

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

APEC Finance Ministers commit to a more balanced growth path. With the theme “Resilient Asia-Pacific, Engine of Growth,” the 2013 [Asia-Pacific Economic Cooperation \(APEC\) Finance Ministers’ Meeting](#) was held on 20 September in Bali, Indonesia. After discussing key economic and financial issues, ministers resolved to place their economies on a stronger, more sustainable, and more balanced growth path. They highlighted several initiatives in a [Joint Ministerial Statement](#) including the APEC Multi-Year Plan for Infrastructure Development and Investment, an APEC Public-Private Partnership (PPP) Experts Advisory Panel, disaster risk financing (DRF), and an Asia-Pacific Financial Forum (APFF). Ministers from Australia, the Republic of Korea, New Zealand, and Singapore also signed a Statement of Intent on the [Asia Region Funds Passport](#), paving the way for increased regional trade in financial products.

"Connecting South Asia and Southeast Asia" pushed. On 26 September, ADB and the Asian Development Bank Institute conducted a [high-level policy dialogue](#) on the flagship study, [Connecting South Asia and Southeast Asia](#), focusing on the role played by physical infrastructure and public policies in facilitating connectivity. ADB Managing Director-General Rajat Nag delivered a [speech](#) to open the event and expounded on the benefits of greater connectivity in facilitating economic cooperation and integration and in providing opportunities for expansion of production networks between the regions.

Economic summit promotes a more inclusive South Asia. The 6th [South Asia Economic Summit](#) took place in Colombo, Sri Lanka from 2–4 September under the theme “Towards a stronger, dynamic and inclusive South Asia.” Secretary-General (SG) Ahmed Saleem of the South Asian Association for Regional Cooperation (SAARC) [stressed the importance of the South Asia Economic Summits](#) as instrumental platforms that generate discussion and ideas for policy makers in the region. The summit tackled emerging growth opportunities and challenges for South Asia amid changing global economic dynamics.

CROSS-BORDER INFRASTRUCTURE

ADB continues improving road connectivity in Tajikistan. The Asian Development Bank (ADB) on 26 September approved a [\\$70 million grant for a project that will magnify regional economic cooperation](#) and inclusive growth in Tajikistan by improving key roads, enhancing road safety and maintenance, and promoting local community development. The project will rehabilitate and improve road safety and maintenance on approximately 88 kilometers of the Sayron-Karamyk road section of [CAREC Corridors 3 and 5](#), and 87 kilometers of the subnetwork Vose-Khovaling road. The Government of Tajikistan will provide counterpart funding of \$19 million.

Priority energy projects finalised at CAREC meeting. The 16th [Central Asia Regional Economic Cooperation \(CAREC\) Energy Sector Coordinating Committee Meeting](#) took place in Almaty, Kazakhstan from 10–12 September, with participation from member countries and multilateral development partners, and joined by the United States Agency for International Development and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). The meeting served as a platform to review the progress in implementing the [Energy Work Plan \(2013-2015\)](#) and to finalize the priority investment project list in preparation for the 12th [CAREC Ministerial Conference](#). The session closed with a site visit to the Kapchagai solar power station in Almaty.

Bali hosts East Asia energy ministers’ summit. The 7th [East Asia Summit \(EAS\) Energy Ministers Meeting](#) was held on 26 September in Bali, Indonesia. It was chaired by Indonesia’s energy minister Jero Wacik and co-chaired by Japan’s trade minister Kazuyoshi Akaba. In the [Joint Ministerial Statement](#), the ministers affirmed the importance of cooperating on energy issues to strengthen energy security and improve energy access in the region, given the volatility of energy markets and changes to the global economic landscape.

APEC transport ministers seek to establish connectivity framework. During the 8th APEC Transportation Ministerial Meeting held on 5 September in Tokyo, ministers committed to support an initiative to establish the APEC Framework on Connectivity to enhance trade and strengthen regional economic integration. Japanese Prime Minister Abe also noted transportation's crucial role in regional growth.

TRADE AND INVESTMENT

PRC seeks enhanced trade ties with regional blocs. The People's Republic of China (PRC) expressed its desire to strengthen trade relations with the Association of Southeast Asian Nations (ASEAN) and the Gulf Cooperation Council (GCC). During the 10th PRC-ASEAN expo, the PRC called for upgrading of the PRC-ASEAN Free Trade Area and stronger ties with the region in technology, environment, and finance. In a dialogue with Bahrain, it was noted that there is a need to resume PRC-GCC negotiations given the importance of political, economic, and cultural ties between PRC and Arab states. The PRC also completed the first stage of FTA talks with the Republic of Korea on 3-5 September. Consensus was reached on trade in goods, agreements, scope, principles, and the negotiating framework.

