

Annex to chapter 10

1. Data for SDG 10

SDG 10 comprises 10 targets and a total of 11 indicators (four of which contain multiple subindicators). Of these indicators, two are tier I, three are tier II and five are tier III for which data are not available, as the indicators are still in the process of methodological definition. In addition, there is also one more indicator (10.b.1) which is labeled as “Tier I (ODA)/Tier II (FDI)” given that it measures “Total resource flows for development, by recipient and donor countries and type of flow (e.g. ODA, FDI, and other flows)”.

The United Nations Statistics Division provides data sets for a total of six indicators: 10.1.1 - Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population; 10.4.1 - Labour share of GDP, comprising wages and social protection transfers; 10.6.1 - Proportion of members and voting rights of developing countries in international organizations; 10.a.1 - Proportion of tariff lines applied to imports from least developed countries and developing countries with zero-tariff; 10.b.1 - Total resource flows for development, by recipient and donor countries and type of flow (e.g. official development assistance, foreign direct investment and other flows); and 10.c.1 - Remittance costs as a proportion of the amount remitted.

None of the provided data sets includes sex disaggregated data.

Data used in SDG 10 analysis was downloaded on 4 September 2018. After the country level data check after a major update of the Global SDG Indicators Database of the United Nations Statistics Division 8 July 2019, no large differences were found, and none of the data series needed to be replaced.

We examine data availability in the Arab region and implement data substitution, when needed, based on the criterion of having to cover half or more of the total Arab region’s population and at least the third of the Arab countries for an indicator/subindicator to be kept in the analysis. This leads us to omit indicators 10.1.1, 10.4.1 and 10.a.1, 8 of the 22 series of 10.6.1, and two of the three series of 10.b.1.

Indicator 10.6.1 includes 22 subindicators. 11 of them represent “the proportion of members” in each of 11 different international organizations, where the proportion of members is calculated by the data source as the country/territory’s membership seat divided by the total available membership seats for a certain international organization or, in the case of regional observations, as the number of members from a certain region in that organization divided by the total number of members (percentage). The other 11 subindicators represent “the proportion of voting rights” in each of 11 different international organizations, where the proportion of voting rights is calculated by the data source as the share of the country/territory/region’s voting right in a certain organization, which sometimes depends on the country/territory/region’s share or contribution in this organization, divided by the total voting rights granted (percentage). We omit all the series corresponding to region-based international organizations (i.e. the Asian Development Bank, the African Development Bank and the Inter-American Development Bank) as they only cover a specific sample of the world’s countries/territories, unlike the rest of the organizations. We also omit the series corresponding to the Financial Stability Board which only consists of 24 member developed countries/territories (with China being the only emerging country) entitled to provide mentorship and advice to developing countries on financial issues and related international- standard setting mechanisms. All these omitted series also have poor data availability for Arab countries throughout their time spans. Consequently, only seven data series are left for each of the memberships and the voting rights dimensions, informing on the rest of the seven international organizations.

We transform each of the seven remaining subindicators that report on the countries/territories' memberships in the considered international organizations into a dummy variable, merely considering the year 2017, where a country/territory takes a value of one if it is a member of the organization in question in 2017 and a value of zero otherwise. In other terms, countries/territories that have a missing value instead of a proportion of membership value in the original data series for 2017 are all assigned zeros. We create our own dummy variables because the calculation method provided by the original data source only provides the share of developing countries in each organization, which does not vary from observation to observation, while what we need is to know whether or not a certain country/territory is a member of a certain organization and to develop a score showing the countries/territories' situation at this level across all organizations. The seven dummy variables are then aggregated using a simple arithmetic mean, yielding country/territory-specific mean scores.

As for the seven remaining subindicators that report on the voting rights, we keep them as they are and only for the year 2017, and then we replace the missing values by zeros, since a country/territory has a missing value for its voting right in a certain organization when it is not a member of this institution, meaning also that consequently its voting rights are non-existent or zero. The seven data series on voting rights are also aggregated using a simple arithmetic mean that is divided by 100 to get the share instead of the percentage of voting rights, for the purpose of getting to the same 0–1 range used in the previous variable for this target. After that, their Arab, subregional and regional means are generated and visualized separately but in the same chart.

Accordingly, there is no need to apply our data substitution scheme for year 2017 on indicator 10.6.1 since, logically and technically, the two created and evaluated aggregates do not suffer any problem of data availability and also fully cover the World and the Arab region.

We note that the series depicting the voting rights at the IFC mistakenly has a value of 4.053E-06 for Luxembourg, which is an IFC member, though. By referring to the original data source, as advised by the SDG Indicators Metadata Repository of the United Nations Statistics Division, this close-to-null value is corrected to 0.11 per cent. Moreover, we note that the State of Palestine does not exist in any of the data series under 10.6.1 and is assigned a value of zero in all of them.

For 10.b.1, we drop the series which represents total assistance for development by donor (where data is provided for only 48 donor countries) and the series which represents total resource flows for development by recipient and donor countries (where no Arab country is covered). We only keep the third series which represents total assistance for development, by recipient (in millions of current United States dollars) which reflects the distribution of development assistance (ODA) to recipient countries and thus the pattern of the donor countries' contribution and assistance, knowing that donor countries are in the driving seat in development financing. Therefore, the results derived from this preserved series can help with the formulation of policy recommendations as they indicate if there is a need for donor countries to alter the amount of development assistance they pledge or to reconsider the countries/territories/regions they target.

