

Eurostat – Unit E.2: Environmental statistics and accounts; sustainable development

30 May 2024

The methodology for assessing the EU Member States status and progress towards SDGs

This document describes in detail the approach applied for the SDG status and progress calculations of EU Member States (MS). The results of these calculations are presented in the <u>SDG country overview</u> on the Eurostat website as well as in the Commission's <u>European Semester country reports</u>. The chapter 'Selection of indicators' outlines the adjustments made for the 2024 assessment in cases when country data are not available for at least two-thirds of the indicators at goal level.

Definitions

The **status** of each SDG in a MS is an aggregation of all the indicators of a specific goal relative to the other MS and the EU average, based on the most recent available data. In contrast, the **progress** score of a MS is based on the average annual growth rates of all assessed indicators in each SDG over the past five years. The progress calculation is identical to the assessment approach used for the EU throughout the EU SDG monitoring report (MR), such as for calculating the EU's aggregated progress at goal level that is presented in the MR synopsis. **In short, a country's status thus refers to a snapshot of its SDG performance relative to all other MS for a single year** (it is important to keep in mind that the most recent year differs between indicators and might also differ between countries for the same indicator, depending on data availability). On the other hand, **a country's progress score is an absolute temporal assessment over the most recent five-year period** that is not influenced by the performance of other MS.

The status calculation requires relative data that are comparable across countries (e.g. in % or per capita), while the progress can be calculated with both relative and absolute data. In a few cases, the status and progress calculations for the same indicator are consequently based on different units (e.g. data in % for the status

calculation, and data in million people for the progress calculation) (1). For the status and progress scores to be based on the same data sources, indicators with only one year of available data are excluded from both calculations.

Calculation of status score

A country's status score of a specific SDG is a composite index encompassing all that goal's indicators, based on the most recent available data. For each indicator, a country's status score is calculated relative to the range of values from the worst to the best performing country, whereby the worst country gets a score of 0 and the best country a score of 100. For each country, the status scores at indicator level are then aggregated at SDG level using the arithmetic mean, and this goal-level score is then put in relation to the EU aggregate status score of the same goal, to show how much (in %) a country's SDG status is above or below the EU average. The status calculation involves the following steps:

Steps at indicator level

- 1) Determination of desired direction: to be able to distinguish between the best and the worst country, it is required to determine whether higher or lower indicator values are better, i.e. whether an indicator should increase or decrease from an SDG point of view. This information is usually available from the EU-level assessments in the MR.
- 2) Checking data availability and comparability: in the next step, it needs to be checked whether the data are available in a relative unit that allows comparing different countries (e.g. in %, per capita, etc.). If this is not the case, it needs to be checked whether relative data can be retrieved from another Eurobase table or calculated manually (e.g. dividing the data by population). Then, the most recent available data (year) needs to be checked for each country, and decided if for individual countries an earlier year needs to be used. For example, it might be the case that for an indicator 2021 data are available for most countries, while for a few countries 2020 data need to be used instead due to missing 2021 values.

In case a country's data availability is significantly worse than for other countries (e.g. most recent data refers to 2011, while most other countries have data up to 2021), this country is excluded from the status calculations (i.e. it is treated like country data for this indicator are not available). In case country data are missing for an indicator (see e.g. the three water quality indicators in SDG 6), the subsequent steps described below are performed on the available data from the remaining countries. No estimates are used in case of missing data for countries.

3) Exclusion of outliers: outliers with extreme values can distort the status calculation, especially for those countries whose rank (based on the data) is very close to the outlier country. Outliers – both on the top and the bottom of the country distribution – thus need to be excluded from the calculation. If outliers are detected, they are assigned the best/worst status score (100 or 0), and the status calculation (see next step) is only performed for the remaining country values. Outliers are identified by means of the interquartile range (IQR) method (2). This method involves calculating the first and third quartiles of the country distribution, with the IQR representing the difference between these two values. The boundaries for identifying outliers are then determined by multiplying the IQR by the factor two and by subtracting/adding these values from/to the first/third quartile, respectively. Values below/above these thresholds are considered outliers and are excluded during indexing, meaning that countries identified as outliers with this method are assigned the value of the next best/worst country for the indexing. Table 1 illustrates the IQR calculations using the indicator sdg 01 31 'Severe material and social deprivation rate' (SMSD) as example.

