

**Economic and Social Commission for Western Asia (ESCWA)**

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**Social expenditure monitor for Arab States****Summary**

Targeting public expenditure in line with social development priorities and macrofiscal sustainability remains a challenge for most Governments in the Arab region. Budget allocations that support multiple and overlapping social programmes and policies are often mismatched or inadequate for the realization of the Sustainable Development Goals (SDGs). Given the pressure on public budgets across Arab countries, such expenditure management is unsustainable.

Comprehensive monitoring of public social expenditure could improve the efficiency of allocations and the effectiveness of budgeting. It will enable the rationalization of expenditure components and support the achievement of various objectives, including delivering quality public services, promoting inclusive development and stability, and enhancing economic growth and revenue over time. The Economic and Social Commission for Western Asia (ESCWA) is therefore supporting member States in establishing a social expenditure monitor, viewed as an integrated framework for supporting macrofiscal policies and the SDGs. A pilot project has been initiated in Jordan and Tunisia.

The present document proposes a framework of the social expenditure monitor. The Executive Committee is invited to review the framework and comment thereon. It is also invited to support its application as a tool to improve targeting budgets towards achieving higher economic growth and the SDGs.

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Introduction

1. Targeting public budgets to meet the rising aspirations and needs of people is a major concern for Governments worldwide to achieve the Sustainable Development Goals (SDGs). In Arab countries, development challenges related to several SDGs are more pressing today than at any other time. They include reducing poverty and inequality; generating decent employment; ensuring quality public services in health care, education, housing and social protection; promoting gender equality; and mobilizing fiscal space to finance those priorities. Citizens' demands for a new social contract rooted in equity and justice following the Arab uprisings have placed additional pressure on several Governments to adequately balance expenditure priorities that explicitly address existing gaps in social policy.

2. Budgeting for social development priorities in accordance with macrofiscal sustainability remains a key challenge for Arab Governments, especially when fiscal space is constrained.¹ Budget allocations that support multiple and overlapping social programmes and policies are often mismatched or inadequate for meeting citizens' needs and achieving the SDGs. Given the pressure on public budgets, such expenditure management is unsustainable.

3. Establishing a comprehensive social expenditure monitor (SEM) is vital to improving the efficiency of allocations and the effectiveness of budgeting. It will enable the rationalization of expenditure towards achieving macrofiscal objectives and the SDGs. The notion of social expenditure varies across countries and depends upon a country's progress in social development priorities.² Ideally, social expenditure aims to maximize levels of human wellbeing through access to quality services and social protection, including areas in which the 2030 Agenda for Sustainable Development aims for universal access. Appropriate social expenditures are "social investments"³ that promote inclusive and sustainable growth.⁴ Such social investments are important to drive the economy and society towards achieving the SDGs.

4. Available data on social expenditure by Arab States do not allow for constructing comprehensive estimates. There are limitations and, in several cases, inconsistencies over time. Addressing the gaps would require better understanding of social expenditure components in the national contexts, and more disaggregation to include subnational levels, population age groups, gender, persons with disabilities, and so on. Any comprehensive assessment of social expenditure requires greater collaboration with national counterparts in areas such as health, education and research, housing, statistics, demography and social protection, to obtain the required unpublished data.

5. In this context, member States of the Economic and Social Commission for Western Asia (ESCWA) have requested technical assistance in monitoring social expenditure and targeting it to their desired objectives, while taking into account fiscal sustainability challenges. The ESCWA secretariat has thus initiated a pilot project in Jordan and Tunisia, and is currently in discussions with Kuwait and the State of Palestine, to establish a social expenditure monitor that it views as an integrated framework for supporting macrofiscal policies and the SDGs. Such a monitor can play a powerful role in supporting policy reforms towards optimizing the linkages between public social expenditure, social development priorities and macrofiscal sustainability in national contexts. Project activities contribute to analysis and policy reforms in the context of several SDGs, including SDGs 1, 2, 3, 4, 5, 6, 8, 10, 11 and 17.

