

Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs) 2025 Comprehensive Review Proposal Submission Form

Background

In accordance with [GA Resolution 71/313](#), the Inter-Agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs) will conduct a Comprehensive Review of the global indicator framework in 2024 with the aim to submit its proposed revisions, replacements, additions and deletions to the 56th session of the United Nations Statistical Commission in March 2025 for its consideration.

Types of proposal

Proposals will fall into one of these four groups:

- A. **Replacements:** a proposal to replace an existing indicator for an SDG target with a different indicator; will be considered if the existing indicator does not map well to the target or does not track the target well.
- B. **Revisions/adjustments:** a proposal to revise or adjust an existing indicator for an SDG target; will be considered if the current indicator does not map well to the target or does not track the target well.
- C. **Additions:** a proposal to add an additional indicator for an SDG target; may be considered only in exceptional cases when a crucial aspect of a target is not being monitored by the current indicator(s) or to address a critical or emerging new issue that is not monitored by the existing indicators.
- D. **Deletions:** a proposal to delete an existing indicator for an SDG target; may be considered when a tier II indicator has not been able to submit any data to the global SDG monitoring or is proven to be challenging for countries to implement. *A proposal to delete an indicator will not be considered if it is the only indicator monitoring the corresponding target.*

Guideline/checklist

To help prepare the proposal, below are some guiding principles and helpful and/or required information. The IAEG-SDGs will not be able to properly review and consider submissions without the required information.

- The review aims to **maintain the same number of indicators** currently in the framework to not alter significantly the original framework, which is already being implemented in most countries and to not increase the reporting burden on national statistical systems.
- A proposed indicator must have an agreed methodology (tier III indicator proposals will not be considered) **and data available for at least 40% of countries and of the population across the different regions where the indicator is relevant** and be suitable for global monitoring.
- The addition of a sub-indicator within an existing indicator is discouraged as it adds to the reporting burden.
- Each submission proposal must include:
 - Background and rationale for the indicator proposal
 - Information on how and when the methodology has become an international standard and who is the governing body that approves it (*except for proposals to only delete an indicator*)
 - Link to available data and/or link to where data can be located (*except for proposals to delete an indicator*)
 - Completed metadata template (*except for proposals to only delete an indicator*). The metadata of proposed revisions/adjustments must be submitted with the **track changes**.
- Except for proposals to delete an indicator, it is highly recommended to consult the appropriate custodian agency(ies) prior to submitting the proposal to use their indicator.

For more information on the 2025 Comprehensive Review process, please refer to the following [webpage](#).

**ALL PROPOSALS MUST BE SUBMITTED ONLINE. PLEASE SUBMIT THE COMPLETED FORMS AT:
bit.ly/2025_review BY 30 APRIL 2024**

If you encounter issues with the online form, please contact the IAEG-SDGs Secretariat (statistics@un.org).

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To be completed by and submitted to the Secretariat for the IAEG-SDGs review during the 2025 Comprehensive Review. All fields are required unless otherwise indicated; incomplete forms will not be considered. *Please use one submission form per proposal. If you have more than one proposal, please submit one form for each proposal.*

Submitter information

Please enter information about the focal point of this submission.

| | |
|---------------------------|----------------------------------|
| Full Name: | Click or tap here to enter text. |
| Agency/organization name: | OXFAM |
| Email address: | Click or tap here to enter text. |

Please list other contacts and other agencies/organizations (if any) associated with this submission below.

| Full Name | Agency/organization name: | Email address: |
|----------------------------------|---------------------------------------------|----------------------------------|
| Click or tap here to enter text. | Development Finance International | Click or tap here to enter text. |
| Click or tap here to enter text. | Centre for International Cooperation at NYU | Click or tap here to enter text. |
| Click or tap here to enter text. | UNAIDS | Click or tap here to enter text. |

Type of proposal

1. This is a proposal for a(n): (please select only one):

- REPLACEMENT:** to replace an existing indicator for an SDG target with a different indicator.
- REVISION/ADJUSTMENT:** to revise or adjust an existing indicator for an SDG target.
- ADDITION:** to add an additional indicator for an SDG target.
- DELETION:** to delete an existing indicator for an SDG target.

2. Please enter the SDG Target this proposal is for (please enter the SDG target number. For example, 11.c):

10.1

3a. For “REPLACEMENT” or “DELETION” proposals, please enter the indicator name **and** number you are proposing to replace or delete:

Click or tap here to enter text.

3b. For “ADDITION” proposals, please enter the name of the indicator you are proposing to add:

Palma ratio

3c. For “REVISION/ADJUSTMENT” proposals, please enter the existing indicator name **and** number you are proposing to revise/adjust:

Click or tap here to enter text.

Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs) 2025 Comprehensive Review Proposal Submission Form

Overview of proposal

4. Background and rationale for the proposal (*please provide a summary of the rationale for the proposal*)

Background: the need to strengthen SDG 10

In 2015, the United Nations (UN) made a significant move by including inequality Sustainable Development Goal (SDG) 10, aiming to draw attention to this issue worldwide. Indeed, the theme of the SDGs is leaving no one behind. The UN Secretary-General has [reported](#) that inequality is one of the SDGs with the least progress. The International Monetary Fund (IMF) also noted that income [inequality has only been improving very slowly](#) over the past two decades. Indeed, the world is experiencing growing extreme inequality within and between countries, exacerbated by global challenges like COVID-19, the cost-of-living crisis, and the climate emergency.

The current indicator does not measure inequality well.