Table 1: IQR calculations for SMSD (sdg_01_31)

| Values | Description |
|--------|---|
| 2.7 | First quartile (Q1) |
| 7.0 | Third quartile (Q3) |
| | Lower bound (= Q1 minus two times the difference between Q1 and |
| - 6.0 | Q3) |
| 15.6 | Upper bound (= Q3 plus two times the difference between Q1 and Q3) |
| 2 | # Outliers identified (here: Romania and Bulgaria with values of 24.3 and 18.7) |

4) Calculation of countries' indicator status score: after outliers in the country distribution have been identified and excluded, the indicator status scores of the countries are calculated with a min-max-normalisation approach:

Eq. 1a
$$X_{ic} = \frac{x_{ic} - min_i\{x_{ic}\}}{max_i\{x_{ic}\} - min_i\{x_{ic}\}} * 100$$

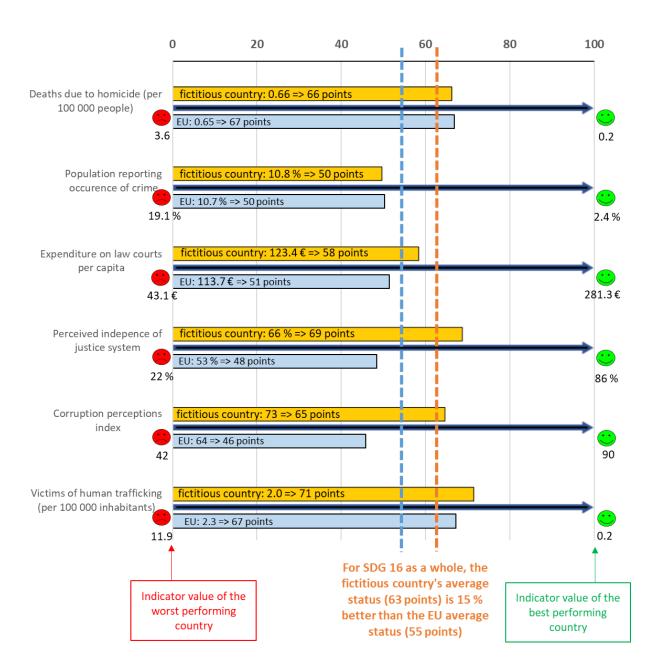
Eq. 1b
$$X_{ic} = \frac{max_i\{x_{ic}\} - x_{ic}}{max_i\{x_{ic}\} - min_i\{x_{ic}\}} * 100$$

where X_{ic} is the normalised value of indicator x_{ic} , with i being the indicator, c the country, and max_i and min_i being the maximum and minimum values of the indicator across all MSs for the most recent year of available data. In line with Step 1 (see above), equation (1a) is used when higher indicator values are better (e.g. employment rate), while equation (1b) is used when lower values are better (e.g. greenhouse gas emissions per capita). Indicator status scores for the aggregate EU level are calculated in the same way, using the EU aggregates for each indicator from the Eurostat database, and are later used (see step 6 below) to calculate a country's status relative to the EU status. For each indicator, the status scores range from 0 (worst country) to 100 (best country).

Steps at goal level

- **5) Calculating average status score at goal level:** for each country (and for the EU aggregate), the average status at goal level is calculated as the simple (arithmetic) mean over all indicators of that goal (including multi-purpose indicators). The status at goal level is only calculated if country data are available for at least two-thirds of this goal's indicators. If this share is below this threshold, the respective SDG is not shown in the country's status/progress chart.
- **6) Calculating status relative to EU:** in the final step, a country's status score at goal level is divided by the EU's status of the same goal. This results in a figure expressed in % that illustrates how much a country's goal status is above or below (i.e. better or worse than) the EU status. In the example shown in Figure 1, the fictitious country's status for SDG 16 is 15 % above (i.e. better than) the EU.

