UN DESA Project “Strengthening national policy capacities for jointly building the Belt and Road towards the SDGs”

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In 2013, China announced the Belt and Road Initiative (B&R).

Expanded the Silk Road Fund by 100 billion RMB (6.9 billion USD), and increased its assistance to the developing countries including Laos along the B&R over 2018-2020.

In 2014, a USD 40 billion Silk Road Fund from *domestic development banks* and the newly *Asian Infrastructure Investment Bank (AIIB)*.

In May 2017, First Belt and Road Forum for International Cooperation in China - major follow-up activities covering the five key areas of B&R.
Background

A multi-country multi-year project

To strengthen national capacities for jointly building the Belt and Road towards the Sustainable Development Goals.

**Jointly Building Belt and Road towards SDGs**

Analytical and modelling tools

Funded by the 2030 Agenda Sub-Fund of the UN Peace and Development Trust Fund (PDF).

The project activities focus on training of policy-makers and technical staff.
Objective

1. Establishing an institutional network among the countries along the Belt and Road for research on the economic, social and environmental effects of the cooperation activities under the Belt and Road Initiative (BRI), and on national and cross-county policies to promote and harness these activities for the acceleration of the SDGs;

2. Promote capacity development and assists interested Governments in translating the suggested policy options into programmes at the country level and help build national capacities, through policy dialogues at national, regional and global levels.
Methodology

1. Mobilize national *experts* and *national policy institutions* in the countries along the Belt and Road to form *a broad network for policy research*.

2. The Project will organize *training of policy-makers and technical staff* to enhance their analytical capacities in designing coherent and integrated macroeconomic, social and environmental policies for participating in the BRI and promoting the achievement of the SDGs.

3. Organize *multi-country policy dialogues* and deepen engagement and policy dialogues between the participating countries and international organizations, including through existing platforms at the United Nations.

4. Utilize the existing *World Economic Forecasting Model (WEFM)* of Economic & Analysis Policy Division (EAPD) as the basic analytical framework, by expanding the scope of WEFM to cover more indicators associated with the *SDGs* and include more *policy instruments* related to the *five priority areas* (five types of connectivity) under the Belt and Road.
World Economic Forecasting Model (WEFM)

- WEFM is a **macrostructural model** that uses **econometrically** estimated relationships to explain economic behaviours.

- WEFM comprises **176 individual country models** including Lao PDR linked together via a **trade matrix** that reconciles global export and import volumes and export and import prices.

- The country models are characterized by a **long run** neoclassical supply side and a **short run** Keynesian demand side.

- **Policy variables** are modelled to follow rules according to country-specific situations, with flexible options for discretionary policy actions whenever necessary.

- WEFM comprises a scaled-down model framework of **approximately 60 variables per country**.

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Implementation Coordination National Partners

- **Bangladesh**
  - Planning Commission
  - Policy Research Institute
- **Cambodia**
  - Ministry of Commerce
- **Kyrgyzstan**
  - Ministry of Economy
- **Lao PDR**
  - Ministry of Planning
  - National Institute for Economic Research
- **Kazakhstan**
  - Office of the President
  - Kazakhstan Institute for Strategic Studies
- **Myanmar**
  - Ministry of Planning and Finance
- **Thailand**
  - National Economic and Social Development Board
  - Thailand Development Research Institute

Source: https://www.brisdgs.org/index.php/about-bri-sdgs
Major Deliveries

1. Developing *modelling tools for each participating country* through adjusting and recalibrating the WEFM country models;

2. Building national capacity by *organizing dissemination/training workshops* on the use of modelling tools and quantitative methods at the national level;

3. Organizing *policy dialogues and exchanges* at national, regional and global levels based on the modelling outputs and the deliberations at national and regional level workshops;

4. Facilitating national *voluntary presentations* on the BRI and SDG outcomes in various multilateral forums;

5. Producing and disseminating *two project reports*, which document the *technical analysis* and appropriate *policy options* for the BRI in connection with the SDGs, to further inform policy-makers and facilitate decision-making at national and regional levels.
Website: https://www.brisdgs.org/