



# **Investing in ASEAN Sustainable Development**

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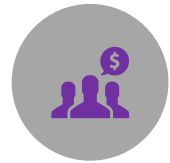
## **Introduction**

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## **ASEAN SDGs Implementation: State of the Art**

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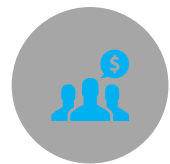
## **China and ASEAN SDGs Implementation: BRI's Role**

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## **BRI and ASEAN SDGs Implementation: Data Analysis**

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## **Policy Prescriptions**

# Introduction

- The next years will be crucial for international community to implement global, regional, sub-regional, and national development visions given that most deadlines approaching around 2030.
- Rising anti-globalization and the China-America trade war add more complexities for almost all visions to be realized.
- Against this backdrop, China and ASEAN should cooperate on providing best practice for the building of community of shared future for mankind in general, and the implementing of the UN 2030 Agenda for Sustainable Development (SDGs) in particular.

# ASEAN SDGs Implementation: State of the Art

- 1. Aligning ASEAN Community 2025 Vision with SDGs

																	
SDGs	Goal 1 No Poverty	Goal 2 Zero Hunger	Goal 3 Good Health and Well-Being	Goal 4 Quality Education	Goal 5 Gender Equality	Goal 6 Clean Water and Sanitation	Goal 7 Affordable and Clean Energy	Goal 8 Decent Work and Economic Growth	Goal 9 Industry, Innovation and Infrastructure	Goal 10 Reduced Inequality	Goal 11 Sustainable Cities and Communities	Goal 12 Responsible Consumption and Production	Goal 13 Climate Action	Goal 14 Life Below Water	Goal 15 Life on Land	Goal 16 Peace and Justice Strong Institutions	Goal 17 Partnerships for the Goals
Poverty Eradication	X	X				X	X	X									X
Infrastructure and Connectivity						X	X		X		X						X
Sustainable management of natural resources		X				X	X					X	X	X	X		X
Sustainable consumption and production	X		X			X	X	X	X			X	X				X
Resilience	X	X	X						X		X		X				X



# ASEAN SDGs Implementation: State of the Art

- **2. ASEAN Member's Development Strategy and SDGs**

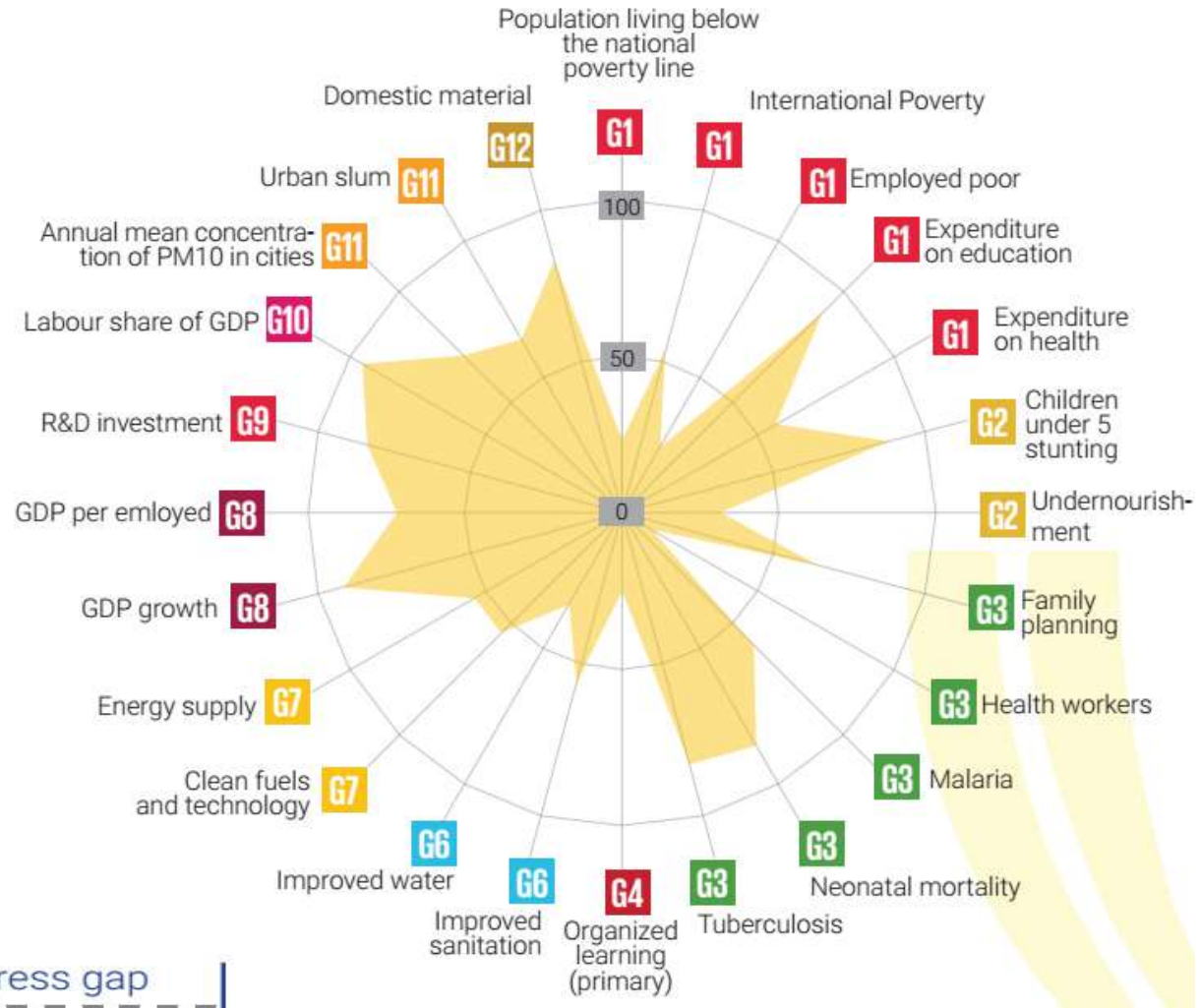


Almost every member has its national plan for implementing SDGs;  
8 members have reported voluntarily (VNR) between 2016-2019, with Indonesia and Philippines reported twice.

# ASEAN SDGs Implementation: State of the Art

- 3. Gaps

**Rising income inequality undermines poverty reduction!**



ESCAP, *ASEAN SDG Baseline*, Bangkok: UNESCAP, 2017, p. 6.

# ASEAN SDGs Implementation: State of the Art

## • 3. Gaps

	Maintain	Accelerate	Reverse	Insufficient Data	Total
SDG-1	1		1	5	7
SDG-2	1	4	1	2	8
SDG-3	5	4	2	2	13
SDG-4	3	3	0	4	10
SDG-5	0	2	0	7	9
SDG-6	1	0	1	6	8
SDG-7	1	1	1	2	5
SDG-8	1	2	2	7	12
SDG-9	3	3	0	2	8
SDG-10	0	1	1	8	10
SDG-11	1	1	1	7	10
SDG-12	0	1	1	9	11
SDG-13	0	1	0	4	5
SDG-14	0	1	1	8	10
SDG-15	0	3	1	8	12
SDG-16	0	0	2	10	12
SDG-17	1	3	0	15	19
<b>Total</b>	<b>18</b>	<b>30</b>	<b>15</b>	<b>106</b>	<b>169</b>

ESCAP, *Asia and The Pacific SDG Progress Report 2019*, Bangkok: UNESCAP, 2019, p. 36, Figure 32.

