

Briefing to UN Members States and Observers

“Update on the possible development of a Multidimensional Vulnerability Index for SIDS”

Monday May 10th

3:00pm – 5:00pm EST.

Mr. Sainivalati S. Navoti, Chief, SIDS Unit DSDG, UNDESA

Reading Notes

The High Representative for LDCs, LLDCs and SIDS, Ms. Fekita ‘Utoikamanu
Excellencies

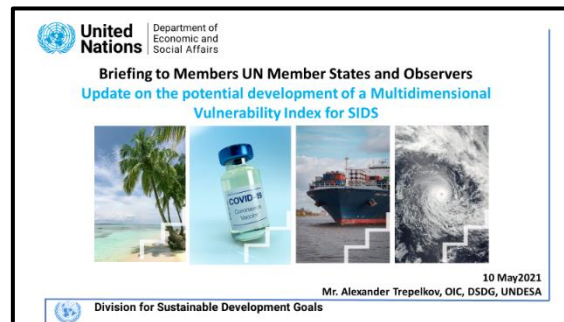
Distinguished Delegates

Ladies and Gentlemen

Introduction

- It is a pleasure to give this Briefing, on behalf of the Secretariat, UNDESA and OHRLLS, on information gathered during the series of Technical Webinars, conducted in pursuit of the implementation of paragraph 8a of UNGA Resolution 75/215
- I have a Power Point Presentation; I request that it be shared on the screen.

Slide 1



Excellencies,

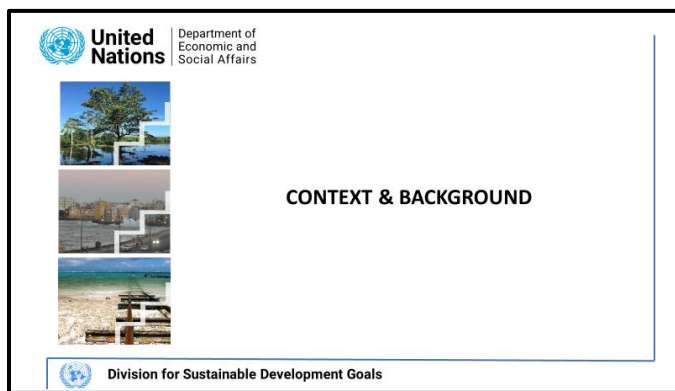
- You will recall that in our briefing held on 17 February, we did mention that we will implement the request of the Assembly, in the most efficient, most inclusive, and most transparent manner.

Slide 2



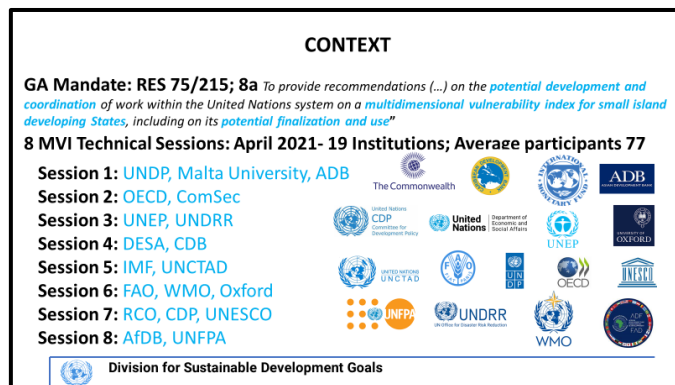
- This presentation is divided into three main parts: The Context & Background, MVI Development and MVI use and users.

Slide 3



- Now on the Context and background

Slide 4



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- It is important that at the outset, we remind ourselves again of the mandate of the General Assembly.
- Paragraph 8(a) of Resolution 75/215 requests the Secretary-General to "provide recommendations (...to UNGA76) on the **potential development**

and coordination of work within the United Nations system on a multidimensional vulnerability index for small island developing States, including on its potential finalization and use”

- The operational word here is “**potential**” – potential development, potential coordination, potential use and potential finalization.

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- A total of 19 Organizations and Institutions were invited to make presentations in the technical webinar sessions.
- Their names, the session in which they presented and their logos, are reflected on the screen.
- The total number of attendees across all 8 webinar sessions was 615.
- I take this opportunity, on behalf of the Secretariat, to extend to each and every participating institution, our sincere thanks and appreciation, for their work, their support and contributions to this important work.


