

WORKING TOGETHER FOR  
**ECONOMIC  
GROWTH**

Annual Report 2019



## ABOUT AMRO

The ASEAN+3 Macroeconomic Research Office (AMRO) is a regional macroeconomic surveillance organization that aims to contribute to securing the macroeconomic and financial stability in the ASEAN+3 region. AMRO's vision is to be an independent, credible and professional regional organization acting as a trusted policy advisor to members in the ASEAN+3 region, which includes 10 member states of the Association of Southeast Asian Nations (ASEAN), and China; Hong Kong, China; Japan; and Korea.

To fulfill its mandate, AMRO focuses on three core functions: conducting macroeconomic surveillance, supporting the implementation of the Chiang Mai Initiative Multilateralisation (CMIM), and providing technical assistance to members.

Amounting to USD240 billion, the CMIM is a multilateral currency swap arrangement among ASEAN+3 members, established under the agreement signed by the ASEAN+3 Finance Ministers and Central Bank Governors that came into effect on 24 March 2010. Its core objectives are to address balance of payment and short-term liquidity difficulties in the region, and supplement existing international financial arrangements.

AMRO was initially established as a company limited by guarantee in Singapore in April 2011, and transformed into an International Organization (IO) in February 2016.

## MISSION

To contribute to the macroeconomic and financial stability of the region through conducting macroeconomic surveillance and supporting the implementation of the regional financial arrangement.

## VISION

To be an independent, credible and professional regional organization acting as a trusted policy advisor to members in the ASEAN+3 region.

## CORE FUNCTIONS

- Conducting macroeconomic surveillance
- Supporting the implementation of the CMIM
- Providing technical assistance to members





## ABBREVIATIONS

ACR	Annual Consultation Reports	GDP	Gross Domestic Product
AFCA	Asian Financial Cooperation Association	GFC	Global Financial Crisis
AMRO	ASEAN+3 Macroeconomic Research Office	GFSN	Global Financial Safety Net
ADB	Asian Development Bank	ICT	Information and Communications Technology
ADB I	Asian Development Bank Institute	IFI(s)	International Financial Institution(s)
ADCED	Abu Dhabi Council for Economic Development	IFRS	International Financial Reporting Standards
AiIB	Asian Infrastructure Investment Bank	IMF	International Monetary Fund
ANU	Australian National University	IO(s)	International Organization(s)
AREO	ASEAN+3 Regional Economic Outlook	ISEAS	Institute of Southeast Asian Studies
ARTEMIS	AMRO Regional Tracker for the ERPD Matrix Indicator Scorecard	JBIC	Japan Bank for International Cooperation
ASEAN	Association of Southeast Asian Nations	JMOF	Ministry of Finance of Japan
BI	Bank Indonesia	KMEF	Ministry of Economy and Finance of Korea
BOT	Bank of Thailand	MAS	Monetary Authority of Singapore
BSA(s)	Bilateral Swap Arrangement(s)	MiDAS	Macro-financial Database for ASEAN+3 Surveillance
BSP	Bangko Sentral ng Pilipinas	MoU	Memorandum of Understanding
CLMV	Cambodia, Lao PDR, Myanmar, and Vietnam	MTIP	Medium-term Implementation Plan
CMIM	Chiang Mai Initiative Multilateralisation	OECD	Organisation for Economic Co-operation and Development
CMIM-PL	Chiang Mai Initiative Multilateralisation Precautionary Line	OG	Operational Guidelines
CMOF	Ministry of Finance of China	OMFIF	Official Monetary and Financial Institutions Forum
EC	Executive Committee	PBC	People's Bank of China
ELDMB	Executive Level Decision Making Body	PEF	Performance Evaluation Framework
ERIA	Economic Research Institute for ASEAN and East Asia	RBM	Results-based Management
ERPD	Economic Review and Policy Dialogue	RBWC	Reinventing Bretton Woods Committee
ESM	European Stability Mechanism	RFA	Regional Financing Arrangement
ESP	Expanded Secondment Program	RFSN	Regional Financial Safety Net
FLAR	Fondo Latinoamericano de Reservas	STI	IMF-Singapore Regional Training Institute
FSC	Financial Service Commission of Korea	TA	Technical Assistance
G7	Group of Seven	UBS	Union Bank of Switzerland
G20	Group of Twenty		

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## HISTORY OF AMRO

### FEBRUARY 2009

ASEAN+3 Finance Ministers agreed to establish an independent regional surveillance unit to promote objective economic monitoring.

2009

2010

### MARCH 2010

The CMIM Agreement came into effect.

### APRIL 2011

AMRO was established as a company limited by guarantee in Singapore in accordance with the Singapore Companies Act.

2011

### JULY 2014

The amended CMIM Agreement came into effect. Key points of the amendment include:

- (1) size doubled to USD240 billion,
- (2) International Monetary Fund (IMF) de-linked portion was raised from 20% to 30%,
- (3) a crisis prevention facility – the CMIM Precautionary Line (CMIM-PL) was introduced, and
- (4) the maturity and supporting period of the CMIM facilities were extended.

2014

### OCTOBER 2014

ASEAN+3 members successfully completed the signing of the AMRO Agreement to establish AMRO as an IO.



### FEBRUARY 2016

The AMRO Agreement entered into force, establishing AMRO as an IO with full legal personality.

### DECEMBER 2017

AMRO was granted permanent observer status in the United Nation General Assembly.

### DECEMBER 2019

The EC endorses AMRO's Medium-term Implementation Plan (MTIP) 2020-2024, which serves a blueprint for AMRO's operations and management, consistent with its Strategic Direction.

2016

2017

2018

2019

### DECEMBER 2016

The Executive Committee (EC), the primary decision-making body of AMRO, approved its Strategic Direction, a leading document that articulates AMRO's mission, vision and core functions.

### APRIL 2018

ASEAN+3 members completed the ratification of the AMRO Agreement.



## MESSAGE FROM AMRO DIRECTOR

**The year 2019 also marked the 20<sup>th</sup> anniversary of the ASEAN+3 Finance Process. AMRO is humbled to be part of this journey through providing technical and intellectual support to the process.**



In 2019, the ASEAN+3 region again enjoyed the highest growth rate in the world at around 5 percent, despite strong external headwinds and heightened uncertainty in the global economy. AMRO strived to upgrade our capacity as a trusted "family doctor" in the region, aiming to address emerging economic challenges and our members' evolving needs. Such efforts include further enhancing our analytical toolkits to upgrade economic surveillance activities, supporting members in improving the operational readiness of the CMIM, and providing targeted technical assistance to members. The smooth transition to a new senior management team also helped us build upon our past achievements and reach new heights during the year.

The region once again proved its resilience in the past year despite mounting risks, including intensifying U.S.-China trade and technology tensions, volatility in financial markets, and simmering geopolitical tensions. Regional authorities were also adept in using policy measures to effectively

navigate the turbulence. However, given the still heightened uncertainty in the global economy, there is no room for complacency.

To provide timely and insightful policy advice to members, AMRO further revised our internal procedure in conducting country surveillance activities to enhance its efficiency and effectiveness. We conducted 13 Annual Consultation Visits to members and published 13 Annual Consultation Reports (ACRs) on our website. We also started to integrate the Economic Review and Policy Dialogue (ERPD) Matrix scorecard, a set of key macro-financial indicators that will be used to assess the macroeconomic and financial strength of a member economy wishing to access the CMIM crisis-prevention facilities, into the country surveillance process.

AMRO continued to develop important analytical toolkits to analyze critical issues such as financial spillovers and asset cycles for our surveillance work to better conceptualize the evolving

risks and offer insightful policy advice to members. Through our analysis, we endeavored to help policymakers make informed decisions with respect to macroeconomic and financial policies.

AMRO increased the focus on identifying and analyzing structural issues to strengthen fundamentals in the region. Our flagship report, the [\*ASEAN+3 Regional Economic Outlook 2019 \(AREO\)\*](#) discussed how regional economies can build capacity and connectivity to promote regional integration and enhance resilience and growth. Our [\*ACRs\*](#), which examine the economic situation in individual member economies, contained studies on selected issues that are of concern to the authorities. We believe that these studies can provide policymakers with a deeper understanding of these matters so that they are in a better position to address pressing structural issues and challenges.

Given the heightened risks in the global economy, it is crucial to make the CMIM an efficient and effective facility that

provides liquidity support to members who are hit, or are at risk of being hit by volatility shocks. In supporting the implementation of the CMIM, AMRO has made significant contributions to members' effort to improve the operational readiness of the CMIM as a regional self-help mechanism. AMRO also supported members in refining the CMIM Operational Guidelines (OG) and developing the CMIM Conditionality Framework, which defines the conditions for the use of CMIM facilities. AMRO assisted members to successfully conduct the 10<sup>th</sup> test run, which focused on the technical and operational aspects of CMIM swap transactions. These activities aimed to enhance the smooth operation of the CMIM during crises and to reinforce its effectiveness as a crisis resolution and prevention facility.

With respect to the future direction of the CMIM, AMRO published a collaborative study that examined the plausibility and possible modality of local currency contributions to the CMIM in the context of increasing regional financial linkages and the use of local currencies in regional trade and investment. Based on the research, members adopted and endorsed a general guidance on local currency contributions to the CMIM in May.

The year 2019 also marked the 20th anniversary of the ASEAN+3 Finance Process. AMRO is humbled to be part of this journey through providing technical and intellectual support to the process. We were heartened to know that AMRO's policy note titled *"ASEAN+3 Region: Sustaining Growth and Stability amid Mounting Global Uncertainty"*, submitted to ASEAN+3 Leaders at their 22nd Summit in Thailand in November 2019 was recognized as "a helpful overview of recent macroeconomic developments and policy responses" in the Chairman's statement.

To support regional capacity building, AMRO continued to provide targeted technical assistance tailored to members' needs and stages of development. In 2019, we implemented two consultancy projects in Lao PDR and Cambodia to help strengthen their capacity in implementing sound economic policies. We hosted 17 secondees from member authorities, providing them with on-the-job training opportunities to help enhance their knowledge and gain new skills and perspectives on macroeconomic surveillance.

To facilitate the sharing of knowledge and best practices as well as demonstrating thought leadership, AMRO continued to play key roles in various international and regional fora. Our participation in these fora has helped strengthen our partnerships with peer organizations. During the year, AMRO organized and co-hosted 25 events and AMRO's management and staff spoke at almost 50 seminars and conferences globally.

To efficiently support our core functions, we have stepped up our efforts in enhancing our organizational capacity through the enhancement and implementation of the Performance Evaluation Framework (PEF), the smooth execution of important institutional policies and strategies, and the adoption of advanced technology to improve work efficiency. In 2019, we conducted a mid-term review of our MTIP. This exercise provided a good opportunity to reflect on AMRO's evolving needs since its establishment and in turn, contributed towards enhancing AMRO's strategic development and governance. It also helped AMRO keep pace with the advancement of the ASEAN+3 Finance Process and allowed AMRO to better cater to members' expectations. Our new MTIP, which will serve as an indicative blueprint for AMRO's operations for

2020-2024, was endorsed by our EC in December 2019 and will be implemented from 2020 onwards.

Taking this opportunity, I would like to thank my predecessor, Dr. Junhong Chang, for her stellar leadership at the critical juncture after AMRO's transformation into an IO in 2016. During her three years at the helm, AMRO made tremendous progress during the early stage of our "build-up" phase that paved the way for the new management team to lead the organization in the coming years.

Since my appointment as AMRO Director in May 2019, my vision has been clear: to create a region that is able to withstand financial crises by strengthening AMRO's role as a capable and trusted "family doctor" to its members. Through my interactions with member authorities as well as other stakeholders, I am inspired by the strong commitment and collaborative spirit toward our common goal of having a region free of financial crises, and ensuring strong, sustainable, balanced, and inclusive growth for all. I am optimistic that by working together, AMRO will be able to support regional economies to weather challenges in times of uncertainty.

**TOSHINORI DOI**  
AMRO Director

## MESSAGE FROM 2019 CO-CHAIRS OF THE EXECUTIVE COMMITTEE



**JIAYI ZOU**  
Vice Minister,  
Ministry of Finance of China



**YULU CHEN**  
Deputy Governor,  
People's Bank of China

In December 1998, ASEAN+3 Leaders agreed that ASEAN+3 Finance and Central Bank Deputies should meet to discuss financial and macroeconomic matters of concern to the region. This decision led to the first ever meeting of ASEAN+3 Finance and Central Bank Deputies in March 1999 in Hanoi, and our predecessors back then had a constructive exchange of views and affirmed the importance of deepening regional financial cooperation.