The remaining indicators are subject to our data substitution scheme for the year 2017, considering data spanning 2009–2017. Table 10.1 shows the number of substituted data points for each year, including those from Arab countries.

Table 10.1 Data substitution scheme for selected indicators and subindicators

Indicator or subindicator	Number of substituted data points (Arab)	Year
	143 (16)	2016
10.b.1 (Total assistance for development, by recipient (in millions of current United States dollars))	2 (0)	2013
	5 (1)	2010
10.c.1 (Remittance costs as a proportion of the amount remitted)	1 (0)	2011

In addition, we note that the selected series indicator 10.b.1 comprises both positive and negative (and economically significant) values as it measures Net ODA which, according to the OECD, includes loan repayments that are “recorded as negative and deducted from ODA and loans”. “In some cases loan repayments are higher than new ODA and net ODA will show as a negative number”.

This leaves us with 16 integral indicators/subindicators with which we can assess the position of the region by 2030, as noted in box 10.1.

Box 10.1	Summary list of preserved and examined indicators/subindicators
	<ul style="list-style-type: none"> • Indicator 10.6.1 – 14 series out of 22 - Proportion of members and voting rights of developing countries in international organizations • Indicator 10.b.1 – 1 series out of 3 - Total resource flows for development, by recipient and donor countries and type of flow (e.g. official development assistance, foreign direct investment and other flows) • Indicator 10.c.1 – Remittance costs as a proportion of the amount remitted

However, we lose the ability to determine the region’s position on the rest of the targets, indicators, and subindicators as noted in box 10.2, including those that exist in table 10.2 on targets, indicators, tiers and data availability in the Arab region for SDG 10, but do not have sufficient data.

Box 10.2	Summary list of omitted targets
	<ul style="list-style-type: none"> • 10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average • 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status • 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard • 10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality • 10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations • 10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies • 10.a Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements

Annex 10.2 contains a graph for each of the evaluated series/indicators, showing the country level data values of the series/indicator for the years whose data points were used for every included country.

The global, regional and subregional aggregates of series of 10.6.1 and 10.c.1 are calculated using as unweighted means, while the series of 10.b.1 is calculated as a total sum. The method of aggregation, in general, is chosen based on what is advised by the corresponding SDG Indicators Metadata Repository or by the original source of the corresponding data referred to by this metadata. If none of these two references advise on the aggregation methods or weights, the decisions are made based on the most common scientific logic fitting the case and its feasibility (e.g. the availability of the needed data for the weighting variables). The chapter includes more details about the aggregation methods per each series.

We calculate the world, regional and subregional averages for each indicator and include the Target value – when available – to facilitate comparability. For 10.c which aims to make “transaction costs for migrant remittances be 3% or less, by 2030” and “to eliminate corridors where cost is 5% or higher” by that time, according to the SDG Indicators Metadata Repository, we set the target value as 3 per cent of remittance costs as a proportion of the amount remitted. However, for targets 10.6 and 10.b, it is not possible to infer the official desired target values and thus they are not shown.

Table 10.2 Targets, indicators, tiers and data availability for Arab countries – SDG 10 (Reduce inequality within and among countries)

Target	Indicator	Number of subindicators	Tier	Data availability*
10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average	10.1.1 Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population	(Dropped) 2	Tier II	x
10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	10.2.1 Proportion of people living below 50 per cent of median income, by sex, age and persons with disabilities	(No data)	Tier III	x
10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	10.3.1 Proportion of population reporting having personally felt discriminated against or harassed in the previous 12 months on the basis of a ground of discrimination prohibited under international human rights law	(No data)	Tier III	x
10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	10.4.1 Labour share of GDP, comprising wages and social protection transfers	(Dropped) 1	Tier II	x
10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations	10.5.1 Financial Soundness Indicators	(No data)	Tier III	x

10.6 Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions	10.6.1 Proportion of members and voting rights of developing countries in international organizations	14 chosen out of 22	Tier I	22
10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies	10.7.1 Recruitment cost borne by employee as a proportion of yearly income earned in country of destination	(No data)	Tier III	x
	10.7.2 Number of countries that have implemented well-managed migration policies	(No data)	Tier III	x
10.a Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements	10.a.1 Proportion of tariff lines applied to imports from least developed countries and developing countries with zero-tariff	(Dropped) 7	Tier I	x
10.b Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes	10.b.1 Total resource flows for development, by recipient and donor countries and type of flow (e.g. official development assistance, foreign direct investment and other flows)	1 chosen out of 3	Tier I (ODA)/ Tier II (FDI)	22
10.c By 2030, reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent	10.c.1 Remittance costs as a proportion of the amount remitted	1 chosen out of 1	Tier II	12