The overall objective of the SDG10 is to reduce inequality both within and between countries. Specifically, indicator 10.1.1, popular known as Shared Prosperity, intended to measure income inequality. However, this indicator falls short of being an inequality indicator in that: 1) It does not measure income distribution 2) The indicator does not track trends in top incomes and 3) It is not possible to calculate shared prosperity at the global level as it is at the national level.

As a result of these problems, the Shared Prosperity indicator is widely seen as failing to track reductions in inequality well enough in line the overall objective of Goal 10. In particular, [it has led to an overoptimistic assessment of whether countries are making progress in reducing inequality](#) (given the lack of supporting analytical studies) from calculating the potential impact of policy changes on shared prosperity and inequality. In addition, the indicator has lacked an ultimate target goal, such as increasing the incomes of the bottom 40% by X% more than the average income. As a result, we are proposing to supplement the current indicator for target 10.1.1 with Palma ratio.

Rationale for Proposed Indicator 10.1.3. The Palma ratio of income (ratio of share of income of top 10% divided by share of income of bottom 40%), with a target level of 1

Given the problems with the current shared prosperity indicator, the Palma ratio can provide crucial additional evidence on why the shared prosperity target 10.1 is not being met, by looking at relative trends in income between the poorest and richest citizens. This is vital because the income of the middle deciles tends to remain largely stable at around half of total income, and [inequality is mainly driven by changes in the top 10% and bottom 40%](#).

An analysis of the most recent World Bank data for 163 countries, comparing 1990 with 2022, conducted for this submission, confirms this fact (**see table 1**): the income share of the middle half has remained relatively stable close to 50% of the total, and changes in the income shares of the bottom 40% and the top 10% have been 2 and 2.5 times as large respectively..

| Cross country income and consumption shares, 1990 and most recent year for 163 countries | | | | | | | | | |
|------------------------------------------------------------------------------------------|---------------------------|------------|------------|------------------|------------|------------|----------------------------------------------------------|------------|------------|
| | Income/consumption, share | | | | | | Changes (percentage points)- 1990 to most recent year | | |
| | 1990 | | | Most recent year | | | Top 10% | Bott0m 40% | Middle 50% |
| | Top 10% | Bott0m 40% | Middle 50% | Top 10% | Bott0m 40% | Middle 50% | Top 10% | Bott0m 40% | Middle 50% |
| Mean | 31.4 | 17.1 | 51.5 | 29.0 | 18.3 | 52.7 | -2.37 | 1.20 | 1.17 |
| Median | 29.6 | 17.5 | 52.6 | 28.1 | 18.7 | 53.2 | -0.58 | 0.54 | 0.36 |
| Max | 61.5 | 27.3 | 60.3 | 50.5 | 25.0 | 59.0 | 8.3 | 10.2 | 22.5 |
| Min | 18.6 | 5.3 | 28.7 | 18.8 | 7.1 | 42.4 | -30.5 | -5.8 | -4.9 |
| Std dev | 0.081 | 0.047 | 0.041 | 0.057 | 0.037 | 0.026 | 0.057 | 0.032 | 0.035 |

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We are therefore proposing the adoption of the Palma ratio indicator as designed by [Jose Gabriel Palma](#). This indicator of income concentration has gained traction among a wide range of leading economists and researchers, because it focusses on top and bottom incomes, which matter most to policymakers, the public, and researchers, are simple to use in policy debate and easily understood by a nontechnical audience.

The specific target for this indicator would be set at a Palma ratio of 1, which would mean that the income of the top 10% is no more than the bottom 40%. This level has been analysed in [a key study](#) as being equivalent across the range of countries to a Gini coefficient of 0.25.

5. Please indicate how and when the methodology has become an international standard and who is the governing body that approves it (*except for proposals to only delete an indicator*).

Data on the Palma ratio is being reported and used as a standard measure of inequality by the [United Nations University World Institute for Development Economics Research](#), [the OECD](#) Income distributional database, the United Nations Human Development Index, [the World Bank](#), the [IMF](#), and the [World Inequality Database](#), among others.

6. Link(s) to available data and/or to where data can be located to demonstrate the 40% coverage threshold (*except for proposals to only delete an indicator*)

This indicator will rely on the same household surveys data previously used for the shared prosperity indicator. This means that the data are widely available across countries, and that there is no additional burden on countries to collect new data. The World Bank would remain the custodian of this indicator, using the same data submission procedures.

Country data coverage (2010 to present) is 139 countries, equivalent to 70.98%, with population coverage equivalent to 90%. Data from the World Bank's Poverty and Inequality Platform <https://pip.worldbank.org/key-inequality-indicators>.

7. In case the current data coverage is below 50%, is there a plan for how the data coverage will be expanded? Please elaborate on it (*except for proposals to only delete an indicator*).

There is sufficient data coverage

8. Conclusion/other comments (*please enter any other information about the proposal*):

The Palma ratio would allow countries to set ambitious targets to lower inequality and drastically shift the debate and narrative about inequality. Every country should aim for a Palma ratio of one and below to avoid a corrosive level of inequality. The availability of data on the top 10% and bottom 40% from households' surveys means that we don't have to re-invent the wheel.

It is important to use indicators of inequality that recognize a reality of which the public is increasingly aware, without which both the indicators and the institutions that use them will lose public legitimacy. With these new inequality indicators, the UN has a big opportunity to accelerate the progress towards reducing inequalities. It is vital that in doing this, the indicator is strong enough, and inspiring enough to do this.

9. Metadata file (*except for proposals to only delete an indicator*).

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I/We have attached the appropriate metadata file to this proposal.

10. Acknowledgement.

I/We have read and understand the information regarding the guiding principles, criteria and requirements for the 2025 Comprehensive Review proposals listed above.