Twenty years later, the ASEAN+3 Finance Process has evolved to be the main channel for regional financial cooperation. The economic landscape of the region has also drastically changed since the establishment of the ASEAN+3 Finance Process, namely from the state of rebuilding the foundations for economic growth to the state of resilience today where the region remains robust, with deep regional cooperation and integration ties helping to mitigate against uncertainties in the global outlook.

The resilience of the region can be attributed to ASEAN+3's concerted effort to safeguard regional macroeconomic and financial stability. To this end, AMRO – our region's macroeconomic surveillance unit, plays a critical role in conducting macroeconomic surveillance and supporting the implementation of the CMIM as the center of our regional financial safety net (RFSN). China and Thailand, as the 2019 Co-chairs of AMRO's EC, commend AMRO's many achievements this year.

This year witnessed the smooth transition of AMRO's Senior



**PRASONG POONTANEAT**  
Permanent Secretary,  
Ministry of Finance of Thailand



**MATHEE SUPAPONGSE**  
Deputy Governor,  
Bank of Thailand

The resilience of the region can be attributed to ASEAN+3's concerted effort to safeguard regional macroeconomic and financial stability. To this end, AMRO – our region's macroeconomic surveillance unit, plays a critical role in conducting macroeconomic surveillance and supporting the implementation of the CMIM as the center of our RFSN.

Management team. Taking this opportunity, we would like to thank former AMRO Director, Dr. Junhong Chang, for her service and unwavering commitment to strengthen AMRO's organizational capacity, surveillance capabilities, as well as support to ensure smoother operationalization of the CMIM. This year alone, under her leadership that ended in May, AMRO provided useful policy notes on topical issues to members. These include policy notes on the economic impact of aging and immigration, developments in the region's trade in value-added, and implications of trade tensions escalations to the region. AMRO also successfully published the third edition of its AREO with the theme *"Building Capacity and Connectivity for the New Economy"*. Her determination to raise the quality of AMRO's work and to position AMRO as a trusted policy advisor laid an excellent foundation for her successor, Mr. Toshinori Doi to build on.

We would also like to welcome Mr. Doi to the AMRO family. Since he joined AMRO, we have observed the further deepening of AMRO's capacities in its core functions of surveillance, CMIM support and technical assistance (TA). We commend AMRO's efforts to strengthen its surveillance and analytical toolkits, including mainstreaming the ERP Matrix into its country surveillance, support to the CMIM – in particular, the conclusion of the CMIM periodic review and OG revision, Conditionality Framework, the 10<sup>th</sup> test run, and future directions – as well as its plan to expand and professionalize its TA activities further. We are very pleased to note the endorsement of AMRO's

MTIP for 2020–2024, which highlights the priorities and new measures to build AMRO as a "family doctor" in this region.

By leveraging on its strategic partnerships and actively engaging the media, AMRO has been able to build capacity, enhance its capabilities, and gain credibility. It has done so by expanding its networks, bolstering its image, and maintaining its presence in the public sphere through the publication of media stories and op-eds in reputable news outlets. AMRO has also steadily increased its presence both within, and outside the region, by organizing and co-organizing high-level events throughout the year. Some of the key highlights include the High-level Seminar, *"Building Capacity and Connectivity for the New Economy in East Asia"* and the 4<sup>th</sup> High Level Regional Financing Arrangements (RFA) Dialogue.

We are also pleased to note that AMRO has worked hard to enhance its organizational integrity and accountability by continuously fine-tuning its PEF to incorporate learning points based on the feedback received. AMRO's responsiveness demonstrates its commitment to its vision of an independent, credible, and professional regional organization acting as a trusted policy advisor to ASEAN+3 members.

In addition, AMRO has contributed to discussions on the strategic directions of the ASEAN+3 Finance Process as well as further enhancing the effectiveness and efficiency of the Process by providing valuable insights, as well as intellectual and technical support throughout

the year. We would like to extend our sincere gratitude to AMRO for going beyond the call of duty and for diligently supporting us. We also encourage AMRO to continue strengthening its institutional support to the ASEAN+3 Finance Process in the coming future.

Even as we take stock of AMRO's achievements in this Annual Report, we must not rest on our laurels and must continue to strive for even greater heights. Although our region has been able to weather the macroeconomic and financial challenges in the past two decades, looking ahead, the global outlook is still clouded with uncertainty. To create a better tomorrow, we believe that continued vigilance, cooperation, and integration is crucial to ensure the stability and prosperity of the region, and to create strong, sustainable, balanced, and inclusive growth.

**JIAYI ZOU**  
**YULU CHEN**  
**PRASONG POONTANEAT**  
**MATHEE SUPAPONGSE**  
Co-Chairs

## 2019 ECONOMIC DEVELOPMENTS

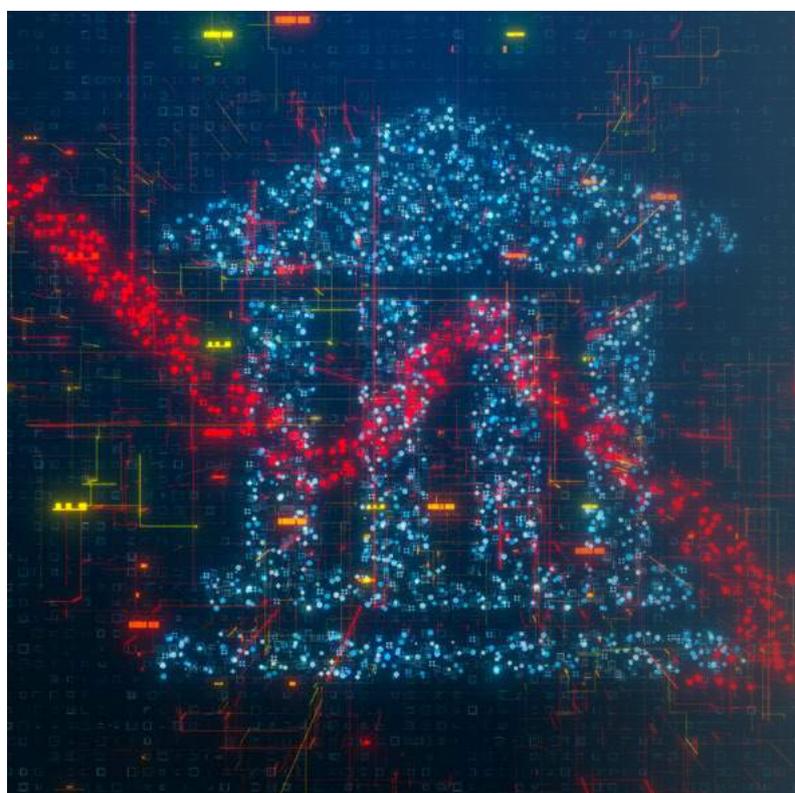


### U.S.-CHINA TRADE TENSIONS

- With U.S.-China trade tensions exerting a big drag on global economic activity, particularly on trade and investment, the conflict invariably presented one of the largest risks for the ASEAN+3 region.
- Uncertainty over global policymaking remained high.
- A sharp fall in China's exports to the United States, especially those subject to tariffs, weighed on regional exports through global value chains. While some regional economies benefited from trade diversion, overall export performance suffered with economic activity weakened in many economies.
- U.S.-China Phase One trade deal announced at the end of 2019 represented a de-escalation of tensions, alleviating business concerns and boosting market sentiment. However, it was largely perceived to be limited and fragile.

### A RESILIENT ASEAN+3

- Domestic demand in the form of consumption and investment in the region was the main driver of ASEAN+3 growth and held up well with the judicious use of policy space to mitigate some of the external negative impact.
- In several regional economies, infrastructure investment was motivated by efforts to enhance capacity and connectivity, which will also help to sustain the region's growth momentum in the long run.
- ASEAN+3 remained the fastest growing region in the world, with growth estimated at 4.9 percent, albeit down from 5.4 percent in 2018.



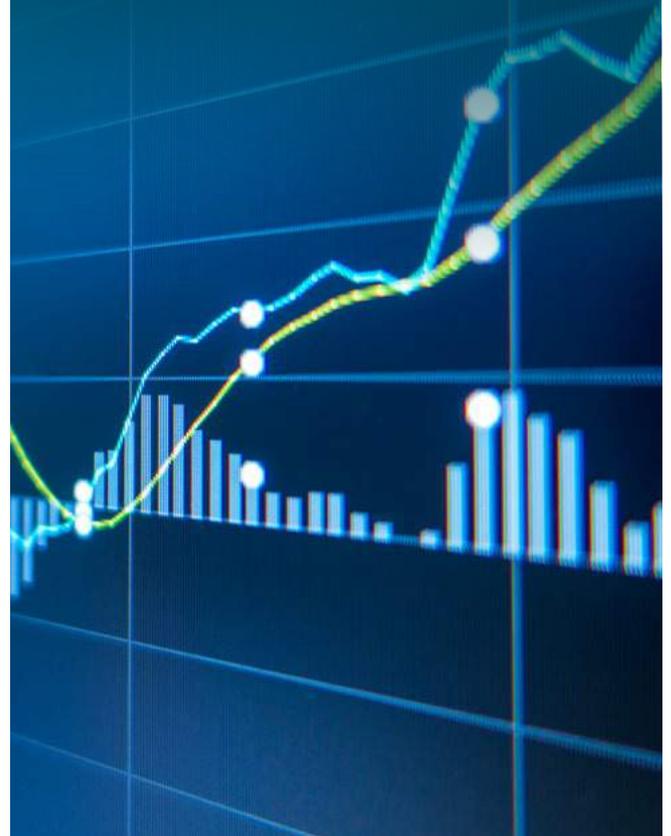


## EASING GLOBAL FINANCIAL CONDITIONS

- Amid a slowdown in world growth and dimmer prospects, leading central banks, including the U.S. Federal Reserve, have shifted to a more accommodative policy stance at the beginning of 2019.
- The subsequent decline in global interest rates and weakening of U.S. dollar afforded ASEAN+3 central banks more room to ease monetary policy to support growth. This was accompanied by tighter macroprudential measures, where needed, to help maintain financial stability.
- Fiscal policies also became more expansionary, especially for economies with fiscal space that were badly affected by spillovers from the trade conflict.

## LOOKING AHEAD

- The external environment is expected to remain challenging, amplified by concerns over the impact of the COVID-19 pandemic.
- The region remains highly open and vulnerable to trade protectionism, geopolitical risks, and a sharper than expected slowdown in the major economies, despite sound macro fundamentals and relatively strong growth.
- Regional policymakers are commended for the continued implementation of sound macroeconomic policies, while pressing ahead with structural reforms to enhance growth potential and bolster resilience.



## HIGHLIGHTS OF AMRO'S 2019 ACHIEVEMENTS



### SURVEILLANCE

**13** Annual Consultation Visits

**15** Interim visits

**13** ACRs

**1** Flagship report (AREO)

+

**5** Monthly updates of the AREO



### THEMATIC STUDIES/ POLICY NOTES

**3** Thematic studies

+

**11** Policy & analytical notes



### RESOLUTIONS ADOPTED IN 2019

**10** Resolutions adopted



### WORKING PAPERS

**1** Working paper



### CONCEPT NOTES

**1** Concept note



## TECHNICAL ASSISTANCE ACTIVITIES

17 Secondees received

1 Training course

2 Research collaborations

2 Ongoing projects

9 In-house operational TA



## PARTNERSHIP AND OUTREACH

1 Memorandum of Understanding (MoU)

46 Events participated in

25 Events (co-)organized

2 Public lectures

22 AMRO knowledge products published

40 Press releases

622 Media stories

8 Op-eds in mainstream media

22 Blog posts

2 Social media channels

~167,302

Page views of AMRO's website

## FINANCIAL HIGHLIGHTS

### HIGHLIGHTS OF 2019 BUDGET IMPLEMENTATION

AMRO is funded by its members, with the Manpower Related Budget contributed by ASEAN+3 members in proportion to their share of financial contribution as listed in the Table on "Members and Voting Power" (page 41), and the Office Related Budget contributed wholly by the host country. The staffing level is approved annually by the EC.

With 61 staff, the 2019 Manpower Related Budget amounted to USD 17.1 million, with an implementation rate of 90.0%. The 2019 Office Related Budget amounted to USD 5.1 million, with an implementation rate of 74.7%. Our revamped core operations, supported by lean budgeting and prudent expenditure control enabled us to achieve an implementation rate within budget. Our reserves amounted to USD 9.20 million as at 31 December 2019.

