



Cross-Border Collective Action Responding to the Covid-19 Emergency and Fostering Recovery **A SUMMARY¹**

A. INTRODUCTION

On March 31, 2021, the ADB RCI-TG Secretariat organized the webinar entitled “**Innovating and Strengthening Cross-border Collective Action**”. This is the first in a series by five multilateral development banks (MDBs), namely the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), the European Bank for Reconstruction and Development (EBRD), the Islamic Development Bank (IsDB) and the World Bank Group (WBG), to prepare a joint Report on **Regional Cooperation and Integration (RCI): Responding to The Covid-19 Pandemic, and “Building Back Better” in Asia and the Pacific**. MDBs play a constructive role providing both country-level and regionally focused support that fosters and enlarges collective action among countries, augmenting and reinforcing national development efforts, and aligning regional actions to address a global challenge. Regional Cooperation and Integration (RCI) is a key component of Multilateral Development Banks (MDBs’) overall assistance to the Asia-Pacific region (Region) to combat COVID-19 and foster recovery from the pandemic’s impacts.

The webinar gathered over 180 attendees including Asia-Pacific policy makers and other senior officials of national and regional public sector organizations, civil society and the private sector, and development organizations. The purpose of the webinar was (i) to report and discuss key trends and findings on the Region’s RCI and cross-border collective actions responding to the COVID-19 emergency and preparations for the medium-term recovery, and associated assistance provided by the five MDBs; and (ii) solicit stakeholders’ views and validations of key lessons identified, and how they may inform and guide further RCI/collective action by the Region and the role of MDBs.

B. SALIENT POINTS

Responding to the COVID-19 emergency. COVID-19 presented a new challenge to the national, regional and global health communities. The virus quickly spread globally, and the primary objective was to respond to the ongoing pandemic collectively with improved capacities and capabilities in the region. In the face of the COVID-19 outbreak, established RCI sub-regional platforms actively promoted open trade and the smooth flow of essential goods and services through regional and global supply chains; supported infection surveillance, prevention, and control; and undertook greater regional coordination, planning and monitoring, and information sharing. MDBs responded by providing valuable knowledge, advice, and technical assistance, as well as financial assistance to supplement countries’ resources for social protection and to sustain inclusive economic activities while maintaining fiscal and macroeconomic management. Countries and MDBs jointly undertook actions to combat the spread of the virus (both nationally and cross borders) and coordinated capabilities to detect and treat those infected. The region’s The joint response was quick and with flexibility, through shifted operational timeframes, reprioritized operations, and adapted businesses processes and resource allocation.

¹ Prepared by the Regional Cooperation and Integration (RCI) Thematic Group Secretariat, Asian Development Bank (ADB), Manila

A regional/subregional focus is necessary for addressing a health emergency and pandemic. *The GMS* was quick to build upon its recently approved Health Cooperation Strategy 2019–2023², providing a framework to guide the collective efforts of GMS countries in tackling health issues impacting the subregion. The GMS Working Group on Health Cooperation mobilized the GMS health community to respond to the pandemic at both regional and country levels. Rapid response measures to COVID-19 included (i) assistance in the procurement of diagnostic and laboratory equipment to combat the outbreak; (ii) policy dialogue to strengthen regional collaboration and address common capacity constraints; and (iii) strengthening public health security mechanisms, including surveillance and outbreak responses, laboratory quality and biosafety, and access to health services.

