



# One-Belt-One-Road

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# Jointly building the “Belt and Road” towards the Sustainable Development Goals<sup>1</sup>

Pingfan Hong  
United Nations Department of Economic and Social Affairs (DESA)

Preliminary draft  
25, June 2016

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<sup>1</sup> This paper is part of the background materials prepared for the mission to China on the DESA capacity development project of “Macroeconomic Implications of the Belt and Road initiative”.

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## **Abstract**

This brief paper is intended to delineate the important role of the Belt and Road Initiative in facilitating the implementation of the 2030 Agenda for Sustainable Development. The paper has found that the Belt and Road and the 2030 Agenda share to a large extent a common vision and some basic principles. The paper has identified how the five priority areas under the Belt and Road can contribute, directly or indirectly, to the achievement of the 17 SDGs, as well as the link of the Belt and Road to the seven Action areas of the AAAA. The analysis in this note is tentative, mainly for the purpose of defining and introducing certain conceptual issues for further in-depth investigation to be undertaken by the capacity development project on “macroeconomic implications of the Belt and Road Initiative”.

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**JEL classification:** O20, O40, Q50

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## **I. Introduction**

The 2030 Agenda for Sustainable Development, which was endorsed and launched at the UN Summit for Sustainable Development in 2015, has charted a sustainable development path for the world in the next 15 years.<sup>2</sup>

Including 17 Sustainable Development Goals (SDGs) and 169 targets, which are integrated along the three dimensions of sustainable development, namely, economic, social and environmental, the 2030 Agenda is an unprecedentedly ambitious, universal, and overarching Agenda.

At the core of the Agenda is the determination by all the Member States to eradicate poverty and hunger in all their forms, which is within the reach of this generation for the first time in human history.

The scale and ambition of this Agenda requires a revitalized Global Partnership to ensure its implementation. This Partnership will work in a spirit of global solidarity. It will facilitate an intensive global engagement in support of implementation of all the Goals and targets, bringing together Governments, the private sector, civil society, the United Nations system and other actors and mobilizing all available resources.

Indeed, the Agenda by itself is a conviction of political will. The implementation of the Agenda and the achievement of the SDGs will depend on the concrete actions, including strengthened international cooperation, taken at global, regional, national and sub-national levels, by all the stakeholders.

In parallel, China launched in late 2013 the initiative of jointly building the Silk Road Economic Belt and the 21st Century Maritime Silk Road (the Belt and Road, or B&R).<sup>3</sup>

The Belt and Road run through the continents of Asia, Europe and Africa, connecting the vibrant East Asia economic circle at one end and developed European economic circle at the other, and encompassing countries with huge potential for economic development. Some 60 countries are along the Belt and Road, accounting for 60 per cent of the world population, 30 per cent of the world gross product, 40 per cent of the world trade, and more than 50 per cent of the global population under the extreme poverty line.

The Belt and Road is set to promote win-win cooperation for shared development and prosperity, peace and friendship, through enhancing mutual understanding, trust, and exchanges. The Belt and Road advocates peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit. It promotes cooperation in all fields, and works to build a community of shared interests, destiny and responsibility featuring mutual political trust, economic integration and cultural inclusiveness.

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<sup>2</sup> See United Nations (2015, a).

<sup>3</sup> See China (2015).

The Belt and Road has identified five priority areas for cooperation: policy coordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bond.

Meanwhile, following a request from the State Information Centre (SIC) of the People's Republic of China, the Development Policy and Analysis (DPAD) of the United Nations Department of Economic and Social Affairs (UNDESA) has undertaken a project to assess the “macroeconomic implications of the Belt and Road Initiative” for the countries along the Belt and Road, as well as for the world as a whole. At the initial stage, the project will select only a number of economies for the study. The concept of “macroeconomic” in this project is taken in the broad definition of the three dimensions of sustainable development.

The paper is organized as follows. The next section will discuss the vision and basic principles shared between the Belt and Road and the 2030 Agenda. Section 3 will identify how the five priorities under the Belt and Road Initiative contribute, directly or indirectly, to the achievement of the 17 SDGs. Section 4 will focus on the connection between the Belt and Road and the seven Action areas of the AAAA.

## II. B&R and the 2030 Agenda: shared vision and principles

While the Belt and Road and the 2030 Agenda are different in their nature and scope, they share in many respects a similar vision and some basic principles.

The 2030 Agenda declares that the Agenda is guided by the purposes and principles of the *Charter of the United Nations*<sup>4</sup>.