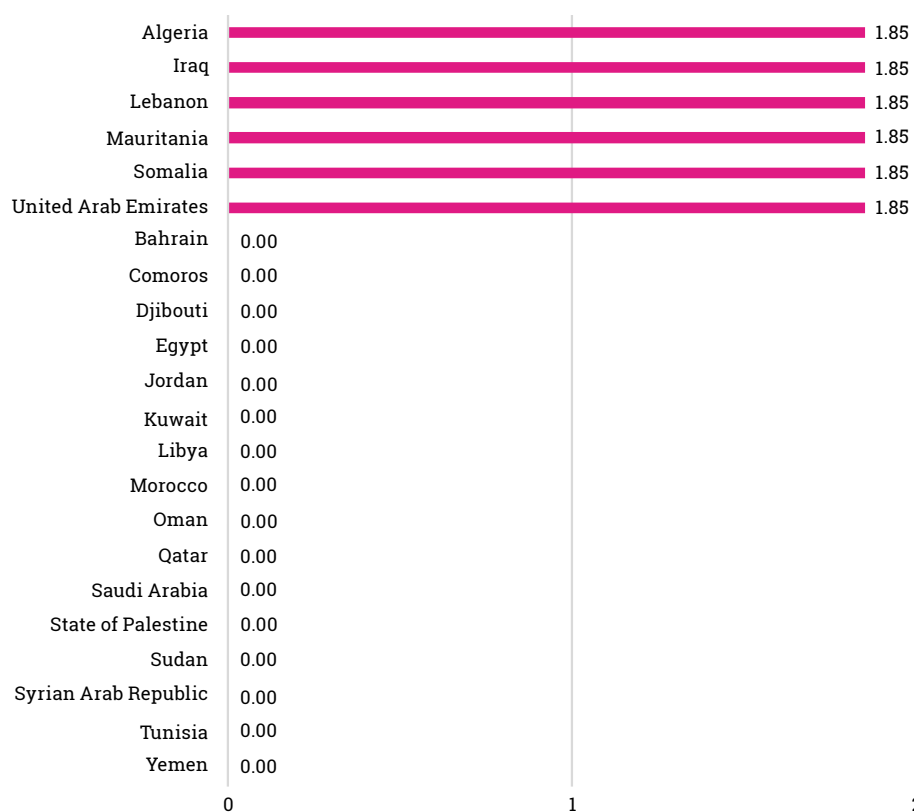
Notes: * Figures refer to the number of Arab countries with data for the indicator, while x means there are no data or the indicator was dropped.

Source: <https://unstats.un.org/sdgs/indicators/indicators-list/> and author's calculations.

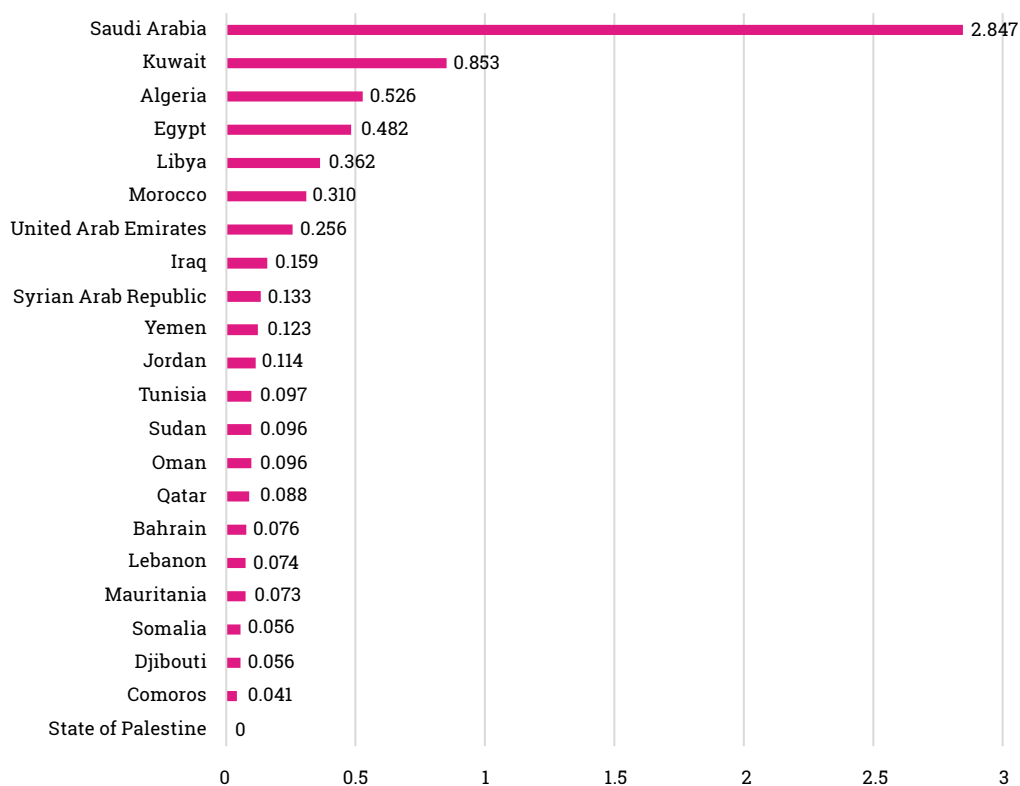
2. Country graphs

Figure 10.1 Fourteen series of indicator 10.6.1 - Proportion of members and voting rights of developing countries in international organizations