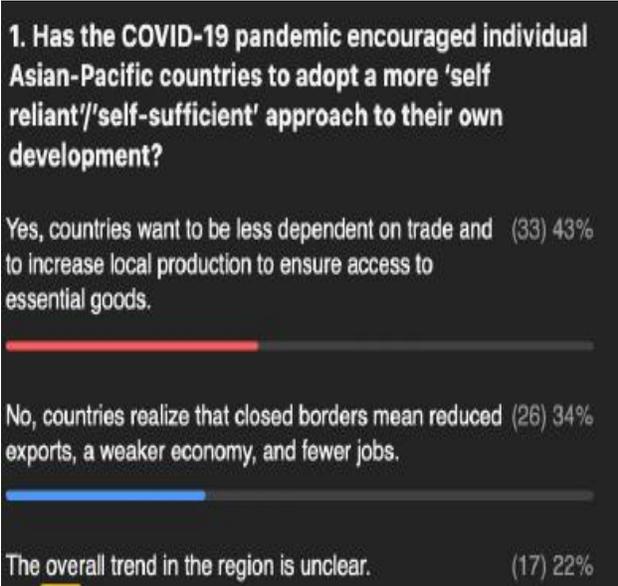
The Pacific countries also built upon existing coordination mechanisms, particularly in the health sector supported by Australia, New Zealand, WHO, the Pacific Community (SPC), the World Bank and ADB. ADB's support was for strengthening the health system, with a focus on immunization. The pandemic also provided an opportunity to strengthen health systems in the subregion. Thanks to this existing coordination mechanism, it was easier to initiate collaboration regarding the pandemic, with the establishment of the Joint Incident Management Team, led by WHO, with more than 20 partners joining from around the region. Under the "Pacific Humanitarian Pathway," an agreement among all the countries facilitated by the Pacific Island Forum (PIF), governments agreed on custom security protocols, deployment of technical personnel, immigration, the clearances of equipment and supplies, and repatriation. This Pathway ensures that there is one standard for all countries rather than developing standards individually for each country. An exemplar RCI in the Pacific is the expansion of laboratory testing capabilities for COVID-19. From five countries able to administer PCR tests prior to the pandemic, nine countries have now acquired such capability and it is expected to reach 18 during the next few months. Our partners, including the MDBs, have helped to achieve this. These are important not only to combat COVID-19 but also for testing other diseases, which might otherwise not be available.

India's response to the pandemic was built on international best practices, with consideration to leverage the existing global support network. There is a need for international cooperation, as public health became a global public good. India, being the world's pharmacy and producing 50% of the world's vaccine, has supported 82 countries with vaccines from Indian manufacturers, including through South Asian groupings like SAARC or SASEC. In collaboration with the Melinda Gates Foundation and the COVAX Facility, India has helped more than 55 countries. India has worked with the World Bank, which provided \$500m for strengthening health facilities in states, procuring essential medical supplies such as testing kits, PPEs, masks, and ventilators, and ensuring all urban and rural health workers. Similarly, India collaborated with ADB on several projects, among others, to establish an integrated command & control center and augmenting existing data analysis.

The region's RCI platforms and entities linked national and regional agendas, and garnered assistance readily from MDBs and other development partners. Going beyond the health sector, *the GMS* implemented a number of diverse but complementary actions across a range of sectors (e.g., infrastructure sectors, agriculture, environment, tourism) with considerable innovation and flexibility. For example: the GMS Working Group on Agriculture helped countries harmonize food safety and quality standards, control of transboundary animal disease, and expand access to green agribusiness supply chains, while under the GMS Cross Border Transport Facilitation Agreement (CBTA) trade facilitation in customs and sanitary and phytosanitary operations in GMS countries was emphasized.

² ADB. 2019. *Health Cooperation Strategy 2019–2023*. Manila

The COVID-19 pandemic has fast-tracked the development of the digital economy, especially e-commerce to maintain “life as usual” to the extent possible. CAREC and GMS have both launched significant initiatives to promote e-commerce. CAREC hosted two workshops last year, and the CAREC Institute carried out comprehensive research on the regulatory framework of member countries concerning e-commerce. The GMS built upon a cross-border e-commerce platform already up and running. These initiatives have enabled extensive best practice exchange and cooperation on standardization issues among members, thus pulling off a fast recovery from the pandemic.