Meanwhile, as the *Vision and Action on the Belt and Road* states, the Belt and Road is in line with the purposes and principles of the **Charter of the United Nations**.<sup>5</sup>

The 2030 Agenda reaffirms that every State has, and shall freely exercise, full permanent *sovereignty* over all its wealth, natural resources and economic activity. It also reaffirms the commitment to international law and emphasizes that the Agenda is to be implemented in a manner that is consistent with the rights and obligations of States under international law.

In comparison, the Belt and Road upholds the Five Principles of Peaceful Coexistence: mutual respect for each other's **sovereignty** and territorial integrity, mutual nonaggression, mutual noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence.

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<sup>4</sup> See paragraph 10 in “United Nations (2015, a)”.

<sup>5</sup> See section II Principles in “China (2015)”

The 2030 Agenda resolves to create conditions for sustainable, *inclusive* and sustained economic growth, *shared prosperity* and decent work for all, taking into account *different* levels of national development and capacities.

The Belt and Road stressed to be harmonious and **inclusive**, advocating tolerance among civilizations, respects the paths and modes of development chosen by **different** countries. It supports dialogues among **different** civilizations on the principles of seeking common ground while shelving differences and drawing on each other's strengths, so that all countries can coexist in peace for **common prosperity**.

In short, the essential spirit of the Belt and Road to promote win-win cooperation, common development and prosperity, peace and cooperation, openness and inclusiveness, and mutual understanding and trust, is to a large extent in line with that of the 2030 Agenda for Sustainable Development.

### III. Five B&R priority areas can facilitate the achievement of the 17 SDGs<sup>6</sup>

The 2030 Agenda has set 17 Sustainable Development Goals (SDGs) with 169 targets, and also includes, as its integral part, the Addis Ababa Action Agenda (AAAA) of the Third International Conference on Financing for Development.

In contrast, the Belt and Road has identified **five priority areas** as follows.

**B&R1: Policy coordination**, including building a multilevel intergovernmental macro policy exchange and communication mechanism; coordinating economic development strategies and policies; working out plans and measures for regional cooperation; and providing joint policy support for the implementation of practical cooperation and largescale projects.

**B&R2: Facilities connectivity**, including improving the connectivity of **infrastructure** construction plans and technical standard systems among countries along the Belt and Road; forming **regional infrastructure network**; and promoting **green and low carbon infrastructure** construction by taking into full account the impact of climate change.

**B&R3: Unimpeded trade**, including improving **investment and trade** facilitation, removing investment and trade barriers and ensuring the implementation of the WTO Trade Facilitation Agreement; expanding mutual investment in such areas as **agriculture, both conventional and renewable energy, information technology, biotechnology, new materials and other emerging industries**.

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<sup>6</sup> In the following analysis, key words in **Bold** refer to the key B&R priorities, and key words in *italic* refer to the key goals and targets of the SDGs.

**B&R4: Financial integration**, including building a currency stability system, investment and financing system and credit information system in Asia. The Asian Infrastructure Investment Bank and BRICS New Development Bank, which were under the B&R Initiative, are already in operation. This priority area also includes strengthening financial regulation cooperation and coordination, improving mechanism of addressing cross-border risks and crisis, and encouraging commercial equity investment funds and private funds to participate in the construction of key projects under the Belt and Road.

**B&R5: People-to-people bond**, including promoting cultural and academic exchanges, personnel exchanges, media cooperation, youth and women exchanges and volunteer services; expanding tourism; sharing epidemic information and exchanging of prevention and treatment technologies; increasing cooperation in science and technology by establishing joint labs, international technology transfer centers; and advancing cooperation on youth employment, entrepreneurship training, vocational skill development, social security management, public administration and management.

Each of these five B&R priority areas can find its direct or indirect link to the achievement of the 17 SDGs.

#### ***Direct link of B&R2 and 3 to the achievement of SDGs 1, 8, and 9***

At the macroeconomic level, the most direct links can be found from B&R2 and B&R3 to SDG1, SDG8, and SDG9.

SDG1 is set to ***end poverty*** in all its forms everywhere, with a target to eradicate extreme poverty by 2030 for all people everywhere, currently measured as people living on less than \$1.25 a day, along with other targets.

SDG8 is set to promote sustained, inclusive and sustainable economic ***growth***, full and productive ***employment*** and decent work for all. SDG8 includes such targets as to sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries, plus other targets.