# ASEAN SDGs Implementation: State of the Art

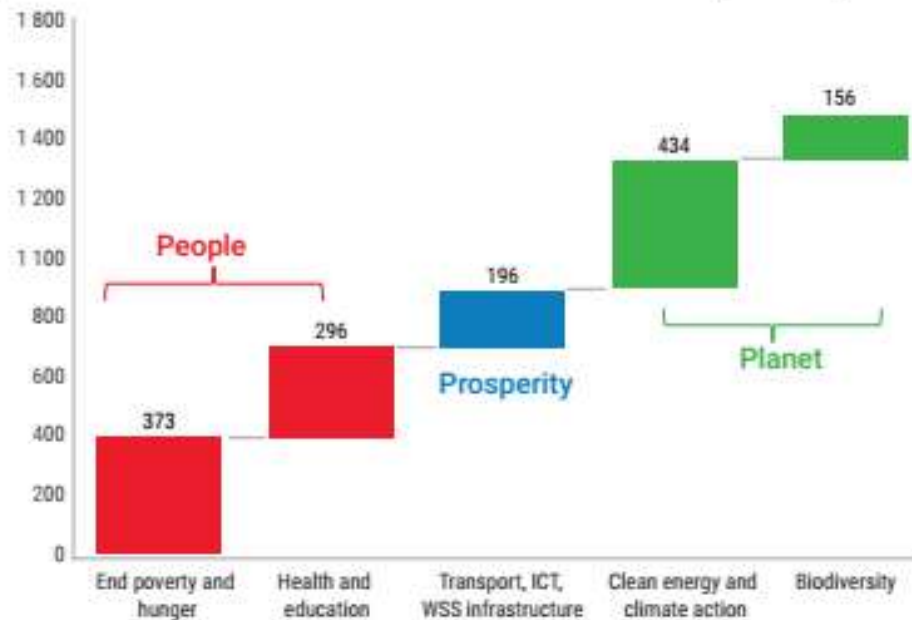
Financial gaps (Asia and Pacific)

SDG as a whole: USD Trillion 1.5/year; SDG-1,2: USD Billion 373/year

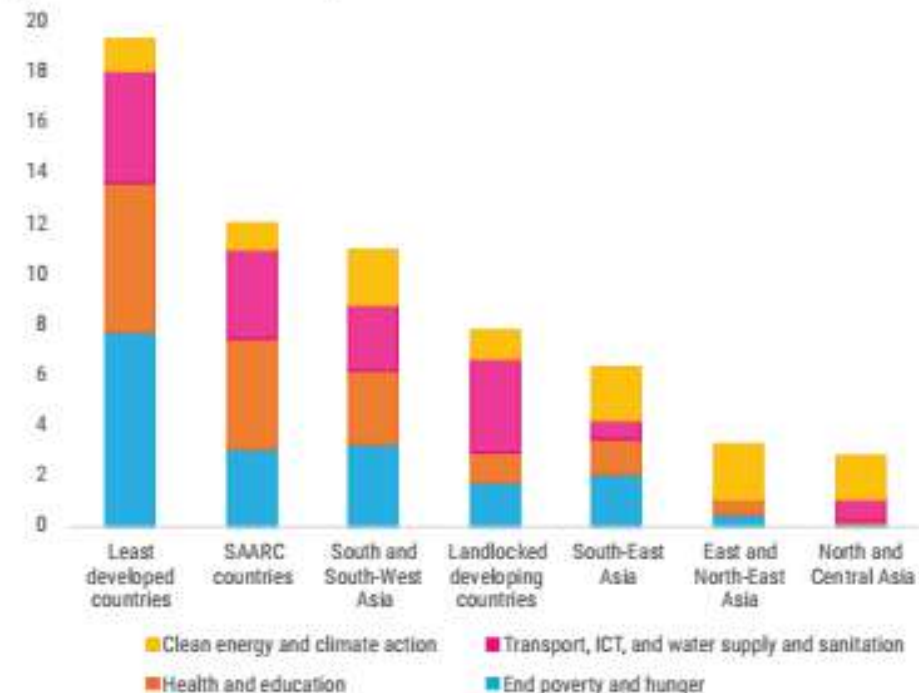
SDG-3,4,5: USD Billion 296/year; SDG-6,7,9,13: USD Billion 196/year

## • 3. Gaps

**A. Annual average investment gap, 2016-2030**  
(Billions of United States dollars in 2016 prices)



**B. Annual average investment gap, 2016-2030**  
(Percentage of GDP in 2018)



ESCAP, *Economic and Social Survey of Asia and The Pacific 2019: Ambitions beyond Growth*, Bangkok: UNESCAP, 2019,

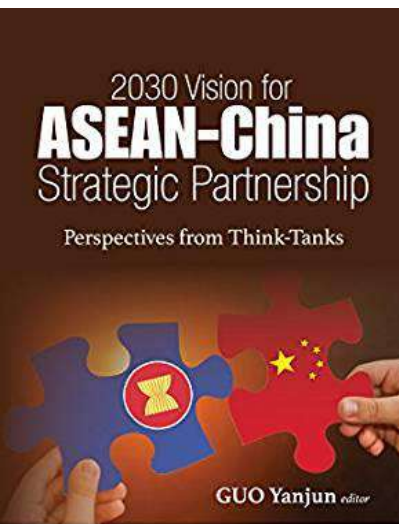


# China and ASEAN SDGs Implementation: BRI's Role

- **1. Potential of China-ASEAN Cooperation in SDGs Implementation**

Para. 6. Enhance the complementarities between ASEN Vision 2025 and the UN 2030 Agenda for Sustainable Development including through further South-South cooperation.

Para. 39. ...China's efforts to provide assistance to ASEAN Member States... in implementing objectives under the UN 2030 Agenda for Sustainable Development, including poverty eradication in all forms and dimensions, in accordance with respective sustainable development goals.



# China and ASEAN SDGs Implementation: BRI's Role

## • 2. BRI as Core Driving Forces for China-ASEAN Cooperation

Para. 3. Strengthen the strategic partnership with mutually-beneficial cooperation on ASEAN integration and community-building, including through capacity building and resource mobilisation, synergising common priorities in the Master Plan on ASEAN Connectivity (MPAC) 2025 and China's Belt and Road Initiative (BRI).....

Investment target: USD 150 billion by 2020;

ASEAN-China Free Trade Area (ACFTA) Upgrading

Regional Comprehensive Economic Partnership (RCEP)

MPAC 2025- ASEAN ICT Master Plan 2020

ASEAN-China Air Transport Agreement (AS-ATA); ASEAN-China Air Services regime;

.....



# China and ASEAN SDGs Implementation: BRI's Role

## • 3. BRI's Potential Role in ASEAN Poverty Eradication

Three main channels:

Providing basic services;

Increasing productivity and reducing trade costs;

Affecting the access of people to goods, services and job opportunities.