Audience Poll Question #1 - The Panel’s comment differed from the polling result, emphasizing that it is not feasible for individual countries, in particular smaller countries, to develop mainly on the basis of their own resources. The COVID-19 experience has reaffirmed, re-demonstrated, that countries interacting and working together, and sharing knowledge is the right way, the most effective way, to develop and to make best use of the pool of countries’ combined capabilities.

Transitioning from emergency response to post-Covid-19 recovery. From the outset, it became clear that the primary objective should be to manage the ongoing pandemic and improve the capacity for prevention, preparedness, and responding to any future pandemic. The question is not IF but rather WHEN the next pandemic will happen. This is the framework for future action to guide the collaboration with MDBs and other multilateral organizations. While still in the emergency phase in mid-2020, countries in the region and their development partners, including the MDBs, were planning for "building back better" economic, social, and environmental development and progress toward the SDGs. Countries and MDBs are using the opportunity brought by the COVID-19 recovery to build stronger development partnerships, develop innovative risk financing facilities, adopt digital technologies, strengthen trade facilitation and supply chains, as contributors to regional health security, and enlarges the role of the private sector in reigniting economic growth.

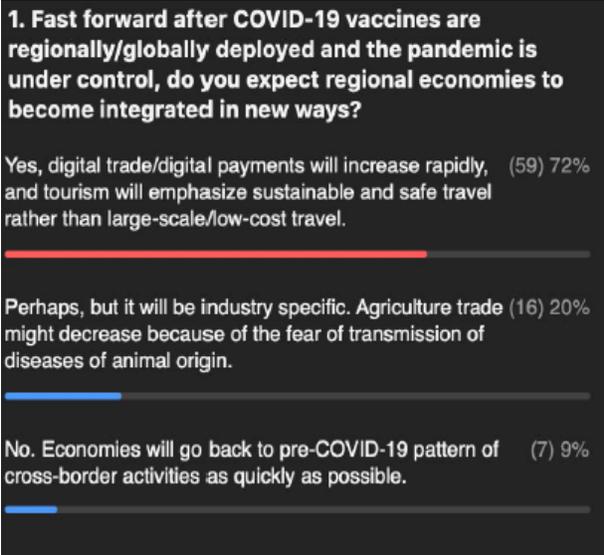
New RCI opportunities have emerged for building-back-better—and together—an inclusive, innovative, and sustainable recovery in Asia-Pacific. The region’s post Covid-19 recovery will depend on development of broader and strengthened regional and national capacities—linked together—for both preparedness and resilience. There are other opportunities for cross-sectoral and ‘long-distance’ RCI that integrates the development of networked e-commerce hubs. And, countries should accelerate implementation of the new Regional Comprehensive Economic Partnership Agreement (RCEP), one of the largest regional-multilateral trade agreements in the world.

The Pacific Islands as a region will need more and continuous support including those from ADB and the World Bank. It is however important to ensure the balance of national and regional approaches. Often, there is a preference to work through bilateral arrangements, but given the Pacific geography regionally coordinated efforts through existing organizations and mechanisms would be much more effective.

Seek opportunities to apply common standards and to broaden and strengthen subregional and even region-wide capabilities. Using closely aligned or common standards across neighboring countries is more cost-effective than retaining or developing standards individually for each country. Progress has been made on developing new laboratory capabilities to administer testing for COVID-19 (and other diseases) at common standards, with valuable assistance provided by MDBs/other development partners in the Pacific. In this regard, it is important to ensure support for small Island countries to improve their capacities to contribute to a resilient region.

The pandemic's management process relies on a scientific approach that focuses on different parameters at different stages of the pandemic. This approach needs to become part of the health system in every country. To this end, coordinated efforts in adopting the digital transformation in focal areas such as data-driven insights for the pandemic's management, data standardization to allow unrestricted data flows across subnational entities and even between countries, and capacity development in all countries of the region. Support from MDBs is needed to work collectively together to provide this service to the countries, regions and the world.