¹ [E/ESCWA/EDID/2017/4](#).

² There can be a common framework across countries in a region. For European countries, the Organisation for Economic Co-operation and Development (OECD) calculates social expenditure by considering different areas of broad social policy, such as old age; survivors; incapacity-related benefits; health; family; active labour market policies, including employment-related trainings, services and direct job creation; unemployment; housing; and other social policy areas. For the Latin American countries, the Economic Commission for Latin America and the Caribbean (ECLAC) calculates social expenditure by combining expenditure in six areas: environmental protection; housing and community amenities; health; recreation, culture and religion; education; and social protection.

³ [E/ESCWA/EDID/2017/4](#).

⁴ [E/ESCWA/EDID/2017/4](#); also see [LC/PUB.2017/12-P](#).

6. The implementation of SEM and its linkage to fiscal reforms involves various steps. First, agreeing on a social expenditure framework (dimensions and indicators) in the national context. Secondly, collecting and analysing data according to the agreed framework and synchronizing statistics reporting with government finance statistics, SDGs metadata and national account statistics. Thirdly, mapping SEM with social development outcomes related to the SDGs and taking into account social development priorities. For instance, monitoring social expenditure related to health entails asking the following questions: Does government health expenditure connect to the various targets and indicators of SDG 3? Is there a gap in policy or in allocating expenditure? What is needed and where (spatial disparities, population or horizontal disparities, any other criteria that support achieving related goals in the national development plan and SDG 3)? A similar approach would be undertaken for other dimensions of the social expenditure monitor, aligning it with relevant SDGs. Fourthly, efficiency analysis and macrofiscal modelling tools can contribute to understanding scenarios of higher expenditure efficiency and economic growth multipliers, taking into account fiscal sustainability in the medium term. Fifthly, a significant aspect of the project is to strengthen the capacity of national stakeholders, including government officials and civil society groups, which involves national workshops and trainings, and regional workshops to support the exchange of dialogue between participating countries and lessons learned from beyond the region, such as from Latin American countries. Lastly, the activities of the project are planned in close collaboration with national counterparts, and in accordance with national priorities, for greater project ownership and improved stakeholder capacity in annually updating SEM tools.

7. A draft SEM framework is being developed by ESCWA, which should be tailored to the national context of each implementing member State. The Executive Committee is invited to review the conceptual framework and support its application as a tool to improve targeting budgets toward achieving higher economic growth and the SDGs. The framework is being reviewed by participating States and tailored to their national contexts. The following sections present the framework of SEM, and proposed dimensions and indicators, which are set out in full in annex I to the present document. An explanation of the indicators is presented in annex II.

I. FRAMEWORK TO MAP SOCIAL EXPENDITURE

8. In developing a better understanding of social expenditure in the Arab region, the ESCWA secretariat took into consideration existing global and regional frameworks and their application. At the global level, the 2030 Agenda, to which all member States are committed, considers the principle of inclusivity as key to achieving the SDGs. It rests on ensuring universal access to resources and services and equal opportunities for all, so as to leave no one behind. Achieving universal access in any social development indicator requires Governments to systematically target public budgets towards marginalized and excluded groups. In addition, it is explicit in the SDGs framework that strategic investments in social sectors are important for driving inclusive and sustainable growth.⁵ Consequently, monitoring public social expenditure and its purpose remains a key means of implementation for several SDGs. Public social expenditure should be linked to policy effectiveness, and to progress in addressing national social development priorities and realizing the SDGs.

9. At the regional level, member States adopted the Tunis Declaration on Social Justice in the Arab Region at the twenty-eighth ESCWA session (Tunis, 15-18 September 2014), in which they reaffirmed their commitment to social justice as a core value of Arab and Islamic culture and a foundation for secure, cohesive and prosperous societies. They also pledged to achieve equality and equity, and to promote civic engagement in decision-making and participation.