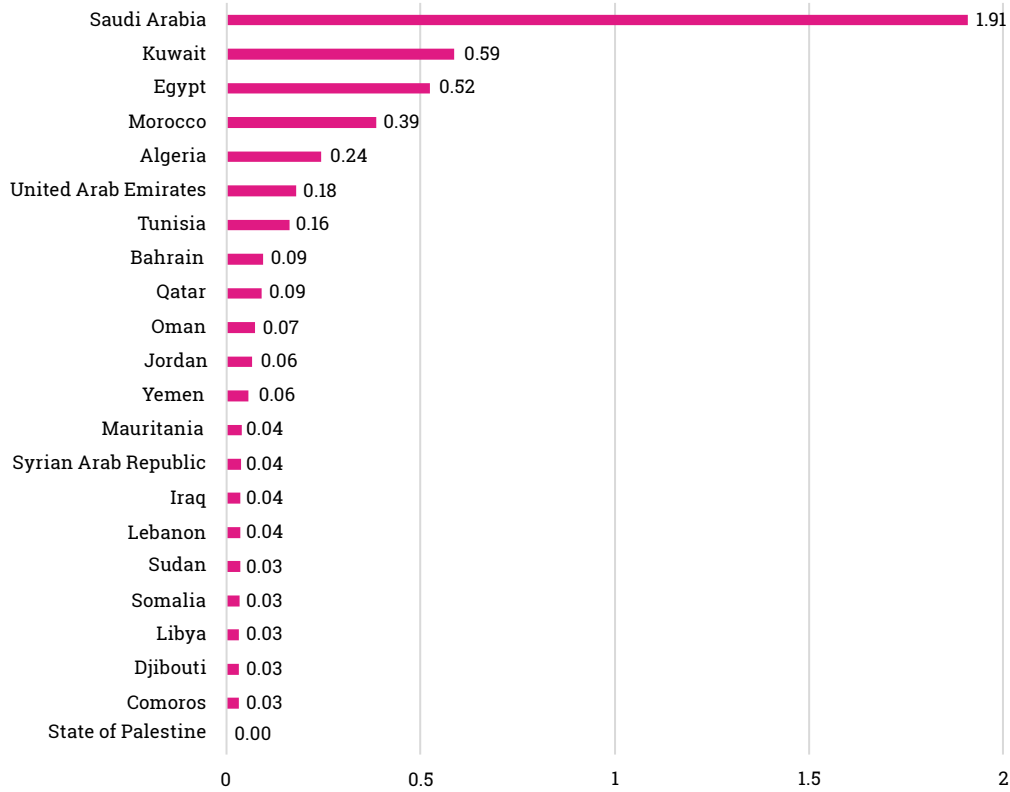
Proportion of voting rights in the Economic and Social Council of the United Nations (percentage)



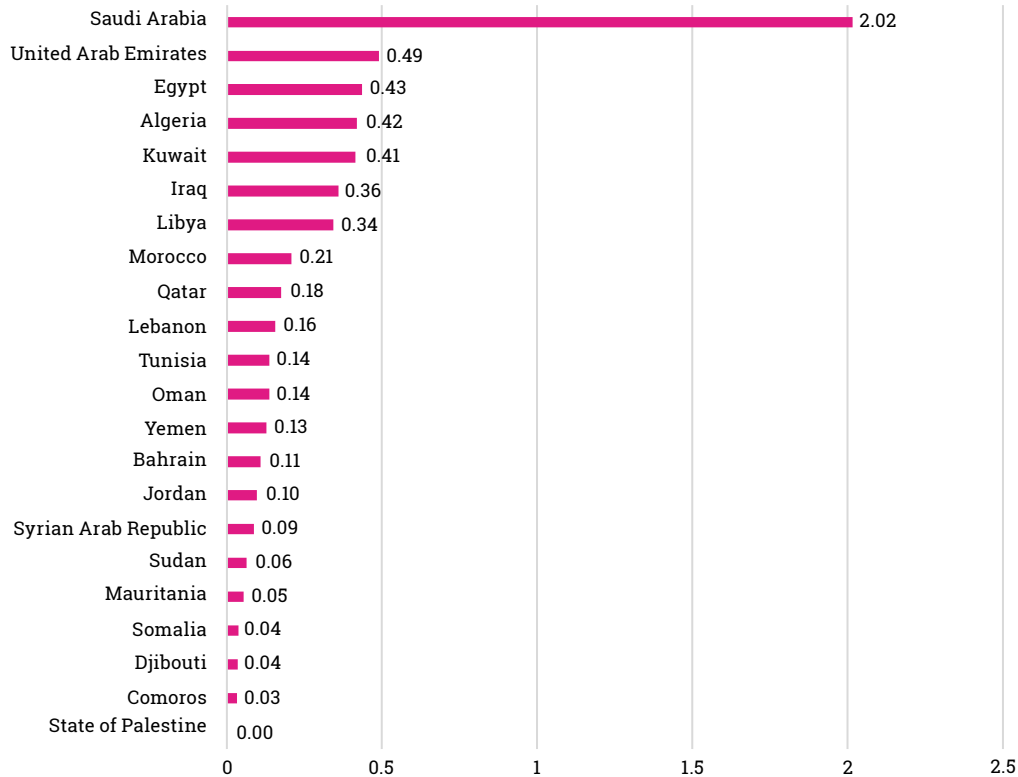
Proportion of voting rights in the International Bank for Reconstruction and Development (percentage)