We endeavor to manage our finances in an accountable and transparent manner through quarterly external audits, as well as continuous study and adoption of international best practices.

### SUMMARY OF DIRECTOR'S STATEMENT AND INDEPENDENT AUDITOR'S REPORT ON AMRO'S FINANCIAL STATEMENTS

In the opinion of the AMRO Director, (1) the financial statements were drawn up in accordance with the International Financial Reporting Standards (IFRS), so as to give a true and fair view of the financial position of AMRO as at 31 December 2019 and the financial performance of the business, changes in equity and cash flows of AMRO for the financial year ended; and (2) there were reasonable grounds to believe that AMRO will be able to pay its debts as and when they fall due.

PricewaterhouseCoopers LLP, appointed by the EC, audited AMRO's financial statements for the financial year ended 31 December 2019. It was the auditors' opinion that the financial statements of AMRO were properly drawn up in accordance with the IFRS, so as to give a true and fair view of the financial position, and the financial performance, changes in equity and cash flows of AMRO as at 31 December 2019.

### 2019 FINANCIAL SUMMARY

2019 (USD '000)	Manpower Related	Office Related
Budget	17,087	5,095
Implementation	15,381	3,808

As at 31 December 2019	USD '000
Assets	17,028
Liabilities	9,527
Equity	7,501



MANPOWER  
RELATED BUDGET  
USD **17.1** Million  
IMPLEMENTATION  
RATE  
**90.0%**



OFFICE  
RELATED BUDGET  
USD **5.1** Million  
IMPLEMENTATION  
RATE  
**74.7%**



RESERVES  
USD **9.2** Million



CONDUCTING  
**QUALITY SURVEILLANCE**  
TO **SAFEGUARD** THE REGION

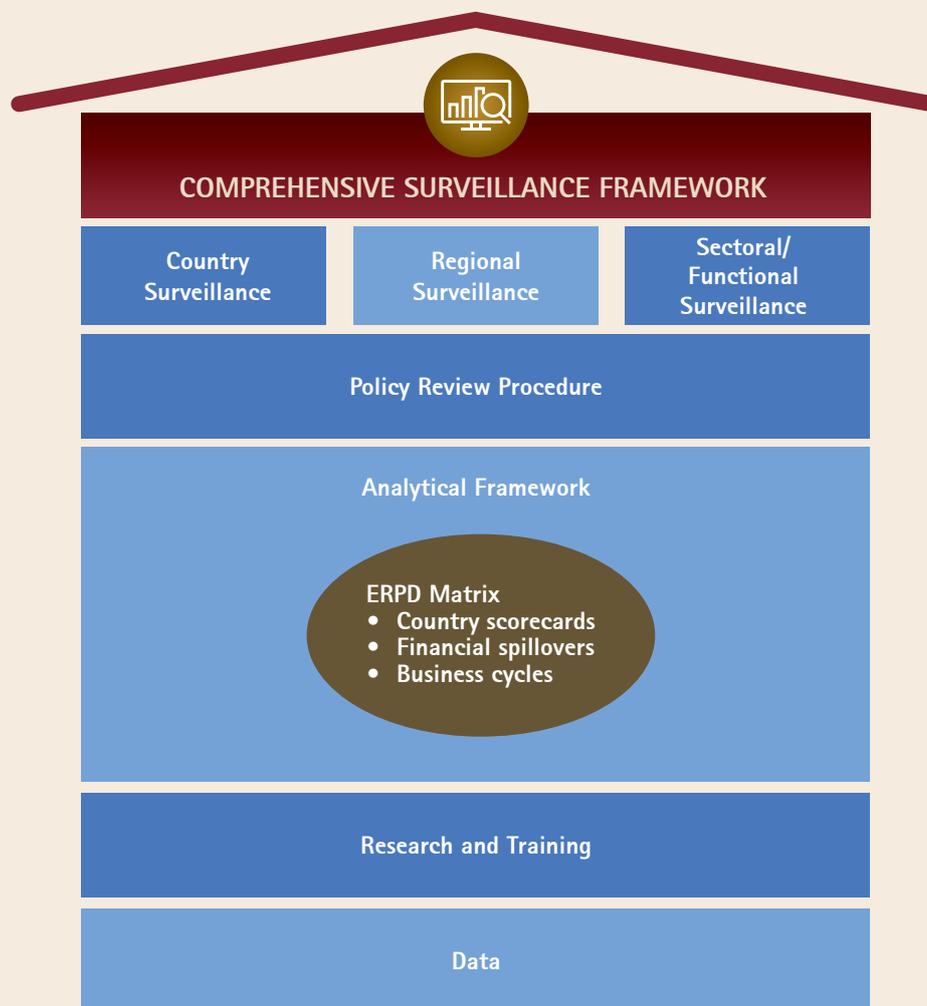
## BOLSTERING OUR SURVEILLANCE FRAMEWORK

To fulfil our mandate of providing macroeconomic and financial surveillance in the region, our core work continues to revolve around strengthening the surveillance framework.

In 2019, we developed toolkits for analyzing economic, credit, and property valuation cycles. Being solution and policy-focused, we improved the policy matrix framework with the aim of giving more timely and relevant policy advice to our member authorities. We also upgraded the

policy assessment framework used to evaluate ongoing economic policies.

With the integration of specific analytical toolkits, we will be able to provide member economies with more comprehensive and solution-oriented analyses and risk assessments as well as sound policy advice and recommendations grounded in rigorous research.



AMRO mainstreamed the ERP Matrix into our country surveillance process and developed important analytical tools to better monitor the evolving risks and offer value-added policy advice to members.

## FURTHER DEEPENING COUNTRY SURVEILLANCE



In 2019, we completed Annual Consultation Visits to 13 members. During these visits, the mission teams met with authorities and other key stakeholders to exchange views on current economic developments, risks, and vulnerabilities of respective economies.

We continued to conduct country surveillance with the aim of providing policy advice tailored to meet the specific needs of our 14 member economies, and to maintain macroeconomic and financial stability.

As the region's "family doctor" on economic and financial issues, our country surveillance work is centered on comprehensive Annual Consultation Visits to our member economies. Such visits are focused on assessing the risks, vulnerabilities and challenges facing each member economy and the appropriateness and effectiveness of its policy response and coming up with our policy recommendations. To ensure the relevance and robustness of our analyses and recommendations, our country teams made short interim visits to stay updated on the latest developments in our member economies. To deepen understanding of specific issues and/or current initiatives, some country mission teams also conducted visits to localities outside of the capital.

Enhancements to the country surveillance process in 2019 involved the mainstreaming of the ERP Matrix into country surveillance work, in consultation with member authorities. The ERP Matrix aims to provide a comprehensive overview of the macroeconomic and financial performance of an economy over time, through a quantitative scorecard of macro-financial indicators (that is benchmarked against peer economies and pre-defined reference scores), and complemented by a suite of analytics and qualitative, expert judgment. We also held tailored workshops on the ERP Matrix with several member authorities, conducted informal policy discussions with them,

and submitted separate notes on the ERP Matrix assessment during our Annual Consultation Visits in 2019. While the ERP Matrix assessment notes were for internal use only, the views of the authorities were likewise sought to further enhance the methodology, as needed, as well as familiarize them with the resulting output of the assessment framework.

In addition, the Surveillance Operational Manual was updated to incorporate improved guidelines, on consultation activities and engagement.



Our Thailand mission team visited the Vidyasirimedhi Institute of Science and Technology and the Eastern Economic Corridor Office to gain insights into the development of this flagship infrastructure project and its potential impact on the Thai economy.



In May, we launched our flagship report, the ASEAN+3 Regional Economic Outlook 2019 in Nadi, Fiji. The launch was well attended by regional policymakers, academia, representatives from IOs, and the private sector.

## MONITORING SPILLOVER EFFECTS THROUGH EFFECTIVE SURVEILLANCE

As the ASEAN+3 region becomes more integrated, individual economies are also becoming more vulnerable to spillover effects from other economies within the region. Regional surveillance is essential in identifying the broader trends that affect the region and in assessing the regional economic outlook. AMRO conducts regional surveillance to identify emerging risks from outside the region for global spillovers, as well as monitors and assesses intra-regional developments and linkages for regional spillovers.

For more rigorous regional surveillance, we developed new analytics and tools to include:

- (1) property valuation cycle,
- (2) semi-conductor and capex cycles,
- (3) import-adjusted GDP for member economies,
- (4) stress testing financial prices with shocks to economic and policy uncertainty (Global Vector Autoregressive), and
- (5) solvency stress testing of individual financial institutions with shocks from contagion risk.

A methodology to analyze trade and foreign direct investment (FDI) diversion was also developed.

To facilitate the smooth exchange of information between AMRO and member authorities, AMRO launched the AMRO Regional Tracker for the ERPD Matrix Indicator Scorecard (ARTEMIS) platform housing the ERPD Matrix Scorecard and the

Macro-financial Database for ASEAN+3 Surveillance (MiDAS), which contains all Scorecard data. Members can log into the system to use the interactive ERPD Matrix Scorecard and the data time-series at their convenience.

In May 2019, we launched our third annual flagship publication, the AREO 2019, at a press conference in Fiji at the sidelines of the Asian Development Bank (ADB) Annual Meetings. The AREO 2019 comprised two parts. The first chapter provided a comprehensive assessment of the risks and vulnerabilities facing the region and an assessment of the growth and inflation outlook for 2019 and 2020, taking into account the policy response by the authorities. We reported the region to be resilient and expected it to grow by 5.1 percent in 2019-2020 despite external headwinds from the U.S.-China trade tension.

The second chapter discussed key drivers shaping the development priorities of the ASEAN+3 region as they embrace the "new economy" and embark on the next phase of the region's growth trajectory. The chapter identified the key challenges regional economies faced in financing infrastructure investment and building connectivity, and provided recommendations to overcome these challenges.

Monthly circulars and special features were also produced to provide regular regional economic outlook updates and to incorporate topical issues impacting our region.

## ANALYZING ISSUES THROUGH THEMATIC STUDIES AND RESEARCH

As macroeconomic issues are often complex, involving many interrelated variables, conducting in-depth studies and rigorous research related to key policy issues are central to our work. In 2019, AMRO economists identified key structural issues specific to each economy, as well as the challenges member economies faced in embracing the new economy. In particular, AMRO economists conducted studies on the developments in infrastructure, financial technology, and tourism in the ASEAN+3 economies.

The table below lists, thematically, research conducted and published by AMRO this year.



A panel engaged in a lively discussion regarding the role of various stakeholders in addressing the infrastructure gap at the AREO 2019 seminar co-organized by AMRO and the Bangko Sentral ng Pilipinas (BSP). From left: Mr. Rabboni Francis B. Arjonillo, President of First Metro Investment Corporation; Dr. Hoe Ee Khor, AMRO Chief Economist; Mr. Diwa C. Guinigundo, then-BSP Deputy Governor; and Dr. Joseph E. Zveglich, Deputy Chief Economist of ADB.