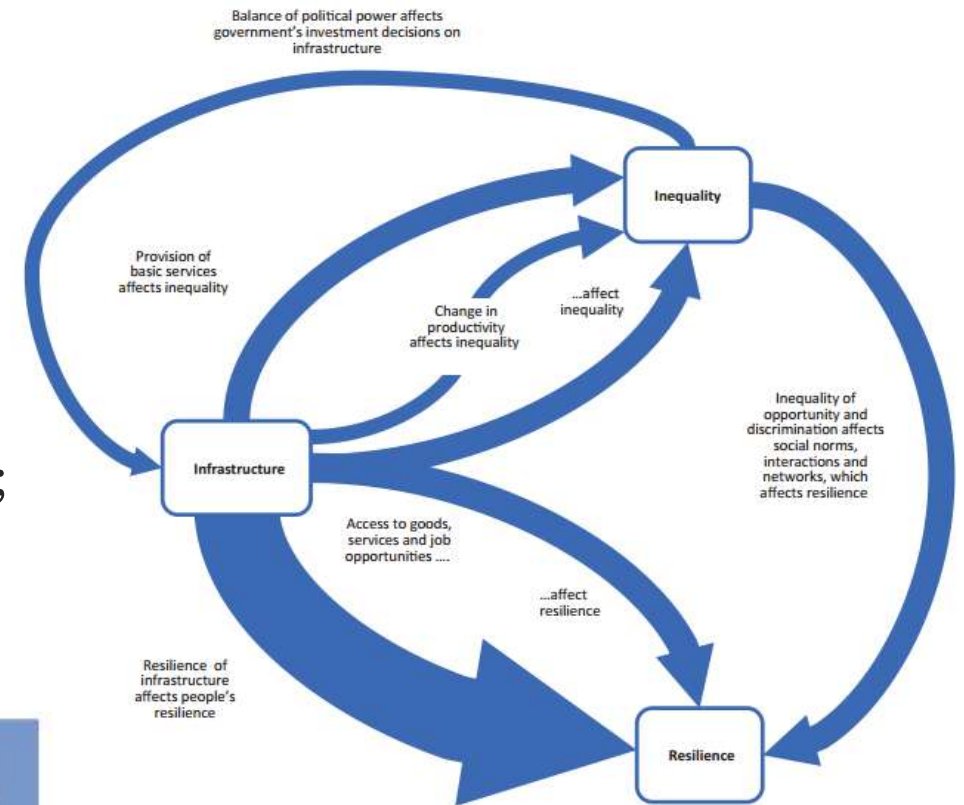


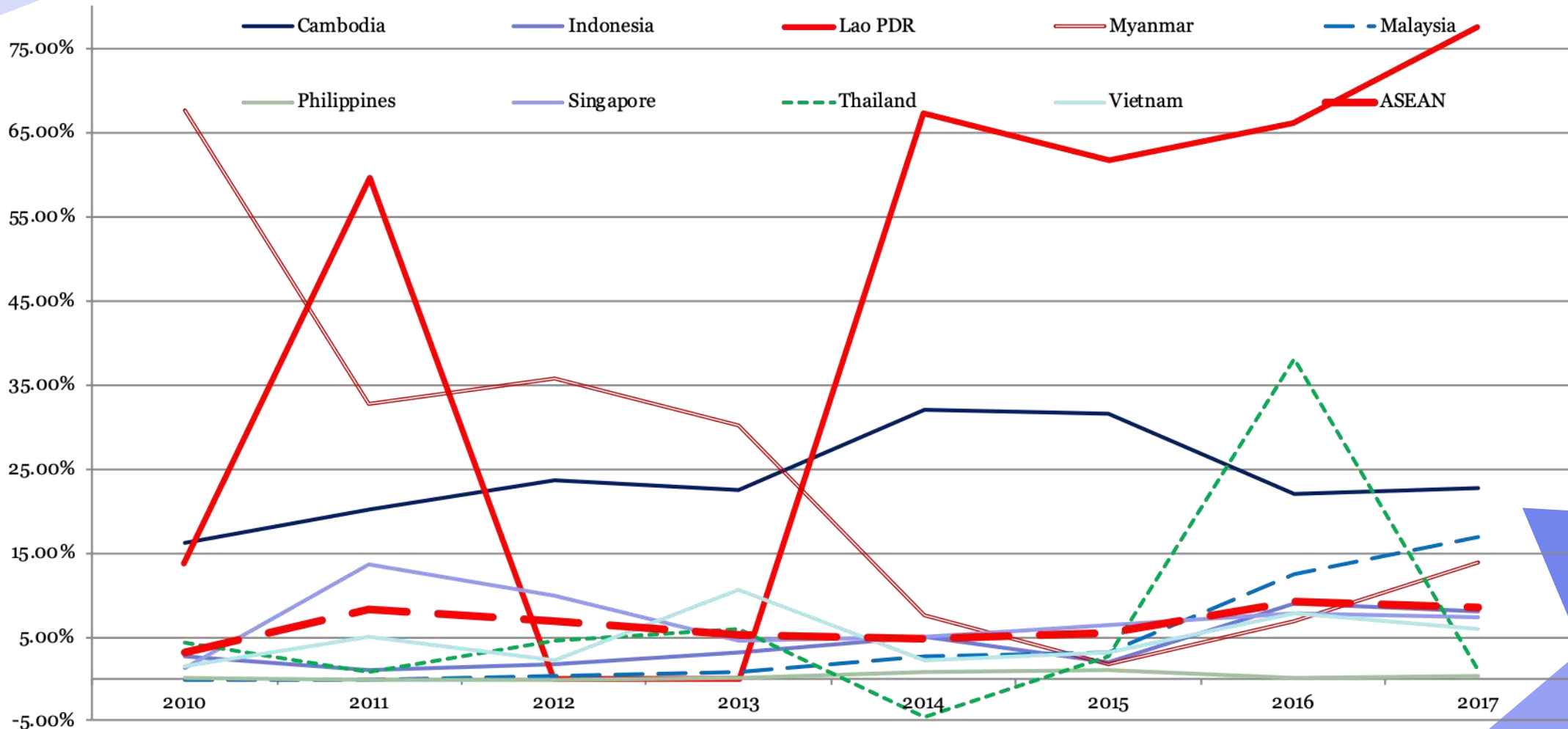
Table 2-3: Infrastructure's potential impact on key development areas

	Income poverty	Education	Gender parity in education	Child and infant Mortality	Maternal Health	Communicable disease	Environmental protection	ICT and trade	Income Inequality
<b>Infrastructure:</b>									(-, +++) <sup>abcdef</sup>
Transport (local)	+++	++	++	+	+		+	+	(--, +++) <sup>agh</sup>
Transport (regional)	+++	+	+	++	+	+	-	+++	
Modern energy	+++	+	+	++	+	+	++	+	(-, +++) <sup>afh</sup>
Telecom	++	+	+	+	+	+	+	++	(0, +) <sup>ahi</sup>
Water (private use)	++	++	+	+++	+	+	+++	+	(+, +++) <sup>ad</sup>
Sanitation	+	+	++	+	+	+	++	+	+++ <sup>d</sup>
Water management	+++		+	+			++		

Source: Global Sustainable Development Report 2016.

