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**Special Body on Least Developed, Landlocked Developing
and Pacific Islands Developing Countries: development
issues relevant to least developed countries****Report on the Regional Capacity-building Workshop on
Sustainable Development Goals Modelling for the Least
Developed Countries in Asia and the Pacific****Note by the secretariat***Summary*

This present document is a summary of the outcome and policy discussions of the Regional Capacity-building Workshop on Sustainable Development Goals Modelling for the Least Developed Countries in Asia and the Pacific, which was held in Vientiane on 30 June 2016. At the Workshop, member States requested the Economic and Social Commission for Asia and the Pacific to continue to facilitate regional cooperation to advance the development of modelling frameworks to assess the impact of policies on sustainable development in the region and to coordinate work in the region to develop pertinent capacities in relevant national agencies. It was recognized that the rich discussion and sharing of experiences would help to harness regional partnerships for building Goals modelling frameworks that can support effective implementation of the 2030 Agenda for Sustainable Development in the Asia-Pacific region.

In their conclusions, participants referred to the need for improving national statistics systems to enhance the availability and reliability of data. They also recommended that least developed countries strengthen cooperation between one another and with external actors, including the United Nations, on developing and harmonizing the Goals modelling frameworks and on integrated approaches in national, subregional and regional policymaking processes.

The Commission may wish to provide the secretariat with guidance on the recommendations contained herein and on any other matters concerning further development and mainstreaming of Goals modelling tools and integrated approaches in national, subregional and regional policymaking processes.

* E/ESCAP/73/L.1.

I. Introduction

1. The 193 States Members of the United Nations adopted the 2030 Agenda for Sustainable Development, which includes the Sustainable Development Goals, at the seventieth session of the General Assembly in September 2015. The Economic and Social Commission for Asia and Pacific (ESCAP), in its resolution 72/6, initiated a process to support the efforts of its member States and to enhance regional cooperation to develop integrated approaches, models and tools aimed at analysing the Goals. For that endeavour, ESCAP placed special emphasis on the countries with special needs, comprising least developed countries, landlocked developing countries and small island developing States.

2. While many developing countries in the region are incorporating the 2030 Agenda and the Sustainable Development Goals into their national policies and modelling frameworks, countries with special needs require substantial financial and technical assistance to develop their capacities in that regard. For one, the availability and quality of data and timely and reliable statistics present a major challenge to modelling approaches that integrate different aspects of the Goals. In addition, many of these countries' capacities to mainstream such models into national planning processes need to be strengthened. Addressing these challenges requires significant support from development partners.

3. ESCAP held a Regional Capacity-building Workshop on Sustainable Development Goals Modelling for the Least Developed Countries in Asia and the Pacific in Vientiane on 30 June 2016. The purpose of the Workshop was to identify, through modelling frameworks, linkages and impacts of national policies and strategies on the economic, social and environmental dimensions of sustainable development. The Workshop was attended by more than 70 participants, including representatives of Governments from 10 ESCAP member States (Afghanistan; Bangladesh; Bhutan; Cambodia; Lao People's Democratic Republic; Myanmar; Nepal; Timor-Leste; Tuvalu; and Vanuatu), representatives of United Nations bodies, civil society organizations and other stakeholder organizations.¹

4. The participants expressed deep appreciation to the Lao People's Democratic Republic for hosting the Workshop.

II. Brief review of key issues and policy discussions

A. Key issues of Sustainable Development Goals modelling

5. During the discussions, participants underscored that to build modelling frameworks, policymakers and experts needed an appropriate technical framework, timely and reliable data, and human and financial capacities to mainstream and maintain the models. It was also noted that when building a robust modelling framework, decisions must be taken concerning the required frequency of data observations and the size of the model (for instance, the number of sectors it should cover). Cross-linkages between different sectors and their policy implications, together with a desired time horizon, must also be considered. Moreover, understanding modelling within a global and regional context also required focusing on

¹ The documents related to the meeting are available from www.unescap.org/events/regional-capacity-building-workshop-sustainable-development-goals-modelling-least-developed.

issues related to regional macroeconomic policy spillovers and trade policies and also required considering their impact on income inequality and productive sectors.