### BOX STORIES AND ISSUES RELATING TO AMRO'S MANDATE – MACRO-FINANCIAL STABILITY AND RISK IDENTIFICATION

#### Published in 2018 ACR for Brunei

- Fiscal Policy to Maintain Fiscal Consolidation while Supporting Economic Growth
- Potential Financial Instability amid Oil Price Fluctuations

#### Published in 2018 ACR for Cambodia

- IFRS9: The Challenges of New Financial Standards
- Impacts of the Interest Rate Cap on Cambodia's MFIs

#### Published in 2018 ACR for China

- Credit Risks Faced by Small Rural Commercial Banks
- Liquidity Risk of Medium-Sized Banks

#### Published in 2019 ACR for Indonesia

- Bank Liquidity Conditions
- Bank Indonesia's (BI) Policy Mix in 2018–2019
- Financial Deepening in Indonesia

#### Published in 2018 ACR for Japan

- Assessing the Effectiveness of the Quantitative and Qualitative Monetary Easing with Yield Curve Control Policy
- Interconnectedness of Japan's Mega Banks and Implications on Cross-border Spillovers
- Japanese Banks' Cross-border Activity with a Focus on ASEAN
- The Impact of Global Trade Tensions on the Japanese Economy

#### Published in 2019 ACR for Lao PDR

- Financial Sector Development in Lao PDR
- Improvements in Banking Sector Regulation and Supervision in Lao PDR

#### Published in 2018–19 ACR for Malaysia

- An Examination of Malaysia's External Debt
- An Update on the Property Market
- Assessing Malaysia's Fiscal Policy Stance
- Stress Testing Resilience to Capital Flows – An Update

#### Published in 2019 ACR for Myanmar

- Foundation to be Strengthened for Interest Rate Liberalization in Myanmar

#### Published in 2018 ACR for the Philippines

- An Updated Taylor Rule Model for the Philippines
- Will the Philippines' Real Estate Sector Stay Resilient to Capital Outflows?— A Firm-Level Stress Test on its Creditworthiness

#### Published in 2018 ACR for Singapore

- Alternative Approach to Estimating the Net Contribution of Key Demand Components to GDP Growth in Singapore

#### Published in 2019 ACR for Thailand

- Long-Run Factors Behind Thailand's Inflation Dynamics

#### Published in 2018 ACR for Vietnam

- Assessing the Vulnerability of Public Debt in Vietnam
- Evolution of Vietnam's Export Structure and the Impact of Global Shocks on Vietnam
- Financial Sector Development in Vietnam

## LONG-TERM POLICY-RELATED AND STRUCTURAL ISSUES

### Published in *2018 ACR for Brunei*

- Developing Businesses in Brunei Darussalam: A Brief Assessment of Brunei's Reforms towards Improving SMEs' Access to Credit
- Economic Diversification from the Upstream Oil and Gas Industry
- Medium-term Fiscal Consolidation

### Published in *2018 ACR for Cambodia*

- Cambodia's Preferential Trade Schemes
- Distributional Impact of Fiscal Policy

### Published in *2018 ACR for China*

- China's Regional Disparities
- Should we be concerned about household debt in China

### Published in *2018 ACR for Hong Kong, China*

- Hong Kong Government's Six Initiatives on Housing
- The Impact of U.S.-China Trade Conflict

### Published in *2019 ACR for Indonesia*

- How to Revive the Manufacturing Sector: Lessons from the Automotive Industry

### Published in *2018 ACR for Japan*

- Recent Policy Developments on Foreign Workers to Cope with Labor Shortage

### Published in *2019 ACR for Lao PDR*

- Fiscal Revenues in Lao PDR: Trends and Future Options for Reform
- Recent Fiscal Reforms Initiatives
- Upgrading the Debt Management Framework

### Published in *2018-19 ACR for Malaysia*

- Malaysia's Special Voluntary Disclosure Program

### Published in *2019 ACR for Myanmar*

- Estimating Myanmar Trade Using Sectoral Mirror Data
- Reform of the Electricity Sector
- Transforming State-owned Banks as Effective Agents of Economic Development

### Published in *2018 ACR for the Philippines*

- National Government-Local Government Relations
- Rationalizing Fiscal Incentives and Lowering the Corporate Income Tax

### Published in *2018 ACR for Singapore*

- The Impact of U.S.-China Trade Conflict
- The Impact of Technology on Wages and Productivity

### Published in *2019 ACR for Thailand*

- Demographic Changes and Their Implications on the Thai Economy
- Development of Thailand's Outward Direct Investment (ODI) after the Global Financial Crisis (GFC)
- Thailand's Deepening Trade and Investment Ties with the ASEAN+3 Region

### Published in *2018 ACR for Vietnam*

- Assessing Social Insurance Policy Reforms
- Monetary Policy Instruments in Vietnam

## NEW ECONOMY

### Published in *AREO 2019 Thematic Chapter*

- Building Capacity and Connectivity for the New Economy

### Published in *2018 ACR for Cambodia*

- The Development of Tourism in Cambodia

### Published in *2018 ACR for China*

- The New Economy: Characteristics, Driving Factors and Challenges

### Published in *2018 ACR for Hong Kong, China*

- Transforming to a Digital Financial Center – Progress in Hong Kong

### Published in *2019 ACR for Indonesia*

- Boosting the Tourism Sector
- Fintech Developments

### Published in *2018 ACR for Japan*

- Fintech Development

### Published in *2019 ACR for Myanmar*

- Leveraging Digitalization in the Development of Myanmar's Economy

### Published in *2019 ACR for Thailand*

- Thailand's Eastern Economic Corridor and Its Prospects

# STRENGTHENING THE REGIONAL **FINANCIAL SAFETY NET** WITH EFFECTIVE **SUPPORT**



**As an essential part of the ASEAN+3 RFSN, the CMIM provides a financial safeguard against potential or actual balance of payments difficulties, and/or short-term liquidity difficulties that its members may face. It is one of AMRO's main functions to support the members in improving the effectiveness and reliability of the CMIM through technical and analytical inputs.**

#### WHAT ARE THE RESOURCES AVAILABLE FOR ECONOMIES TO SAFEGUARD AGAINST FINANCIAL SHOCKS?

The global financial safety net (GFSN) provides insurance for countries against a financial crisis. The GFSN consists of four layers:

- (1) international reserves held by national central banks,
- (2) bilateral swap arrangements (BSAs),
- (3) regional financing arrangements (RFAs), and
- (4) the International Monetary Fund (IMF).

Since the 2008 GFC, the GFSN has evolved in size and structure, mostly driven by the RFAs and BSAs. While its coverage has widened, the GFSN has also become more decentralized and complex. Recognizing the important role the GFSN plays in safeguarding global economic and financial stability, the international community, such as the Group of Twenty (G20), has affirmed its commitment to strengthen the GFSN.



In 2019, we facilitated the conclusion of the first Periodic Review of the CMIM Agreement, the relevant revisions of its OG<sup>1</sup>, and the completion of the 10<sup>th</sup> test run as well as identification of updates to the Manual for CMIM Swap Transaction. With AMRO's support, members adopted the Guiding Principles of the CMIM Conditionality Framework and discussed the Technical Guidance to ensure its smooth implementation. The ERP Matrix was enhanced to provide the necessary analytical and policy support for the activation of the CMIM facilities. Collectively, these activities reinforced the CMIM's effectiveness as a crisis resolution and prevention mechanism, and ensured its smooth operation upon activation.

Long-term efforts to improve the CMIM include supporting members in endorsing the *"General Guidance on Local Currency Contribution to the CMIM"*, providing comparative studies of RFAs, and conducting workshops to enhance members' capacity to participate smoothly in the operationalization of the CMIM. AMRO continues to enhance its support for CMIM members' collaboration with other International Financial Institutions (IFIs).

### WHAT ARE REGIONAL FINANCIAL ARRANGEMENTS (RFAs)?

An RFA is a financing mechanism or agreement within which a group of regional economies pledge financial support to members of that group that could potentially, or actually be experiencing financial difficulties, either through a pool of contributed or borrowed reserves, or through currency swaps. Despite their different mandates and modalities across the world, RFAs, as an important component of the GFSN, serve as an additional line of defense for regional members to safeguard against financial shocks.

There are about 10 RFAs globally, and the CMIM, is one of them. A few other examples of RFAs are the European Stability Mechanism (ESM) and the Fondo Latinoamericano de Reservas (FLAR).

## PROVIDING SUPPORT AND EXPERTISE IN THE CMIM PERIODIC REVIEW

Every five years, it is mandatory for the CMIM parties to conduct a review of the CMIM Agreement with the aim of ensuring that the CMIM remains up-to-date and reflects member economies' circumstances, as well as global economic and financial conditions.

The CMIM's first periodic review began in 2017. AMRO analyzed the key issues raised and revised the CMIM Agreement for members' discussion. The review concluded in May 2019, with ASEAN+3 Finance Ministers and Central Bank Governors approving the amended CMIM Agreement, with the following revisions:

- (1) Secure compatibility of the terms and conditions of the IMF-Linked Portion of the CMIM with the IMF-Supported Programs,
- (2) Add a legal basis for conditionality,
- (3) Strengthen the coordination mechanism with the IMF,
- (4) Reinforce the review and ex-post monitoring mechanism, and
- (5) Fine-tune the confidentiality clause and other legally ambiguous provisions.

<sup>1</sup> Operational Guidelines refer to the *"Operational Guidelines for Enhancing the Effectiveness of the CMIM Agreement"* that is revised from time to time.

### HOW BIG IS THE CMIM, AND HOW DOES IT WORK?

The CMIM is a multilateral liquidity support arrangement in the ASEAN+3 region with a total size of USD 240 billion.

Member countries can request liquidity from the CMIM under two schemes:

#### 1. CMIM Stability Facility (CMIM-SF)

In the case of actual balance of payments and/or short-term liquidity difficulties, any central bank of ASEAN+3 countries as well as the Monetary Authority of Hong Kong, China, is entitled to request a swap of their local currencies with the US dollar for an amount up to their contribution multiplied by their respective purchasing multiples.

#### 2. CMIM Precautionary Line (CMIM-PL)

CMIM-PL is a crisis prevention facility introduced in 2014. It aims to assist the CMIM members with sound

macroeconomic management against potential short-term external shocks. The CMIM decision-making body, i.e., the Executive Level Decision Making Body (ELDMB) decides on whether the requesting country qualifies for the CMIM-PL after considering the economic reports from the requesting country and analyses provided by AMRO (and if necessary and available, Third Parties such as the IMF or ADB) based on the following five areas:

- (1) external position and market access,
- (2) fiscal policy,
- (3) monetary policy,
- (4) financial sector soundness and supervision, and
- (5) data adequacy.

## ENHANCING OPERATIONAL GUIDELINES FOR THE CMIM

The Operational Guidelines for Enhancing Effectiveness of the CMIM (CMIM OG) is a living document adopted by the Deputies of member authorities to facilitate the implementation of the CMIM Agreement. It provides detailed procedures regarding the CMIM's operation and defines its technical aspects that are mandated by the CMIM Agreement.

In 2019, AMRO supported members in revising and updating the CMIM OG. For example, the financing terms and conditions of the IMF-linked portion were adjusted and the procedure for phased drawings was introduced. Based on findings from the 10<sup>th</sup> test run, we also suggested other areas for OG revisions to enhance the operational readiness of the CMIM, as well as updated the Manual for CMIM Swap Transaction.





## ENSURING OPERABILITY OF THE CMIM

To ensure its operational readiness, CMIM members have conducted regular test runs since 2013. In 2019, members successfully conducted the CMIM's 10<sup>th</sup> test run, with a focus on technical and operational aspects. AMRO supported the preparatory, implementation and evaluation stages during this exercise.

During the preparatory stage, we provided the necessary documents and conducted a series of workshops for relevant parties to promote a sound understanding of the technical procedures to be carried out during the CMIM activation process. We helped members ensure the smooth implementation of CMIM operations.

## PROVIDING TECHNICAL GUIDANCE FOR CMIM CONDITIONALITY FRAMEWORK

The Guiding Principles of the CMIM Conditionality Framework, an essential tool for enhancing the facility, was adopted in May 2019. AMRO developed the Technical Guidance to promote its implementation and detailed the methodology for formulating the CMIM conditionality to be attached to a CMIM Arrangement. Discussion among members on the Technical Guidance is ongoing.



## IMPROVING THE ERPD MATRIX

AMRO has been improving the ERPD Matrix to make it an effective tool for assessing the macroeconomic and financial performance of member economies and to determine its qualification for access to the CMIM-PL, and also to enhance peacetime surveillance.

The ERPD Matrix applies both quantitative and qualitative methods to analyze five key areas to determine if the requesting party qualifies for access to the CMIM-PL. These five areas are:

- (1) external position and market access,
- (2) fiscal policy,
- (3) monetary policy,
- (4) financial sector soundness and supervision, and
- (5) data adequacy.

## CONDUCTING STUDIES ON THE CMIM'S FUTURE DIRECTION

In considering matters related to the CMIM's operational readiness, members have also given attention to issues linked to the CMIM's future direction in the medium to long term. To support these discussions, AMRO provides intellectual support through various ways such as staff discussion notes, concept papers, workshops, and relevant ASEAN+3 meetings.

In 2019, we provided analyses on the pros and cons of these future direction issues, as well as options on the CMIM's future priorities and a work plan for members' consideration. We also conducted a comparative study of RFAs to derive insights for members' reference. A collaborative research on local currency contribution to the CMIM, conducted in collaboration with regional scholars in 2018 and later updated with members' contributions, was also published on AMRO's website. With our support, the "General Guidance on Local Currency Contribution to the CMIM" was endorsed by the Finance Ministers and Central Bank Governors in May. Following this, we have embarked on a study of the possible modality on local currency contribution to the CMIM.

