BRI-SDGs synthesis report
The Belt and Road Initiative and the 2030 Agenda

In 2013, the Government of China launched the Belt and Road Initiative (BRI) to link countries and seas across Asia, Europe and beyond with the aim of achieving broadened and deepened cooperation, greater prosperity and an open world economy. With 140 participating countries comprising over half of the world’s population, the scale and scope of the BRI has potential for global impact.

At the heart of the 2030 Agenda for Sustainable Development, adopted by the United Nations, member states are 17 Sustainable Development Goals (SDGs) aimed to encourage developing and developed countries to join a global partnership towards improved economic growth, better education, health and education.

Although the BRI and the 2030 Agenda for Sustainable Development differ in nature and scope, in many respects they share a similar vision and a number of basic principles. The BRI has the potential to transform the lives and economies of the participating countries.

With less than ten years left before 2030, progress towards the realization of the Sustainable Development Goals can be improved since the COVID19 pandemic has challenged the prospects for sustainable growth across the globe. Aligning the implementation of the BRI with the 2030 Agenda has the potential to lead to fresh impetus, tangible gains, and opportunities for all countries.

Economic corridors associated with BRI
Realization of the potential benefits which BRI could offer will not happen automatically. Adequate capacity is needed in each country to harness the opportunities which BRI offers and to accelerate the achievement of the SDGs. In this context, the project Strengthening national policy capacities for jointly building the Belt and Road towards the SDGs ("BRI-SDGs") set out to enhance national capacities in economic and sustainable development policy formulation. From 2018 – 2021, it supported countries to better understand the implications of the BRI and SDGs and formulate policy responses to maximize the benefits and mitigate possible risks. Fourteen BRI countries participated in the project: Azerbaijan, Bangladesh, Cambodia, Czech Republic, Georgia, Kazakhstan, Kyrgyz Republic, Lao PDR, Mongolia, Myanmar, Romania, Serbia, Sri Lanka and Thailand. Each of the pilot countries has experienced different levels of success in efforts towards achieving the SDG’s, as outlined in the chart above. The 14 countries represent a range of economies, from high income to lower middle-income and different development contexts, including four least developed countries (LDCs).

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**BRI cooperation and investments**

The project produced a Global Report and 14 national reports for each of the participating countries, these analyzed the scope and scale of BRI in light of five pillars:
Pilot countries participating in BRI-SDG

- **Policy coordination** - consisting mainly of bilateral agreements between China and participating countries. In addition, the Belt and Road Forum for International Cooperation provides a high-level platform for dialogue among participating countries.

- **Connectivity** - primarily investments in infrastructure across a variety of sectors. BRI investments have also focused on transportation and logistics infrastructure.

- **Unimpeded trade** - there have been improvements in border trade crossing and processing, and increased trade turnover with China.

- **Financial integration** - between China and participating countries. Including investments in the financial sector of BRI countries, including banks and stock exchanges.

- **Strengthening people-to-people bonds** - initiatives have consisted mainly of tourism, training, sports, and educational exchanges, grant assistance instead of loan assistance, and humanitarian assistance.
Challenges and opportunities

Across all 14 programme countries, the global report identified challenges, opportunities and risks related to BRI projects:

- Some of the main challenges posed by BRI cooperation are related to trade imbalances and debt burdens. Negative trade balances with China are a predominant issue, although alleviated to some extent by the scale of the FDI brought in by the BRI.

- BRI transport investments offer opportunities to expand trade, increase investment, and generate employment. Coherent policy measures are required to maximize the positive effects of BRI transport projects and ensure that the gains are widely shared.

- The BRI has drawn attention to the risks related to large infrastructure projects. Large infrastructure investments involving debt financing entail risks to debt sustainability. The project identified key environmental, social and governance risks. Rigorous environmental and social assessments of projects can help mitigate such risks.

- The governance of BRI projects is critical to their success. Data on investment and other financial commitments should be transparent, and there are limitations to the classification and quantification of BRI investments.

The success of BRI projects requires a careful assessment of relations among investors, governments and local communities. Host countries should ultimately base decision-making on coherent national development strategies.

Simulations with the Expanded World Economic Forecasting Model

Findings from the simulations generated by UN DESA's Expanded World Economic Forecasting Model (WEFM-e) showed that overall, BRI investments can make a positive impact, at least in the early years. After the initial investment, whether the BRI investment leads to debt distress or to heavy environmental costs will depend on the effectiveness of policy measures taken by each country. These could be actions to reduce the debt to sustainable levels, enforce existing environmental laws or develop new laws as needed.

Analysis of BRI progress in the pilot countries highlighted the importance of a clearer definition of the boundaries set by BRI cooperation, so that better-quality data can enable adequate macroeconomic modelling, and therefore informed policy- and decision-making.
Selected WEFM-e simulations

- Azerbaijan
- Bangladesh
- Cambodia
- Czech Republic
- Georgia
- Kazakhstan
- Kyrgyz Republic
- Lao People's Democratic Republic
- Myanmar
- Mongolia
- Romania
- Sri Lanka
- Thailand
The findings from the BRI–SDGs Project validated and emphasized the importance of institutional capacity, especially for policy and planning. To optimize their gains, countries must have institutional capacity to make the appropriate policy decisions, and to plan, coordinate and manage BRI cooperation as part of coherent, harmonized national development plans. Without such institutional capacity, there will be no complementarity, and far less synergy, with national socio-economic development plans and policies.

The way forward: harnessing opportunities and managing risks

The meetings and processes related to the BRI-SDGs project enabled strengthened and deepened engagement among policymakers and experts from participating countries. Effective institutional capacity strengthening will require more long-term investments and capacity development. The inter-country exchanges fostered by the Project and the cross-pollination of ideas and lessons learned are a start, providing stakeholders with valuable knowledge that they can use in their countries. The recommendations provided in this report can enhance the role of the BRI in building back better, ensuring a green and resilient recovery from COVID-19, and achieving the SDG.
Jointly Building Belt and Road towards SDGs

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