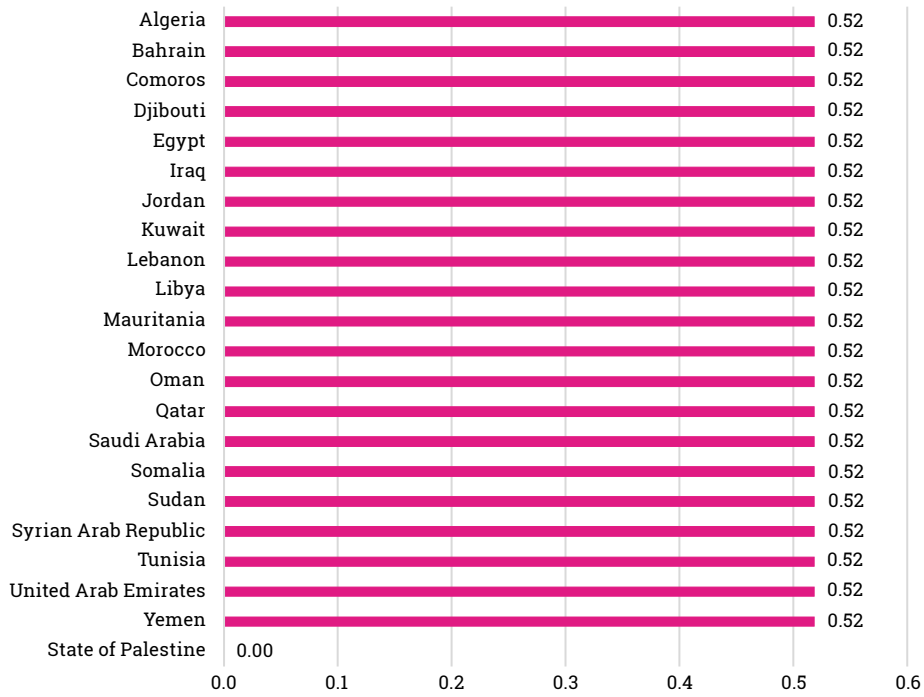
Proportion of voting rights in the International Finance Corporation (percentage)



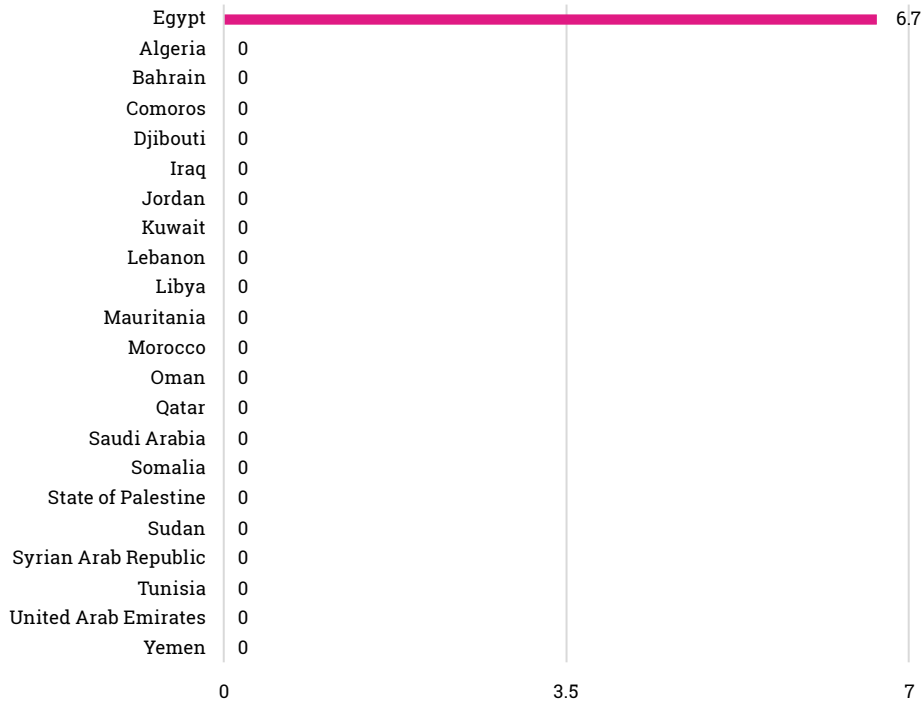
Proportion of voting rights in the International Monetary Fund (percentage)



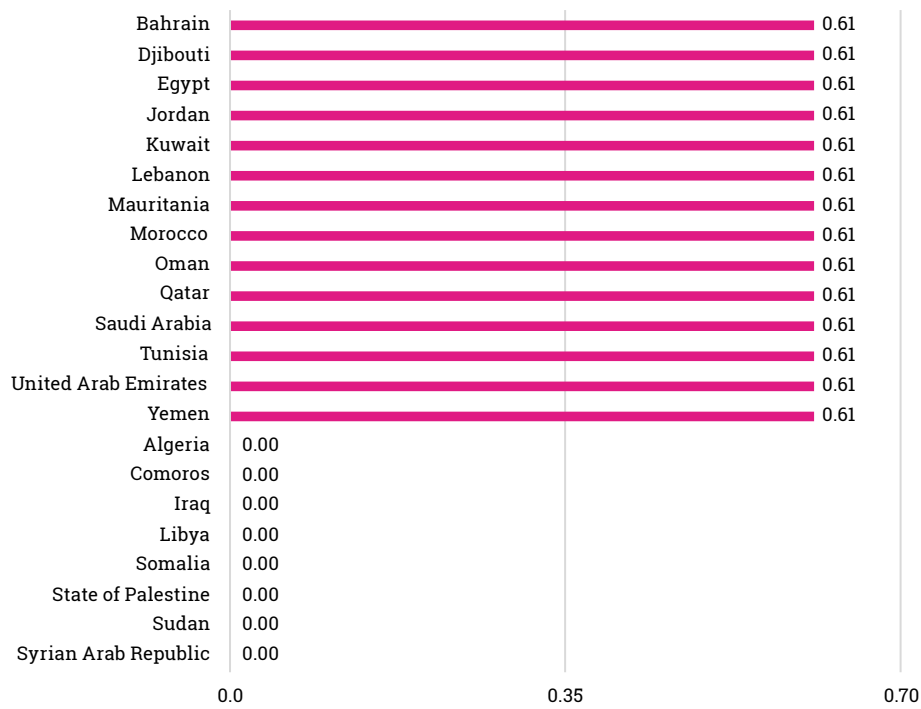
Proportion of voting rights in the United Nations General Assembly (percentage)