10. Under the above-mentioned frameworks, social expenditures are considered strategic, long-term social investments that enhance human capital and innovation, promote gender equality and improve inclusive growth.⁶ For example, social investments in education and research, skills development and training, housing and community amenities, environmental protection, and the promotion of art, culture and sports are important

⁵ See, for example, [A/RES/70/1](#), paras. 20, 67; targets 1.b and 2.a; and Goal 8.

⁶ [E/ESCWA/EDID/2017/4](#).

for building human capital and promoting innovation. This, in turn, permanently increases people's participation in the growth process. Fiscal policy should therefore not be restricted to mere redistribution in the form of social assistance, social insurance and general subsidies; it should play a much larger role in building advanced societies and economies. Providing quality public services, reducing poverty and inequality, enhancing social protection, and promoting art, culture and sports are central to ensuring inclusive development and social justice.

11. Moreover, public budget allocations to social sectors should be strategic and oriented towards driving long-term growth and enhancing human capital. Rationalizing social expenditures and finding the right mix to meet different objectives are crucial for improving macroeconomic and social stability to enhance wellbeing.⁷

12. Any measure of social expenditure must therefore take into consideration the following two guiding objectives: (a) targeting expenditure to ensure social justice and inclusive development, reduce poverty and inequality, and improve human development; and (b) targeting expenditure to enhance human capital and innovation, promote gender equality and foster sustainable economic growth. The SEM dimensions and indicators proposed below are based on that approach.

II. DIMENSIONS

13. In the light of approach discussed above, seven dimensions of public social expenditure may be considered in monitoring social expenditure in Arab States:

- (a) Education;
- (b) Health and nutrition;
- (c) Housing and community amenities;
- (d) Labour market interventions and employment generation programmes;
- (e) Social protection programmes;
- (f) Art, culture and sports;
- (g) Environmental protection.

14. The seven dimensions aim to capture crucial social development priorities in the region. In almost all of them, a direct link can be established with the SDGs. For example, the "education" dimension measures expenditures that drive equal education opportunities for all and the advancement of modern education and scientific research so as to foster innovation and respond to the labour market. The level and effectiveness of expenditure on this dimension contributes to progress on several SDGs, including SDGs 4, 5, 8, 9, 10 and 17.

15. Similarly, the dimension on "health and nutrition" measures expenditure on access to health care, nutritional support and quality health-care services for healthy living conditions. The level and effectiveness of expenditure on the dimension of health and nutrition contributes to achieving SDGs 2, 3, 5 and 10.

16. To make human settlements inclusive, safe, resilient and sustainable, expenditures on "housing and community amenities" are important. Housing for the poor, resettling slum populations and quality community amenities are also vital for improving efficiency and productivity. For Arab countries affected by conflict, assistance for reconstructing houses and community amenities in the post-conflict situation should constitute a significant share of social expenditure. The level and effectiveness of expenditure on this dimension contributes to achieving SDGs 6, 8, 10, 11 and 17.

17. The dimension on "labour market interventions and employment generation programmes" is complex. For some Arab States, providing public sector employment is part of the implicit social contract: a large share of public expenditure goes to wages and most employees are in the public sector. In some cases, public sector employment is extended not for economic reasons but for social reasons. In view of high youth unemployment and the large informal sector in the region, the role of public expenditure in generating employment and

⁷ Ibid; also see [E/ESCWA/EDID/2017/Technical Paper.13](#).

promoting decent work opportunities is crucial. However, not any market-related public expenditure constitutes social expenditure: only expenditure on skill development, vocational trainings and interventions to match skills with labour market demand can be considered social expenditure. Nevertheless, employment generation programmes as part of social protection programmes or strategies do form part of social expenditure. Labour market interventions and employment generation programmes are therefore included in the social expenditure monitor for discussion with member States. Effectiveness of expenditure in this dimension directly contributes to SDGs 8 and 17.

