

Overview of
ADB's RCI Operations & RCI Operational Approach

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ADB

Solving Complex Challenges Together

RCI: ADB's Charter Mandate



RCI is a Charter Mandate

ADB Charter

"To foster economic growth and co-operation in the region…and contribute to economic development collectively and individually."

Regional Cooperation Policy

ADB has three roles in promoting RCI: honest broker, knowledge provider, mobilizer of project financing

RCI Strategy 2006

Four interrelated Pillars:

- regional and subregional programs on cross-border infrastructure and related software
- trade and investment
- money and finance
- regional public goods such as prevention of communicable diseases & environmental degradation.

RCI in Strategy 2020

One of the 3 complementary strategic agendas and one of 5 operational priorities.

RCI in Strategy 2030

One of the 7 operational priorities (OP7)

MTR S-2030

RCI/RPG Identified as one of 5 strategic focus areas for accelerated work

RCI Operational Approach

Recalibrated RCI priorities; and to guide RCI operations over 2026-2030

1966 1994 2006 2008 2018 2024 2026

RCI Support through Subregional Cooperation Platforms



CAREC
Central Asia Regional Economic Cooperation Program

292 loan/grant projects
$52.3 billion (ADB financing of $18.4 billion)
342 technical assistance projects amounting to $545.6 million

Greater Mekong Subregion

124 loan/grant projects
$30 billion (ADB financing of $14.2 billion)
237 technical assistance projects amounting to $436 million

SASEC
South Asia Subregional Economic Cooperation

91 loan/grant projects
$22.5 billion (ADB financing of $14.3 billion)
160 technical assistance projects amounting to $235 million

BIMP-EAGA
BRUNEI DARUSSALAM–INDONESIA–MALAYSIA—PHILIPPINES
EAST ASEAN GROWTH AREA

IMT-GT
INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE

BIMSTEC

PACIFIC ISLANDS
FORUM SECRETARIAT

SAARC

ADB

Mid-Term Review of Strategy 2030



- RCI as 1 of the 5 **Strategic Focus Areas** for accelerated work
- RCI contributing to ADB's new **organizational vision** of
  - Solving challenges together
  - Connecting the region
  - Empowering people for dynamic economies and a healthy planet
- The **30% target** for RCI operations by 2030 (22% in 2025)
- Need for revitalized RCI to address various challenges

Cooperation Is At Risk...



Rising protectionism and economic nationalism
Increasing tariff and trade uncertainties impacting economic growth outlook



Increasing geopolitical tensions and uncertainties
Raising barriers and eroding trust



Stagnating and diverging productivity
Constraining competitiveness, limiting innovation, and hindering long-term growth



Increasing transboundary challenges
Shared risks in climate, environmental degradation, and health emergencies threatening development gains

Pressing Needs for RCI



Enhance productivity growth and build greater resilience
Stronger regional ties help buffer against global instability and mitigate financial and economic shocks



Strengthen regional and global public goods vital to long-term growth
Collective action is required to address complex and transnational development challenges



Diversify and adapt to rapidly changing development drivers
Opportunities such as digital transformation can help deepen integration and drive economic growth

Member Countries Urging ADB to Act with Greater Speed and Scale

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RCI Operational Approach 2026-2030



- **Resilience** and **Productivity** at the Center
- **Bolder RCI** in response to rapidly changing global dynamics

New Directions for RCI Over 2025-2030	
1 **CONNECTIVITY PILLAR**	Increased focus on maritime connectivity and decarbonization Digital infrastructure and inter-operability (e.g., **Asia-Pacific Digital Highway**) Regional clean energy and power interconnection (e.g., **Pan-Aisa Power Grid** such as APG & Trans-Caspian Green Energy Corridor)
2 **TRADE PILLAR**	**Economic partnerships** and supply chain integration Behind-the-border reforms for trade and investment Regional financial cooperation **Regional economic/trade corridors** & digital trade
3 **RPGs PILLAR**	RPGs as top priority ➢ collective response to climate change and disaster risks ➢ cross-border pollution control, biodiversity, & Ocean Health ➢ Sustainable management of shared natural resources ➢ protection of cultural heritage for **sustainable tourism** ➢ regional health security ➢ regional education services (e.g., TVET & mutual recognition)

Innovations in RCI Operations



Definition of Innovation in RCI

- Nascent sectors / subsectors
- New geographical countries and areas
- New intersubregional RCI
- Non-sovereign/PPP

Transformative Regional Initiatives



- **Pan-Asia Power Grid** ($50 billion 2035)
  - ✓ Integrate national and subregional power systems for cross-border electricity trade and renewable energy deployment
- **Asia-Pacific Digital Highway** ($20 billion by 2035)
  - ✓ Integrate subregional digital frameworks and enable cross-border digital trade
- **Economic Corridors**
  - ✓ Transform transport routes into cross-border spatial development zones
- **Healthy Wetlands for Biodiversity** ($3 billion by 2035)
  - ✓ Sustainably manage critical wetlands along East Asian-Australasian Flyway
- **Sustainable Tourism** ($2.5 billion pipeline by 2030)
  - ✓ Develop cross-border tourism corridors and Strengthen governance and protect shared natural and cultural public goods

How we deliver
- Three action areas



Institutional Coordination

- Establish RCI Steering Committee to coordinate RCI activities
- Develop strategic knowledge and policy advisory capacity
- Step up strategic partnerships

Delivery Mechanisms

- Strengthen subregional engagement
- Embed RCI into Country Partnership Strategies and programming with strategic resource allocation
- Increase resources for RCI (TASF Set-Aside & ADF Thematic Window)
- Streamline business processes

Performance Drivers

- Empower individuals and teams with capabilities and mandate to innovate and lead change
- Reward and recognize individual and team achievements in all categories of RCI activities



Thank you!

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