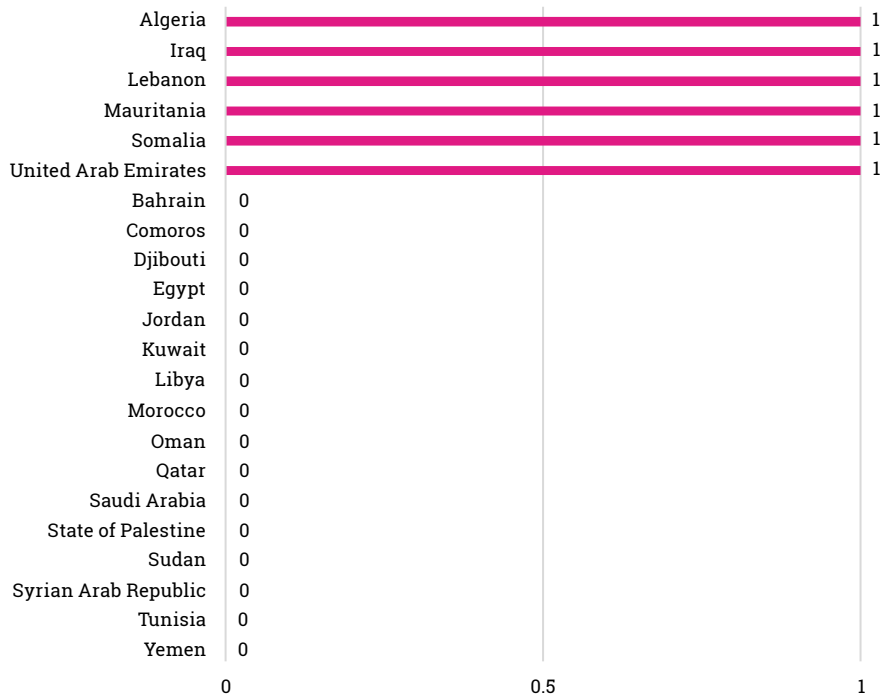
Proportion of voting rights in the United Nations Security Council (percentage)



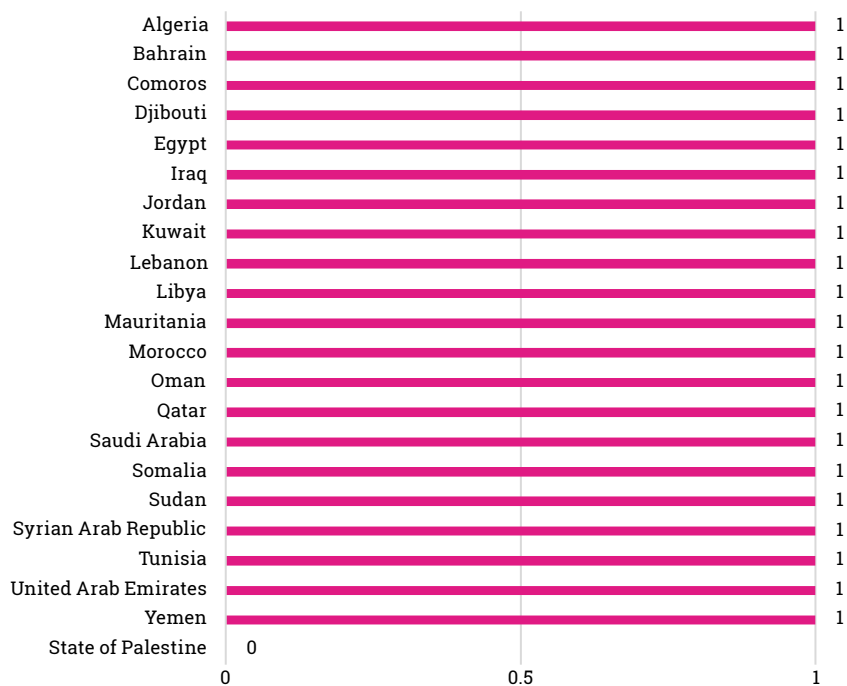
Proportion of voting rights in the World Trade Organization (percentage)



Membership in the Economic and Social Council of the United Nations (0-1 dummy variable)



