

Connecting Asian Initiatives: Realizing Connectivity Opportunities

RCI Week 2017 Day 2, Session 1:
Emerging RCI Initiatives
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Role of stakeholders

IFIs and major bilateral organizations

- Supporting inter-DMC dialogue and priority planning
- Technical support and capacity building
- Financing

Global and regional think tanks

- Analysis of emerging trends and issues (e.g. 4th industrial revolution)
- Knowledge sharing (e.g., meetings on new RCI initiatives)
- Data and project mapping across RCI initiatives

Private sector

- Technical advice on cross-border investments
 - Business incubation and acceleration
 - Private sector in product markets
 - Financing: PPP, local currency bonds



Role of RCI technical secretariats

Project mapping and data sharing

- GMS, CAREC, SASEC sectoral perspectives

Technical analysis of benefits and costs of RCI initiatives

- DMCs' capacity needs, comparative advantage in terms of participating in RCI initiatives
- Enabling institutional coordination of sectors
- ASEAN Infrastructure Fund administration

Supporting knowledge sharing

- ADB's role in ASEAN+3: local currency bonds
- CAREC Institute
- RCI Roundtable Conferences



Role of RCI program coordination

Aligning connectivity initiatives

- Top-down [vision] + bottom-up [project delivery] approach

Collective action at the core

- Connect different parts of the region, including through engagement with the private sector
- ASEAN subregion as core, building outward (e.g., ASEAN+3/+6)
- More intersubregional work, linking other subregions to ASEAN (e.g., India-Mekong, Pacific [Timor-Leste]-Indonesia)

Benefits shared across more DMCs, businesses, and people

- Economic corridors at the center of approach engaging in more sectors



Role of RCI project financing

Meeting ADB's RCI target of 30% of total lending by 2020

Partnering with cofinanciers, including AIIB

- RCI project development (thematic trust funds, joint upstream RCI studies)
- RCI project cofinancing (e.g., SASEC, CAREC, GMS, Pacific project pipelines)

Improving project quality

- Economic analysis
- Environmental and social safeguards
- Financial due diligence

Partnering with private sector

- RCI project development transaction services (e.g., TAPI)
- RCI project financing by PPP (e.g., Colombo Port)



Way Forward

Way forward (1/2)

- ADB to **step up collaboration with stakeholders**
 - e.g., joint publications with other IFIs, CSIS partnership, business survey and incubation work with private sector
- **As RCI technical secretariat:** continue work on cross-border projects, but increasing technical content
 - Play role of highly-skilled Secretariat: give objective advice to member countries on RCI collective action participation costs and benefits
 - Strengthen knowledge partnerships, provide internal training



Way forward (2/2)

- **As RCI program coordinator:** leveraging more emerging RCI sectors, more intersubregional, private sector-driven work cutting across different parts of the region
 - CAREC 2030: an example of supporting emerging RCI sectors on top of traditional connectivity sectors (e.g., agriculture, tourism, health)
 - Building on subregional RCI to link subregions
 - e.g., SASEC-Myanmar, link to ASEAN + expanding ASEAN work to other subregions
 - Economic corridor development
- **As RCI project developer and financier:** enhancing project quality
 - Confinanced projects
 - Due diligence
 - Economic and sector analysis
 - Private sector



Thank you!