SDG9 is set to build resilient ***infrastructure***, promote inclusive and sustainable industrialization and foster innovation. SDG 9 includes such targets as to develop quality, reliable, sustainable and resilient infrastructure, including ***regional and trans-border infrastructure***, to support economic development and human well-being, with a focus on affordable and equitable access for all; and to promote inclusive and sustainable industrialization, plus other targets.

Both economic theories and empirical studies attest the importance of **infrastructure, trade and investment** (as in **B&R2** and **B&R3**) for promoting economic *growth* and *employment* and reducing *poverty*.<sup>7</sup>

Economists have long considered that infrastructure investment enhances economic productivity<sup>8</sup>. Public infrastructure raises the marginal productivity of private inputs, thereby raising the perceived rate of return on private capital and possibly also increasing private sector demand for physical capital, although in the short run, an increase in public capital stocks may displace or crowd out private investment somewhat.<sup>9</sup> In addition, public infrastructure can also impact investment adjustment costs, the durability of private capital, and both the demand for and supply of health and education services.<sup>10</sup> By improving health and education outcomes, the impact of public infrastructure on growth gets magnified due to the synergy between education and health, thus enhancing human capital.

The impact of infrastructure investment on *poverty reduction* comes from at least two different channels: growth and income distribution. First, as infrastructure investment makes positive contribution to economic growth, it reduces *poverty* through raising the overall living standards in the economy. Secondly, infrastructure can bring income distribution effect in favour of the poor people by improving employment and earnings prospects for the poor as a result of growth in the non-agricultural sectors of the economy and by increasing productivity in both the agricultural and non-agricultural sectors. Figure 1 illustrates an analytical frame for studying the effects of infrastructure investment on poverty reduction.

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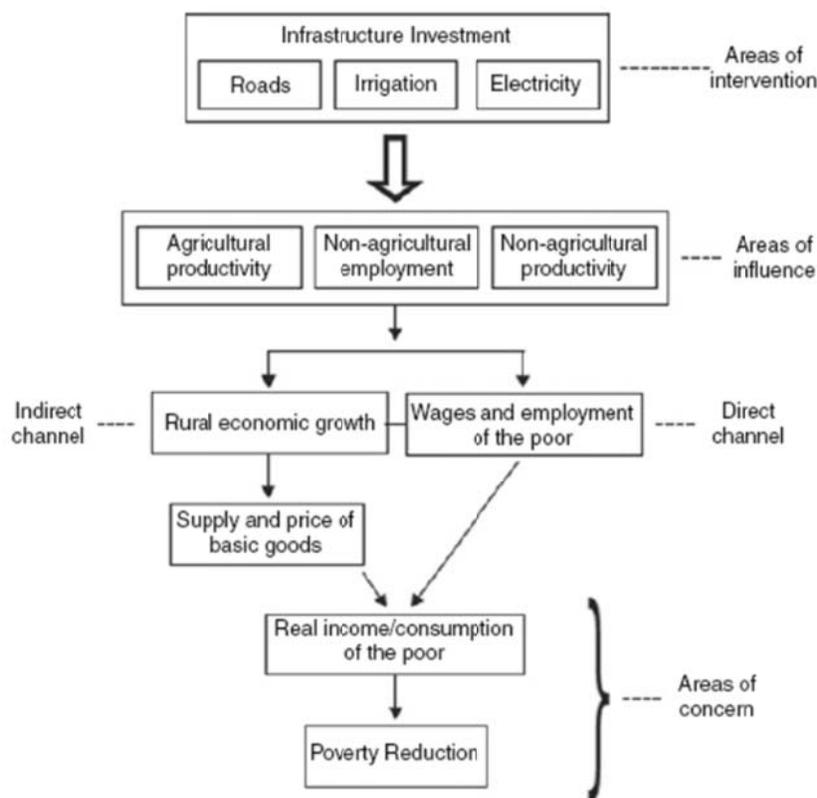
<sup>7</sup> See for example, Cockburn, John, Yazid Dissou, Jean-Yves Duclos, and Luca Tiberti (ed) (2013).

<sup>8</sup> See Aschauer (1989) and Barro (1990)

<sup>9</sup> Agenor and Moreno-Dodson (2006)

<sup>10</sup> Estache and Fay (2009)

**Figure 1. Link between infrastructure investment and poverty reduction**



Source: Cockburn, John, Yazid Dissou, Jean-Yves Duclos, and Luca Tiberti (ed) (2013)

Meanwhile, infrastructure investments in such areas as transport, water, sanitation, irrigation, telecommunications and energy can directly improve the welfare of the poor by providing *access to basic needs*.