Figure 1: Example calculation of the status score for SDG 16 for a fictitious country



Note: the best and worst country values exclude outliers identified by means of the interquartile range (IQR) method.

Calculation of progress score

Progress is an aggregate score of the short-term (five-year) growth rates for all of the indicators assessed for each goal. The methodology uses a scoring function and is identical to the calculation of progress at EU level for indicators without quantitative targets, resulting in values between -5 (strong unsustainable trends) and +5 (strong sustainable trends), with 0 meaning no movement in either direction. It is important to note that the progress score calculation at MS level does not take into account any target values, since most EU policy targets are only valid for the aggregate EU level. The progress calculation involves the following steps:

Steps at indicator level

- 1) Determination of desired direction: this step is identical to step 1 of the status calculation (see above) and is based on the EU-level assessments in the MR.
- 2) Checking data availability: in the next step, it needs to be checked whether a sufficiently long time series is available for each country to perform the growth rate (CAGR) calculation (see below), and whether the comparability of data within a country's time series is affected by breaks in time series. As a result of these checks, the time series used for a country might differ from other countries, for example using 2015-2020 data instead of 2016-2021 (in case the available time series ends in 2020 instead of 2021), or using a longer or short time series (e.g. past 3 or 4 years, or past 6 or 7 years (3)) to account for breaks or data gaps in the time series.

In contrast to step 2 for the status calculation (see above), the comparability of data between countries (i.e. using relative data) is not an issue for the progress calculation (and therefore, also the detection of outliers in the MS distribution is not required), since the calculation is performed independently for each country. Instead, the progress calculation usually uses the same data (unit) that is used for the indicator evaluation at EU level. This means that for some indicators, the progress score calculation is based on a different unit than the status calculation. For example, for primary and final energy consumption (sdg_07_10 and sdg_07_11), the progress calculation is based on absolute data (million tonnes of oil equivalent), whereas the status calculation is based on relative data (tonnes of oil equivalent per capita).

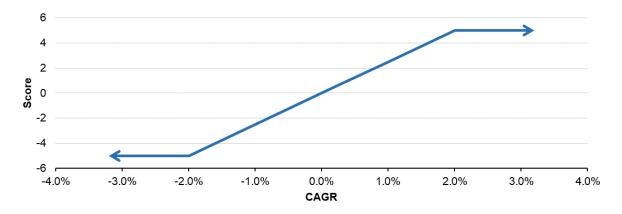
3) Calculating the compound annual growth rate (CAGR): once the two data points for the progress calculation have been fixed for each country, the compound annual growth rate (CAGR) is calculated with the following formula:

$$CAGR = \left(\frac{y_t}{y_{t_0}}\right)^{\frac{1}{t-t_0}} - 1$$
Eq. 2

where t_0 = base year, t = most recent year, y_{t0} = indicator value in base year, y_t = indicator value in most recent year. At this stage, some countries' progress scores need to be manually adjusted, for example when a country has already achieved the maximum possible value of an indicator (e.g. 100 % of young children participating in early childhood education) and has maintained this level over time. Also, the CAGR calculation is not possible in case the value in the base year (t_0) is zero, and it delivers wrong results when one of the values is negative and the other one is positive. In all these cases, the CAGR is manually set to + 100 % or – 100 %, depending on the desired direction of an indicator (as defined in step 1).

4) Transformation of growth rates into scores: the calculated indicator growth rates are then transformed using the transformation function illustrated in Figure 2. This scoring function is identical to the one used for calculating aggregated goal-level scores at EU level (for indicators without targets). The scoring function is a linear transformation, with cut-off points set at growth rates (CAGR) of 2.0 % and -2.0 %. Indicators with a growth rate of exactly 0.0 % receive a score of 0. Indicators with growth rates of 2.0 % or above in the desired direction receive a score of +5, indicators with growth rates of 2.0 % or above in the wrong direction receive a score of -5.

