

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

A UNESCAP organized meeting on East Asia examines regional integration indicators. Academic experts and specialists from multilateral and international organizations met in Incheon, Republic of Korea 18-19 July to discuss monitoring regional cooperation and integration in East Asia. Organized by the [United Nations Economic and Social Commission for Asia and the Pacific \(UNESCAP\)](#), the meeting examined regional integration indicators to create an integration index. Participants also discussed intraregional trade, energy, foreign direct investment, and marine and air transportation networks, among other topics.

Asia must adjust integration policies to the changed business environment and in combating money laundering. At the 11 July 3rd meeting of the [Asia-Pacific Economic Cooperation \(APEC\) Business Advisory Council](#)—held in Kyoto, Japan—business leaders urged APEC governments to adjust policies to the changing business environment in promoting regional economic integration. At the [16th Annual Meeting of the Asia Pacific Group on Money Laundering](#) held in Shanghai, People's Republic of China (PRC) 15-19 July, participants acknowledged new emerging challenges confronting anti-money laundering and anti-terrorist financing.

Pacific ministers meet to boost regional trade. Trade ministers across the Pacific met 19 July in Apia, Samoa for the [2013 Pacific Islands Forum Trade Ministers Meeting](#). The meeting discussed ways members can benefit from trade and investment opportunities. The ministers welcomed progress on rules of origin, trade facilitation, and development assistance in negotiating a Pacific Agreement on Closer Economic Relations Plus.

APEC, G20, and ASEAN chart way forward on connectivity. Senior officials of [APEC](#), [the Group of 20 \(G20\)](#), and [the Association of Southeast Asian Nations \(ASEAN\)](#) met for the first time at a 4 July roundtable in Medan, Indonesia, to identify ways to better connectivity and infrastructure development across regions.

CROSS-BORDER INFRASTRUCTURE

UNESCAP proposes Master Plan to strengthen connectivity in South and South-West Asia. Poor transport connectivity is holding back development and regional economic integration in South and South-West Asia, according to participants at the [Policy Dialogue on Strengthening Transport Connectivity](#), held in Dhaka, Bangladesh on 26–27 June. The UNESCAP dialogue was held in collaboration with the [Bangladesh Institute of International and Strategic Studies](#), and attended by government representatives and business organizations of eight South and South-West Asian countries.

PRC inaugurates new road transport routes to Central Asia and Europe. On 26 June, the PRC opened new [cargo routes linking the PRC to Central Asia and Europe](#). The new routes should pave the way for safer, more efficient, lower-cost, and less time-consuming cargo transit. It is expected that by the end of the year, 50 trucks a day will carry goods from the PRC through Central Asia and the Russian Federation to Europe.

CAREC holds logistics training, while Afghanistan works on gas sector master plan. The [Central Asia Regional Cooperation \(CAREC\) Federation of Carrier and Forwarder Associations Logistics Training](#) met 25–27 June in Bishkek, Kyrgyz Republic, to raise professionalism, efficiency, and management skills of its members across Central Asia. Meanwhile, [Afghanistan will receive technical assistance from ADB to develop a 20-year \(2015-2035\) master plan for gas](#), examining the outlook for demand and supply, review current policies and plans, and evaluate pricing options for domestic and export sales.

Myanmar-PRC gas pipeline opens. The Myanmar section of the [Myanmar-PRC natural gas pipeline](#) began delivering gas to the PRC 28 July. Six investors from four countries (PRC, Myanmar, Republic of Korea, and India) contributed to the pipeline, part of the Myanmar-PRC Oil and Gas Pipeline project that will construct a crude oil pipeline as well.

TRADE AND INVESTMENT

East Asia leads in FTA talks. A second round of free trade agreement (FTA) negotiations were held between [PRC, Republic of Korea, and Japan](#) 30 July–2 August in Shanghai, PRC. The three countries discussed trade in goods and services, customs procedures, and competition policies. [Japan and Canada](#) held their third round of negotiations for an economic partnership agreement 8–12 July in Tokyo, Japan, while [Japan and Mongolia](#) held their fourth round of negotiations 2–5 July, moving forward on trade in goods, rules of origin, sanitary and phytosanitary measures, and government procurement. [The Republic of Korea and Colombia](#) met 8 July in Seoul, Republic of Korea, to push ratification of their FTA signed in February.

PRC signs FTA with Switzerland; Singapore strengthens trade and investment ties with Colombia, Costa Rica. The [PRC and Switzerland signed an FTA](#) 6 July, enhancing bilateral economic and trade relations between the two economies. The FTA will reduce tariffs to zero on 99.7% of imports from the PRC and 84.2% of imports from Switzerland. Meanwhile, the [Singapore-Costa Rica Free Trade Agreement](#) took effect 1 July and an [Investment Guarantee Agreement](#) was signed 16 July.

Japan joins TPP negotiations. The [18th round of Trans-Pacific Partnership \(TPP\) negotiations](#) was held 15–25 July in Kota Kinabalu, Malaysia, with Japan participating for the first time. The free trade negotiations received support from several Malaysian chambers of commerce, citing trade efficiency and expanding international best practices. Meanwhile, Japan's participation will likely focus on tariffs and import duties. Participants hope to forge a [deal by end-2013](#).