# BRI and ASEAN SDGs Implementation: Data Analysis

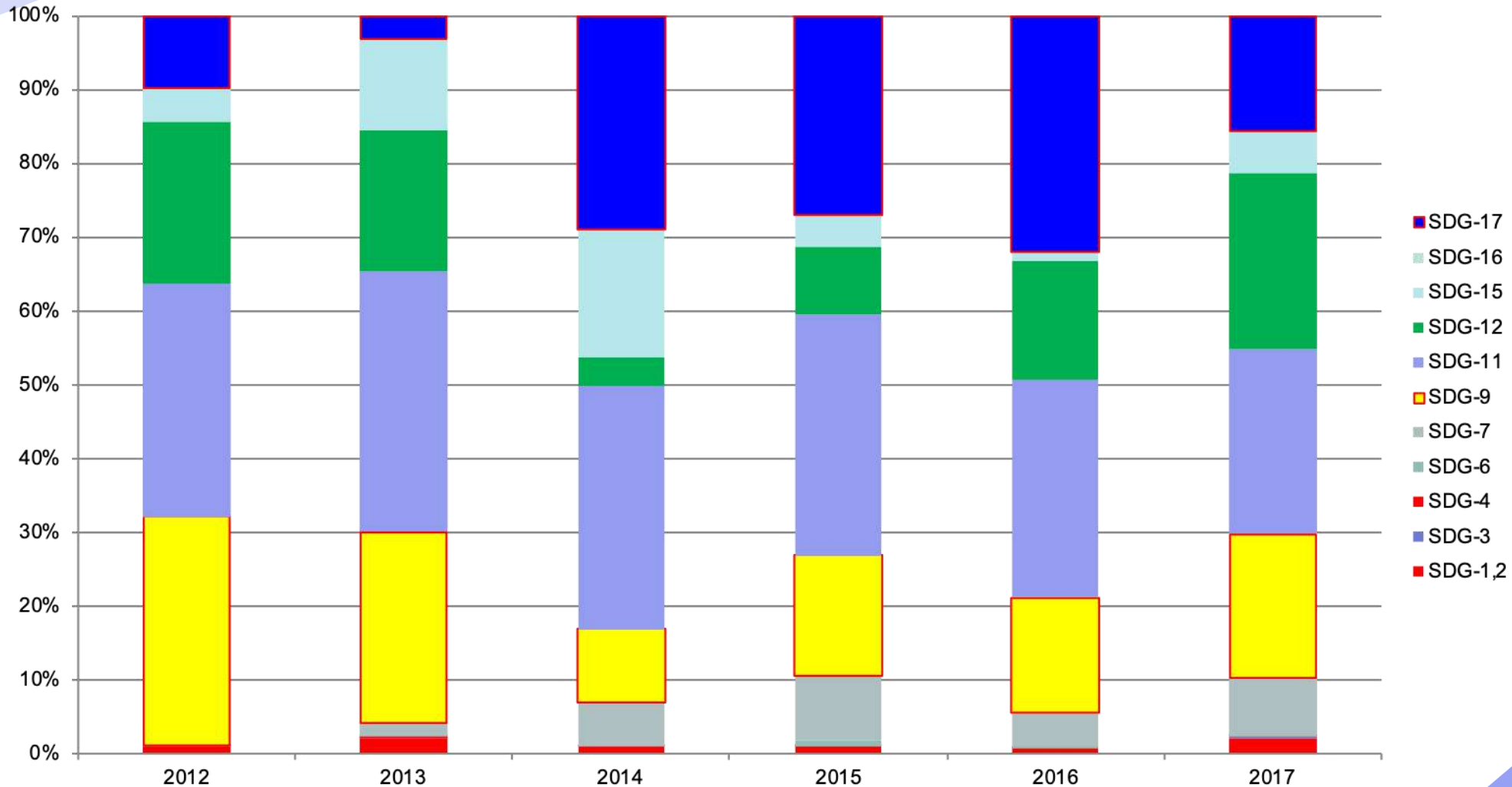
## • 1. BRI and China's Investment in ASEAN SDGs



Source:  
ASEAN Data.

# BRI and ASEAN SDGs Implementation: Data Analysis

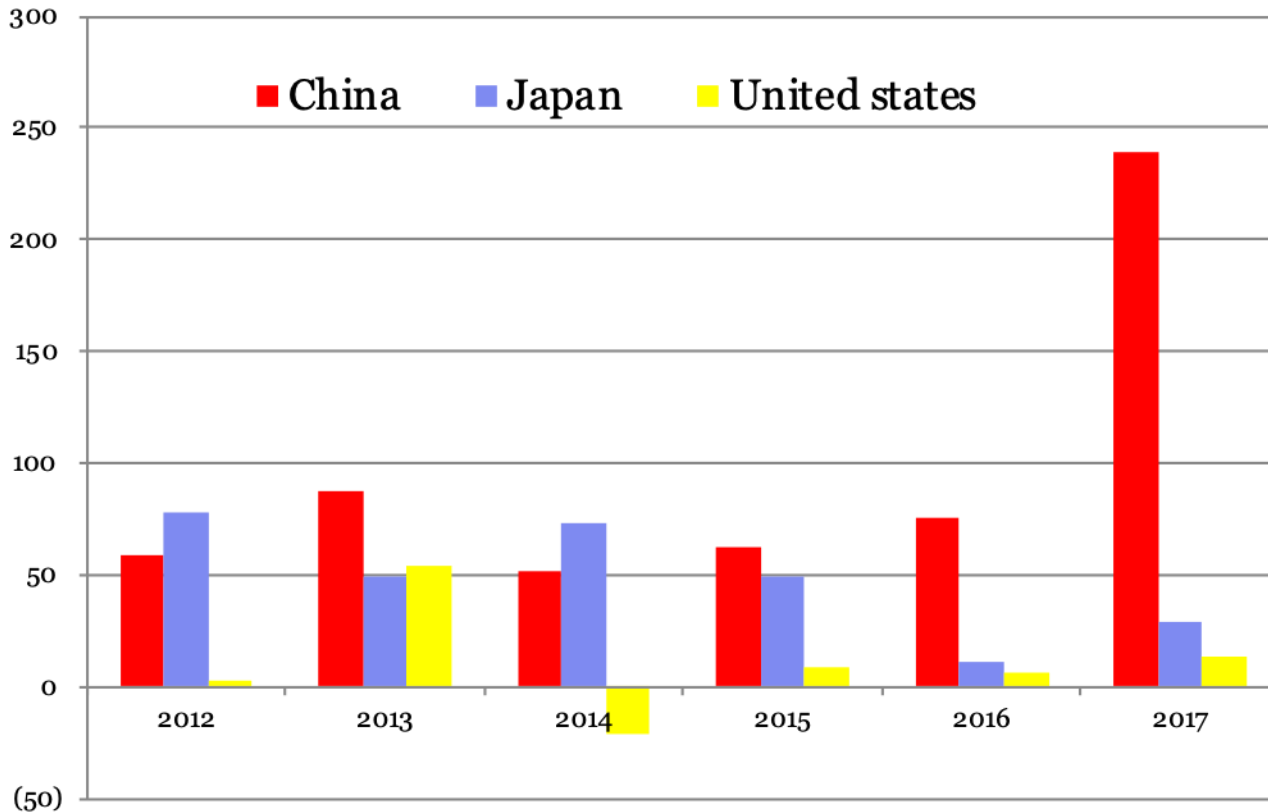
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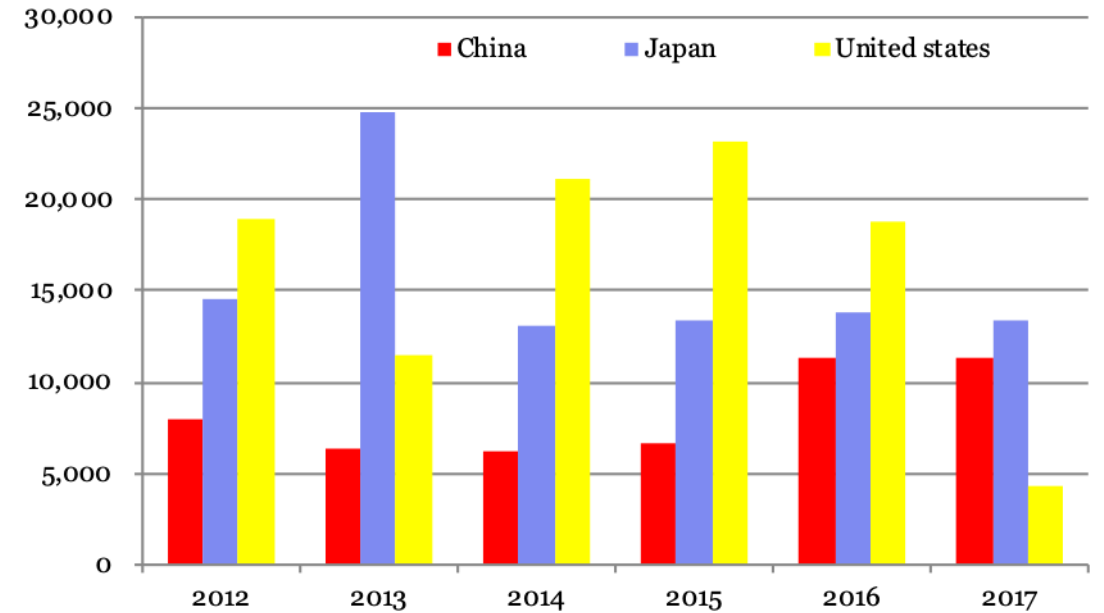
Source:  
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# BRI and ASEAN SDGs Implementation: Data Analysis