Many empirical studies have provided evidence to support the economic arguments above. For instance, 32 of 39 studies on OECD countries have a positive effect of infrastructure on growth, productivity, private investment, and employment.<sup>11</sup> 9 of 12 studies on developing countries indicate a significant positive impact.<sup>12</sup>

Experience in economies with robust and sustained growth indicates that government investment in infrastructure usually accounts for more than 5 per cent of GDP.<sup>13</sup>

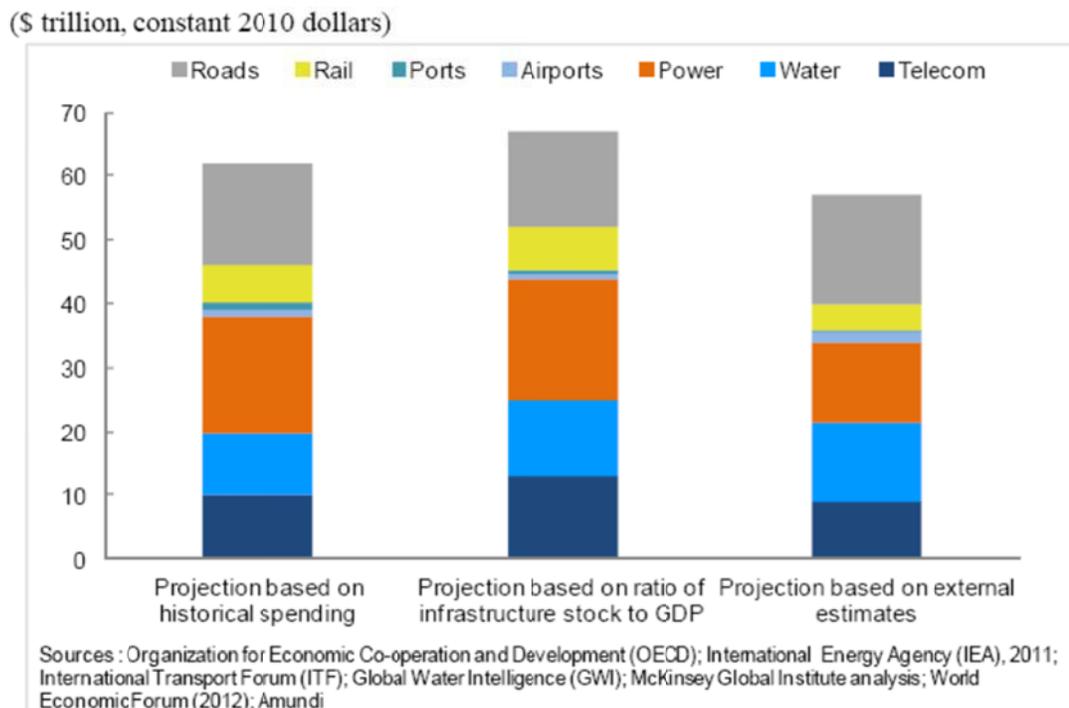
<sup>11</sup> Romp and de Haan (2005)

<sup>12</sup> Estache and Fay (2009)

<sup>13</sup> Commission on Growth and Development (2008).

However, to realize 2030 Agenda and achieve the ambitious SDGs, the world is facing prodigious gaps in infrastructure investment. Various estimates suggest that the world would need to increase its investment in infrastructure by about 60 percent by 2030 compared with the current level.<sup>14</sup> Investment in infrastructure will have to increase from an accumulated total of \$36 trillion over the past 18 years to more than \$50 trillion in the next 15 years (figure 2). The average infrastructure investment gap amounts to between \$1 to 1.5 trillion per year.

**Figure 2 Estimate of needed infrastructure investment 2013-2030**



**B&R2**, as well as **B&R3** and **B&R4**, can make important contribution to the narrowing of these infrastructure gaps. More importantly, in line with the overarching imperative of sustainable development as defined in the 2030 Agenda, **B&R2** also emphasizes the promotion of green and low-carbon infrastructure construction, by taking into full account the impact of climate change.

The connection between **B&R2** and **SDG 9** is so close that no further explanation is needed.

<sup>14</sup> See McKinsey Global Institute (2013).

***The link of B&R2, 3, 5 to the achievement of SDGs 2, 3, 4, 5, 6, 7***

At the sectoral level, significant links can be found from R&B2 and B&B3 to SDG2, SDG3, SDG4, SDG5, SDG6, and SDG7.