18. The dimension on “social protection programmes” is designed according to SDG targets 1.3, 5.4 and 10.4. Social protection programmes also aim to provide access to essential health care for all, including maternity care; basic income security, including ensuring that children have access to nutrition, education, care and any other necessary goods and services; basic income security for persons of active age who are unable to earn sufficient income (owing to unemployment, disability/sickness/conflict or maternity); and basic income security for older persons. This list is in no way exhaustive, and some Arab countries may have more comprehensive social protection programmes and policies, in which case the “social protection programmes” dimension will include additional indicators as per the national context. The level and effectiveness of expenditure on this dimension is directly linked to SDGs 1, 2 and 10.

19. Public expenditures on “art, culture and sports” build foundations for a healthy society and create opportunities for lifelong learning for all. The level of expenditures in this dimension and their effectiveness contribute to SDGs 4, 11 and 16. Similarly, the dimension on “environmental protection” is important for a society to be sustainable. The effectiveness of expenditure on this dimension contributes to SDGs 7, 9, 11 and 13.

20. The framework of the proposed social expenditure monitor is clearly aligned with the SDG framework. Within each dimension, there are common indicators for all countries and some indicators can be tailored to national specificities. The indicators in each dimension are designed to map the purpose of expenditure and the beneficiary population, such as children, young people, adults, women, pregnant women, older persons, survivors of conflict, persons with disabilities, persons suffering from health issues, and poor and non-poor (other) households (annex I).

III. INDICATORS

21. Annex I to the present document sets out the proposed framework of SEM, comprising seven dimensions (D1 to D7) and indicators under each dimension. An explanation of each indicator is presented in annex II. Detailed metadata are currently being drafted by considering definitions from SDG metadata, government finance statistics classifications, and national accounts classifications. Statistical guidelines will be produced in line with international statistical principles and standards.

22. For each SEM dimension, a specific questionnaire module will be produced for data collection from relevant entities. The source of expenditure can vary, including central Government, local government, other public sector entities (to be determined), and grants from the Royal Court (in the case of Jordan). The dimension-specific questionnaire will consider each source at the time of data collection.

23. The type of expenditure can vary between cash and in-kind. Expenditure includes transactions in the form of goods and services provided to the community, primarily on a non-market basis and also through means of transfers such as subsidies, grants, tax breaks and other transfers. The dimension-specific questionnaire will consider each of the two types of expenditure (cash/in-kind) at the time of data collection. A separate data table will be produced for each governorate in a country.

IV. CONCLUSION

24. The Executive Committee is invited to review the SEM conceptual framework, provide comments thereon, and support its application as a tool to improve targeting budgets towards greater economic growth and the SDGs.

Annex I

SOCIAL EXPENDITURE MONITOR: DIMENSIONS AND INDICATORS

Dimensions	Indicators	Population													Total			
		Children			Young persons (aged 15-24)			Adults (aged 24+)			Women (pregnant/ with newborn)	Older persons	Persons with disabilities, persons suffering from health issues, survivors of conflict	House-holds		Benefits to community at large		
		Male	Female	All children	Male	Female	All young persons	Male	Female	Total population				Poor			Other	
D1. Education	1.1 Early childhood education																	
	1.2 Primary education																	
	1.3 Secondary education																	
	1.4 Post-secondary skill training																	
	1.5 Tertiary education																	
	1.6 Education for adults																	
	1.7 Support to scientific research on advancing education																	
	Total																	
D2. Health and nutrition	2.1 Outpatient services (including residential care)																	
	2.2 Inpatient hospital services																	
	2.3 Reproductive health care																	
	2.4 Campaigns against gender-based violence/ programmes to end discrimination against women																	
	2.5 Public health services																	
	2.6 Subsidies related to medicines/medical products and equipment																	
	2.7 Subsidies to food producers																	
	2.8 Subsidies and other support to farmers																	
	2.9 Support to scientific research related to health																	
	2.10 Other related benefits and services																	
	Total																	