Figure 2: Scoring function for indicators without quantitative target



Steps at goal level

5) Calculating average progress score at goal level: for each country, the average progress at goal level is calculated as the simple (arithmetic) mean over all indicators of that goal (including multi-purpose indicators). The progress at goal level is only calculated if country data are available for at least two-thirds of this goal's indicators. If this share is below this threshold, the respective SDG is not shown in the country's status/progress chart. Figure 3 presents an example of the calculation of the progress score for a fictitious country and a fictitious goal containing four indicators (for all of which an increase is the desired direction). It shows how the indicator growth rates are transformed into scores between +5 and – 5 that are then averaged at SDG level to calculate a country's goal-level progress score.

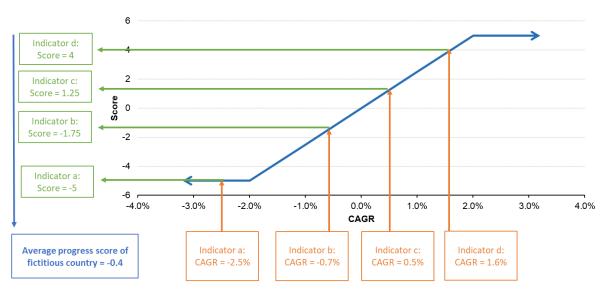
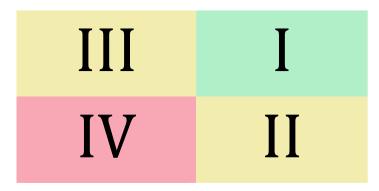


Figure 3: Example calculation of the progress score for a fictitious country

Interpretation of status/progress charts

In the <u>SDG country overview</u> and in the Commission's <u>European Semester country reports</u>, countries' progress scores are plotted against their status scores (for each goal for which at least two-thirds of the indicators have data for the country). The vertical axis shows the status of SDGs in the depicted country within the distribution of Member States and relative to the EU average. SDGs in the upper part of the graph have a status above the EU average, and for SDGs in the lower part the status is below the EU average. The right side of the graph displays SDGs where the country has made progress whereas the left side indicates movements away from the SDGs. This results in four "quadrants" which can be characterised as shown in Figure 4:

Figure 4: Interpretation of status/progress charts



- i. The country is progressing towards these SDGs, and on average the indicator values are above the EU average.
- ii. The country is progressing towards these SDGs, but on average the indicator values are below the EU average.
- iii. The country is moving away from these SDGs, but on average the indicator values are above the EU average.
- iv. The country is moving away from these SDGs, and on average the indicator values are below the EU average.

Adjustments applied to the status/progress calculations for the 2024 SDG monitoring exercise

Indicator selection

As mentioned above, the aggregation of the status and progress calculations at goal level are only performed if for a country data are available for at least two-thirds of the indicators of that goal (including multi-purpose indicators). As some indicators do not have country-level data, the selection of indicators for the status/progress calculations at MS level has been adjusted and is thus not necessarily identical to the selection of indicators for the EU-level assessment shown in the MR. In the following, the exceptions applied to the status/progress calculations for the MR 2023 are described:

- **SDG 2:** country data for the **farmland bird index** from table env_bio2 are included in the status/progress calculations (MPI from SDG 15).
- SDG 4: the indicator Share of individuals having at least basic digital skills (sdg_04_70) is excluded from both the status and progress calculations since it only has data for two years (2021 and 2023). It is however still considered for calculating data availability against the threshold as country data is available. For the indicator Low achieving 15-year-olds in reading, mathematics or science (sdg_04_40), only one of the three subject categories 'mathematics' is used for the progress and status calculation.
- SDG 5: the indicator Physical and sexual violence to women (sdg_05_10) is excluded from both the status and progress calculations since it only has data for a single year (2012). It is however still considered for calculating data availability against the threshold as country data is available.
- SDG 10: the indicators Disparities in GDP per capita (sdg_10_10), Disparities in household income per capita (sdg_10_20) and Asylum applications (sdg_10_60) are excluded from the calculations and are also not considered for calculating data availability against the threshold. For the first two indicators (sgd_10_10 and sdg_10_20), this is because the calculation of disparities is only relevant at EU level (since the indicators monitor inequalities between countries). The third indicator (sdg_10_60) is excluded because the desired direction is unclear (it is also not evaluated at EU level for the same reason).