To enhance the program's longer-term directions, the GMS is developing *the GMS COVID-19 Response and Recovery Plan 2021-2023 and the long-term strategic framework 2022-2030 (GMS-2030)*. The response and recovery plan supplements national COVID-19 responses by focusing on RCI priorities and supports the implementation of the new GMS-2030. The three-year response and recovery plan is to coordinate the efforts of GMS countries on issues that require greater regional cooperation and integration to respond to the COVID-19 pandemic more effectively. The plan includes an initial list of priority projects under a regional investment framework and revalidates the GMS's strength as a project-based regional delivery mechanism that balances health, economic, environmental, and social priorities and ensures private sector involvement. GMS-2030 will apply a multi-sectoral, multi-thematic response and will segment operational programming over the short-, medium-, and long-term, and be closely aligned with the SDGs, enabling the subregion to cope with uncertain challenges in the post-COVID-19 recovery more effectively. The GMS also adapted institutional strengthening outside the existing formal structure to address emerging or immediate concerns and requirements, like the re-focusing the Working Group on Human Resource Development into the Working Group on Health Cooperation, and the proposed establishment of the Task Force on Labor Migration. The Plan and Strategy offer significant and diverse opportunities for continued support of development partners including the MDBs.



Audience Poll Question #2 – The Panel affirmed the polling result, noting that COVID-19 has both fostered, and in many cases required governments, business, civil society, and individual citizens to ‘go digital’ and that that trend is unlikely to reverse post COVID-19. Moreover, in health-related areas of public policy, for example telemedicine, data-driven insights of COVID-19 are critical for setting the agenda and achieving effective program implementation.

C. THE WAY FORWARD

Asia has been leading, not lagging, the international community in inter-country collaboration to overcome the COVID-19 pandemic. Countries in Asia-Pacific are now in a strong position to continue their collective action to rebuild and achieve a full post-COVID-19 recovery. Achieving the 2030 SDGs requires even greater RCI to help address core policy challenges, such as providing mutually beneficial inclusive and sustainable growth, maintaining national and cross-border security, ensuring environmental sustainability, and developing regional perspectives and an 'Asian voice' within the wider global community. Asia-Pacific's established RCI subregional programs and organizations will continue to be indispensable mechanisms through which Asia-Pacific's collective action responds to future crises and implements transitional and longer-term strategies to build back better, and where 'no one is left behind'.

The region is signaling some new roles for MDBs in support of RCI and collective action. MDBs are uniquely placed to contribute to the design and implementation of multi-country *and* multi-sector approaches toward those objectives using a combination of sovereign, PPP, and private sector initiatives. Advisory, technical and financial assistance from MDBs could support inter-country mechanisms for cross-border project design and project delivery and provide ancillary support for regional capacity building that bridges critical skills and competency gaps across countries. For example, with assistance from multilateral partners, countries could cooperate on optimizing subregional capacity building, with a view to (i) providing new capabilities, (ii) supplementing existing capacity, and (iii) substituting knowledge and skills in situations where timely local development is not feasible.

Going forward, the MDBs and other development partners must continue to assist the region through sustained engagement with RCI Subregional platforms (and individual countries). MDBs must also coordinate closely among themselves to ensure that they, *working together*, make best use of their collective resources in complementary ways, to the fullest benefit of Asia and the Pacific.



Audience Poll Question #3 - The panel affirmed that all three approaches (set out in the third poll) were relevant roles, per se, for the MDBs and bilateral development partners. The major RCI subregional platforms should improve sharing of information on best-practices and replicate them across subregions, where appropriate, for example, success in transforming cross-border transport corridors in one subregion offers meaningful knowledge for achieving similar results in other subregions. Furthermore, MDBs can foster and support other inter-country efforts to expand stakeholder participation (e.g., local government and the private sector) at subnational levels (e.g., border areas). Border regions are major players in regional and subregional cooperation, and the private sector can bring innovative approaches to unlock new cross-border flows and benefit local economies in border regions.