Dimensions	Indicators	Population															
		Children			Young persons (aged 15-24)			Adults (aged 24+)			Women (pregnant/ with newborn)	Older persons	Persons with disabilities, persons suffering from health issues, survivors of conflict	House-holds		Benefits to community at large	Total
		Male	Female	All children	Male	Female	All young persons	Male	Female	Total population				Poor	Other		
D3. Housing and community amenities	3.1 Housing																
	3.2 Water supply																
	3.3 Street lighting and roads (other than high-ways)																
	3.4 Sanitation facilities (public facilities/grants, subsidies)																
	3.5 Electricity to households/tariff reductions																
	3.6 Community development																
	3.7 Support to housing and amenity-related research																
	Total																
D4. Labour market interventions and employment generation programmes	4.1 Incentives to encourage female employment																
	4.2 Training and skills upgrading (on the job)																
	4.3 Incentives to private enterprises/start-ups for job creation																
	4.4 Employment generation programmes																
	4.5 Public sector contributions to social insurance schemes (non-contributory)																
	4.6 Administration and implementation of general labour market programmes and policies																
	4.7 Support to labour-related research																
	Total																
D5. Social protection programmes	5.1 Support towards achieving basic income security (excluding the unemployed and children)																
	5.2 Unemployment benefits under social protection schemes																

Dimensions	Indicators	Population													Benefits to community at large	Total		
		Children			Young persons (aged 15-24)			Adults (aged 24+)			Women (pregnant/ with newborn)	Older persons	Persons with disabilities, persons suffering from health issues, survivors of conflict	House-holds				
		Male	Female	All children	Male	Female	All young persons	Male	Female	Total population				Poor			Other	
	5.3 Access to nutrition, education, and care for children under social protection schemes																	
	5.4 Essential health care, including maternal care services, under social protection schemes																	
	5.5 Support to research on advancing social protection																	
	5.6 Other nationally defined sets of goods and services																	
	Total																	
D6. Art, culture, and sports	6.1 Support to cultural facilities and events																	
	6.2 Support to artists/promoting art and culture																	
	6.3 Sports facilities and services																	
	6.4 Support to athletes and teams/promoting sports																	
	6.5 Support to research on advancing sports, culture and art																	
	Total																	
D7. Environmental protection	7.1 Waste management																	
	7.2 Wastewater management and water preservation																	
	7.3 Incentives for renewable energy supply (hydroelectricity, solar, wind, biomass)																	
	7.4 Protecting biodiversity/ combating desertification/land degradation																	
	7.5 Support to scientific research on environmental protection																	
	Total																	

Annex II

EXPLANATION OF THE INDICATORS

Dimensions	Indicators	Explanation of the indicators
D1. Education	1.1 Early childhood education	<p>Expenditure on early childhood educational development and pre-primary education, which cover children aged 0 to 5/7, depending on each country's education system for starting primary education. In some countries, primary education might start at age 5, others at 6 or 7.</p> <p>Includes the provision of education, administration, inspection, operation or support to schools and other institutions providing early childhood education.</p> <p>Includes investment in education facilities.</p> <p><i>(Based on the International Standard Classification of Education (ISCED) 2011)</i></p>
	1.2 Primary education	<p>Expenditure on primary education, which covers children aged 5/7 to 10/12 years old, depending on each country's education system for starting primary and secondary education.</p> <p>Includes the provision of education, administration, inspection, operation or support to schools and other institutions providing primary education.</p> <p>Includes investment in education facilities.</p> <p><i>(Based on ISCED 2011)</i></p>
	1.3 Secondary education	<p>Expenditure on lower and upper secondary education (general or vocational) that cover children and young people aged 10/12 to 17/18.</p> <p>Includes the provision of education, administration, inspection, operation or support to schools and other institutions providing secondary education, as well as scholarships, grants and allowances to support students.</p> <p>Includes investment in education facilities.</p> <p><i>(Based on ISCED 2011)</i></p>
	1.4 Post-secondary skills training	<p>Expenditure on post-secondary non-tertiary education, usually designed for direct labour market entry.</p> <p>Includes the provision of education, administration, inspection, operation or support to schools and other institutions providing education as well as scholarships, grants and allowances to support students. Also includes support for conferences, internships and travel.</p> <p>Includes investment in education facilities.</p> <p><i>(Based on ISCED 2011)</i></p>
	1.5 Tertiary education	<p>Expenditure on the different levels of tertiary education: short-cycle (general/vocational), bachelor's or equivalent (academic/professional), master's or equivalent (academic/professional), doctoral or equivalent (academic/professional).</p> <p>Includes the provision of tertiary education, administration, inspection, operation or support to schools and other institutions providing tertiary education as well as scholarships, grants and allowances to support students.</p> <p>Includes investment in education facilities.</p> <p><i>(Based on ISCED 2011)</i></p>
	1.6 Education for adults	<p>Expenditure on any special programme to support education not definable by level.</p> <p>Includes the provision of education, administration, inspection, operation or support to schools and other institutions providing education not definable by level, as well as scholarships, grants and allowances to support students.</p> <p>Includes investment in education facilities.</p>