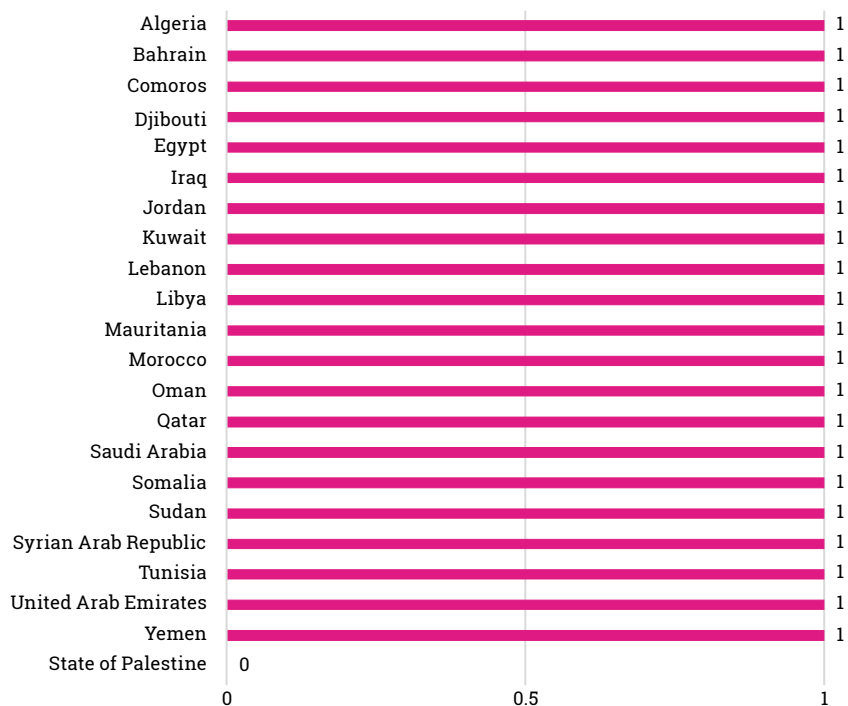
Membership in the International Bank for Reconstruction and Development (0-1 dummy variable)



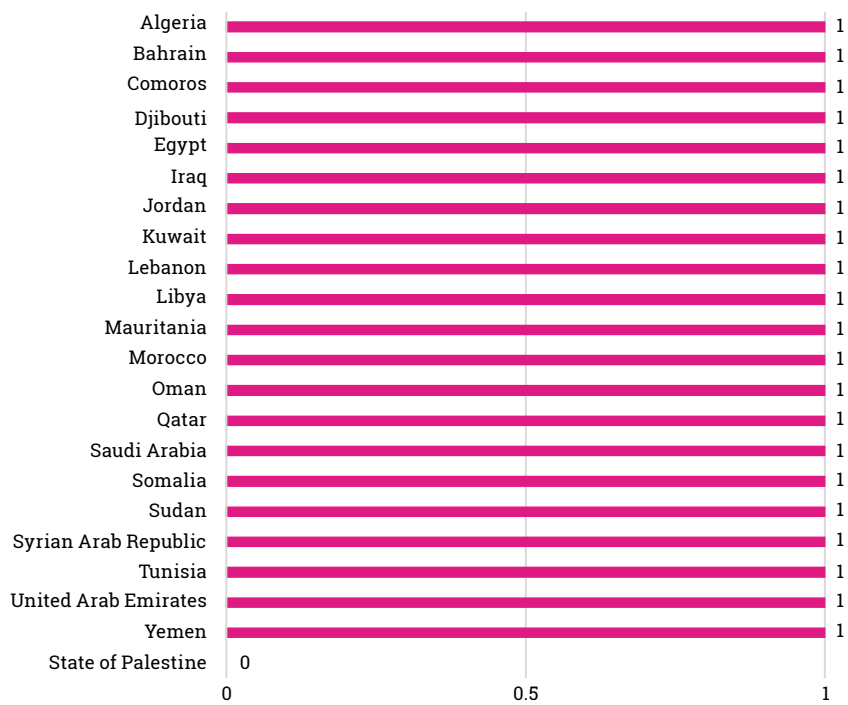
Membership in the International Finance Corporation (0-1 dummy variable)



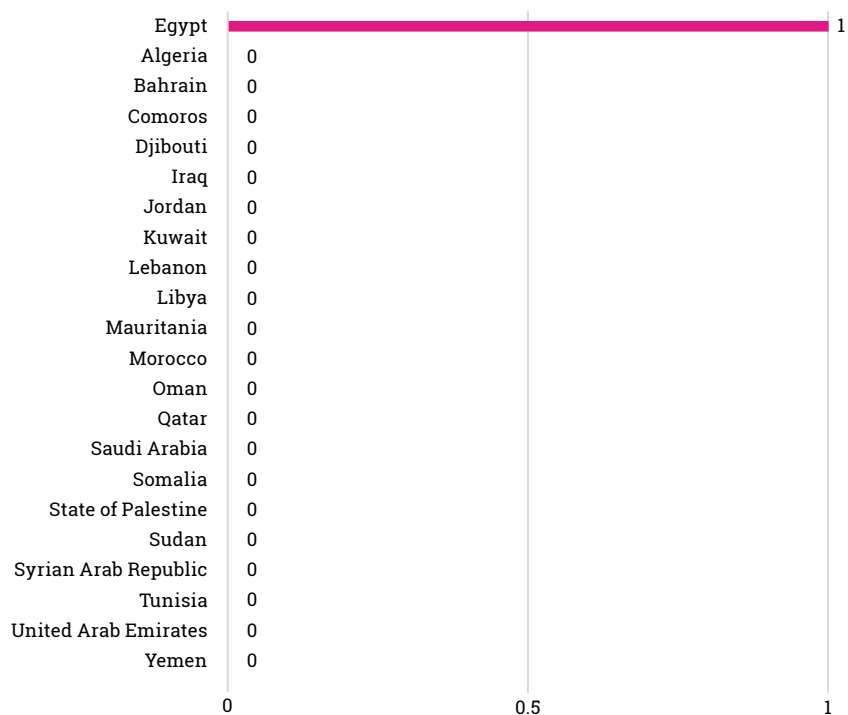
Membership in the International Monetary Fund (0-1 dummy variable)



