



Attachment 1: MVI Indicator Suggestion Form

The MVI is a composite index measuring structural vulnerability and structural (lack of) resilience at the national (member state) level. The selected indicators relate to concepts which have been shown to directly increase vulnerability or resilience in one of three dimensions – economic, environmental, or social. The selected indicators meet the principles and criteria agreed upon by the Panel (for example: multidimensionality, universality, exogeneity, data availability and data quality). Any indicators added must also meet these criteria.

The Panel Secretariat kindly requests that suggestions of new or substitute indicators be offered using this form.

1. Name of indicator, units, database where it is disseminated and maintained, including web address

Low population density.

2. Pillar, dimension, and concept where indicator should be located within the MVI framework

XXX

3. Is your suggested indicator an addition or replacement?

We kindly ask for the deletion of indicator 23 that is not sufficiently linked to a lack of social resilience in our opinion. All retained indicators should be as robust as possible to ensure integrity and credibility of the MVI.

4. Provide a short justification focussing on the relationship of the indicator to structural vulnerability or structural resilience (100 words**)**

Example:

- export concentration: Indicator measures vulnerability to (negative) changes in export volumes/values.

[Please include empirical evidence on whether the variable measures a concept which is inherent or inherited]

Indicator 23's relationship to social vulnerability is ambiguous and we do not think that scientific literature is unanimous on this point. The proposed rationale is incomplete since low population density also implies greater difficulty in deploying essential State services, especially in times of crisis, with negative consequences for health and political resilience in particular.

Furthermore, this indicator poses a methodological problem and gives a partial view of the situation, since it does not account for large variations in population density across national territory – thus putting at a disadvantage countries that concentrate a large share of their population on a relatively small share of their territory (often because the rest of the country is largely inhospitable).

5. Provide a simple Theory of Change (250 words)

Example: Theory of change for export concentration

- Export revenue supports (i) import capacity (terms of trade effect), (ii) fiscal balance, because developing country governments tend to rely on export taxes (e.g., mineral rents and tourism taxes), and (iii) external debt service (because developing countries need to rely on external capital).
- The more diversified a country's export structure, the smaller the effect on the economy from an externally driven negative export price shock (caused by a fall in demand).
- Conversely, the less diversified a country's export structure, the more the country is exposed to a fall in demand for one of its exports and therefore the higher the damage to income, wealth, and living standards that an externally-driven export value fall can have.

[Briefly discuss any literature on the evidence for the Theory of Change, including the assumptions behind the Theory of Change]

- XX

6. Indicate which developing countries have missing data

XXX

*Please take note of the following rules:

- Indicator has to be structural in nature
- There has to be clear evidence relating the indicator to the concept and dimension
- UN data source must be prioritised
- The MVI will not be based on variables that present too many missing values, not more than 15 data points