- SGD 12: the indicator Consumption of hazardous chemicals (sdg_12_10) is excluded from the calculations and also not considered for assessing data availability against the threshold, since it does not have country-level data.
- SDG 14: the indicators Estimated trends in fish stock biomass
 (sdg_14_21), Estimated trends in fishing pressure (sdg_14_30) and
 Global mean surface seawater acidity (sdg_14_50) are excluded from the
 calculations and also not considered for calculating data availability against
 the threshold. This is because the scope of the data is not applicable to
 individual countries.
- SDG 15: the indicators Common bird index (sdg_15_60) and Grassland butterfly index (sdg_15_61) are excluded from the calculations and also not considered for calculating data availability against the threshold, since they do not have country-level data.
- SDG 17: the indicator EU financing to developing countries (sdg_17_20) is excluded from both the status and progress calculations since it only has absolute data (EUR million) that are not comparable across countries. It is therefore also not considered for calculating data availability against the threshold.

Special cases for units used

In addition to above-mentioned exceptions, the following table lists the indicators for which different units are used for the status and progress calculations (due to the EU-level assessment being based on an absolute unit that is not comparable between countries).

Table 2: Indicators with special cases for units used

| Indicator | Absolute unit for progress calculation | Relative unit for status calculation |
|--|--|--------------------------------------|
| Persons at risk of poverty or social exclusion (sdg_01_10) | Million persons | % of population |
| Persons at risk of monetary poverty after social transfers (sdg_01_20) | Million persons | % of population |
| Severe material and social deprivation (sdg_01_31) | Million persons | % of population |

| Indicator | Absolute unit for progress calculation | Relative unit for status calculation |
|--|--|--|
| Persons living in households with very low work intensity (sdg_01_40) | Million persons aged less than 65 | % of population aged less than 65 |
| Agricultural real factor income per annual work unit (AWU) (sdg_02_20) | Chain-linked volumes, index 2015=100 | EUR, chain linked volumes (2015) |
| Government budget appropriations or outlays on R&D (sdg_02_30) | Million euro | Euro per inhabitant |
| Ammonia emissions from agriculture (sdg_02_60) | Million tonnes | Kg per hectare of utilised agricultural area |
| Primary energy consumption (sdg_07_10) | Million tonnes of oil equivalent (Mtoe) | Tonnes of oil equivalent (Toe) per inhabitant |
| Final energy consumption (sdg_07_11) | Million tonnes of oil equivalent (Mtoe) | Tonnes of oil equivalent (Toe) per inhabitant |
| Patent applications to the European Patent Office (sdg_09_40) | Number | Number per million inhabitants |
| Soil sealing index (sdg_11_32) | Index 2006=100 | % of total surface |
| Road traffic deaths (sdg_11_40) | Number | Rate |
| Premature deaths due to exposure to fine particulate matter (PM _{2.5}) (sdg_11_52) | Number | Rate |
| Raw material consumption (sdg_12_21) | Thousand tonnes | Tonnes per inhabitant |
| Consumption footprint (sdg_12_31) | Planetary boundaries | Per inhabitant |
| Gross value added in environmental goods and services sector (sdg_12_61) | Million euro | % of GDP |

| Indicator | Absolute unit for progress calculation | Relative unit for status calculation |
|---|--|--|
| Net greenhouse gas emissions (sdg_13_10) | Index 1990 = 100 | Tonnes per inhabitant |
| Net greenhouse gas emissions from land use and forestry (sdg_13_21) | Million tonnes of CO ₂ equivalent | Tonnes of CO ₂ equivalent per km ² |
| Climate-related economic losses (sdg_13_30) | Million euro | Euro per inhabitant |
| Contribution to the international 100bn USD commitment on climate related expending (sdg_13_50) | Million euro | % of GNI (⁴) |
| Marine waters affected by eutrophication (sdg_14_60) | Km² | % of EEZ |
| Drought impact on ecosystems (sdg_15_42) | Km² | % of country area |
| Estimated severe soil erosion by water (sdg_15_50) | Km² | % of the non- artificial erodible area |
| General government total expenditure on law courts (sdg_16_30) | Million euro | Euro per inhabitant |
| EU imports from developing countries (sdg_17_30) | Million euro | % of extra-EU imports (⁵) |