- 1. BRI and China's Investment in ASEAN SDGs



Investment in ASEAN SDG-1&2, China, Japan, and US. Million USD



Investment in ASEAN, China, Japan, and US. Million USD

Source:  
ASEAN Data.

# BRI and ASEAN SDGs Implementation: Data Analysis

## • 2. Impact Analysis: BRI Investment and ASEAN SDGs Performance

We check the impact of BRI investment on ASEAN sustainable development through using Pearson Correlation Coefficient, including 3 dimensions with 7 indicators: Economic impacts (GDP growth, Agriculture, Industrialization, Infrastructure), Social impacts (inequality, HDI), and Governance impact;

And we compare different impacts in two periods before and after BRI proposed (2010-2013 vs. 2014-2017).

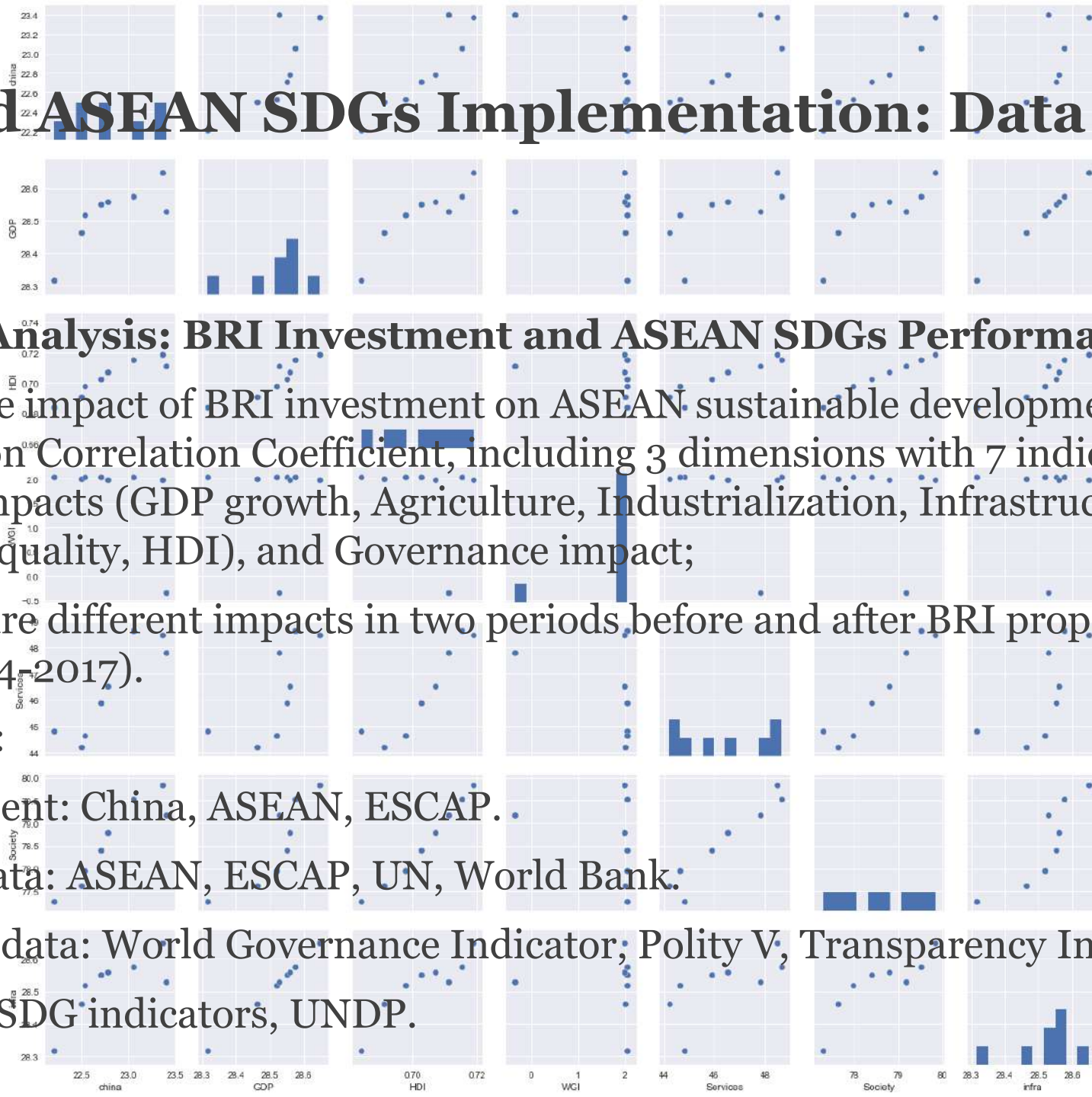
Source of data:

BRI investment: China, ASEAN, ESCAP.