SDG2 is set to end ***hunger***, achieve ***food security*** and improved nutrition and promote sustainable ***agriculture***.

SDG3 is set to ensure ***healthy lives*** and promote well-being for all at all ages.

SDG4 is to ensure inclusive and equitable quality ***education*** and promote lifelong learning opportunities for all.

SDG5 is to achieve gender equality and empower all women and girls.

SDG6 is to ensure availability and sustainable management of ***water*** and ***sanitation*** for all.

SDG7 is to ensure access to affordable, reliable, sustainable and modern ***energy*** for all.

In comparison, infrastructure investment as promoted in **B&R2** will lift **agriculture** productivity. **B&R3** includes promotion of cooperation in **agriculture**, forestry, animal husbandry and fisheries, agricultural machinery manufacturing and farm produce processing, and marine product farming. This will facilitate the achievement of **SDG2**.

In addition, infrastructure investment can also increase both the demand for and supply of **health** and **education** services, as better infrastructure is also found to improve access to health care and education. This will contribute to the achievement of **SDG3** and **SDG4**.

**B&R5** also includes important measures which can contribute to the achievement of **SDG3**. For example, it calls for regional cooperation on epidemic information sharing; the exchange of prevention and treatment technologies and the training of medical professionals; and improvement on the capability to jointly address public health emergencies.

**B&R2** will also be a catalyst to accelerate the achievement of the **SDG5**.

Appropriate infrastructure provision may release women from time-consuming tasks, which can then be invested in economic or socially beneficial activities. There is considerable evidence of time savings from improved infrastructure provision<sup>15</sup>. Oppositely, poor infrastructure will have an adverse effect on women's ability to allocate their time to productive activities<sup>16</sup>. An increase in government spending on infrastructure investment has

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<sup>15</sup> Masika, R., & Baden, S. (1997).

<sup>16</sup> Agénor, P. R., & Canuto, O. (2012).

positive impact on economic growth most notably through changes in women's time allocation and their bargaining power over family resources<sup>17</sup>.

Increase in the level of ICT infrastructure tends to improve gender equality in education and employment, and that education among the general population is important for improving gender equality<sup>18</sup>.

The infrastructure projects per se can be a source of women empowerment and promotes gender equality.

The Review of World Bank Infrastructure Projects (1995-2009) pointed out that infrastructure projects seem to provide promising contexts for pursuing women's empowerment and gender equality.

Other regional development banks have also had good experience in linking infrastructure investment to the improvement in gender equality.<sup>19</sup>

It is important to understand the differences between men and women, in terms of who uses infrastructure, who will benefit and in what ways from policy and investment in this area. These are vital to the mainstreaming gender into public policy<sup>20</sup>.

**B&R2** will contribute directly to the achievement of **SDG6** by increasing infrastructure investment in **water and sanitation**.

**Energy** is a key sector in **B&R2**, which is set to promote cooperation in the connectivity of energy infrastructure, ensure the security of oil and gas pipelines and other transport routes, and build cross-border power supply networks and power transmission routes, as well as cooperate in regional power grid upgrading and transformation. **B&R2** promotes cooperation in both conventional energy sources and renewable energy sources. All this will facilitate the achievement of **SDG7**.

### *The links between B&R1-5 and the achievement of SDGs 11-15*

In the areas related to environmental sustainability, **B&R1-5** can also to a varying degree make contribution to the achievement of **SDGs 11-15**.

For example, **SDG11** is set to make cities and human settlements inclusive, safe, resilient and sustainable, including such targets as ensuring access for all to adequate, safe and affordable housing and basic services and upgrade slums; providing access to safe,

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<sup>17</sup> Agenor, P. R., & Canuto, O. (2013).

<sup>18</sup> Chen, D. H. (2004).

<sup>19</sup> (1) Matchdeck (2016), (2) Asian Development Bank (2016), (3) Asian Development Bank (2010), and (4) Caballero (2013).

<sup>20</sup> UNECE (2016)

affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport; and other targets.

**B&R** will rely on core **cities** along the Belt and Road as cooperation platforms. **B&R2** will contribute directly to the building of infrastructure for providing access to safe, affordable, accessible and sustainable transport systems as defined in *SDG11*. In addition, **B&R5** also promotes exchanges and cooperation among **cities**.

*SDG13* is set to take urgent action to combat *climate change* and its impacts, including strengthening *resilience and adaptive capacity* to climate-related hazards and natural disasters in all countries.