Example of status & progress calculations for a country

This section uses the case of Germany to illustrate the status and progress calculations described above for SDG 2, using the data featured in the MR 2022. Table 3 shows the data for Germany used for the status and progress calculations, including the best and worst country values used for in the relative status assessment (including specification of outliers that were excluded before the calculations).

Table 3: Data for status & progress calculations for Germany for MR 2022 country charts

| Indicator | Most recent year for DE (t) | t-5 years for DE (t ₀) | Value for DE in (t) (absolute / relative) | Value for DE in (t ₀) (absolut e / relative) | Best country (relative unit only) | Worst country (relative unit only) |
|--|-----------------------------|--|--|--|--|---|
| Obesity rate (sdg_02_10) | 2019 | 2014 | 19.0 % | 16.9 % | 10.9 % (Romania) | 28.7 % (Malta) |
| Agricultural factor income (sdg_02_20) | 2020 | 2015 | 28 934 EUR per AWU | 23 815 EUR per AWU | 42 096 EUR per AWU (Netherlan ds) | 3 868 EUR per AWU (Romania) |
| Gov. support to agri R&D (sdg_02_30) | 2020 | 2015 | 1 028.53 mio EUR / 12.4 EUR per capita | 812.92 mio EUR / 10.0 EUR per capita | 18.7 EUR per capita (Ireland) = outlier → 15.5 EUR per capita (Denmark) used instead | 0.4 EUR per capita (Luxembo urg) |
| Organic farming (sdg_02_40) | 2020 | 2015 | 9.59 % | 6.34 % | 25.3 % (Austria) in 2019 | 0.6 % (Malta) |
| Pesticides (sdg_02_52) | N/A | N/A | N/A | N/A | 62 index (Luxembou rg) | 135 index (Bulgaria) = outlier → 118 index (Latvia) used instead |
| Ammonia emissions (sdg_02_60) | 2019 | 2014 | 29.9 kg/ha | 32.9 kg/ha | 7.2 kg/ha (Bulgaria) | 105.3 kg/ha (Malta) = outlier → 58.9 kg/ha (Netherlan ds) used instead |

| Indicator | Most recent year for DE (t) | t-5 years for DE (t ₀) | Value for DE in (t) (absolute / relative) | Value for DE in (t ₀) (absolut e / relative) | Best country (relative unit only) | Worst country (relative unit only) |
|---|-----------------------------|--|--|--|--|---|
| Nitrate in groundwater (sdg_06_40) → smoothed 4-year average used | 2019 | 2014 | 27.16 mg | 24.61 mg | 4.64 mg (Estonia) | 63.4 mg (Cyprus) = outlier → 58.17 mg (Malta) = outlier → 30.49 mg (Bulgaria) used instead |
| Soil erosion (sdg_15_50) | 2016 | 2010 | 4150.5 km ² / 1.3 % | 4391.7 km² / 1.37 % | 0 % (Denmark & Estonia) | 24.93 % (Italy) = outlier → 18.99 % (Slovenia) = outlier → 15.5 % (Austria) used instead |
| Farmland bird index (sdg_15_60 / env_bio2) | 2016 | 2011 | 84.37 index | 80.33 index | 107.37 index (Ireland) | 53.67 index (Belgium) in 2019 |

Based on the data in the table above, the following status and progress scores are calculated for Germany per indicator (note that if both absolute and relative data are given in the table above, the CAGR calculations are based on the absolute values, while the status calculations use the relative data):