Asia Pacific forum calls for greater regional support for businesses. The Asia-Pacific Trade Facilitation Forum held from 10-11 September in Beijing, PRC called for regional arrangements in support of small-to-medium-sized businesses looking to finance their supply chain. Recognizing limited access to financing as a key barrier, the forum hailed ADB's Trade Finance Program which aims to fill market gaps for trade finance by providing guarantees and loans.

Pakistan implements PTA with Indonesia, in talks with Thailand. Indonesia and Pakistan implemented a Preferential Trade Agreement (PTA) on 1 September. The Indonesia-Pakistan PTA, signed on February 2012, seeks to grant market access for both countries at preferential rates. Commodities include fresh fruits, cotton, garments, and palm oil, among others. Meanwhile, the Pakistan-Thailand Joint Trade Committee held its first session on 21 August in Islamabad, Pakistan. The committee discussed ways to enhance trade and investment as well as economic cooperation between the two countries.

Singapore, Thailand en route to free trade with EU. Singapore and the European Union (EU) have finalized the legal text of their FTA on 20 September. The Singapore-EU FTA, whose negotiations were concluded last December 2012, aims to remove all tariffs and implement a regulatory framework related to services trade, intellectual property, and transparency. Meanwhile, Thailand and EU held a second round of comprehensive FTA negotiations from 16-20 September. The talks covered issues on rules of origin, services and investment, trade remedies, and intellectual property, among others. The third round of negotiations is set for 9-13 December.

MONEY AND FINANCE

Summits held to strengthen PRC cooperation with ASEAN, India, and Central Asia. On 4 September, the Fifth PRC-ASEAN Summit Forum on Financial Cooperation and Development was held in Guangxi, PRC. The forum is expected to strengthen economic and financial stability and development in the region. On 26 September the Sixth PRC-India Financial Dialogue was held in Beijing, PRC where the two countries held in-depth discussions on new challenges facing the global economy, progress on structural reforms in both countries, and cooperation under multilateral and bilateral frameworks. The governor of the central bank of PRC also attended the 30th Meeting of the Governors' Club of member countries of the Central Asia, Black Sea Region and Balkans held from 12 to 13 September in Armenia. On the side-lines of the meeting, PRC and Central Bank of Armenia held talks on strengthening bilateral financial and currency cooperation.

South Asia pushes for greater financial cooperation. The Sixth Meeting of the South Asia Association for Regional Cooperation (SAARC) Finance Ministers and Secretaries was held 29-30 August in Colombo, Sri Lanka. Officials discussed several important issues including the promotion and protection of investment, greater flow of financial capital and intra-regional long term investment, economic integration towards a South Asian Economic Union, a SAARC Agreement on Avoidance of Double Taxation, and SAARC customs cooperation. It was also decided to improve existing mechanisms through rationalization and reinvigoration, and to make SAARC better known and better understood by international institutions and governments around the world.

Asian central banks sign currency swaps with partners.

In a joint press statement issued 6 September, [Japan and India](#) announced the expansion of their bilateral swap arrangements (BSA) from \$15 billion to \$50 billion. The move is expected to boost the stability of global financial markets, including emerging economies. The central banks of [PRC and Hungary](#) on 9 September signed a bilateral local currency swap agreement worth 10 billion yuan or 375 billion Hungarian forint. PRC also signed a swap with the central bank of [Albania](#) on 12 September worth 2 billion yuan or 35.8 billion Albanian lek. Both swaps are valid for three years and can be extended by mutual consent.

Asian countries strengthen interregional cooperation.

On 25 September, [Japan and New Zealand](#) exchanged diplomatic notes on the Convention on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income. The Convention will enter into force on 25 October. [Viet Nam and New Zealand](#) also signed an Agreement on Double Taxation Avoidance on 30 August. After highlighting their similarities, [Singapore and the Central Bank of Azerbaijan](#) announced their willingness to cooperate and deepen bilateral ties. [Japan and Turkmenistan](#) also discussed prospects of partnership in the economic sphere, including the encouragement of investment activities.

REGIONAL PUBLIC GOODS

ADB loan to build renewable energy transmission system in Northwest India. According to an ADB [press release on 27 September](#), the bank will provide a \$500-million loan to build a power transmission system needed to deliver clean electricity from wind and solar power projects in Rajasthan in Northwest India to the state and national grids. The funds comprise a \$498-million multi-tranche financing facility including funds from the concessional [Clean Technology Fund](#), and a further \$2 million in technical assistance grant that finances infrastructure planning for the Bhadla park, transmission system studies and a community development plan to set up solar power electricity and clean water equipment for small communities.

