

RCI News and Events follows regional initiatives under ADB's four RCI pillars: (i) cross-border infrastructure, (ii) trade and investment, (iii) money and finance, and (iv) regional public goods.

IN THE NEWS

ASEAN continues work on improving the investment climate. To ease the regulatory environment in attracting both domestic and foreign investment, the Association of Southeast Asian Nations (ASEAN) and ADB—under the ASEAN Capital Markets Forum Initiative—jointly published the first [ASEAN Corporate Governance Scorecard: Country Reports and Assessments 2012–2013](#). Also, on 12–14 June, ASEAN and the Organization for Economic Co-operation and Development (OECD) organized [Training on Investment Policy Making for CLMV](#) (Cambodia, Lao PDR, Myanmar, and Viet Nam) under the Initiative for ASEAN Integration (IAI).

CAREC trade connectivity and energy work plan endorsed. Energy officials from Central Asia Regional Economic Cooperation (CAREC) members gathered 6–7 June in Ashgabat, Turkmenistan to review an [energy work plan](#) later endorsed at the 27–28 June [Mid-Year Senior Officials' Meeting](#). World Customs Organization (WCO) Secretary General Kunio Mikuriya spoke at ADB 11 June, stressing the need to harmonize customs procedures to [boost trade connectivity](#) in CAREC.

CROSS-BORDER INFRASTRUCTURE

Japan and the Republic of Korea boost ASEAN cooperation. At the [17th ASEAN-Republic of Korea Dialogue](#) 10–11 June in Surabaya, Indonesia, the Republic of Korea said it was committed to the [Master Plan on ASEAN Connectivity](#). Also discussed was its active participation in [ASEAN's disaster management programs](#). To celebrate the [40th anniversary of the ASEAN-Japan Dialogue](#), starting 1 July Japan will waive tourist visa requirements for [Thailand](#) and [Malaysia](#) and offer multiple-entry visas to travelers from the [Philippines](#) and [Viet Nam](#). The move is expected to increase tourist inflows from fast-growing ASEAN economies to spur economic growth in Japan.

ASEAN, Australia, and New Zealand hold integration forum. The [3rd Closer Economic Relations \(CER\)-ASEAN Integration Partnership Forum](#) was held 17–21 June in Cairns, Australia to discuss lessons-learned from the CER-ASEAN Agreement. This year the focus was on competition policy and how to build on the success of the 2010 ASEAN-Australia-New Zealand free trade agreement (FTA) (AANZFTA). The [Regional Patent Examination Training](#) (RPET) program was also discussed.

APEC wants to further ease border entry for air travelers. On 6 June, the [Russian Federation](#) opened visa-free entry under the Asia-Pacific Economic Cooperation (APEC) [Business Travel Card scheme](#) (ABTC), which allows pre-cleared businesspeople to travel visa-free within the APEC region. APEC also wants to further [ease border entry](#) through partnerships with the aviation industry.

TRADE AND INVESTMENT

East Asia gears for more FTA negotiations. The preparatory meeting for the second round of FTA negotiations between the [People's Republic of China \(PRC\)](#), [Japan](#), and [Republic of Korea](#) was held 3–4 June in Tokyo, Japan. Also, the PRC and Hong Kong, China held their first Joint Working Group meeting under the [Closer Economic Partnership Agreement \(CEPA\)](#) on 18 June in Guangzhou, PRC. The PRC also concluded its [19th round of FTA negotiations with Australia](#) 4–6 June in Beijing, PRC. Second round negotiations on a [Japan-EU Economic Partnership Agreement](#) was held 24 June–3 July in Tokyo.

Pacific countries commit to trade development. Kiribati became the second country to sign the Memorandum of Understanding (MOU) to establish a [Pacific Regional Trade and Development Facility](#) on 12 June in Suva, Fiji. Vanuatu was the first to sign in May 2013. The facility aims to improve the delivery of aid to Pacific island countries in support of the Aid-for-Trade Initiative.