Both mitigation and adaptation options to address climate change require substantial infrastructure investment in transport, energy and other sectors, along with other measures.<sup>21</sup> While **B&R2** can contribute specifically to this area, the Belt and Road in general has also called for increasing regional cooperation in tackling **climate change**.

*SDG12* is to ensure sustainable consumption and production patterns.

*SDG14* is set to conserve and sustainably use the oceans, seas and marine resources for sustainable development.

*SDG15* is aimed to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

While none of the **B&R** priority areas delineate specific measures which are directly linked to *SDG12*, *SDG14* and *SDG15*, some general principles defined in **B&R3** for trade and investment, such as promoting **ecological progress** in conducting investment and trade, enhancing cooperation in **conserving eco-environment, protecting biodiversity**, tackling climate change, building green Belt and Road, are to some extent in line with the efforts to achieve *SDG12*, *SDG14* and *SDG15*.

#### *Indirect links of B&R to the achievement of SDG10 and SDG16*

*SDG10* is set to reduce inequality within and among countries.

*SDG16* is set to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

The five B&R priority areas did not contain direct links to SDG10 and SDG16, but they may still contribute to the achievement of these SDGs indirectly, particularly if complemented by other policies.

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<sup>21</sup> See UNIPCC (2014) for more detailed analysis on mitigation and adaption options.

For example, research on the distributional implications of infrastructure investment offers some suggestive evidence of an equity-enhancing effect. Enhanced availability of infrastructure, along with education and health may not only improve efficiency but also help reduce inequality.<sup>22</sup> Increased public infrastructure services reduces the inequality of opportunity among entrepreneurs, increases the return on investment, and raises entrepreneurial activity among the less-favored segments of society. Greater provision of public infrastructure can benefit the poor people more than proportionally because of their lesser access to private substitutes.<sup>23</sup> From another perspective, an increased supply of public infrastructure raises the marginal productivity of both skilled and unskilled labor. If the sector using unskilled labor is relatively more intensive in public infrastructure services, there will be an outflow of capital from the skilled to the unskilled sector, and the wage rate of skilled labor will decline and that of unskilled labor will increase, narrowing skilled-unskilled wage inequality.<sup>24</sup> Some empirical studies find that income inequality is negatively related to their respective measures of infrastructure development,<sup>25</sup> although evidence in most cases is still sketchy.<sup>26</sup>

Meanwhile, **B&R5**, people-to-people bond, can to some extent contribute to the achievement of **SDG16**. For instance, many proposed measures in **B&R5**, such as cooperation with neighboring countries on epidemic prevention and major infectious diseases including AIDS; cooperation on technology transfer, on youth employment, entrepreneurship training, vocational skill development, social security management, public administration and management; exchanges between legislative bodies, major political parties and political organizations of countries along the Belt and Road; cooperation among cities and exchanges of cultural and people; could all promote peaceful and inclusive societies for sustainable development, and contribute to the building of effective, accountable and inclusive institutions at all levels.

#### ***Direct link of B&R 1, 2, 3 and 4 to SDG17***

SDG17 is set to strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. This goal includes five specific areas: ***finance, technology, capacity-building, trade, and systemic issues.***

In the area of ***finance***, SDG17 underscores domestic resource mobilization, official development assistance (ODA), additional financial resources for developing countries from multiple sources, long-term debt sustainability for developing countries, and investment promotion regimes for least developed countries.

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<sup>22</sup> Ferreira (1995)

<sup>23</sup> Getachew (2010)

<sup>24</sup> Pi and Zhou (2012)

<sup>25</sup> Calderón and Servén (2004, 2010a,b), and Seneviratne and Sun (2013)

<sup>26</sup> César Calderón and Luis Servén (2014)

In comparison, the actions in **B&R4**, on **financial integration**, can facilitate the advancement in some of those areas as underscored by *SDG17*. For example, the setup of the AIIB and BRICS New Development Bank and the initiative to encourage commercial equity investment funds and private funds to participate in the construction of key projects, are exactly the concrete steps to mobilize additional financial resources for developing countries.

In the area of *technology*, *SDG17* is set to enhance North-South, South-South and triangular regional and international cooperation on and access to *science, technology and innovation*; promote the development, transfer, dissemination and diffusion of *environmentally sound technologies* to developing countries on favourable terms; and a few other targets.

On the other hand, **B&R 2, 3 and 4** include measures to promote in-depth cooperation in **technology** in a broad spectrum of industries among the B&R related countries, such as new generation information technology, biotechnology, new energy technology, new materials, **environmental protection** industries, etc.

