## 12<sup>th</sup> Conference ACN, June 2008, Session 3, (Thursday June 5 morning)

## Session 3 : Beyond GDP, searching for composite indicators - Taking into account environment and sustainable development (thursday 5 June morning)

## Potentialities and limits of an approach in terms of sustainable development indicators ?

## Michel David (IFEN)

The three-pillar approach which is proposed in the Integrated environmental and economic accounting (SEEA) manual is promising. In practice however, the performing of a systemic analysis of a table of sustainable development indicators (SDI) cannot be done with the naked eye. In order to send a synthetic message on sustainable development, some are suggesting instead to use composite indicators resulting from the mean of elementary indicators, such as Environmental sustainable index and Environmental performance index. But we are then dealing with the weighting problem, which is more a matter of norms than of scientific choice.

The data factorial analysis (DFA) can be also fruitful. Thus, it allows to simultaneously visualize countries, indicators and sometimes pillars, or even to use time series for a chronological study of SDIs. DFA is part of a systemic process which makes it possible to send synthetic messages.

However, the relevance for using synthetic SDI tables bears some limitations:

- It is rarely possible to access robust information which would lead to significant comparisons (concepts, annual series...)
- Some indicators are ambivalent, a fact which may induce disputable conclusions
- Structural effects that are often ignored in spatial comparisons explain for a large part the observed discrepancies in "efficiency" between countries.

All of these difficulties point toward giving more weight to methodological information and explanatory notes that would become available by tables and graphs per se, in order to avoid misinterpretations.