### WHY LOCAL CURRENCY CONTRIBUTION TO THE CMIM?

In recent years, regional economic and financial integration has deepened and the demand for local currency usage in the ASEAN+3 region has grown. Meanwhile, the U.S. dollar remains the dominant currency in the region, making it vulnerable to the exchange rate volatility of the U.S. dollar. To mitigate this risk, ASEAN+3 authorities have been advocating for local currency usage in this region. Against this backdrop, we have conducted a collaborative research study to examine the plausibility and possible modality of local currency contributions to the CMIM, which was published in early 2019. Based on the research, a general guidance on local currency contribution to the CMIM was endorsed in May 2019 to provide more funding options for members to enhance financial stability.

## STRENGTHENING REGIONAL AND INTERNATIONAL DIALOGUE AND COLLABORATION

AMRO actively participated in international conferences and seminars to improve our engagement and collaboration with other IFIs in 2019. Of note are the 4th High Level RFA Dialogue in Washington D.C. and the 3rd Joint RFA Research Seminar in Luxembourg that we had co-organized with ESM and FLAR.

The participating RFAs conducted in-depth studies on their activities in six areas:

- (1) training and capacity building,
- (2) technical assistance,
- (3) macroeconomic surveillance,
- (4) communication strategies,
- (5) lending toolkits and policies, and
- (6) conditionality design.

We were actively involved in the joint initiative and led the study on macroeconomic surveillance.

In 2019, we have stepped up dialogue with members regarding CMIM-related matters. From May to July, we conducted five customized workshops on CMIM issues in Brunei, Cambodia, Lao PDR, Myanmar, and Vietnam. This helped members to better prepare for the 10<sup>th</sup> test run and deepened their understanding of CMIM-related and GFSN issues.



In October 2019, we co-organized the 4<sup>th</sup> RFA High Level Dialogue on the role of RFAs in the GFSN with ESM and FLAR.



DEVELOPING  
REGIONAL CAPACITY  
BY SHARING EXPERTISE



Under the TA program, we implemented two consultancy projects in Lao PDR and Cambodia, and provided on-the-job training opportunities for 17 secondees from member authorities in 2019.

**The launch of the TA Program in 2016 has provided us with a platform to strengthen ASEAN+3 member authorities' macroeconomic surveillance capacities. It has also helped to facilitate knowledge-sharing between AMRO, member authorities and other IOs.**

This program is being fully implemented, and TA support has been delivered to member authorities. We would like to acknowledge the generous financial contributions from the Ministry of Finance of China (CMOF), the Ministry of Finance of Japan (JMOF), and the Ministry of Economy and Finance of Korea (KMEF) toward AMRO's TA Trust Funds.

## SECONDMENT PROGRAM AND EXPANDED SECONDMENT PROGRAM

In 2019, we hosted a total of 17 secondees under the Secondment Program and Expanded Secondment Program (ESP).<sup>2</sup> 12 secondees came from Central Banks and/or the Finance Ministries of Cambodia, Lao PDR, Myanmar, and Vietnam (CLMV) member authorities, while five secondees were from the MAS; the Bank of Korea; Hong Kong Monetary Authority; the Ministry of Finance, China; and Japan Bank for International Cooperation (JBIC).

The aim of the Secondment Program and ESP are twofold. The first is to augment our capabilities with expertise from our member authorities. The second

is to provide secondees with on-the-job training opportunities to enhance their knowledge and experience in macroeconomic surveillance, CMIM support, and coordination related work, in particular through Annual Consultation Visits to member economies.

To enhance and enrich the secondees' experience with us, the secondees attend relevant training on macroeconomics and finance organized by the IMF-Singapore Regional Training Institute (STI), and other institutions, as well as seminars and conferences held in Singapore and overseas.

<sup>2</sup> This brings the total number of secondees to 36, since the program was started in 2014.



Malichanh Chiemsoulath, Technical Official of the Bank of Lao PDR (second from left) and Dang Minh Quang, Official of the State Bank of Vietnam (far right) and their fellow secondees during their term at AMRO.

**Name:** Malichanh Chiemsoulath

**Home Office Job Title:** Technical Official

**Home Organization:** The Bank of the Lao PDR

**Secondment Duration:** December 2018 to November 2019

I would like to express my deepest gratitude to AMRO for allowing me to be a part of its Secondment Program. A year in AMRO not only provided me with valuable working experience at an IO, but also gave me insights into the way economic research and surveillance is conducted in AMRO.

I worked closely with the Regional Surveillance Team and the Country Surveillance Teams of the Lao PDR and Korea, and supported other TA activities during my secondment.

Working in AMRO has helped me gain a much deeper understanding of macroeconomic surveillance, risks, and vulnerabilities assessment, and how to provide authoritative assessment or recommendations on relevant macroeconomic issues. My involvement in AMRO's work has honed my communication and analytical skills, broadened my views, and enhanced my ability to critically investigate issues.

Working with a diverse array of people from different backgrounds in AMRO has been a unique and rewarding experience. I strongly believe that the insights I have gained from the secondment program will serve me well upon my return to the Bank of Lao PDR.

**Name:** Dang Minh Quang

**Home Office Job Title:** Official

**Home Organization:** The State Bank of Vietnam

**Secondment Duration:** March 2019 to August 2019

The secondment at AMRO was a priceless opportunity for me as well as other secondees to gain knowledge from international experts on macroeconomic surveillance and the GFSN.

Thanks to the support from my AMRO colleagues, all the targets set by my home office prior to my secondment were accomplished. I had the opportunity to work with the macroeconomic surveillance team where I assisted with identifying economic issues and risks that have an impact on Vietnam's economic outlook. I worked with the CMIM team where I supported initiatives to make the facility more operationally ready. In addition, I also provided updates on recent developments in the prudential financial system as well as risks and vulnerabilities in the region to the financial surveillance and regional team. I found these experiences particularly useful in enhancing the monetary and banking policy decision-making process and assisting my parent organization, the State Bank of Vietnam, with preparations for Vietnam's ASEAN Chairmanship in 2020.

## RESEARCH COLLABORATION PROGRAM

The Research Collaboration Program brings together academics and professionals from various relevant fields to work with us on selected research studies of common interest. In preparation for the 20<sup>th</sup> anniversary of the launch of the regional financial cooperation process among ASEAN+3 members (in 2020), AMRO and the ADB embarked on a joint research on regional financial cooperation. Through this project, we aim to:

- (1) record and assess the experiences during the Asian Financial Crisis and GFC,
- (2) take stock of the progress of regional financial cooperation efforts that have followed, and
- (3) study the strategic direction of ASEAN+3 Financial Cooperation for the future.

## CONSULTANCY PROGRAM

Under the Consultancy Program, 2019 witnessed the start of a TA project on bank stress test, requested by the Bank of Lao PDR. We also continued our work on real estate data collection and analysis as requested by the Ministry of Economy and Finance of Cambodia the year before. Our experience from the steady implementation of these two projects guided us in identifying recipient authorities' needs and requests, as well as cultivating new consultancy projects.

## TRAINING PROGRAMS AND CONFERENCES

We continued to organize working seminars for CLMV economies. In June 2019, we held a joint working seminar titled "*Capacity Building in CLMV Economies*" with support from the Ministry of Finance of Lao PDR, the Bank of Lao PDR, and the JMOF. The seminar, which saw the active participation of the ADB and IMF, provided an open platform for CLMV officials and experts to discuss common risks and obstacles related to CLMV countries' development, in particular public debt sustainability issues. It also served as a good opportunity to discuss TA program collaboration among IOs for CLMV countries.

In 2019, we conducted nine in-house training workshops in Brunei, Cambodia, China, Indonesia, Lao PDR, Malaysia, Myanmar, and Vietnam to provide updates on CMIM developments and our surveillance framework and tools.

Utilization of TA Trust Funds in 2019 (USD'000)			
TA Program	CMOF Trust Fund	JMOF Trust Fund	KMEF Trust Fund
Secondment Program	26,624	658,972	-
ESP	185,407	-	36,091
Consultancy Program and External Consultant	-	-	-
Research Collaboration Program	16,747	26,197	1,896
Conferences and Seminars	47,801	65,654	26,334
Others	19,734	11,268	3,568
<b>Total</b>	<b>296,313</b>	<b>762,091</b>	<b>67,889</b>



Participants from CLMV countries as well as other IOs such as ADB and the IMF discuss key economic development issues at the joint working seminar titled "Capacity Building in CLMV Economies" in Luang Prabang in June 2019. The seminar was organized by AMRO with support from Lao PDR authorities and the JMOF.

# ENHANCING ORGANIZATIONAL EFFECTIVENESS AND ACCOUNTABILITY





## ACCOUNTABILITY AND RESULTS-BASED MANAGEMENT

We believe that instilling a strong sense of accountability is fundamental towards creating a culture of learning within an organization, which would in turn lead to high-quality and sustainable operational processes, as well as optimal allocation of resources.

Since 2017, we have been working on incorporating Results-based Management (RBM) into our assessment process by developing an institutional PEF. The PEF comprises a results framework, an indicator set, and a staff handbook. It serves as an integral part of a solid RBM cycle of planning, implementation, monitoring, analysis, and learning. Following the conclusion of the PEF pilot in 2018, the EC agreed to formally adopt the PEF, with effect from 1 January 2019.

The PEF is utilized for our annual performance evaluation to embrace institutional learning and operational improvements. Data and information collected during the evaluation process are analyzed and incorporated into our Annual Results Report. The findings serve as actionable input for learning, management, and future planning to ensure our activities and services accomplish the desired results in line with our Strategic Direction and MTIP.

Recognizing that RBM is an iterative approach that requires fine-tuning through regular reviews and updating of frameworks to ensure its continued effectiveness, we will constantly refine the PEF. In the long term, we seek to build on the current PEF to establish an Integrated Evaluation Cycle to further improve institutional management and planning, and continuously enhance accountability.

## STRENGTHENING AMRO AS AN INSTITUTION

### FOSTERING ORGANIZATIONAL INTEGRITY

Internally, a working group has been established with the purpose of helping to foster a strong culture of integrity and accountability. The working group has been preparing internal guidelines on Human Resource & Support Services, and Legal & Ethics to enhance staff's understanding of their obligations as international civil servants, and to promote professional and respectful behavior in the workplace. The guidelines will be introduced in early 2020.

### ENHANCING HUMAN CAPITAL

We remain committed to acquiring diverse talent globally through a consistent, transparent, and open recruitment process. In spite of global job market disruptions and challenges, we continue to attract top candidates keen to join a multicultural organization with staff from 11 countries. Female colleagues make up 40% of our workforce.

This year, we welcomed staff from a non-member economy for the first time and implemented the first IMF-AMRO staff exchange program.

We revised and updated selected staff rules and regulations – i.e., Administrative Orders to strengthen corporate governance and create a more enabling work environment. This has allowed us to attract more talent by leveraging on the experience and knowledge gained from other IOs.

### DELIVERING EFFECTIVE ADMINISTRATIVE SERVICES

We continue to embrace the digital age by adopting new automated processes in our operational functions and information systems to streamline efficiency. We are committed to utilize digital platforms and tools that integrate work functions to deliver better governance and to provide service excellence.

### LEGAL SERVICES

To improve efficiency, we requested member countries to facilitate the visa application process pursuant to Article 19(b) and (c) of the AMRO Agreement (Privileges and Immunities of AMRO Personnel). All members have agreed to grant AMRO personnel travelling facilities and immunity from immigration restrictions. This arrangement is currently in force in Cambodia, Japan, Korea, Lao PDR, Philippines, and Thailand.

Due to an increase in our outreach efforts, there is a need to obtain protection for AMRO's name against unauthorized registration and use of logo as a trademark. To align with other IOs, we have pursued the protection of our names and logo to the World Intellectual Property Organization (WIPO) under Article 6ter of the Paris Convention for the Protection of Industrial Property. WIPO published AMRO's name and logo under the category of an international intergovernmental organization in September 2019.





## PRUDENT FINANCIAL MANAGEMENT

### AUDIT

An independent auditor, PricewaterhouseCoopers LLP, appointed by the EC, conducted a thorough audit of financial statements from AMRO, the China TA Trust Fund, the Japan Special Trust Fund, as well as the Korea TA Trust Fund.

The auditor concluded that the financial statements of the organization had been drawn up in accordance with IFRS, giving a true and fair view of the state of affairs of AMRO and the Trust Funds as of 31 December 2019.

The voluntary liquidation of AMRO Ltd officially commenced in March 2019 and was completed on 24 September 2019. AMRO Ltd was dissolved on 24 December 2019.