Economic data: ASEAN, ESCAP, UN, World Bank.

Governance data: World Governance Indicator, Polity V, Transparency International.

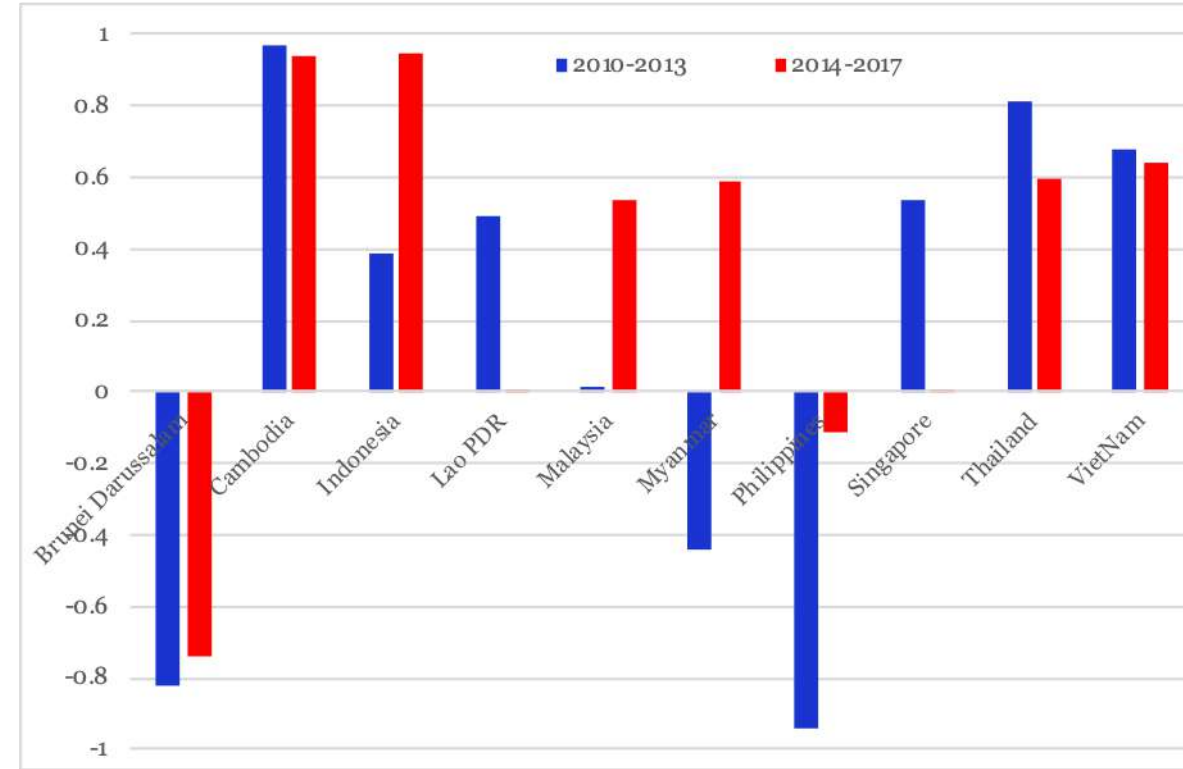
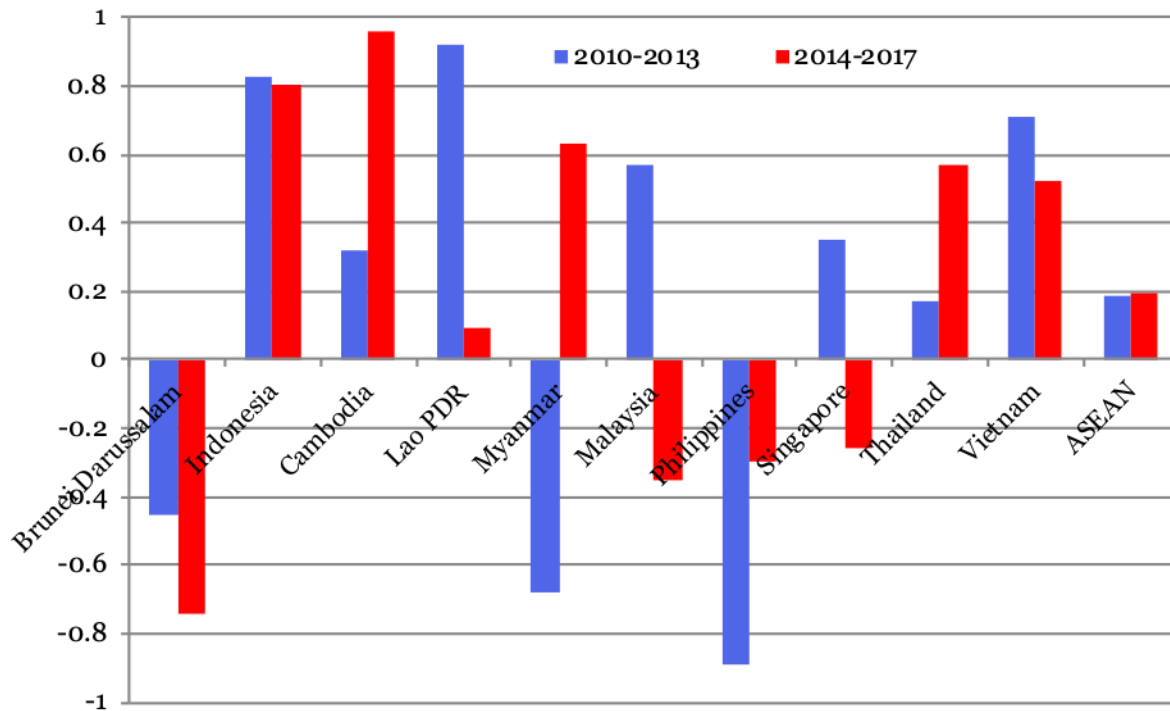
Social data: SDG indicators, UNDP.



# BRI and ASEAN SDGs Implementation: Data Analysis

- Economic Impacts**

General impact is positive, especially positive in Agriculture and Industrialization, marginal improve in Infrastructure.