In the area of *trade*, *SDG17* is aimed to promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the *WTO*; significantly increase the *exports of developing countries*; and some other targets.

In comparison, B&R3 is focused on improving investment and **trade** facilitation and removing investment and **trade barriers**, including a number of specific measures, such as enhancing customs cooperation, implementing the **WTO** Trade Facilitation Agreement, lowering nontariff barriers, improving the transparency of technical trade measures, etc. All these measures will lead to increases in global trade as well as the **exports of developing countries**.

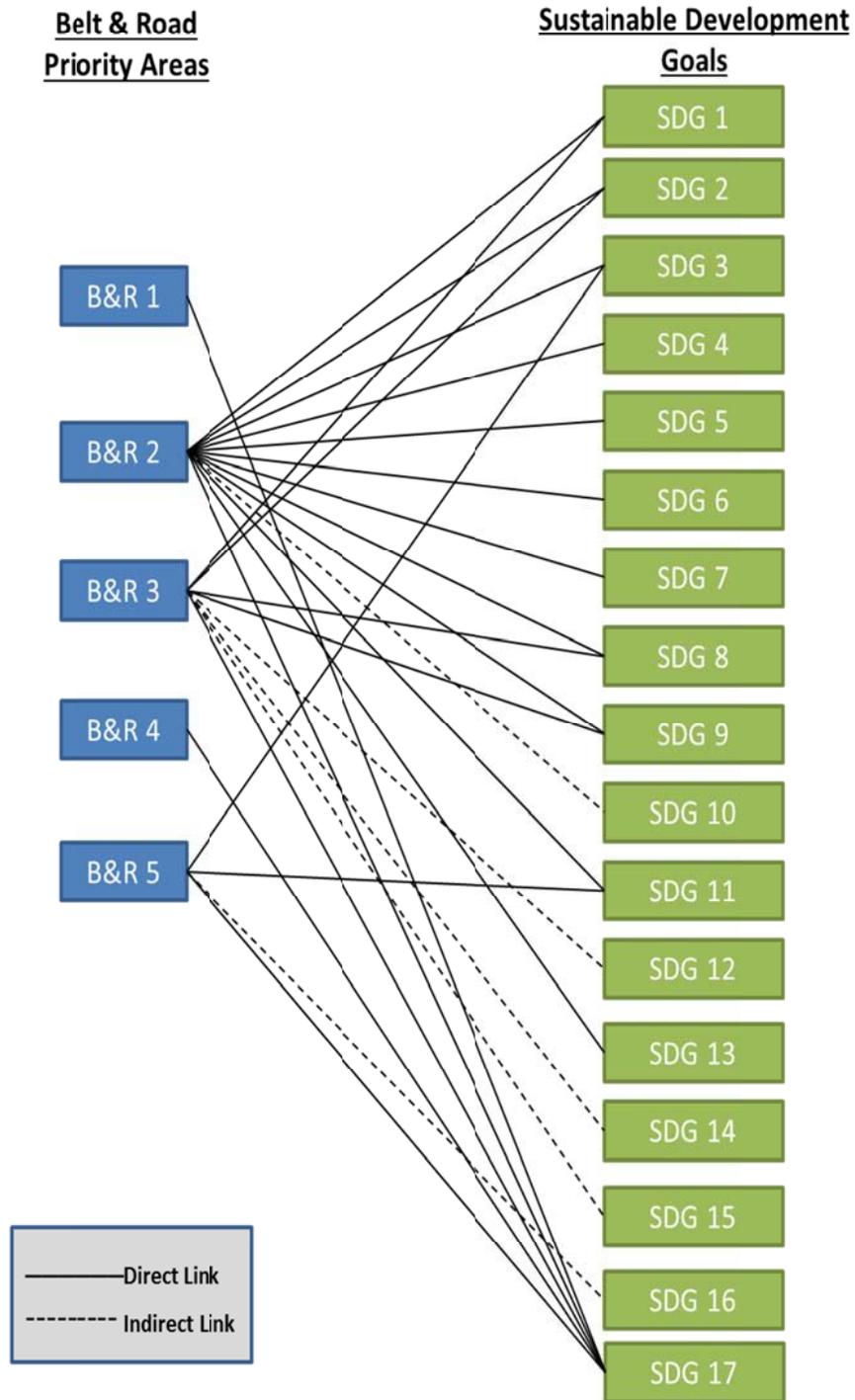
Moreover, unlike many conventional Regional Trade Agreements (RTAs), which may create trade within the region at the expense of diverting trade from the countries outside of the region, the B&R is intended to create an open, inclusive and balanced regional economic cooperation architecture that benefits all, in the interests of the world.