Dimensions	Indicators	Explanation of the indicators
	1.7 Support to scientific research on advancing education	Includes administration and operation of government agencies engaged in applied research and experimental development related to education, as well as grants and subsidies to support applied research and experimental development related to education undertaken by non-government bodies, such as research institutes and universities.
D2. Health and nutrition	2.1 Outpatient services (including residential care)	<p>Expenditure on medical, dental and paramedical services delivered to outpatients by medical, dental and paramedical practitioners and auxiliaries.</p> <p>The services can be delivered at home/residential care, in individual or group consulting facilities, dispensaries or outpatient clinics in hospitals.</p> <p>Includes the provision of services, as well as the administration, inspection, operation or support of services delivered.</p> <p>Includes investment in outpatient services facilities.</p>
	2.2 Inpatient hospital services	<p>Expenditure on services provided by:</p> <ul style="list-style-type: none"> - General and specialist hospitals; - Medical centres, nursing homes and convalescent homes that mainly provide inpatient services, and whose services are provided by staff of lower qualification than medical doctors; - Military base hospitals; - Institutions serving old people in which medical monitoring is an essential component; - Rehabilitation centres aimed at treating patients rather than providing long-term support. <p>Includes hospital day care and home-based hospital treatment, and hospices for terminally ill persons.</p> <p>Includes investment in facilities that provide inpatient hospital services.</p>
	2.3 Reproductive health care	<p>Expenditure on sexual and reproductive health-care services, including family planning, information and education, antenatal and safe delivery care, and post-natal care.</p> <p>It also includes expenditure on maternity centres, maternity services and other facilities that provide reproductive health care.</p>
	2.4 Campaigns against gender-based violence/programmes to end discrimination against women	<p>Expenditure to end discrimination and physical, sexual and psychological violence against women and girls.</p> <p>Includes eliminating all harmful practices such as child, early and forced marriage and female genital mutilation/cutting.</p>
	2.5 Public health services	<p>Expenditure on:</p> <ul style="list-style-type: none"> - Provision of services; - Administration, inspection, operation or support for services such as blood-bank operation (collecting, processing, storing, shipping), disease detection (cancer, tuberculosis, venereal disease), prevention (immunization, inoculation), monitoring (infant nutrition, child health), and epidemiological data collection.
	2.6 Subsidies related to medicines/medical products and equipment	Subsidies for medical producers on medicines, medical products and equipment.