• Obesity rate (sdg_02_10)

- \circ CAGR (2014-2019) = 2.4 % → Progress score = -5.00
- Status score (2019) = 54.5

Agricultural factor income (sdg_02_20)

 \circ CAGR (2015-2020) = 4.0 % → Progress score = 5.00

- Status score (2020) = 65.6
- Gov. support to agri R&D (sdg_02_30)
 - CAGR (2015-2020) = $4.8 \% \rightarrow \text{Progress score} = 5.00$
 - Status score (2020) = 79.5
- Organic farming (sdg_02_40)
 - CAGR (2015-2020) = 8.6 % \rightarrow Progress score = 5.00
 - Status score (2020) = 36.3
- Pesticides (sdg_02_52)
 - CAGR (2014-2019) = $N/A \rightarrow Progress score = N/A$
 - Status score (2019) = N/A (i.e. indicator is excluded for status & progress calculations for this country)
- Ammonia emissions (sdg_02_60)
 - CAGR (2014-2019) = -1.9 % \rightarrow Progress score = 4.74
 - Status score (2019) = 56.1
- Nitrate in groundwater (sdg_06_40)
 - CAGR (2014-2019) = 2.0 % → Progress score = -4.98
 - Status score (2019) = 12.9
- Soil erosion (sdg_15_50)
 - CAGR (2010-2016) = -0.9 % → Progress score = 2.34
 - Status score (2016) = 91.6
- Farmland bird index (sdg_15_60 / env_bio2)
 - CAGR (2011-2016) = 1.0 % \rightarrow Progress score = 2.47
 - Status score (2016) = 57.2

The calculation of the goal-level scores using the arithmetic mean over all abovementioned indicators results in the following SDG 2 scores for Germany: SDG 2 progress score: 1.82

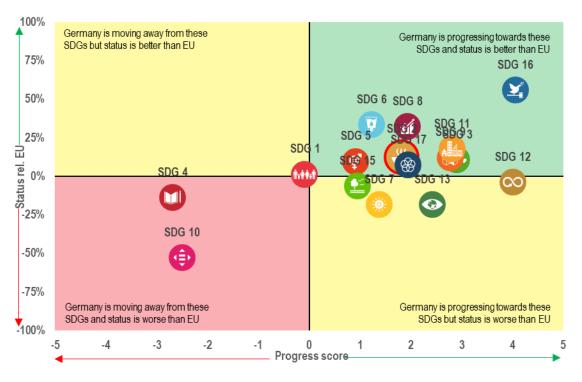
SDG 2 status score: 56.7

Putting Germany's status score in relation to the EU aggregate status of the same goal (50.5) results in the following:

SDG 2 status relative to EU: 12.3 %

The progress and status (relative to EU) scores are reflected in the SDG 2 position in Germany's country graph in Figure 5 (SDG 2 is visually highlighted).

Figure 5: Germany's status & progress scores (MR 2022)



Notes

(¹) This is because the progress calculation at country level uses the same unit that is used for the indicator assessment at EU level, which in several cases refers to absolute data that are not comparable between countries.

- (2) See Hoaglin, D. C., Iglewicz, B., & Tukey, J. W. (1986). Performance of Some Resistant Rules for Outlier Labeling. *Journal of the American Statistical Association*, 81(396), 991-999 and Hoaglin, D. C., & Iglewicz, B. (1987). Fine-Tuning Some Resistant Rules for Outlier Labeling. *Journal of the American Statistical Association*, 82(400), 1147-1149.
- (3) Longer time series are used in cases where the data collection does not take place annually (e.g. for the indicator sdg_15_50 'Area at risk of severe soil erosion by water', the two most recent available data are from 2010 and 2016) or where data gaps of more than five years exist in a country's time series.
- (4) Data in this unit are not available in table sdg_13_50 but have been calculated manually using GNI data from table nasa_10_nf_tr.
- (5) Data in this unit are not available in table sdg_17_30 but have been calculated manually using data on extra-EU imports per country from ext_lt_intratrd.