### ADMINISTRATIVE EXPENSES

The 2019 Manpower Related Budget amounted to USD 17.1 million with an implementation rate of 90%. This allowed us to expand core operations and support lean budgeting, which closely reflected historical expenditure trends.

Our Office Related Budget which amounted to USD 5.1 million had an implementation rate of 74.7% which was mainly attributed to office facility maintenance, data resource, and Information and Communications Technology (ICT) security and capacity maintenance.

As of 31 December 2019, our reserves amounted to USD 9.20 million. We continue to ensure relevance in budgeting, prudence in spending, and efficiency in reserves management with proper policy implementation, thereby fulfilling member authorities' expectations of transparency and accountability.



## EMBRACING THE DIGITAL AGENDA BY MODERNIZING INFORMATION AND COMMUNICATIONS TECHNOLOGY SYSTEMS

AMRO made significant progress in the use of ICT in 2019. To achieve a productive and secure ICT environment, our systems have been equipped with top-tier end-point security, which is backed up by a disaster recovery site. We introduced an extra layer of security verification for remote access to our shared drives and further secured office email access on private mobile phones with security software. These arrangements are comparable to the high security levels of other financial institutions.

We continue to support cloud hosting on applications that are critical to our stakeholders, such as ARTEMIS for the economists in the regions, TEAMS (Skype for Business), Sharepoint on Microsoft Office 365, and our official website. To improve users' experience on our official website, we also took steps to improve its loading speed.

Since ICT is used substantially to support the CMIM, we have initiated connections checks on video conference systems with each authority to ensure the smooth operation of the CMIM in test runs and in preparation for its potential activation.



**COLLABORATING  
AND REACHING OUT  
IN AN INTERCONNECTED WORLD**

## PARTNERSHIPS

Strong partnerships play an integral role in supporting our core functions. This is especially so in an interconnected world where partners help enrich discussions on important issues through the exchange of ideas, information and knowledge. These partnerships complement our own expertise by allowing us to leverage on the comparative advantages of our partners to strengthen capacity, credibility and capability in order to maximize the impact of our work.

The year 2019 saw the implementation of the Partnership Strategy, which was endorsed by the EC in December 2018. The Partnership Strategy offers guidelines to identify strategic partners to pursue win-win relations, with the aim of ensuring mutually beneficial outcomes through appropriate collaborations.

We continued to pursue joint activities with key partners, which have enabled us to deepen our own capacity and capabilities, and provide a regional voice to the global conversation on issues affecting the region.

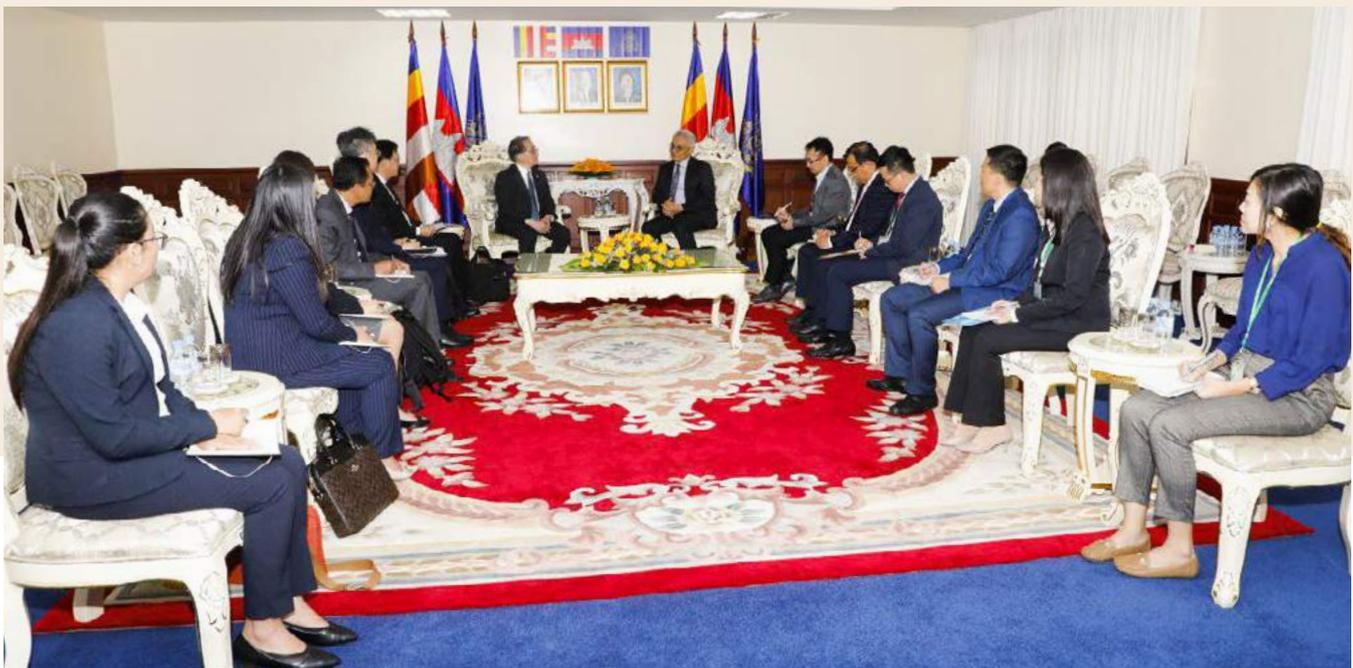
### STRENGTHENING TIES WITH MEMBER AUTHORITIES

AMRO meets regularly with our member authorities to discuss a wide range of issues. These meetings take the form of short interim visits, bilateral meetings, AMRO Working Committee meetings, and Annual Consultation Visits.

Topics discussed include the global, regional, and country macroeconomic outlook, support to the CMIM, TA, as well as our organizational issues and strategic direction. AMRO participated in member authorities' discussions on the strategic directions of the ASEAN+3 Finance Process in 2019, where we provided insights and institutional support to improve the effectiveness and efficiency of the process.

These interactions are meant to help foster a strong sense of ownership among members for AMRO's institutional development. They also serve as a channel for us to gather comments and feedback on our operations and how we can improve our performance, enabling us to respond effectively to our members' needs.

Outside of meetings, we continue to support member authorities by furnishing policy notes and analyses of key developments impacting the region. Notably, AMRO contributed a policy note, *"ASEAN+3 Region: Sustaining Growth and Stability amid Mounting Global Uncertainty"* to the 22<sup>nd</sup> ASEAN+3 Summit in November. This is the third consecutive year we have contributed our policy note to ASEAN+3 Leaders.



AMRO Director Mr. Toshinori Doi (left, middle) and the Cambodia mission team pay a visit to Deputy Prime Minister and Minister of Economy and Finance H.E. Dr. Aun Pornmoniroth (right, middle) during Cambodia's Annual Consultation Visit in September.



AMRO's then-Director Dr. Junhong Chang (left) and TCS Secretary-General Mr. Jong Heon Lee sign a MoU in April 2019 to strengthen collaboration between the two institutions in Singapore.

### BUILDING BRIDGES TO FOSTER COOPERATION

In May, AMRO signed a MoU with the Trilateral Cooperation Secretariat (TCS). The TCS is an IO established to promote peace and common prosperity among China, Japan, and Korea. The aim of the MoU is to provide a general framework to strategically utilize AMRO and TCS's comparative advantages, institutionalize cooperation and collaboration, build capacity and co-contribute to regional economic and financial cooperation and stability through joint activities as well as information sharing and consultation.

We continue to implement existing partnership initiatives and remain committed to expand our network, as well as to explore appropriate modalities of cooperation with our strategic partners.

## 2019 PARTNERSHIP ACTIVITIES

	Event	Partner(s)
JANUARY	6 <sup>th</sup> AMRO-IMF Joint Seminar (Bangkok)	IMF
	AMRO-OECD Joint Workshop on "Economic Perspectives and Challenges Ahead for East Asia" (Paris)	OECD
	AMRO-EC-ESM Workshop (Luxembourg)	EC, ESM
MARCH	AMRO Training Course on "Risk Prevention and Resolution: China and the ASEAN+3 Region" (Beijing)	Chinese Authorities
MAY	AMRO-Lowy Institute Roundtable (Sydney)	Lowy Institute
	AMRO-ANU Roundtable (Canberra)	ANU
	AMRO-OMFIF AREO Roadshow (London)	OMFIF
	AMRO-ECB AREO Roadshow (Frankfurt)	ECB
	AMRO-OECD AREO Roadshow (Paris)	OECD
	AMRO-ISEAS Seminar (Singapore)	ISEAS
	AMRO-BOL CMIM Workshop (Vientiane)	BOL
3 <sup>rd</sup> RFA Research Seminar (Luxembourg)	ESM, FLAR	
JUNE	7 <sup>th</sup> Asian Regional Roundtable (Jakarta)	OECD, ADB/ADB, ERIA
	AMRO-BI Institute AREO Roadshow (Jakarta)	BI Institute
	AMRO-BSP Seminar for AREO (Manila)	BSP
	CMIM Workshops (Hanoi, Bandar Seri Bagawan)	Member authorities
	2 <sup>nd</sup> AMRO Joint Working Seminar (Luang Prabang)	IMF, ADB, CLMV member authorities
JULY	CMIM Workshops (Nay Pyi Taw)	Member authorities
AUGUST	AREO Roadshows (Bangkok, Kuala Lumpur)	BOT, Malaysian Economic Association
OCTOBER	4 <sup>th</sup> RFA High Level Dialogue (Washington, D.C.)	ESM, FLAR

# OUTREACH AND EXTERNAL COMMUNICATIONS: SHARE – LISTEN – ENGAGE



AMRO Chief Economist Dr. Hoe Ee Khor shared his insights into the ASEAN+3 regional economic prospects and risks during a live interview with Bloomberg TV.

Our outreach and external communications strategy seeks to position AMRO as a credible and professional surveillance organization.

This is done by enhancing external audiences' understanding of our operations and knowledge of our products, and interacting with external stakeholders to better understand and address their interests. This two-way communication with key stakeholders has enabled us to provide timely analyses and policy advice.

In 2019, we engaged external audiences through the mainstream media, social media, our website, and outreach events. Our efforts have contributed towards raising AMRO's profile and credibility.

## ENHANCING STRATEGIC MEDIA ENGAGEMENT

Media engagement plays a key role in facilitating information flow with the public and amplifying our key messages.

In 2019, AMRO was featured in more than 600 media stories in international, regional, and national publications, with a significant number published by major news outlets. Eight opinion pieces were published in prominent media outlets in the region, discussing issues ranging from banking and fiscal reforms to the impact of global trade tensions on member economies.

The management team also took numerous interviews to proactively deliver our key messages on both regional and individual member economies.

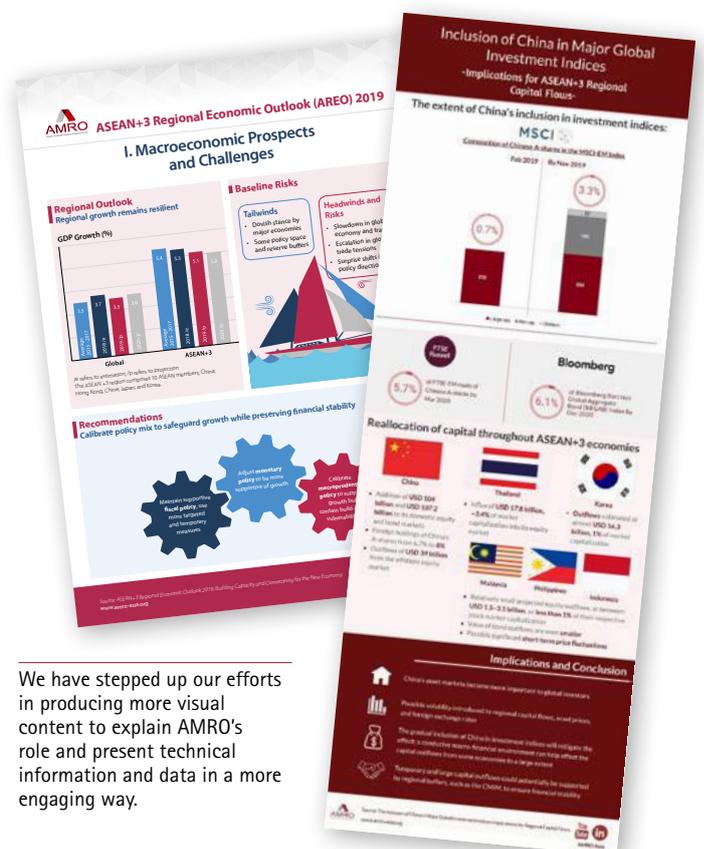
## STRENGTHENING ONLINE ENGAGEMENT

The newly revamped AMRO website continued to act as the main source for information and reports produced by us. In 2019, 40 press releases were published alongside nine feature stories and six multimedia products. We recorded a 20% increase in website traffic from the previous year, and observed improvements in time spent on the site, as well as the number of sessions and pages per visit.