Slide 5




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- Let me now move to the second part of the presentation – the Developments of MVIs

Slide 6



MVI DEVELOPMENT



Multidimensional Indices

- ❖ UNDP
- ❖ UNCTAD
- ❖ CDB
- ❖ CPD
- ❖ COMSEC
- ❖ RCO Network

Comments & Observations

- ❖ ADB
- ❖ University of Malta
- ❖ UNDESA

Thematic Indices and Frameworks

- ❖ AfDB
- ❖ FAO
- ❖ IMF
- ❖ OECD
- ❖ Oxford University
- ❖ UNDRR
- ❖ UNEP
- ❖ UNESCO
- ❖ UNFPA
- ❖ WMO

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- In the course of the Webinar Sessions, it became apparent that there are two categories of work currently being carried out on MVIs.
- Those developing a MVI and; those working on Thematic Indices or Frameworks. These were typically related to their respective mandates.
- The remaining presenters made comments about the MVIs or on how they are using the current CPD's indices to assist guide their work.
- Let me first turn to those who are working on Multi-dimensional Indices

Slide 7

Strategic elements	EVI (2015)		EVI (2015)		EVI (2015)	
	Original	Revised	Original	Revised	Original	Revised
Foundation (easy access/management?)	Yes	Yes	Yes	Yes (proxy indicator)	Yes	Yes (proxy indicator)
Geographical Coverage (Universal/SIDS?)	Universal	Universal	SIDS only but could be rep.	Universal	Universal	Universal
Debt (is debt included?)	No	No	Yes	No	Yes	No
3 Dimensions of S.D	2	2	3	2	3	2
LDC Comparison/ranking (are SIDS more vulnerable than LDC?)	"Of the top 25 most vulnerable countries in MVI, 14 are SIDS. MVI has more SIDS in its top ranks than the EVI"	"SIDS are more vulnerable than other developing countries" (without quantitative measurement)	n/a	"SIDS on average more vulnerable than non-SIDS. SIDS that are LDCs are more vulnerable than SIDS that are non-LDCs"	"SIDS are second to LDC small states most vulnerable group". Also interesting to note -> below	"SIDS are more vulnerable than other countries in the world"
Resilience (is resilience included?)	No	No	Yes <small>Aligns not separable and not defined as such</small>	Considered independently <small>18 and 18pe + 48 SGI</small>	Yes <small>separable Structural and non-structural resilience</small>	Maybe <small>(ongoing)</small>
Shocks (are the effects of past shocks included or only exposure factors?)	Past Shocks & Exposure	Past Shocks & Exposure	Past Shocks & Exposure	Past Shocks & Exposure	Past Shocks & Exposure	Exposure & Past natural disasters only
Focus on SIDS (is the index considering only SIDS specific characteristics or a broader set of factors?)	Broad	Broad	SIDS	Broad	Broad	SIDS
Number of indicators	11	65 <small>(48 for EVI, 18 for PVCC, 7 for EVI)</small>	24	8 <small>(48 SGI)</small>	48 <small>(18 for vulnerability & 18 for resilience)</small>	11

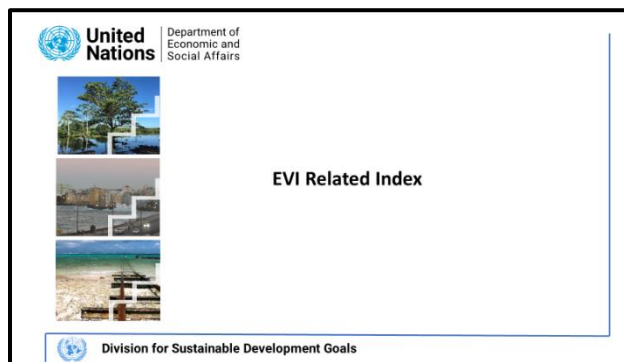
=> "Small states structural vulnerability driven mainly by vulnerability to economic and natural disaster shocks and climate change rather than social and political issues"

Excellencies

- Observing the presentations of the 6 Organizations working on Multi-dimensional Indices, it was apparent, from the start, that 4 of them, founded their work, or have as the basis of their indices, the current economic and environmental vulnerability index of the UN Committee for Development Policy (CDP).
- 2 institutions began their work, on the MVI from original formulations.
- **Excellencies... the details in these current slides, as displayed, are very small – we will be circulating a copy of this presentation and will also be posting it on our Division's website.**
- Another observation relates to the geographical coverage of the indexes; 5 of the 6, had universal coverage, only 1 had its MVI exclusively covering SIDS.
- Another observation was whether debt was factored in. Only 2 of the 6 did

- 2 of the 6 included all the 3 pillars of sustainable development, Economic, Environmental and Social, in their computation. 4 limited theirs only to the Economic and Environmental pillars.
- In terms of vulnerability ranking, majority of the presentations showed SIDS as the most vulnerable groups except one which had SIDS second only to LDCs.
- Other interesting observations includes whether they considered “resilience” in their computation, whether past shocks were considered or whether they limited their assessment to exposure factors.
- It was also interesting to note the number of indicators used. The number used, ranged from 8 to 65.