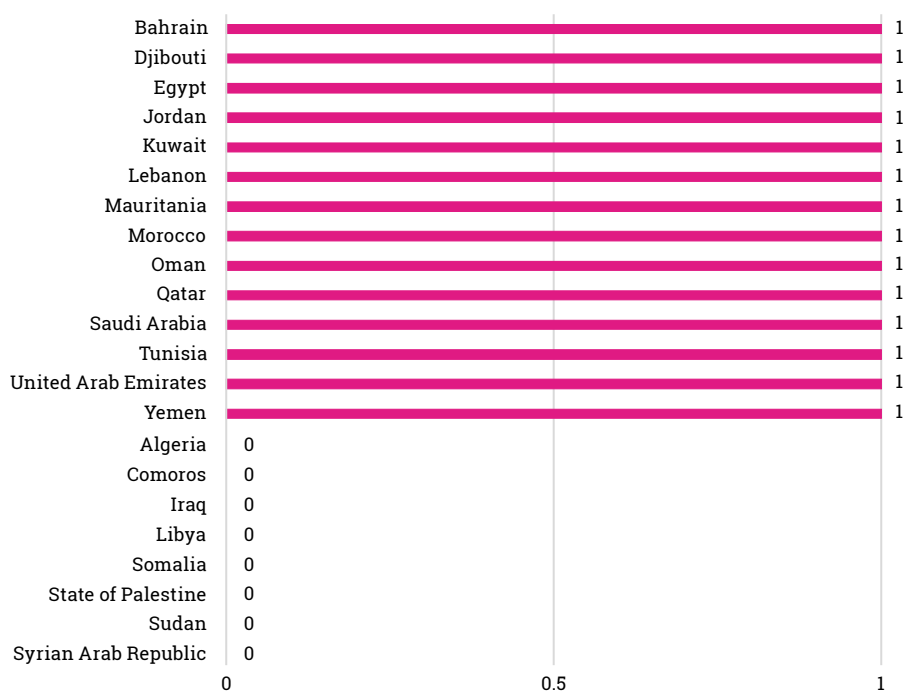
Membership in the United Nations General Assembly (0-1 dummy variable)



Membership in the United Nations Security Council (0-1 dummy variable)



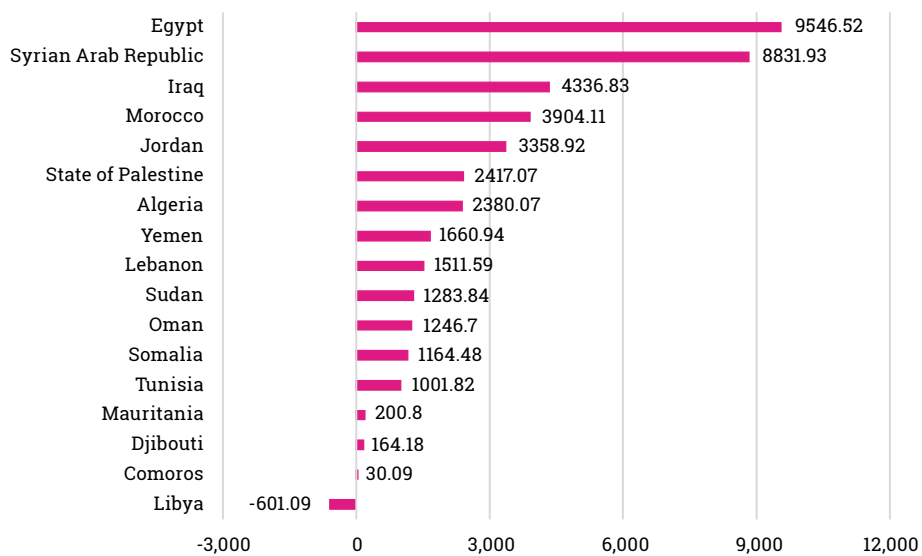
Membership in the World Trade Organization (0-1 dummy variable)



Note: All data for indicator 10.6.1 are from 2017.

Figure 10.2 Indicator 10.b.1 - Total resource flows for development, by recipient and donor countries and type of flow (e.g. official development assistance, foreign direct investment and other flows)

Total assistance for development, by recipient (millions of current United States dollars)



Note: All data are for 2016 apart from Oman (2010).

Figure 10.3 Indicator 10.c.1 - Remittance costs as a proportion of the amount remitted

Remittance costs as a proportion of the amount remitted (percentage)



Note: All data are from 2017.