

# CONNECTIVITY AND REGIONAL COOPERATION

AIIB THEMATIC PRIORITY



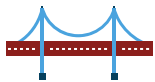
## WHY IS CONNECTIVITY AND REGIONAL COOPERATION IMPORTANT?

- Connectivity and regional cooperation enhance competition, productivity and growth, driving local and regional economies, the global economic system, and our interconnected world. They increase the flow of people, goods, services, capital and information.
- There are many opportunities to improve connectivity and increase regional trade in Asia and with the global economy.
- Cross-border connectivity and regional cooperation expand opportunities, strengthen links between economies, and provide both economic and trade integration as well as non-economic benefits such as increased people-to-people connections.
- By 2030, AIIB's target is for cross-border connectivity project financing to represent 25-30% of its actual financing approvals, with AIIB's overall financing expected to increase year on year.

## WHAT IS CONNECTIVITY AND REGIONAL COOPERATION?

- Projects aligned with connectivity and regional cooperation are those that facilitate better domestic and cross-border infrastructure connectivity within Asia and between Asia and the rest of the world.
- Domestic connectivity projects provide necessary capacity or remove bottlenecks in different locations within an AIIB Member. They may be part of a core network furthering urban, economic or industrial clusters.
- Cross-border connectivity projects facilitate infrastructure connectivity within Asia and between Asia and the rest of the world. They contribute to enhanced regional trade, investment, and digital and financial integration across Asian economies and beyond.

## EXAMPLES OF CROSS-BORDER CONNECTIVITY



Projects that cross a **physical border** such as a bridge, railway line, or cross-border transmission lines.



Projects that are an **integral part of a regional or international network or a corridor** involving two or more economies.



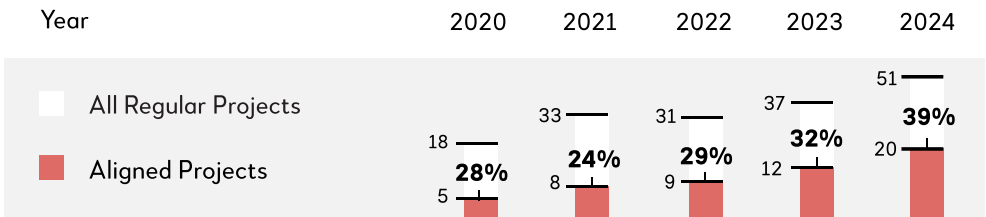
**Node infrastructure** that facilitates the flow of international traffic, such as airports, ports and logistics centers.



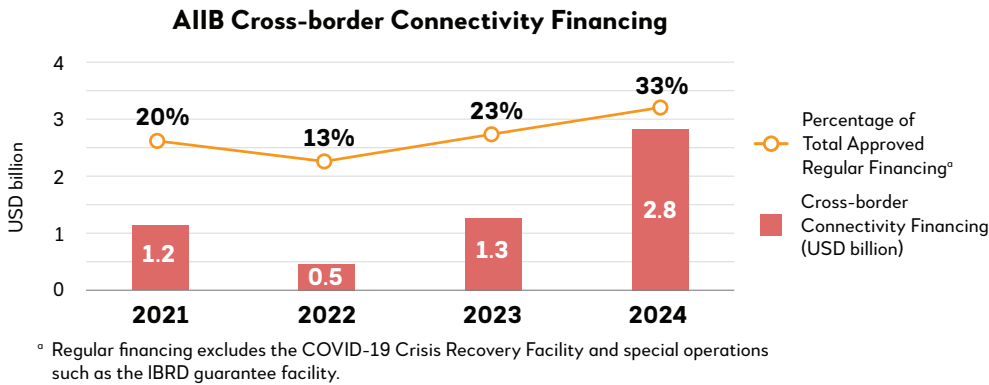
Projects that generate direct additional outcomes in enhancing **cross-border trade, investment, and digital and financial integration** as reflected by quantified and qualified results indicators. Examples include infrastructure production facilities primarily used for trade, trade finance for infrastructure where AIIB can bring additionality, upgrading telecoms networks, and novel financial structures which increase the level of cross-border financial integration.

## WHAT IS OUR TRACK RECORD?

AIIB is making solid progress on this thematic priority with major contributions coming from the transport sector.



The figure below shows how AIIB has also been making steady progress in financing CBC projects.



For better understanding of the Bank's progress, refer to the AIIB Corporate Strategy Midterm Review: [Progress Assessment and Analysis](#).