Our blog continued to gain traction, with 22 articles published in 2019. This is almost double that of the previous year. A number of blog posts were picked up and republished in national newspapers, demonstrating the relevance of our work to audiences in our member economies.

As of the end of 2019, our LinkedIn page had 2,400 followers, 1.5 years after it was created. The bulk of our followers and visitors fit squarely within our target audience group. Through regular

updates featuring both our economic analyses and staff stories, the page has served as an effective platform in building AMRO's brand as a premier macroeconomic surveillance organization and an employer of choice in the professional community.



We have stepped up our efforts in producing more visual content to explain AMRO's role and present technical information and data in a more engaging way.

## DEMONSTRATING THOUGHT LEADERSHIP

To drive thought leadership, AMRO's management team and experts were actively involved in high-profile events to share our deep knowledge and unique points of view on economic

developments in the region. This figure below highlights the events which AMRO has leveraged on to showcase our content expertise.

### MARCH

**Jakarta Forum on East Asia Financial Cooperation, on "Towards an Open, Inclusive, Stable and Prosperous Region" in Indonesia**

Then-AMRO Director Dr. Junhong Chang delivered the keynote address, and then-Deputy Director, Mr. Yasuto Watanabe, underlined ASEAN+3 members' concerted efforts to enhance the CMIM to support regional financial stability.

**Boao Forum for Asia (BFA) Annual Conference in China**

AMRO Chief Economist Dr. Hoe Ee Khor delivered remarks at the launch of a new flagship report by BFA.

**Les Rencontres Economiques 2019 in Singapore: "The World Economy's New Horizon" in Singapore**

Dr. Khor joined a panel to discuss the importance of policy intervention to ensure adequate safeguards for workers in the process of globalization, economic integration, and technological advancement.

### MAY

**"Building Capacity and Connectivity for the New Economy in East Asia" Seminar in Fiji (organized by AMRO)**

Dr. Chang delivered the opening remarks, while Dr. Khor presented the regional economic outlook.

### MAY-AUGUST

**AREO roadshows in Singapore, Indonesia, the Philippines, Malaysia, and Thailand jointly organized by AMRO and its local partners.**

Our staff and local experts discussed key findings of the AREO 2019, regional growth prospects and country-specific economic development opportunities and challenges.

### JUNE

**"Navigating Global Challenges in the Asian Century" Roundtable in Japan**

Dr. Khor spoke about key risks and vulnerabilities facing Asia and the region's long-term growth prospects amid a rising middle class, rapid urbanization, and adoption of digital technology.

### AUGUST

**Bank of America Merrill Lynch Financial Institution Forum in Singapore**

Dr. Khor spoke on the impact of U.S.-China trade tensions on the region and the latest global and regional economic developments.

### OCTOBER

**Reinventing Bretton Woods Committee-Union Bank of Switzerland (RBWC-UBS) Conference on "The Disentanglement of the Global Economy" in Washington, D.C.**

AMRO Director Mr. Toshinori Doi explained the role of AMRO and discussed how U.S.-China trade tensions have affected the region.

**High Level Policy Dialogue on ASEAN's Centrality to Collective Regional Leadership Symposium on Asia's trade and economic priorities in Jakarta, Indonesia**

Mr. Doi gave the opening speech while Dr. Khor shared insights on how to overcome structural challenges to achieve a new growth strategy for the ASEAN+3 region.

**Institute of International Finance Annual Membership Meeting in Washington, D.C.**

Dr. Khor discussed the challenges and recent developments of supply chains in Asia with fellow panelists.

**Asian Financial Cooperation Association (AFCA) Bangkok Financial Summit Forum in Thailand**

Mr. Doi discussed the importance of regional economic and financial cooperation to realize shared prosperity in the region.

### NOVEMBER

**Canon Think Big Leadership Business Series 2019 in Singapore**

Mr. Doi delivered the keynote address, on how external shocks such as the U.S.-China trade tensions has impacted the region and how the region may mitigate its negative impact.

Our continued participation at these events served to increase our visibility in the community, highlight our professionalism, as well as build credibility for the organization.



AMRO Chief Economist Dr. Hoe Ee Khor delivers a presentation on growth engines for the new economy in the ASEAN+3 region at the OECD headquarters in Paris.

### REACHING BEYOND THE ASEAN+3 REGION

We are mindful that in the highly interconnected global economy and financial markets, reaching out to stakeholders in other parts of the world will help build our reputation and establish authority in relevant topics at the global stage.

In January, then-AMRO Director, Dr. Junhong Chang, led a delegation to visit several institutions in Europe. We held a joint workshop on “*Economic Perspectives and Challenges Ahead for East Asia*” at the Organisation for Economic Co-operation and Development (OECD) headquarters in Paris. AMRO, the European Commission, and ESM also jointly organized a workshop in Luxembourg where we provided our macroeconomic assessment of the ASEAN+3 region and shared CMIM-related developments. We also received updates from our counterparts on recent economic and market developments as well as policy priorities in the Eurozone economies.

We launched the AREO 2019 in Fiji in May, on the sidelines of the ADB Annual Meetings. In her opening remarks during the launch, Dr. Chang underscored the ASEAN+3’s transformation from a crisis-shaken region in the late 1990s to the world’s fastest-growing region that is also one of the most resilient. Meanwhile, Dr. Khor made a presentation and moderated a panel discussion on how the regional economies can tap on the “new

economy” as a source of growth. The panel consisted of high-ranking policymakers and subject matter experts.

The AREO roadshow was extended to several major financial hubs outside the region, including two roundtables and a public lecture at the Lowy Institute in Sydney and the Australian National University (ANU) in Canberra, a series of seminars at Official Monetary and Financial Institutions Forum (OMFIF) in London, the OECD in Paris, and the ECB in Frankfurt. These roadshows helped increase our visibility beyond the ASEAN+3 region and enhanced our credibility with global economic partners. The strong interest and dynamic discussions at these events, in addition to being featured in reputable publications in those countries, are proof of our growing global standing.

In the 2019 Annual Meetings of the World Bank Group and the IMF in Washington, D.C., we were represented by Director Mr. Toshinori Doi who spoke in the RWBC-UBS conference titled “*The Disentanglement of the Global Economy*”, where he explained the role of AMRO and discussed how U.S.–China trade tensions had affected the region. Chief Economist Dr. Hoe Ee Khor joined the panel discussion on “*Supply Chains in Asia*” at the Institute of International Finance Annual Membership Meeting.

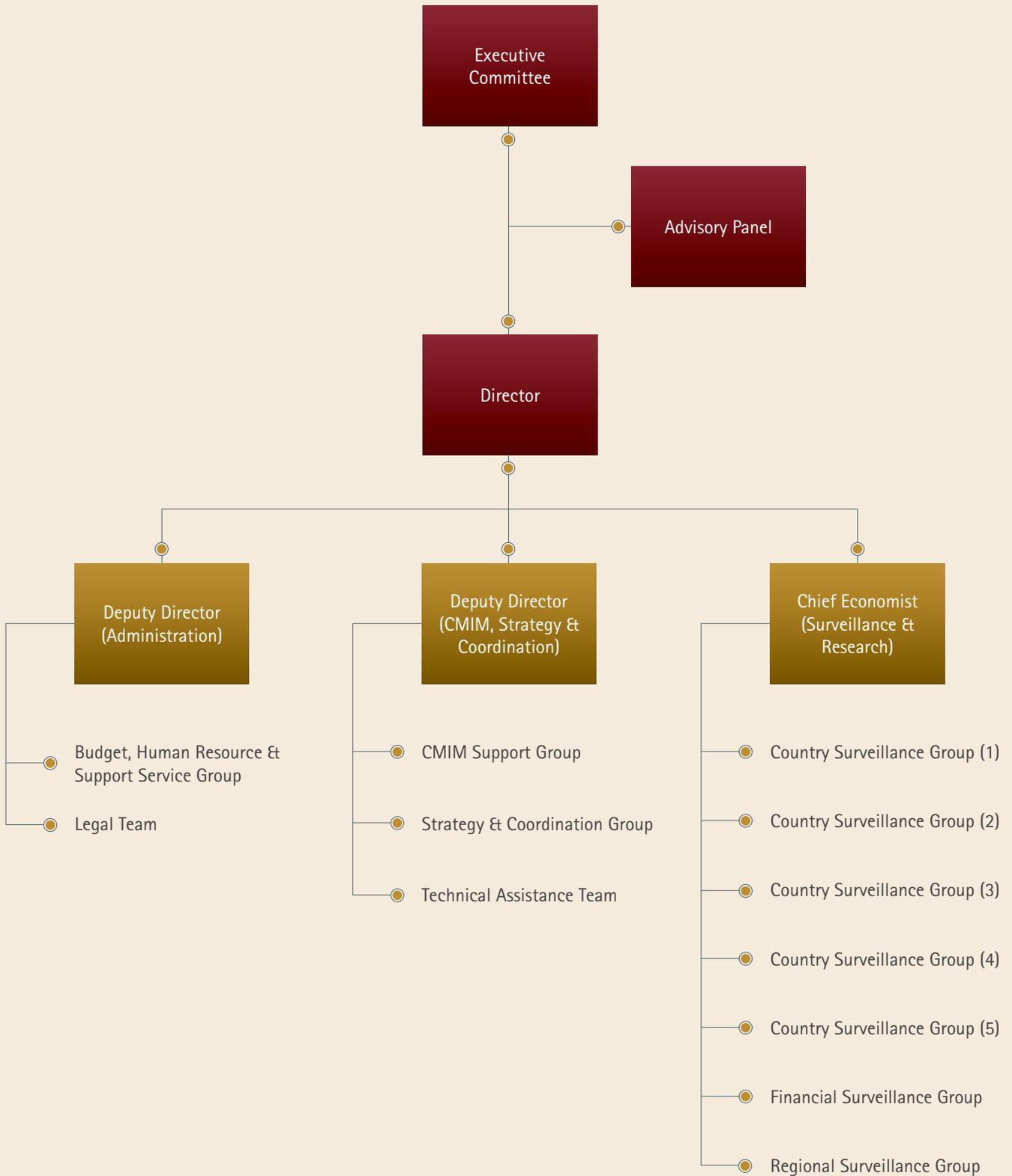
## MEMBERS AND VOTING POWER

		Financial contribution		Basic votes	Votes based on contribution	Total voting power	
		(% )		(number of votes)	(number of votes)	(number of votes)	(% )
China	China (excluding Hong Kong)	32.0	28.50	3.20	68.40	71.60	25.43
	Hong Kong, China		3.50	0.00	8.40	8.40	2.98
Japan		32.00		3.20	76.80	80.00	28.41
Korea		16.00		3.20	38.40	41.60	14.77
<b>Plus 3</b>		<b>80.00</b>		<b>9.60</b>	<b>192.00</b>	<b>201.60</b>	<b>71.59</b>
Indonesia		3.793		3.20	9.104	12.304	4.369
Thailand		3.793		3.20	9.104	12.304	4.369
Malaysia		3.793		3.20	9.104	12.304	4.369
Singapore		3.793		3.20	9.104	12.304	4.369
Philippines		3.793		3.20	9.104	12.304	4.369
Vietnam		0.833		3.20	2.00	5.20	1.847
Cambodia		0.100		3.20	0.24	3.44	1.222
Myanmar		0.050		3.20	0.12	3.32	1.179
Brunei		0.025		3.20	0.06	3.26	1.158
Lao PDR		0.025		3.20	0.06	3.26	1.158
<b>ASEAN</b>		<b>20.00</b>		<b>32.00</b>	<b>48.00</b>	<b>80.00</b>	<b>28.41</b>
<b>Total</b>		<b>100.00</b>		<b>41.60</b>	<b>240.00</b>	<b>281.60</b>	<b>100.00</b>