6. Participants in the Workshop emphasized the need to focus on region-specific priorities, to enhance understanding of data management of Sustainable Development Goal indicators and to provide a peer-learning platform for policymakers on building Goal-consistent models and policy simulation models. They also highlighted the need to support the setting up of Goal-consistent models in areas related to macroeconomic policy and integrated assessment models, such as global policy linkage models, climate change models, dynamic computable general equilibrium models and network-optimization approach models.

7. The three key factors highlighted with regard to data management were the need for harmonization across indicators and across economic, social and environmental dimensions; using international agencies as sources for data; and the need to work with national statistics offices to fill gaps. With regard to data management at ESCAP, data sources are national entities with national statistics offices spearheading the compilation. The data are then provided to international organizations in the United Nations system. ESCAP also provides access to the data through its statistical database, which is used for the *Statistical Yearbook for Asia and the Pacific* and regional reports related to the Sustainable Development Goals (and previously the Millennium Development Goals). This requires working with national statistics offices to provide “official statistics” to international organizations, using international standards, and developing capacity, data and institutional mechanisms to improve statistics to inform national priorities.

8. Participants noted that a workshop on macroeconomic modelling in Asia and the Pacific was held by ESCAP in Bangkok from 8 to 11 December 2015 to support the integration of the economic, social and environmental dimensions of the 2030 Agenda.² The objective of the workshop was to strengthen national capacities to integrate social and environmental indicators into traditional macroeconomic monitoring and policy analysis frameworks to initiate progress towards the achievement of the Sustainable Development Goals in the Asia-Pacific region.

9. Participants noted the importance of developing quantitative modelling frameworks at the national level that integrated the economic, social and environmental dimensions of sustainable development. Building the national modelling capacities of policymakers was important as it required a multidisciplinary approach and involved economic, social development and environmental expertise. It also required the availability of timely, reliable, consistent and high-quality data.

10. Participants further discussed various types of modelling approaches that could address relevant policy issues and their implications for the Sustainable Development Goals. For instance, they discussed the relevance of macroeconometric models in integrating Sustainable Development Goal-related goals and targets. Such models could include simulation tools to assess the impact of various policy instruments on sustainable development outcomes. The advantages of those models were that feedback effects of various factors could be modelled simultaneously in the system and that model structures were usually straightforward and easy to extend.

² E/ESCAP/72/INF/5.

11. The participants also discussed the usefulness of other modelling frameworks such as network-optimization approaches for the prioritization and sequencing of the Sustainable Development Goals at the country level; dynamic computable general equilibrium models for analysing policy changes on welfare outcomes; global vector autoregressive methodology for understanding regional and subregional policy shocks and transmission mechanisms; and integrated assessment models to assess climate and resource efficiency policies for a better understanding of how to reduce natural resource use and increase resource efficiency.

12. Participants emphasized that the timing of the Regional Capacity-building Workshop was opportune for policymakers, especially for the countries with special needs, given the development challenges and opportunities that those countries faced. Learning about the most innovative techniques and approaches in monitoring and policy simulation at the national level was an important step in effectively pursuing the Sustainable Development Goals and improving overall well-being in societies.

13. The participants also recognized that the Sustainable Development Goals modelling initiative was part of the Commission's forward-looking strategies for the group of countries with special needs for the implementation of the 2030 Agenda at the regional and national levels.

B. Policy considerations and implications

14. Participants underscored that implementation of the 2030 Agenda provided countries with an opportunity to establish an integrated national statistical system. However, statisticians and policymakers would need to collaborate more closely with modellers, which would support efforts to overcome problems with data coverage, questions regarding sample periods to be used in models, and the availability and mismatch of existing annual and/or higher-frequency data sets.