In the area of *systemic issues*, *SDG17* is set to enhance global *macroeconomic* stability, including through *policy coordination* and *policy coherence*, enhance policy coherence for sustainable development, among other targets.

**B&R1** has also defined **policy coordination** as the priority, including multilevel intergovernmental **macro policy** exchange and communication mechanism; coordinating economic development strategies and policies;

Figure 3 summarizes the links between the five B&R priority areas and the SDGs as discussed above.

**Figure 3. Links between Belt & Road Initiative and Sustainable Development Goals**



#### IV. The connection between the Belt and Road and the AAAA

The Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda, or AAAA) was adopted by the General Assembly in July 2015.<sup>27</sup> As an integral part of the 2030 Agenda for Sustainable Development, the AAAA supports, complements and helps to contextualize the 2030 Agenda's means of implementation targets.

The AAAA outlined *seven Action areas*:

- A. Domestic public resources;
- B. Domestic and international private business and finance;
- C. International development cooperation;
- D. International trade as an engine for development;
- E. Debt and debt sustainability;
- F. Addressing systemic issues;
- G. Science, technology, innovation and capacity-building.

Most of these Action areas are also defined in SDG7, but the AAAA elaborates more concrete policies in these Action areas.

From the analysis in the previous section, it is clear that B&R 1-4 are also directly connected to the seven AAAA Action areas, as they are to the SDG7.

The AAAA has also identified a range of important cross-cutting areas. Among these cross-cutting areas, “establishing a new forum to bridge the infrastructure gap” has the most direct link particularly to **B&R2, 3, and 4**.

The AAAA states that investing in sustainable and resilient infrastructure, including transport, energy, water and sanitation for all, is a pre-requisite for achieving many SDGs. To bridge the global infrastructure gap, including the \$1 trillion to \$1.5 trillion annual gap in developing countries, the AAAA calls for facilitating development of sustainable, accessible and resilient quality infrastructure in developing countries through enhanced financial and technical support. The AAAA welcomes the launch of new infrastructure initiatives aimed at bridging these gaps, including the Asian Infrastructure Investment Bank, the New Development Bank, and a few others. The AAAA calls for the establishment of a *global infrastructure forum* building on existing multilateral collaboration mechanisms, led by the multilateral development banks.

This forum meets periodically to improve alignment and coordination among established and new infrastructure initiatives, multilateral and national development banks, United Nations agencies, and national institutions, development partners and the private sector. It identifies and addresses infrastructure and capacity gaps. It highlights opportunities for investment and cooperation, and works to ensure that investments are environmentally, socially and economically sustainable.

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<sup>27</sup> See United Nations (2015b).

The first global infrastructure forum was organized in April 2016.

Countries along the Belt and Road, when undertake the B&R priorities, can benefit from the information, coordination, and cooperation opportunities of the global infrastructure forum, and contribute their experience to the forum.

## **V. Concluding remarks**

The implementation of the universal and ambitious 2030 Agenda for Sustainable Development requires tremendous efforts at global, regional, national and subnational levels, with broad and intensive engagement of Governments, the private sector, civil society, the United Nations system and other actors and mobilizing all available resources.

The Belt and Road Initiative, although launched independently of the 2030 Agenda, can make important contribution to the implementation of the 2030 Agenda and the achievement of the SDGs. As tentatively sketched and discussed in the sections above, the vision and basic principles of the Belt and Road Initiative are in many respects in line with those of the 2030 Agenda for Sustainable Development. The five priorities under the Belt and Road Initiative are found to be able to contribute, directly or indirectly, to the achievement of the 17 SDGs, as well as the Action Areas of the AAAA.

Looking forward, more in-depth and comprehensive analyses, theoretical and empirical, qualitative and quantitative, need to be carried out, so that we can understand thoroughly the overall effects of the Belt and Road on the achievement of the SDGs and the specific channels through which such effects are transmitted. More importantly, the future analyses need to focus on policies, particularly integrative policies, which could further strengthen the effects of the five B&R priority areas on a balanced achievement of the SDGs in the economic, social and environmental dimensions, not only for the countries along the Belt and Road, but also for the world as a whole.

In this regard, the newly initiated DESA/DPAD capacity development project on “macroeconomic implications of the Belt and Road Initiative” can make a small contribution to our understanding of this much larger picture.

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