## EXECUTIVE COMMITTEE MEMBERS

Country	Organization	Name	Designation
Brunei Darussalam	Ministry of Finance and Economy	Pg Hj Zety Sufina binti Pg DP Hj Sani	Permanent Secretary (Industry)
	Autoriti Monetari Brunei Darussalam	Noorrafidah Sulaiman	Deputy Managing Director
Cambodia	Ministry of Economy and Finance	Vongsey Vissoth	Secretary of State
	National Bank of Cambodia	Chanthana Neav	Deputy Governor
China	Ministry of Finance	Jiayi Zou	Vice Minister
	People's Bank of China	Yulu Chen	Deputy Governor
Hong Kong, China	Hong Kong Monetary Authority	Edmond Lau	Senior Executive Director
Indonesia	Ministry of Finance	Suminto	Acting Chairman of Fiscal Policy Agency
	Bank Indonesia	Dody Budi Waluyo	Deputy Governor
Japan	Ministry of Finance	Yoshiki Takeuchi	Vice Minister of Finance for International Affairs
	Bank of Japan	Tomoyuki Fukumoto	Deputy Director-General for Asian Affairs
Korea	Ministry of Economy and Finance	Kim Hoe Jeong	Deputy Minister for International Affairs
	Bank of Korea	Sangdai Ryoo	Deputy Governor
Lao PDR	Ministry of Finance	Bounchom Ubopaseuth	Deputy Minister
	Bank of Lao PDR	Vathana Dalalay	Deputy Governor
Malaysia	Ministry of Finance	Dato Asri Hamidon	Deputy Secretary-General (Policy)
	Bank Negara Malaysia	Abdul Rasheed Ghaffour	Deputy Governor
Myanmar	Ministry of Planning and Finance	Maung Maung Win	Deputy Minister
	Central Bank of Myanmar	Soe Thein	Deputy Governor
Philippines	Department of Finance	Mark Dennis Y.C. Joven	Undersecretary
	Bangko Sentral ng Pilipinas	Francisco G. Dakila, Jr.	Deputy Governor
Singapore	Ministry of Finance	Ching Yee Tan	Permanent Secretary
	Monetary Authority of Singapore	Jacqueline Loh	Deputy Managing Director
Thailand	Ministry of Finance	Prasong Poontaneat	Permanent Secretary
	Bank of Thailand	Mathee Supapongse	Deputy Governor
Vietnam	Ministry of Finance	Ha Xuan Tran	Vice Minister
	State Bank of Vietnam	Hong Thi Nguyen	Deputy Governor

# AMRO ORGANIZATION STRUCTURE



## ADVISORY PANEL MEMBERS



**DR. MARIA SOCORRO GOCHOCO-BAUTISTA**

**Advisory Panel Chair**

Dr. Maria Socorro Gochoco-Bautista is the Bangko Sentral ng Pilipinas's Sterling Chair Professor of Monetary Economics at the University of the Philippines School of Economics. She began her academic career as Assistant Professor at the University of Hawaii at Manoa. She was Visiting Research Scholar at the Center for Pacific Basin Monetary and Economic Studies of the Federal Reserve Bank of San Francisco, and Senior Research Fellow at the Bank for International Settlements Office for Asia and the Pacific in Hong Kong. From 2010 to 2015, she was Senior Economic Advisor in the Office of the Chief Economist at the ADB's Economic and Research Department. She is a member and former Chair of the Asian Shadow Financial Regulatory Committee, an Associate Editor of Asian Economic Papers and sits on the advisory boards of other regional and international journals. She has published widely in the areas of monetary economics and open economy macroeconomics.

She received a B.A. in Economics, graduating Magna Cum Laude, and Phi Beta Kappa, from Mount Holyoke College; and holds a Ph.D. in Economics from Columbia University.



**DR. DAVE FERNANDEZ**  
**Advisory Panel Member**

Dr. Dave Fernandez is Director of the Sim Kee Boon Institute for Financial Economics at Singapore Management University. Prior to returning to academia in 2018, he worked in the private sector for 20 years as Chief Economist and Market Strategist covering Asia for JP Morgan and then Barclays. Earlier, he was an Assistant Professor at the Johns Hopkins University's international studies school (SAIS) in Washington D.C.

Dr. Fernandez started his career in the public sector, serving as an economist in the administration of President George H.W. Bush and at the Federal Reserve Bank of New York. He holds an M.A. and Ph.D. in Economics from Princeton University and a B.A. in Economics from the University of Pennsylvania.



**DR. EUN-BO JEONG**  
**Advisory Panel Member**

Dr. Eun-Bo Jeong is currently a Visiting Fellow of the Korea Capital Market Institute in Seoul. He has served as a government official of Korea for more than three decades. He has worked mainly in the fields of economic policy, financial market and international finance. Recently, he was the Vice Chairman of the Financial Service Commission of Korea (FSC). Before that, he served as the Secretary General of the FSC. He then became the Deputy Minister of KMEF. Before that, he was the Deputy Director General of International Finance at the KMEF and then Director General of Financial Policy at the FSC.

Dr. Jeong holds a Ph.D. and M.A. in Economics from the Ohio State University in the USA. He also received a M.B.A. and a B.B.A. from Seoul National University.



**DR. FENG LU**  
Advisory Panel Member

Dr. Feng Lu is currently Professor of Economics at the National School of Development (NSD) at Peking University, where he teaches courses in Macroeconomics, Principles of Economics, and Managerial Economics. He had previously served as Deputy Dean of NSD. He has extensively studied issues related to China's open macro-economy, including the exchange rate, external imbalance, capital return, food security and agricultural development. He has published more than 40 academic papers in both Chinese and English journals, 6 academic books and numerous magazine articles. Dr. Lu serves as an advisor and a member of expert groups for various government agencies in China such as the Ministry of Finance, Ministry of Human Resources and Social Security, and People's Bank of China (PBC). Dr. Lu was the founding editor of *"China Economic Journal"*, the official English journal for the China Center for Economic Research at Peking University.



**MR. DAIKICHI MOMMA**  
Advisory Panel Member

Mr. Daikichi Momma is the Executive Advisor of Nippon Life Insurance Company.

He has extensive experience in the Japanese Government and IFIs with macroeconomic and regional financial cooperation policies. He served as the Director General of the International Bureau of Japanese Ministry of Finance as well as the Executive Director of the IMF.

Mr. Momma is also the Senior Research Adviser of Nakasone Peace Institute as well as a board member of Global Health Innovative Technology Fund, a public foundation which aims to promote global health improvement in developing countries.



**DR. ATCHANA WAIQUAMDEE**  
Advisory Panel Member

Dr. Atchana Waiquamdee was the Chairman of the Board of Directors of Bangkok Commercial Asset Management Co., Ltd. Prior to that, she served as the Deputy Governor at the BOT from 2006 to 2011 and Assistant Governor in Monetary Policy Group from 2004 to 2006, when she was responsible for economic research, macroeconomic assessment, and monetary policy recommendation.

Before joining the BOT as a Senior Director in 1998, Dr. Waiquamdee had spent nearly 20 years in academia and the private sector. She began her career as an academic in Thammasat University in Bangkok from 1981 to 1991. She was later appointed as Associate Professor, and also served as a Senior Research Fellow at Thailand Development Research Institute (TDRI), a top think tank in Thailand.

After leaving Thammasat University, she joined General Finance & Securities Plc. as a Head Researcher. She also served as an Economic Advisor to the Deputy Prime Minister and Commerce Minister, and worked briefly as a Research Director at the Financial Sector Restructuring Authority, as well as a consultant to TDRI.

She holds a Ph.D. in Economics from the University of Michigan and a B.A. and M.A. in Economics from Thammasat University.

## SENIOR MANAGEMENT TEAM

### MR. TOSHINORI DOI

#### Director

Mr. Toshinori Doi began to serve as Director of AMRO on May 27 2019.

Previously, he was Special Advisor to JMOF. Mr. Doi has a long track-record in macroeconomic policy-making and international finance; he served as Deputy to Japan's Deputy Finance Minister from 2016 to 2017, and has extensive experience in high-level international negotiations and engagement with international financial communities such as the ASEAN+3 Finance Process, the Group of Seven (G7), and G20.

Particularly, Mr. Doi has comprehensive experience and deep understanding of regional financial cooperation in Asia, accumulated from senior positions he has held at JMOF. They include Senior Deputy Director-General and Deputy Director-General of the International Bureau from 2015 to 2017, when he oversaw multilateral engagement with the ASEAN+3 members and bilateral policy dialogues with ASEAN countries.

Mr. Doi also has significant experience working in an international environment and managing operations in large and complex organizations. He was assigned to be Minister at the Embassy of Japan in Washington, D.C., from 2012 to 2015, as well as Advisor to the Asia Pacific Department at the IMF from 2001 to 2004. He was President of the Policy Research Institute (PRI) of Japan from 2017 to 2018.

Mr. Doi holds a LL.B. from the University of Tokyo, and a M.B.A. from Harvard Business School.

### MR. YOON KYUNG KIM

#### Deputy Director (Administration)

Mr. Yoon Kyung Kim assumed the position of AMRO Deputy Director in September 2019, and is responsible for Administration including Human Resource Management, Budget, and Legal Affairs.

Mr. Kim has almost 30 years of experience in the fields of macroeconomic policy, international finance and cooperation, and planning and budgeting since he began his career as a government official in Korea in 1990. Prior to joining AMRO, he served in the KMEF as Director-General for the International Finance Bureau. He also held various key positions in KMEF,

including Director-General of the Development Finance Bureau and International Financial Cooperation Bureau; spokesperson for the Presidential Committee of the G20 Summit in 2010; and Director for International Finance Policy Division, Administrative Affairs Budget Division, and Fiscal Planning Division.

Mr. Kim also worked as Advisor to Executive Directors of the World Bank in Washington D.C. and as a Senior Economist at the IMF in 2003 and 2012, respectively.

He earned a B.A. in Economics from Seoul National University and a M.A. in Development Economics from Manchester University.

### MR. WENXING PAN

#### Deputy Director (CMIM, Strategy and Coordination)

Mr. Wenxing Pan assumed the position of AMRO Deputy Director in October 2019, and is responsible for CMIM support, as well as strategy and coordination.

Mr. Pan has more than 20 years of extensive experience in the fields of regional financial cooperation, international development finance, international and regional macroeconomic, and financial research since he started his career at the CMOF in 1995. Before joining AMRO, Mr. Pan served as a Division director in the International Department from 2009 to 2014; the International Economic & Financial Cooperation Department from 2018 to 2019; and the International Economic Relations Department from 2019. His major responsibilities covered various areas, including regional financial cooperation such as the ASEAN+3 Finance Process and the Belt and Road financing cooperation, inter-governmental coordination and preparation for the establishment of the Asian Infrastructure Investment Bank (AIIB), cooperation with IOs on development finance and climate change financing, as well as strategic research on international and regional macroeconomic and financial issues.

He also served as the Alternate Executive Director at the ADB from 2014 to 2018 and Board Director of the Green Climate Fund from 2018 to 2019.

Mr. Pan holds an M.B.A. from Ateneo de Manila University and a B.A. in Economics from Xiamen University.



From left to right: Mr. Yoon Kyung Kim, Mr. Toshinori Doi, Dr. Hoe Ee Khor and Mr. Wenxing Pan

### **DR. HOE EE KHOR** Chief Economist

Dr. Hoe Ee Khor is the Chief Economist of AMRO responsible for overseeing and developing the work on macroeconomic and financial market surveillance on East Asia and on the member economies in the region. He is also a member of the senior management team responsible for setting the strategic direction and management of AMRO.

Prior to joining AMRO, Dr. Khor was a Deputy Director of the Asia and Pacific Department at IMF, responsible for overseeing the surveillance work on six ASEAN and twelve Pacific Island countries. Dr. Khor started his career as an economist at the IMF in 1981 and had worked on a wide range of economies in the Western Hemisphere and Asia and Pacific departments. He was the IMF Deputy Resident Representative in China from 1991 to 1993.

From 2009 to 2010, Dr. Khor was Head of Economic Development and Chief Economist at the Abu Dhabi Council for Economic Development (ADCED).

Dr. Khor joined the Monetary Authority of Singapore (MAS) in July 1996 and was Assistant Managing Director from 2001 to 2009 where he was responsible for economic research, monetary policy, macro-financial surveillance, and international relations.

Dr. Khor obtained his B.A. in Economic and Mathematics from the University of Rochester and a Ph.D. in Economics from Princeton University.

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**ASEAN+3 Macroeconomic Research Office**

10 Shenton Way, #15-08

MAS Building

Singapore 079117

T +65 6323 9844

E [enquiry@amro-asia.org](mailto:enquiry@amro-asia.org)

[www.amro-asia.org](http://www.amro-asia.org)

[LinkedIn](#) | [Twitter](#) | [YouTube](#)