Slide 8



Excellencies

- I mentioned above that 4 of the 6 organizations currently working on Multi-Dimensional Indexes based their work on the current Economic and Environmental Vulnerability Index (EVI) of the Committee for Development Policy.
- It may therefore be useful for us to take a quick look at the present CDP EVI.

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Committee for Development Policy Economic & Environmental Vulnerability Index (EVI)		
EVI Structure:	The Economic Vulnerability sub-index <ul style="list-style-type: none"> • Share of agriculture (as well as fishing, forestry, and hunting) in GDP • Remoteness and landlockedness • Merchandise export concentration • Instability of exports of goods and services 	The Environmental Vulnerability sub-index <ul style="list-style-type: none"> • Share of population in low elevated coast zones • Share of population living in drylands • Victims of disasters as a proportion of the population • Instability of agricultural production
	=> Focus on exogenous components	
EVI Advantages:	<ul style="list-style-type: none"> - Already Official UN index, - Consistent coverage across countries (143) and time (since 2000) - Methodology agreed and reviewed every three years - Already used to assess the vulnerability beyond the income criterion by some IFIs and MDBs 	
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- The present CDP Economic and Environmental Vulnerability Index (EVI) is structured around two sub-indices, the Economic Sub-Index and the

Environment Sub-index – with each taking into its computation the respective 4 elements that you can see listed in the blue and green shaded areas of your screen.


- From the presentations, we heard, that the advantages of basing work on the CDP EVI includes:
 - That it was already an agreed official UN index;
 - It had consistent coverage across countries (143) and has been around since 2000;
 - The Methodology is agreed and reviewed every three years; and
 - It is already being used to assess the vulnerability beyond the income criterion by some IFIs and MDBs.

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Observations on the EVI

Other Elements Not included in the EVI :

- Social
- Governance
- Ecosystem elements
- Debt
- Trade-openness
- Digital divide
- Migration
- Demographic factors



Other Comments

*•Social and Governance:
Not exogenous ; Small states structural vulnerability driven mainly by external shocks rather than social and political issues.*

•Biodiversity is not a direct measure of the vulnerability. Partly a natural endowment, negligible statistical significance

*•Debt:
SIDS total debt service (% of exports) vs other developing countries*

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- Notwithstanding, the webinar series established that all those who used the CDP’s EVIs as its foundation, had either supplemented or replaced some of the sub-indices with additional criteria.
- These additional factors are those you see listed in the blue shaded box on the screen.
- The pink shaded rectangle reflects the comments or justifications, we heard during the webinar, of why some, favoured or used certain factors and not others.

Slide 11

1. INDICES USING THE EVI AS THEIR BASIS

Variations on the EVI: Considering SIDS Characteristics (EVI+):

3 Institutions: UNDP, UNCTAD, Caribbean Development Bank (CDB)

UNDP	UNCTAD	CDB
<ul style="list-style-type: none"> •International tourism, receipts (percentage of total exports) •Personal remittances, received (percentage of GDP) •Foreign direct investment, net inflows (percentage of GDP) 	<ul style="list-style-type: none"> •An exposure to climate change indicator: FERDI's Physical Vulnerability to Climate Change Index (PVCCI) •An economic exposure indicator: UNCTAD's Productive Capacities Index (to replace the "share of primary sectors in GDP") <p style="font-size: x-small;"><i>Note: UNCTAD's Productive Capacities Index does not appear to be strictly structural (institutions, governance, etc.).</i></p>	<ul style="list-style-type: none"> •covering the 3 dimensions of SD •biodiversity -tree cover, etc. (not only climate change) •debt. •Openness •Migration (only some aspects) •Tourism •Financial flows •Homicide & Gender based violence •Poverty

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Distinguished Delegates,

- This slide shows the additional factors used by some organizations, to build on the CDP's EVI, in the construction of their own MVIs .
- UNDP used *International tourism, remittances* and *Foreign direct investments* indicators;
- UNCTAD used *Climate Change* and *Economic Exposure* indicators; and
- The Caribbean Development Bank used the *3 dimensions of Sustainable Development, biodiversity, debt, Openness, Migration, Tourism, Financial flows, Homicide & Gender based violence and Poverty.*


