflected, as many services, assets and externalities were not measured accurately. Moreover, only a handful of large companies and countries had been benefiting from the data-driven revolution, thus threatening to further exacerbate existing inequalities.

15. In the ensuing discussion, CEB members highlighted key points that could contribute to a credible and practical concept of "beyond GDP", which would include measures that would complement GDP so as to provide a more comprehensive understanding of progress and well-being.

16. Several members stressed that GDP did not reflect social aspects of well-being, nor did it distinguish between the quantity and quality of the goods produced. Moreover, goods and services without a market price in the formal economy, such as unpaid domestic work, were not captured in GDP, thereby resulting in an underestimation of real production in the economy and, in particular, of the contribution of women to the economy.

17. CEB members reiterated that failing measures led to failing policies that damaged the climate, nature and biodiversity and that could further exacerbate existing inequalities within and across countries, particularly affecting the poor, who relied most on natural assets. While the reliance on GDP as a driver of public policy had resulted in a significant misallocation of resources, it was also underlined that using GDP was an expression of the current political economy; there were implied political choices behind the concept of GDP.

18. Several Board members urged the development of a comprehensive approach to governing the data-driven digital economy and regulating digital platforms. A whole value chain was driven by personal data, which had a value that was not being captured and for which individuals were not being compensated, with developing countries being particularly disadvantaged in that regard.

19. Plenty of complementary models to GDP had been developed; the need for a coordinated approach to consider how complementary measures could be best utilized was recognized. The United Nations system could support Member States in accelerating progress to implement such measures, including by scaling up environmental and economic accounting.

20. It was suggested that governing international data flows was a key area for future action by the United Nations system. A first step might be the development of a universal definition of the "digital economy", which would allow for comparable estimates of the size of the digital economy across countries. It was also suggested that the United Nations system could use the Summit of the Future proposed in the "Our Common Agenda" report to advocate the use of data as a global public good.

21. Several Principals acknowledged that the adoption by the Statistical Commission of the System of Environmental-Economic Accounting had presented a significant turning point, but stressed that additional work was needed to develop the capacities and tools for ensuring its implementation and for further incorporating it into national accounting systems. The United Nations system could support Member States in implementing the agreed framework and by informing relevant policymaking processes. It was suggested that the United Nations system could develop a communication and advocacy tool for “beyond GDP”, in cooperation with regional organizations and civil society, as well as provide capacity-building support to Member States to encourage the adoption of complementary measures, such as the System of Environmental-Economic Accounting.

22. Board members stressed that it was imperative to overcome the dysfunctional relationship between nature and the economy and to ensure that spending money on natural capital was seen as an investment, rather than as an expenditure. It was noted that some countries were experimenting with a biannual stocktaking of natural capital wealth, which could be done globally and in a coordinated manner. More investments in sustainable wealth, especially human and renewable natural assets, were needed. It was also noted that Governments should consider creating policy incentives to protect and increase the value of well-being, for example by adjusting pricing in support of socially beneficial assets and increasing the cost of those with negative externalities.

23. In his concluding remarks, the Secretary-General expressed his appreciation for the rich discussion, which he viewed as being an excellent starting point for moving forward with addressing the complex matter of “beyond GDP”. He asked each entity to take stock of existing products related to measurements beyond GDP and to consider how existing indices or publications could incorporate social, natural and digital elements for greater impact.

Conclusion

24. CEB tasked the High-level Committee on Programmes with developing a United Nations system-wide contribution to “beyond GDP”, with the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Development Programme as co-leads, including an analysis of and proposed recommendations relating to data, policy coherence and capacity development to support Member States in the implementation of the 2030 Agenda for Sustainable Development, in particular target 17.19 of the Sustainable Development Goals.

IV. Other matters

A. Tributes to Board members

25. The Secretary-General welcomed the Secretary-General of the International Civil Aviation Organization, Juan Carlos Salazar; the Secretary-General of UNCTAD, Rebeca Grynspan; the Executive Director of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), Sima Sami Bahous; and the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Martin Griffiths, who were attending a CEB session for the first time in their current roles.

26. The Secretary-General paid tribute to the Director General of the Universal Postal Union, Bishar Hussein; the Director General of the United Nations Industrial Development Organization, Li Yong; the Executive Director of the United Nations Children’s Fund (UNICEF), Henrietta Fore; and the Executive Secretary of the

Economic Commission for Latin America and the Caribbean, Alicia Bárcena, who were attending a CEB session for the last time in their current roles.

B. Endorsement of documents

27. The reports of the High-level Committee on Programmes ([CEB/2021/6](#)) and of the High-level Committee on Management ([CEB/2021/5](#)) on their respective forty-second sessions were endorsed electronically outside of the CEB session. The Secretary-General also welcomed the electronic endorsement by CEB of phase II (towards leadership in environmental and social sustainability) of the Strategy for Sustainability Management in the United Nations System, 2020–2030 ([CEB/2021/2/Add.1](#)), and stressed the importance of United Nations system entities continuing to make efforts to become more sustainable.

C. Date and venue of the forthcoming session

28. The Board members were reminded of the confirmed dates of the CEB first regular session of 2022, 12 and 13 May, which was scheduled to be held in person in Vienna.