Agriculture

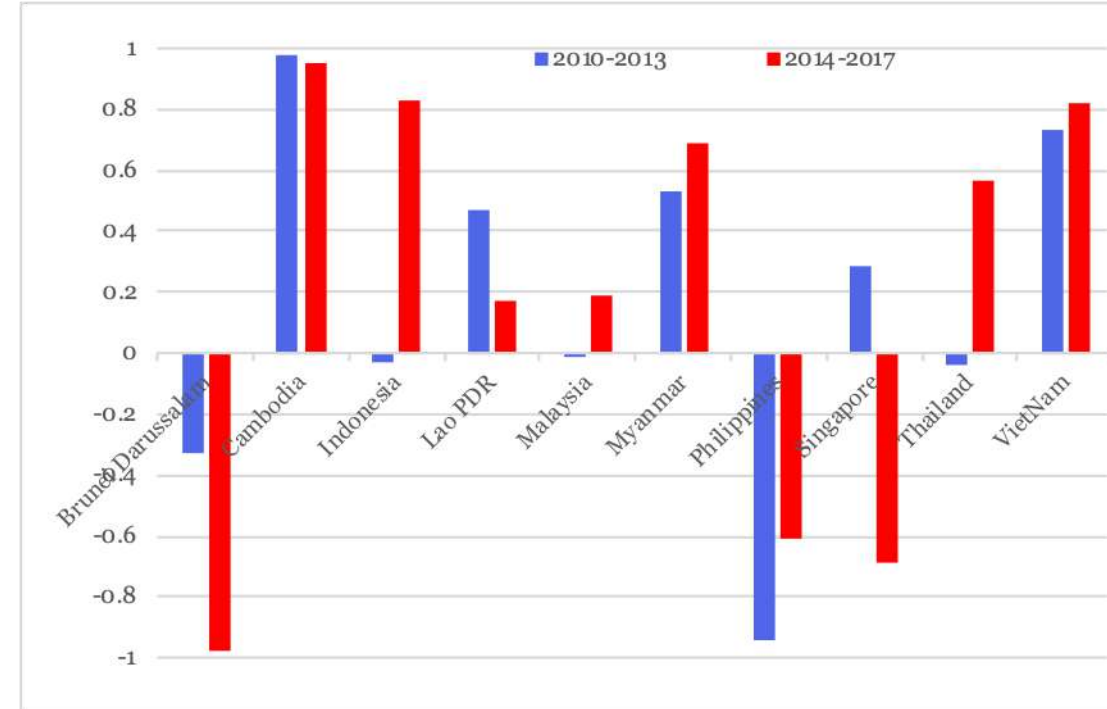
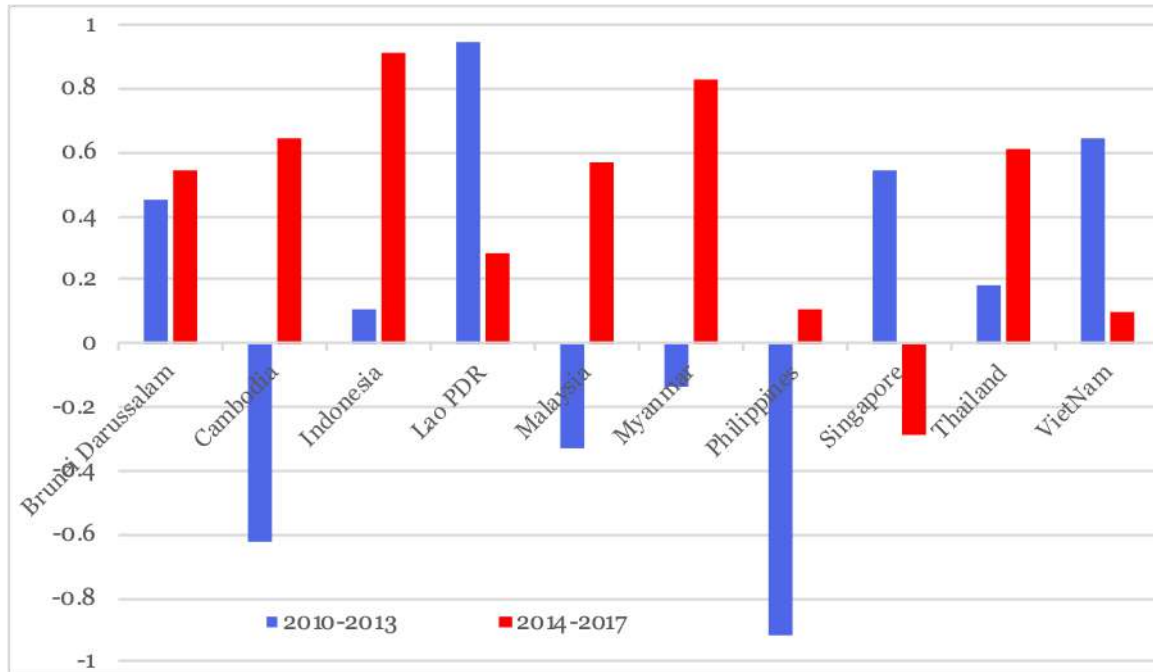
GDP



# BRI and ASEAN SDGs Implementation: Data Analysis

- **Economic Impacts**

General impact is positive, especially positive in Agriculture and Industrialization, marginal improve in Infrastructure.