Slide 12

STRATEGIC ELEMENTS	UNDP	UNCTAD	CDP	ComSec	BCO
Foundation	EVI	EVI	EVI	EVI	Original
Data (easy access/management?)	Yes	Yes	Yes (proxy indicator)	Yes	Yes (proxy indicator)
Geographical Coverage (Universal/SIDS)	Universal	Universal	SIDS only but could be rep.	Universal	Universal
Debt (is debt included?)	No	No	Yes	No	No
3 Dimensions of S.D	2	2	3	2	3
LDC Comparison/ranking (are SIDS more vulnerable than LDC?)	Of the top 25 most vulnerable countries in MVI, 14 are SIDS. MVI has more SIDS in its top ranks than the EVI*	"SIDS are more vulnerable than other developing countries" (without quantitative measurement)	n/a	"SIDS on average more vulnerable than non-SIDS. SIDS that are LDCs are more vulnerable than SIDS that are non-LDCs"	"SIDS are second to LDC small states most vulnerable group." Also interesting to note -> below
Resilience (is resilience included?)	No	No	Yes (Albeit not separable and not defined as such)	Considered independently (IAI and GINpc + 48 SGI)	Yes (separable Structural and non-structural resilience)
Shocks (are the effects of past shocks included or only exposure factors?)	Past Shocks & Exposure	Past Shocks & Exposure	Past Shocks & Exposure	Past Shocks & Exposure	Past Shocks & Exposure
Focus on SIDS (is the index considering only unique sids characteristics or a broader set of factors?)	Broad	Broad	SIDS	Broad	Broad
Number of indicators	11	65 (46 for PCL, 10 for PVCCI, 7 for MVI)	24	8 (48 SGI)	48 (30 for vulnerability & 18 for resilience)

-> "Small states structural vulnerability driven mainly by vulnerability to economic and natural disaster shocks and climate change rather than social and political issues".

- We have concluded those that built their Index based on the CDP's current EVI – those shades in "yellow" on the Screen
- Let's now look at the 2 who built their index as an original piece of work, those shaded in "green"; the Commonwealth Secretariat and the UN Resident Coordinator in SIDS Network.

Slide 13

The Commonwealth Approach - A Universal Vulnerability Index		
UVI Structure:	Structural Vulnerability Index	Resilience Index
	- Economic Vulnerability to External and Natural Shocks Index; exposure and shock - Physical Vulnerability to Climate Change Index (PVCCI) - Internal Violence Index	- Structural Resilience Index (built-up) - Non-structural resilience index (policy performance)
UVI Advantages:	- The matrix allows the isolation of exogenous (structural) factor from non-exogenous (non-structural) ones => allowing for smart resources allocations (key sectors)	
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- The submission by the Commonwealth revealed that their Index is universal in nature meaning that it is an index which includes all countries. SIDS


issues are factored into its computation with all other developing Countries.

- It captures by way of indexation, changes in countries' net vulnerability over time, improving on the traditional static indices. Realizing the importance of resilience in assessing the true magnitude and nature of countries' vulnerability.
- The outcome of the assessments using the Commonwealth formula, places SIDS vulnerability second only to LDCs'.
- Its structure is based primarily to two pillars, the Structural Vulnerability Index and the Resilience Index.
- One advantage of the Commonwealth's matrix is that it allows the isolation of exogeneous (structural) factors from non-exogeneous (non-structural) ones, allowing for smarter resource allocations in key sectors.

Slide 14

SIDS UN Resident Coordinators developed Multidimensional Vulnerability Index

RCO MVI Structure:	Economical Vulnerability	Structural Development Limitations	Environmental Vulnerabilities
	<ul style="list-style-type: none"> -Economic diversification -Trade openness -Income dependency from abroad (remittances, tourism receipts, ODA) -Dependence on strategic imports (food, fuel) 	<ul style="list-style-type: none"> -Physical size -Location -Water scarcity -Arable land 	<ul style="list-style-type: none"> -Frequency of hydrometeorological and seismic disasters -Severity of hydrometeorological and seismic disasters (deaths and damages) -Land area vulnerable
RCO MVI Advantages:	<ul style="list-style-type: none"> - Indicators precisely chosen to reflect SIDS specific vulnerability 		

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- As for the work by the UN Resident Coordinators in SIDS Network, it was observed that indicators employed were chosen to reflect SIDS Specific vulnerabilities.
- Its structure consisted of 3 main pillars, Economic Vulnerability, Structural Development Limitations and Environmental Vulnerabilities.