ASEAN to enhance trade ties with US, Australia. A high-level delegation from [ASEAN visited the United States \(US\)](#) 10–14 June to enhance trade and investment relations. The delegation met top government officials, visited several multinational corporations, and held consultations with the private sector. On 17 June, during a reception for an Australian delegation, Malaysia's Minister of International Trade and Industry said the [Malaysia-Australia Free Trade Agreement \(MAFTA\)](#) should widen and deepen bilateral trade between the two. Under MAFTA, Australian exporters enjoy significantly reduced tariffs for goods, reaching up to 99% coverage by 2020.

MONEY AND FINANCE

ASEAN+3 financial cooperation deepens. On 23 June, the [5th Trilateral Governors' Meeting of People's Republic of China, Japan, and Republic of Korea](#) was held in Basel, Switzerland. The governors discussed the current state of their economies and financial outlook. On 28 May, the Monetary Authority of Singapore (MAS) officially opened its [Beijing Representative Office](#) in the PRC. The office should further strengthen bilateral collaboration between MAS and the People's Bank of China (PBC) and other PRC financial regulators. On 6 June, the [Philippine Stock Exchange \(PSE\)](#) announced ties with the Korea Exchange for the PSE's new disclosure engine.

Countries continue to push Islamic finance. At the [4th World Islamic Banking Conference: Asia Summit](#) held 3–5 June in Singapore, MAS unveiled measures to boost [Islamic finance in Singapore](#) and increase cooperation between the Middle East and Asia. During the [Brunei Darussalam Islamic Investment Summit 2013](#) held 18–19 June, [Bank Negara Malaysia](#) stressed the need for more cross-border collaboration between supervisors due to increasing spread of Islamic finance. On 18 June, officials from [Malaysia and Kuwait](#) signed an MOU to enhance research and development within the Islamic finance industry.

The Philippines upholds global cooperation in deposit insurance. The Philippine Deposit Insurance Corporation (PDIC) hosted the [39th International Association of Deposit Insurers Executive Council Meeting and International Conference](#) from 17–21 June. PDIC also signed cooperation agreements with its counterparts from [Japan, Malaysia, and the US](#).

Pakistan hosts SAARCFINANCE and ACU meetings. The State Bank of Pakistan (SBP) hosted the [26th South Asia Association for Regional Cooperation Finance \(SAARCFINANCE\) Group Meeting, the 9th Governors' Symposium, and the 42nd Asian Clearing Union \(ACU\) Board of Directors Meeting](#). During the Governors' symposium, the impact of the eurozone debt crisis on the SAARC region was discussed. At the ACU meeting, the need for more trade and a better integrated financial system was highlighted.

PRC signs financial agreements with UK and Nepal. On 22 June, the central banks of the [PRC and United Kingdom \(UK\)](#) signed a bilateral CNY200 billion/£20 billion local currency swap. The 3-year agreement is expected to promote bilateral trade, boost economic ties, and bolster financial stability. On 21 June, the central banks of the [PRC and Nepal](#) signed an Agency Agreement allowing the PBC to manage Nepal's investments on the PRC's interbank bond market. The [PRC and the Republic of Korea](#) agreed to extend their CNY360 billion/KRW64 trillion/\$56 billion bilateral currency swap to October 2017. However, [Japan and the Republic of Korea](#) agreed not to renew their bilateral won-yen currency swap arrangement (\$3 billion), which expired 3 July.

More Asian support to Myanmar. With “realizing regional integration” as one of the main themes, Myanmar successfully hosted the [World Economic Forum on East Asia](#) 5–7 June. On 9 June, [India agreed to provide Myanmar \\$150 million](#) to create a special economic zone. India thanked Myanmar allowing Indian banks to operate in the county. With plans to develop industrial complexes and a think-tank in Myanmar, the [First \[Republic of\] Korea-Myanmar Joint Committee for Economic Cooperation](#) was held 19 June. [Viet Nam](#) likewise pledged strengthened financial cooperation with Myanmar.

REGIONAL PUBLIC GOODS

Officials call for urgent action to improve air quality. The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) is urging the region to [act on the critical issues of air quality](#). It estimates that about 500,000 premature deaths each year are due to urban air pollution in Asian cities. A report released by the [Ministry of Environmental Protection of the PRC](#) shows improved environmental monitoring, with 496 sites in 74 cities.