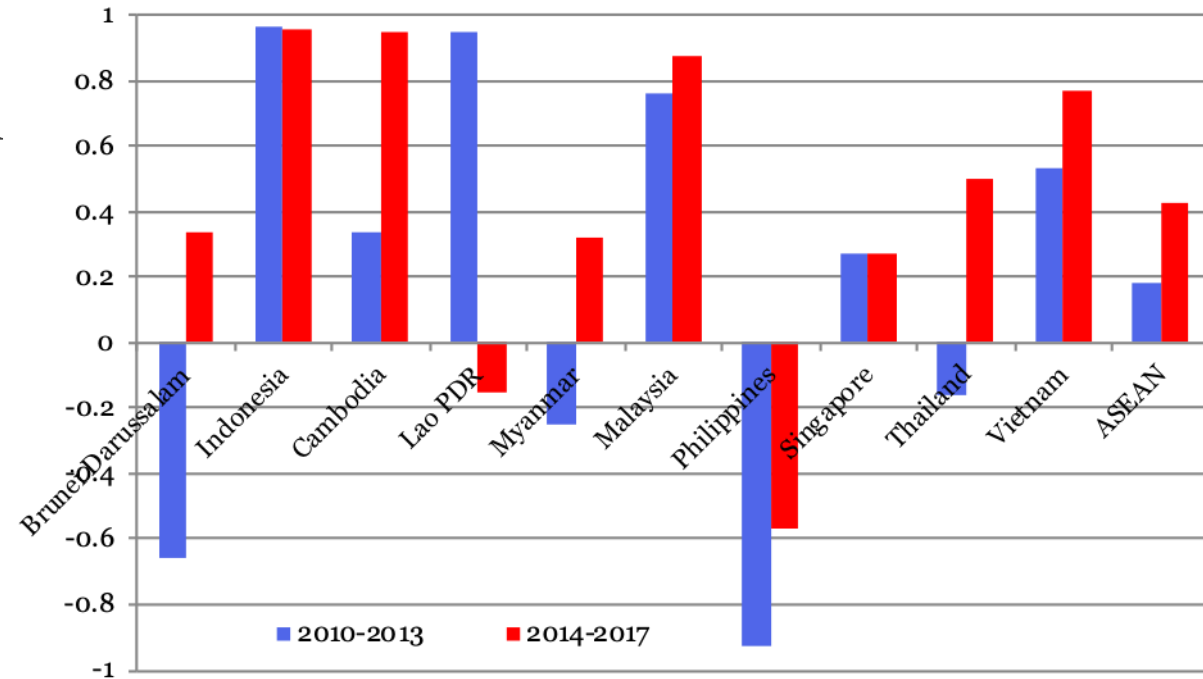
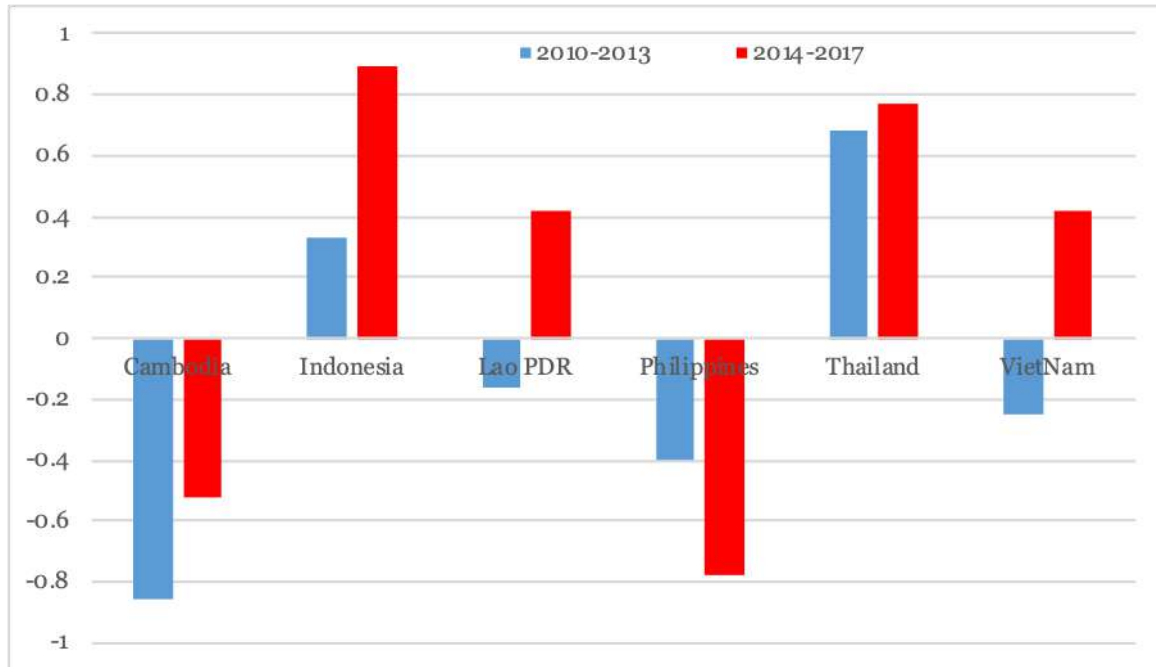
Infrastructure

Industrialization

# BRI and ASEAN SDGs Implementation: Data Analysis

- **Social Impacts**

BRI investment has positive impact on ASEAN social development, but significant changes in different countries, highlighted the quality problem of BRI investment.



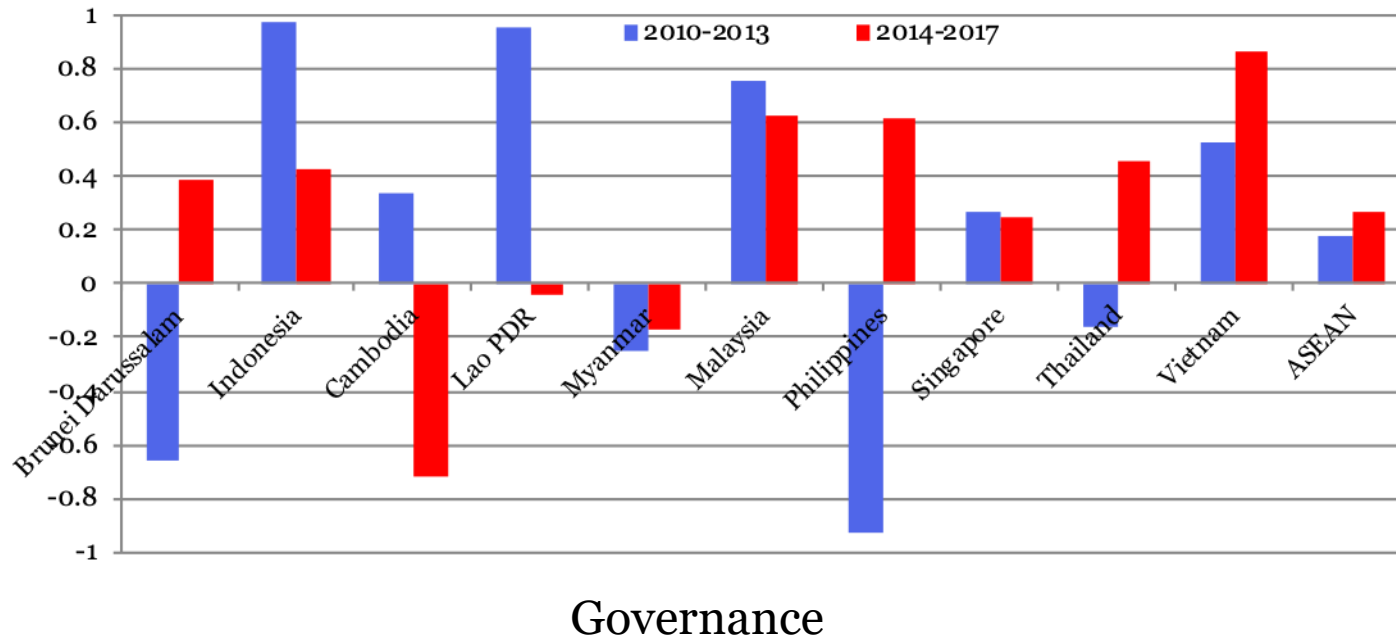
HDI

Inequality

# BRI and ASEAN SDGs Implementation: Data Analysis

- **Governance Impact**

BRI investment has positive impact on ASEAN governance, but greatly reversed in Cambodia and Lao PDR, implying some risks of both local governance and BRI investment.



While mostly positively contributed to ASEAN SDGs, **BRI investments impact different in ASEAN members and across SDGs indicators, some findings are even abnormal.**

# Policy Prescriptions



- **Preliminary Policy Prescriptions**

**For China:**

- To improve strategies alignment efforts;
- To improve certainties of BRI investment;
- To further support ASEAN economic development, especially agricultural development and poverty eradication;
- To strengthen investment in SDG 1, 2, 3, 4, 5, and 6;
- To strengthen data capacity.

**For ASEAN and Members:**

- To strengthen strategies alignment (synergy) between ASEAN Vision 2025, China's BRI and UN 2030 Agenda;
- To strengthen knowledge-sharing and experience-sharing;
- To strengthen data capacity and capacity building cooperation.



The image features a white background with decorative blue geometric shapes in the corners. In the top-left, there are two overlapping triangles, one light blue and one medium blue. In the top-right, there are several overlapping triangles in various shades of blue. In the bottom-left, there is a large, complex shape composed of several overlapping triangles in different shades of blue. In the bottom-right, there is a single, elongated blue parallelogram.

**Thanks for Your Attention!**