Dimensions	Indicators	Explanation of the indicators
	2.7 Subsidies to food producers	Income support provided to food producers when products are sold at subsidized prices (e.g. bread).
	2.8 Subsidies and other support to farmers	Expenditure to support farmers in their agricultural productivity and incomes, such as secure and equal access to land, other productive resources and input, knowledge, financial services, and markets and opportunities for value addition.
	2.9 Support to scientific research related to health	Includes administration and operation of government agencies engaged in applied research and experimental development related to health, as well as grants and subsidies to support applied research and experimental development related to health undertaken by non-government bodies, such as research institutes and universities.
	2.10 Other related benefits and services	To be defined by each country.
D3. Housing and community amenities	3.1 Housing	Expenditure on: <ul style="list-style-type: none"> - Administration of housing development affairs and services; promotion, monitoring and evaluation of housing development activities, and development and regulation of housing standards; - Slum clearance related to the provision of housing; acquisition of land needed for constructing dwellings; and construction or purchase and remodelling of dwelling units for the general public or for people with special needs; - Provision of subsidized loans or subsidies to support the expansion, improvement or maintenance of the housing stock.
	3.2 Water supply	Expenditure on: <ul style="list-style-type: none"> - Administration of water supply affairs; assessment of future needs; and supervision and regulation of all facets of potable water supply including water purity, price and quantity controls; - Construction or operation of non-enterprise-type of water supply systems; - Grants, subsidized loans, or subsidies to support the operation, construction, maintenance, or upgrading of water supply systems.
	3.3 Street lighting and roads (other than high-ways)	Expenditure includes: <ul style="list-style-type: none"> - Administration of street lighting and roads (other than highways); and development and regulation of street lighting standards; - Installation/construction, operation, maintenance, upgrading, etc. of street lighting and roads (other than highways); - Grants, subsidized loans and subsidies to support the operation, construction, maintenance or upgrading of roads (other than highways).
	3.4 Sanitation facilities (public facilities/grants, subsidies)	Expenditure to support the operation, construction, maintenance or upgrading of public and private sanitation facilities, including handwashing facilities with soap and water. It also includes grants, subsidized loans, or subsidies for the construction of the facilities.
	3.5 Electricity to households/tariff reductions	Expenditure related to electricity supply at subsidized prices.

Dimensions	Indicators	Explanation of the indicators
	3.6 Community development	Expenditure on: <ul style="list-style-type: none"> - Administration of community development affairs and services; and administration of zoning laws and land-use and building regulations; - Planning new communities or rehabilitated communities; and any other services for community development not included above.
	3.7 Support to housing and amenities related research	Includes the administration and operation of government agencies engaged in applied research and experimental development related to housing and community amenities, as well as grants and subsidies to support applied research and experimental development related to housing and community amenities undertaken by non-government bodies, such as research institutes and universities.
D4. Labour market interventions and employment generation programmes	4.1 Incentives to encourage female employment	Expenditure to ensure equal opportunities for women and guarantee their full and effective participation in the labour force. This includes maternal and parental leave benefits.
	4.2 Training and skills upgrading (on the job)	Expenditure on training and skills-upgrading initiatives on the job.
	4.3 Incentives to private enterprises/start-ups for job creation	Incentives may be in the form of tax breaks or subsidies on loans, or provision of land or facilities for private enterprises/start-ups.
	4.4 Employment generation programmes	Includes expenditure on public sector employment generation efforts.
	4.5 Public sector contributions to social insurance schemes (non-contributory)	Public sector contributions to non-contributory social insurance schemes paid to workers who do not contribute to security schemes because of the nature of the work, such as in the informal sector.
	4.6 Administration and implementation of general labour market programmes and policies	Expenditure on: <ul style="list-style-type: none"> - Administration of general labour affairs and services; formulation and implementation of general labour policies; and supervision and regulation of labour conditions; - Operation or support for general labour market programmes and policies; - Grants, subsidized loans or subsidies to promote general labour policies and programmes.
	4.7 Support to labour-related research	Includes administration and operation of government agencies engaged in applied research and experimental development related to labour market initiatives, as well as grants and subsidies to support applied research and experimental development related to labour market initiatives undertaken by non-government bodies, such as research institutes and universities.
D5. Social protection programmes	5.1 Support towards achieving basic income security (excluding unemployed persons and children)	This indicator captures support in basic income security for persons of active age who are unable to earn sufficient income (owing to disability/sickness/survivors of conflict, maternity and older persons). Support is covered under non-contributory social assistance schemes. Children and unemployed persons are covered in separate indicators.