ASEAN strengthens health cooperation. ASEAN and the World Health Organization Western Pacific Region observed [ASEAN Dengue Day](#) 15 June in Hanoi, Viet Nam. The two organizations called on the public and private sectors to join in the fight against dengue. [Thailand and Lao PDR](#) enhanced bilateral cooperation to prepare for the possible outbreak of the H7N9 strain of avian influenza. A workshop organized 17 June in Thailand reviewed responses against a possible outbreak in areas along their common border. [Singapore and Indonesian](#) officials met 20 June to address the severe transboundary haze caused by forest fires in Sumatra, Indonesia.

Climate change agreements moving forward. The [United Nations Framework Convention on Climate Change \(UNFCCC\)](#) reported that the [Bonn Climate Change Conference](#) held 3–14 June made significant progress in designing and implementing solutions. During the conference, governments discussed the immediate shift toward low-carbon and energy efficient systems. The United Nations Environment Programme (UNEP) welcomed the decision by the [PRC and US](#) to phase down production of hydrofluorocarbons to combat climate change. The 14th Least Developed Countries Fund and the Special Climate Change Fund Council announced 20 June that it received [\\$198 million](#) in new pledges for investment in climate change adaptation programs.

Renewable energy initiatives strengthened in Asia. In the [Philippines](#), the Department of Energy approved selection rules for renewable projects to be eligible for “feed-in-tariff” rates. ADB is providing a [\\$10 million](#) grant for an Access to Green Finance project to help families in Tajikistan increase power access and efficiency through financing “smart” green energy solutions. ADB aims to boost investment in end-user energy efficiency to help [Asia and the Pacific](#) tackle surging power demand and growing environmental threats from greenhouse gas emissions. Part of a \$9 million approved loan, ADB is funding grid-connected solar panels to be installed on about 21 government buildings across the island of Yap, [Federated States of Micronesia](#). In the [Philippines](#), a P2.9 billion 30-megawatt solar farm project in Leyte received approval from the Department of Energy.

Conservation, natural disasters, and health on the RPG Pacific agenda. The Secretariat of the Pacific Community (SPC) and the International Union for Conservation of Nature signed an [memorandum of understanding](#) 18 July to provide a more holistic and sustainable approach to regional development. The SPC, together with Geoscience Australia, developed a [Tsunami Inundation Model](#) to assess the impact of a tsunami in the Tonga Trench and to help Tonga prepare for possible disaster. The SPC also convened with the [Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria](#) to find ways to improve the fight against these diseases.

JULY 2013 EVENTS

- 27 Jun–2 Jul: [ASEAN Senior Officials’ Meeting; 46th ASEAN Foreign Ministers’ Meeting / Post Ministerial Conference / 20th ASEAN Regional Forum / ASEAN Plus Three Foreign Ministers’ Meeting/ 3rd East Asia Summit Foreign Ministers’ Meeting](#) (Brunei Darussalam)
- 1 Jul: [APEC Workshop on Trade Finance](#) (Lombok Island, Indonesia)
- 1–2 Jul: [CAREC Federation of Carrier and Forwarder Associations Logistics Training](#) (Dushanbe, Tajikistan)
- 1–5 Jul: [APEC 38th Transportation Working Group Meeting](#) (Bali, Indonesia)
- 2–3 Jul: [APEC Workshop on Treasury Reform](#) (Lombok Island, Indonesia)
- 3–5 Jul: [Pacific Climate Change Roundtable](#) (Nadi, Fiji)
- 8–11 Jul: [Joint Meeting of the Pacific Platform for Disaster Risk Management and the Pacific Climate Change Round Table](#) (Nadi, Fiji)
- 16–17 Jul: [First Meeting of Experts on Long-Term Finance](#) (Manila, Philippines)
- 18–19 Jul: [G20 Finance Ministers’ and Central Bank Governors’ Deputies Meeting](#) (Moscow, Russia)
- 19 Jul: [ASEAN Workshop on “Enhancing Connectivity through Multi-layered Regional Frameworks: The Roles of Dialogue Partners”](#) (Bangkok, Thailand)
- 22–26 Jul: [Fifth ASEAN Fisheries Consultative Forum \(AFCF\) Meeting and 21st ASWGFI Meeting](#) (Lao PDR)