Fourth WTO Global Review of Aid for Trade meeting promotes connecting to value chains. The [Fourth Global Review of Aid for Trade](#)—held 8–10 July in Geneva, Switzerland—examined how development assistance can help connect developing and least-developing country firms to value chains. With many developing countries on the margins of global trade, the World Trade Organization (WTO) wants Aid for Trade to be part of the post-2015 development agenda.

MONEY AND FINANCE

Japan and Singapore create cross-border collateral arrangement. On 26 July, the [Bank of Japan and Monetary Authority of Singapore \(MAS\)](#) established a facility for eligible Singaporean financial institutions to obtain Singapore dollar liquidity by pledging Japanese government securities as collateral. The arrangement enhances Singapore's financial stability by expanding the range of acceptable collateral for MAS' liquidity facility. It also allows greater flexibility in liquidity management of eligible financial institutions, including Japanese banks. MAS also welcomed the opening of the [Swiss National Bank's local branch](#) on 11 July, opening new areas of cooperation between Singapore and Switzerland.

Thailand and Hong Kong, China launch foreign exchange payment link. On 15 July, the [Bank of Thailand and Hong Kong Monetary Authority](#) announced the establishment of a cross-border Payment versus Payment (PvP) link between the Thai baht real time gross settlement system (BAHTNET) in Thailand and the US Dollar Real Time Gross Settlement (USD RTGS) system in Hong Kong, China. The PvP link will be launched in the second half of 2014 and is expected to increase the efficiency and safety of foreign exchange settlements between the two currencies.

Indonesia and Viet Nam promote financial cooperation. On 28 June, finance officials from [Indonesia and Viet Nam](#) signed a Memorandum of Understanding (MOU) on financial cooperation, specifically in macroeconomic management, fiscal policy, public debt, and trade finance. The MOU is for 3 years and may be extended upon written consent of both parties.

REGIONAL PUBLIC GOODS

Renewable energy initiatives around Asia strengthened. The [Philippine Investment Alliance for Infrastructure](#)—a fund partly financed by ADB—will invest up to \$85 million for a wind farm project in the northern part of the country. An [ADB green energy project](#)—that brings more electricity to rural households in Bhutan and boosts access to green power in neighbouring India—received the US Treasury Department's Development Impact Honors.

Asia promotes more solar energy infrastructure initiatives. In India, the Ministry of New and Renewable Energy released financial assistance for [solar projects in West Bengal](#). With the assistance of the PRC, a 5,000-acre [1050 megawatt solar energy farm](#) will be constructed in Cholistan, Pakistan by the end of 2014. ADB and Australia are helping Tonga fund the \$6.8 million construction and installation of [solar power systems](#) on Tonga's nine outer islands to provide a clean, affordable electricity and to help reduce the need for costly imported fuel.

ASEAN reaches a compromise on transboundary haze. Ministers agreed to recommend adopting the [ASEAN Sub-Regional Haze Monitoring System \(HMS\)](#) during the 15th Meeting of the Sub-Regional Ministerial Steering Committee on Transboundary Haze Pollution in Kuala Lumpur, Malaysia 17 July. The HMS will be used as a joint haze monitoring system to assist in monitoring and enforcement to parties contributing to fires.

SPC strengthens climate change adaptation process. During the [Joint Meeting of the Pacific Platform for Disaster Risk Management and the Pacific Climate Change Roundtable](#) 8–11 July, speakers highlighted the need for national governments to initiate [climate change adaptation](#) processes as well as its integration with disaster risk management. The roundtable also provided a medium for information-sharing among countries in the region and relevant development partners.

AUGUST 2013 EVENTS

- 2 August: [High Level Forum on the 10th Anniversary of ASEAN-PRC Strategic Partnership](#) (Bangkok, Thailand)
- 8 August: [ASEAN Day Celebration](#) (Jakarta, Indonesia)
- 13–14 August: [ASEAN Foreign Ministers Meeting Retreat](#) (Hua Hin, Thailand)
- 13–15 August: [Asia and the Pacific Regional Workshop on NAMAs](#) (Singapore)
- 19–20 August: [Second Meeting of Experts on Long-term Finance](#) (Bonn, Germany)
- 19–22 August: [60th Meeting of the Clean Development Mechanism Methodology Panel](#) (Bonn, Germany)
- 20–24 August: [LDC Expert Group regional training workshop on adaptation for Asian Least Developed Countries](#) (Siem Reap, Cambodia)
- 20–24 August: [ASEAN-PRC Youth Forum](#) (Brunei Darussalam)
- 20–24 August: [45th ASEAN Economic Ministers' Meeting + External Partners](#) (Brunei Darussalam)
- 20–24 August: [ASEAN Business Investment Summit, ASEAN-US Business Summit, AEM Consultation with Private Sector Bodies](#) (Brunei Darussalam)
- 22–30 August: [19th Round of Trans-Pacific Partnership Negotiations](#) (Bandar Seri Begawan, Brunei Darussalam)
- 26 August: [Symposium on ASEAN Connectivity](#) (Brunei Darussalam)
- 26–30 August: [Workshop on Developing Farming Systems for Climate Change Mitigation](#) (Colombo, Sri Lanka)
- 27–29 August: [SAARC Training Workshop on Energy Audit and Efficiency in Power Sector](#) (Lahore, Pakistan)
- 28–29 August: [APEC Finance Ministers' Process Workshop on Infrastructure](#) (Palembang, Indonesia)