Pacific Islands push for maritime safety and climate change finance.

The Secretariat of the Pacific Community's (SPC) Transport Programme organised a week-long [workshop](#) on Global Regulations and Pacific Island Maritime Laws (PIMLaws) from 16–20 September at its Suva regional office. The workshop followed the adoption of an [Action Plan](#) at the Pacific Forum on Domestic Ferry Safety in November 2012, which called for quicker implementation and enforcement of appropriate maritime provisions and regulations, including the adoption of the PIMLaws. From 25–27 September, more than 60 participants from eleven Pacific Island countries and seven international organisations gathered in Tonga to discuss access to direct national budget support for climate change from international donors. The '[Regional Meeting on Climate Change Finance using Budget Support Modalities](#)' served as a venue for the participants to demystify the often complex and convoluted flows, forms and requirements of international climate change finance.

ASEAN holds meeting on environment and transboundary haze; pushes for efficient and green transport with rail connectivity.

During 14th Informal ASEAN Ministerial Meeting on the Environment and 9th Meeting of the Conference of the Parties to the ASEAN Agreement on Transboundary Haze Pollution held 25 September in Surabaya, Indonesia, ministers reviewed regional cooperation on environmental issues, including related actions in the environmental sustainability section of the ASEAN Socio-Cultural Community Blueprint, and discussed new initiatives to promote regional environmental cooperation. The group also welcomed the significant progress made in the implementation of the Work Programme of the ASEAN Agreement on Transboundary Haze Pollution. At the "[ASEAN Connectivity Through Rail](#)" Forum held 20 September, Malaysia's transport minister Ghafar bin Yusof declared ASEAN's commitment to an efficient and green method of transportation with the implementation of a [Singapore-Kunming Rail Link \(SKRL\)](#). A flagship project under the ASEAN–Mekong Basin Development Cooperation, the SKRL is one of the priority projects in the [Master Plan for ASEAN Connectivity](#).

OCTOBER 2013 EVENTS

- 30 September–2 October: [Conference on Clean, Renewable Energy and Sustainability in the APEC Region](#) (Bali, Indonesia)
- 1–2 October: [APEC High Level Dialogue on Travel Facilitation](#) (Bali, Indonesia)
- 1-3 October: [WTO Public Forum 2013: Expanding Trade Through Innovation and the Digital Economy](#) (Geneva, Switzerland)
- 1–8 October: [APEC Economic Leaders' Week and Related Meetings](#) (Bali, Indonesia)
- 1–8 October: [APEC Economic Leaders' Week and Related Meetings](#) (Bali, Indonesia)
- 2–5 October: [Fourth APEC Business Advisory Council \(ABAC\) Meeting](#) (Bali, Indonesia)
- 7–8 October: [UNESCAP 5th Meeting of Working Group on the Asian Highway](#) (Bangkok, Thailand)
- 7– 18 October: [UNNExT Masterclass 2013: Implementing Single Window and Paperless Trade](#) (Cheon-an, Republic of Korea)
- 8–9 Oct 2013: [UNESCAP Asian Highway Investment Forum](#) (Bangkok, Thailand)
- 9–10 October: [23rd ASEAN Summit and Related Meetings: ASEAN–PRC Summit, ASEAN–Japan Summit, ASEAN–ROK Summit, ASEAN–India Summit, ASEAN–US Leaders' Meeting / First ASEAN–US Summit, ASEAN Plus Three Summit; and 8th East Asia Summit](#) (Brunei Darussalam)
- 10 October: [Inaugural Meeting of the Asia Pacific Leaders Malaria Alliance](#) (Brunei Darussalam)
- 14–15 October: [ADB Training Workshop on Maximizing Environmental Benefits and Climate Proofing Transport Projects](#) (Manila, Philippines)
- 17–19 October: [Strengthening Policies and Practices for Low-Carbon Green Growth in South Asia and Central Asia](#) (Bangalore, India)
- 23–24 October 2013: [CAREC Senior Officials' Meeting and 12th Ministerial Conference](#) (Astana, Kazakhstan)
- 20–22 October: [SEACEN 30th Anniversary Conference: Greater Financial Integration and Financial Stability and 3rd SEACEN-CEMLA Conference](#) (Malaysia)
- 22–25 October: [Conference on Cooperative Study on Efficient Renewable Resources Integration and Distribution Technologies for Smart Grid Construction](#) (Suzhou, PRC)