Slide 15

SIDS UN Resident Coordinators developed Multidimensional Vulnerability Index

Not included (observations based on discussions)

- Social vulnerability
- Migration
- Digital
- Biodiversity
- Debt



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- However, it was observed, based on discussions, that the RC’s work did not include the factors you see reflected on the screen.
- One noteworthy observation is that while providing a large coverage (196 countries), the index does not include vulnerabilities of other categories of developing countries (e.g. non-SIDS LDCs) making it somewhat less universal than its coverage might suggest.

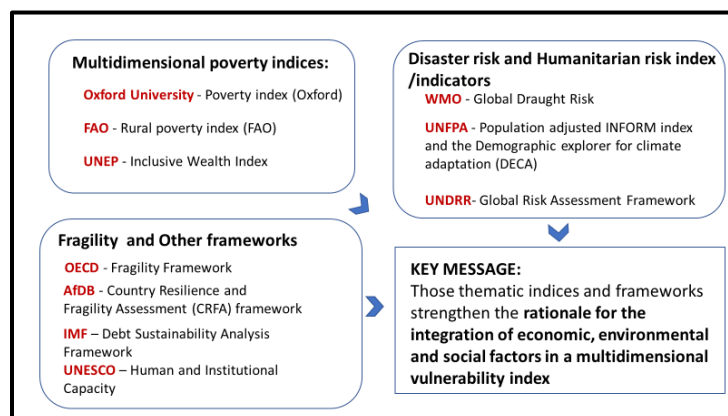
Slide 16



Excellencies

- We have now completed looking at work of those developing Multi-dimensional Indices, let us now take a quick look at the work of organizations who made presentations on “Thematic Indices” and “Framework”, and as I said earlier, mainly in areas related to their mandates.

Slide 17



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- I want to underscore that our time is truly insufficient for a detailed account of the rich, substantive and most informative presentations on the

various “Thematic Indices” and “Frameworks” submitted by the organizations whose names you now see reflected on the screen.

- I again reiterate that their Presentations and the Video recordings of each of our technical webinar sessions, are now available for reading and viewing, on our Division’s Website.

Excellencies

- Each of the 10 presentations made can be classified as falling under one of the main headings as you can see on the screen, that is:
 - The Multi-Dimensional Poverty Indices;
 - The Disaster risk and Humanitarian risk index and or indicators; and
 - The Human, Fragility and Other frameworks
- The main Key Message that was established from these presentations was that the ***“thematic indices and frameworks presented, strengthen the rationale for the integration of economic, environmental and social factors in a multidimensional vulnerability index”***

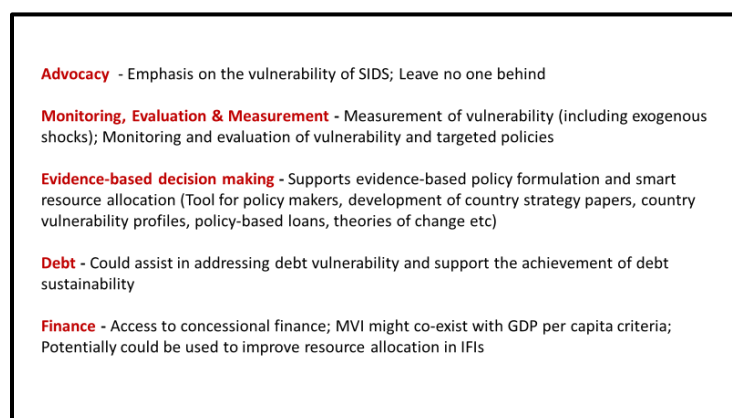
Slide18



Ladies and Gentlemen

- Lets now move to the third and final section of the Brief – the potential Use and Users of MVIs.

Slide19



Excellencies,

- Discussions on the potential use and potential users of the MVI in the Technical Webinar sessions reveals that such a Multi-dimensional Indices can be used for “*Advocacy*”, to emphasize the vulnerability of SIDS and to advance the principle of “Leaving no one behind”
- It can be used for monitoring and evaluation, for measuring and for Evidence based decision making.
- In relation to debt, it could assist in addressing debt vulnerability and support the achievement of debt sustainability; and
- On Finance, it can be used as a tool to access to concessional finance; the MVI might co-exist with GDP per capita criteria; and it potentially could be used to improve resource allocation by the IFIs.

Slide 20



Excellencies,

- That concludes my briefing this afternoon.
- I remind participants of the link on the screen, to the UNDESA, Division for Sustainable Development Website, where you can find a copy of this presentation and all other presentations and video recordings of the technical webinar series
- I thank OHRLLS for organizing this Briefing
- I now yield back the floor.

END