Dimensions	Indicators	Explanation of the indicators
	5.2 Unemployment benefits under social protection schemes	Benefits for persons who are capable of work and available for work but are unable to find suitable employment. Support is covered under non-contributory social assistance schemes.
	5.3 Access to nutrition, education and care for children under social protection schemes	Support to ensure access to nutrition, education and care for children. Support is covered under non-contributory social assistance schemes.
	5.4 Essential health care, including maternal care services, under social protection schemes	Support to ensure access to essential health care, including maternal care services. Support is covered under non-contributory social assistance schemes.
	5.5 Support to research on advancing social protection	Includes administration and operation of government agencies engaged in applied research and experimental development related to social protection programmes and policies, as well as grants and subsidies to support applied research and experimental development related to social protection programmes undertaken by non-government bodies, such as research institutes and universities.
	5.6 Other nationally defined set of goods and services	To be defined by each country.
D6. Art, culture, and sports	6.1 Support to cultural facilities and events	Expenditure on: - Provision of cultural services; administration of cultural affairs; and supervision and regulation of cultural facilities; - Operation or support of facilities for cultural pursuits (libraries, museums, art galleries, theatres, exhibition halls, monuments); and production, operation or support for cultural events (concerts, stage and film productions, art shows, etc.). It includes preserving cultural and national heritage.
	6.2 Support to artists/promoting art and culture	Grants, subsidized loans or subsidies to support individual artists, writers, designers, composers and others working in the arts or to support organizations engaged in promoting cultural activities.
	6.3 Sports facilities and services	Expenditure on: - Provision of sporting and recreational services; administration of sporting and recreational affairs; and supervision and regulation of sporting facilities; - Operation or support of facilities for active sporting pursuits or events (playing fields, tennis courts, etc.); operation or support of facilities for passive sporting pursuits or events (specially equipped venues for playing cards, board games, etc.); and operation or support of facilities for recreational pursuits (parks, beaches, swimming pools, etc.).
	6.4 Support to athletes and teams/promoting sports	Grants, subsidized loans or subsidies to support teams or individual competitors or players.
	6.5 Support to research related to advancing sports, culture and art	Includes administration and operation of government agencies engaged in applied research and experimental development related to arts, culture and sports, as well as grants and subsidies to support applied research and experimental development related to art, culture and sports undertaken by non-government bodies, such as research institutes and universities.

Dimensions	Indicators	Explanation of the indicators
D7. Environmental protection	7.1 Waste management	Expenditure includes: <ul style="list-style-type: none"> - Administration, supervision, inspection, operation or support of waste collection, treatment, and disposal systems; - Grants, subsidized loans or subsidies to support the operation, construction, maintenance or upgrading of such systems. Supports reducing waste generation through prevention, reduction, recycling and reuse.
	7.2 Wastewater management and water preservation	Expenditure includes: <ul style="list-style-type: none"> - Administration, supervision, inspection, operation or support of sewage systems, waste water treatment and water preservation; - Grants, subsidized loans, or subsidies to support the operation, construction, maintenance or upgrading of systems.
	7.3 Incentives for renewable energy supply (hydroelectric, solar, wind, biomass)	Grants, subsidized loans or subsidies to support the development and reliance on renewable energy.
	7.4 Protecting biodiversity/combating desertification/land degradation	Expenditure includes: <ul style="list-style-type: none"> - Administration, supervision, inspection, operation, or support of activities (including campaigns) relating to the protection of biodiversity and combating desertification and land degradation; - Grants, subsidized loans or subsidies to support activities relating to the protection of biodiversity and combating desertification and land degradation.
	7.5 Support to scientific research on environmental protection	Includes administration and operation of government agencies engaged in applied research and experimental development related to environmental protection, as well as grants and subsidies to support applied research and experimental development related to environmental protection undertaken by non-government bodies, such as research institutes and universities.

Note: The above is only a draft explanation of the indicators. The full explanation of each indicator will be prepared by considering comments from participants, and statistical definitions from SDG metadata, government finance statistics and national accounts.