15. The participants recognized the need for countries to provide official statistics to international organizations through national statistics offices. In that regard, it was highlighted that data gaps needed to be identified and addressed to support the implementation of the 2030 Agenda. It was also important that all data relevant to the Sustainable Development Goals should be cleared by national statistical organizations in order to have a consistent set of indicators that had proper metadata and met international standards.

16. The participants underscored the need for substantial technical and financial assistance to develop national modelling capacities to mainstream the Sustainable Development Goals into national planning processes and to develop economic policies.

17. At the national and regional level, policymakers should work together with agencies on reporting issues. To ensure effective monitoring of efforts to attain the Sustainable Development Goals through analytical programmes such as modelling, steps must be taken to ensure data consistency.

18. Participants further stressed that sharing modelling experiences would be important in terms of learning from different available modelling approaches.

III. The way forward

19. The conclusions reached by the participants in the Workshop suggest that for data management relating to the Sustainable Development Goals and their targets the following issues could be considered:

(a) Countries need to improve statistics by setting up Sustainable Development Goal focal points; they need to set up statistics systems to support Goal-consistent modelling approaches, as well as national committees dedicated to Goals modelling and related work integrating sectoral policies and strategies in a systematic manner, and national modelling programmes to serve country-specific programmes;

(b) As the number of indicators for the Goals is expected to increase to more than 200, there is a need to prioritize and sequence indicators and link them to specific statistics;

(c) Data sources that are not cleared by national statistics offices can be problematic; national statistics offices need to vet indicators with proper metadata; data needs to be verified before it is shared with international organizations;

(d) At the global level, United Nations agencies must work closely with national statistics offices in compiling data and statistics for developing Goals modelling frameworks;

(e) Least developed countries need additional and increased technical assistance from donors and development partners, as well as financial and human resources, to compile more data and to effectively develop Goals modelling frameworks, including climate change modelling.

20. ESCAP support is necessary for:

(a) Improving the quality and availability of data and assisting in developing better statistical information systems;

(b) Developing diagnostic tools in collaboration with national statistics offices, planning agencies and Sustainable Development Goal focal points;

(c) Creating mechanisms to harmonize data standards within and among countries to be used as a basis for planning and policymaking;

(d) Assisting national statistics offices in their efforts to centralize data information and to digitize data for better monitoring and review;

(e) Working with the Statistical Commission and other bodies to support member States, especially least developed countries, to minimize data discrepancies and obtain timely and reliable statistics;

(f) Providing technical assistance and capacity-building activities, particularly on collecting and storing data;

(g) Providing support for developing Goal-consistent models, including in areas such as macroeconomic modelling, computable general equilibrium models, network-optimization modelling, global vector autoregressive modelling and climate change models;

(h) Enhancing technical and financial support to develop modelling frameworks, including for preparing research papers, surveys and workshops, as Goals modelling frameworks are relatively new on the agenda of the least developed countries in the region;

(i) Conducting national, subregional and regional capacity-building training workshops for policymakers to integrate modelling frameworks into national planning processes;

(j) Assisting countries in creating input-output tables used for models, especially for analysing Goal-related frameworks.

21. Participants highlighted the importance of using ESCAP to establish a network of experts from member States, including from academia and think-tanks as well as other stakeholders, to support policymaking at the national level in the implementation of the 2030 Agenda in Asia and the Pacific. It was underscored that member States, especially the least developed countries, landlocked developing countries and small island developing States, required increased support from ESCAP for creating policy spaces for adapting the 2030 Agenda to their specific national circumstances and priorities through integrated modelling frameworks and for facilitating the subsequent follow-up and review processes at the regional level.

22. Participants further highlighted that ESCAP should bring together policymakers and experts to promote closer cooperation between national agencies to ensure progress towards adapting integrated Sustainable Development Goal frameworks into the national context through regional cooperation frameworks. Participants noted that the rich and high-quality discussion and sharing of experiences would further help to harness regional development partnerships for creating Goals modelling frameworks to effectively implement the transformative 2030 Agenda in the Asia-Pacific region.
