

MESSAGE FROM 2021 CO-CHAIRS OF AMRO'S EXECUTIVE COMMITTEE



2021 Co-Chairs of the EC:

Suraya Jaidin, *Permanent Secretary (Performance & Compliance), Ministry of Finance and Economy, Brunei Darussalam* (top left) | Noorrafidah Sulaiman, *Deputy Managing Director, Brunei Darussalam Central Bank* (top right) | Taesik Yoon, *Deputy Minister, Ministry of Economy and Finance, Korea* (bottom left) | Jwahong Min, *Deputy Governor, Bank of Korea* (bottom right)

It has been two years since the COVID-19 pandemic upended our sense of normalcy. We have since adapted to the “new normal” of online meetings, restricted travel and periodic lockdown measures to combat surges in COVID-19 cases.

Despite all that, we now see light at the end of the tunnel. Unlike in 2020, we now have access to vaccines that are efficacious in preventing the most severe of COVID-19 symptoms. There are signs that the regional economy is gaining recovery momentum, emerging from the crisis that has cast a shadow on the livelihood and health of our people. Travel lanes are also gradually opening up, providing optimism that we will be able to reunite with each other after a prolonged period of physical separation. These green shoots of hope are a cause for us not to lose faith in the battle against the pandemic.

Throughout all of this, AMRO worked closely with us in our capacity as Co-chairs of AMRO's Executive Committee (EC) to ensure that the ASEAN+3 finance process, which is the key platform for regional financial cooperation, continues to operate smoothly. Brunei Darussalam and Korea would like to thank AMRO for its unwavering and professional secretariat support in 2021.



As AMRO commemorates its 10th anniversary, it is also a time to reflect on its achievements and progress. AMRO has firmly established itself as a trusted advisor to its members, and an integral part of the ASEAN+3 finance process. We are proud of its accomplishments in the past decade and look forward to deepening our collaboration with AMRO to accomplish stronger, sustainable and more inclusive growth in the ASEAN+3 region.

We are greatly encouraged by AMRO's ongoing efforts to further enhance its macroeconomic surveillance capacity, which is reflected in its high-quality and prompt policy analyses and advice that has provided valuable support to members during the past year. AMRO's surveillance products, particularly its updates related to the pandemic and various analytical notes on pressing and timely issues, have provided members with helpful information and insights for policy consideration. In particular, its AREO 2021, published in March and updated in October, provided informed analyses of the key developments and risks our region faced during this challenging time. We are also pleased to note that it has been business as usual for AMRO in terms of its annual consultation visits (ACVs) and interim visits with members, despite its pivot to the online format. In times of uncertainty, regular communication is important to ensure the timely

exchange of views and information to secure economic and financial stability. We also welcomed the formal launch in November 2021 of the upgraded ARTEMIS platform, which now includes a data management and visualization platform for members' use.

With AMRO's strong support, we were able to achieve significant progress in strengthening the CMIM—our region's financial safety net. In May 2021, our Ministers and Governors welcomed the entry into force of the amended CMIM Agreement, which increased the IDLP from 30 percent to 40 percent, and institutionalized local currency contributions to the CMIM on a voluntary and demand-driven basis for both requesting and providing parties. We are also grateful for AMRO's support in the 12th CMIM test run, the discussion on the CMIM new reference rate, and the revision of the Operational Guidelines (OG). All of these have helped strengthen the CMIM's operational readiness. The pandemic has underscored the importance of ensuring our regional financial safety net remains relevant and accessible to ASEAN+3 members. In this regard, AMRO's valuable insights in identifying future issues for discussion, including that of new initiatives to address structural vulnerabilities facing members in the post-pandemic era, have helped us in determining how to shape the future direction of our region's financial safety net.

Strengthening and building capacity among ASEAN+3 members is essential for accurate surveillance and greater economic stability. We are grateful to AMRO for its provision of technical assistance via online workshops, taking into consideration the heterogeneous nature of the ASEAN+3 member economies. Through tailored technical assistance programs, such as secondments, consultancy, research collaboration as well as training, AMRO has provided members with a key platform for the exchange of knowledge and information. We are encouraged by AMRO's efforts to further expand the scope of its technical assistance program to better support regional capacity building in the years to come.

On the partnerships and outreach front, we observe increased recognition of AMRO's surveillance products and significant progress in expanding its partnership networks as AMRO continued to leverage on digital technologies to deepen engagements with partners and to establish itself as an authoritative voice for the ASEAN+3 region. Key achievements include the signing of the AMRO-OECD MoU

that will support economic growth and financial stability in the ASEAN+3 region, and AMRO's participation as an Observer in the ASEAN+3 Leaders' Summit for the first time. The latter is a particularly important milestone as it demonstrates recognition of AMRO's contributions to the region, and we expect AMRO to further enhance its role in the ASEAN+3 cooperation track in the future.

AMRO continues to uphold the highest level of accountability to members and we commend its efforts to ensure robust results management. We expect AMRO to continue to learn from its experiences to promote greater institutional governance and to develop in line with its five-year rolling Medium-term Implementation Plan (MTIP), which serves as a blueprint for its operational priorities and key initiatives for the next five years.

When ASEAN+3 members decided to establish AMRO a decade ago, we envisioned that it would serve as the region's independent surveillance unit to monitor and analyze regional economies for the early detection of risks and swift implementation of remedial actions. It would also support effective decision-making of the CMIM. As we look back at the decade that has passed, it is evident that the ASEAN+3 finance process has been enriched by AMRO's presence. Through its regular surveillance and timely analyses of key macroeconomic issues, AMRO plays a crucial role in contributing to securing regional macroeconomic and financial stability. Its robust technical and intellectual support to the CMIM has strengthened our region's self-help mechanism, and has given us greater confidence in our collective ability to prevent and manage crises. The successful launch of the ASEAN+3 online repository this year has also contributed to enhancing the effectiveness and efficiency of the ASEAN+3 finance process and would not have been possible without AMRO's help.

Although we have come a long way in our journey of regional financial cooperation, we must not rest on our laurels. The road ahead remains clouded with uncertainty, even as the fog before us slowly dissipates. Our achievements in the past decade were only made possible because of our strong esprit de corps and commitment to multilateralism. For the decade ahead, we urge AMRO and all our members to preserve and nurture this spirit of cooperation so that we can continue to tackle emerging challenges in a coherent and collaborative manner, while working to build a more resilient region for our people.

¹The Executive Committee consists of the Deputies of AMRO's member economies and is responsible for maintaining strategic oversight of and setting policy directions for AMRO. Each AMRO member may appoint up to two Deputies: one finance deputy from its government with responsibility for finance and one central bank deputy from its central bank or its equivalent.