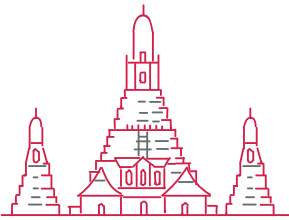
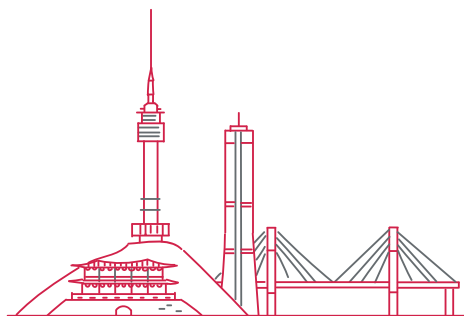
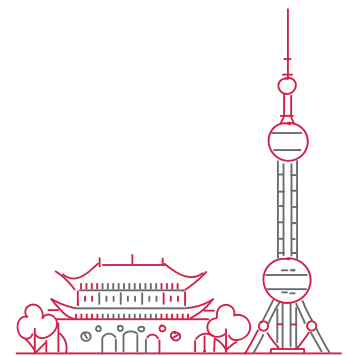




**BUILDING
RESILIENCE**
through
**COLLECTIVE
ACTIONS**



**Annual Report
2018**



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 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 CMIM
- Providing technical assistance to members



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MESSAGE FROM AMRO DIRECTOR

“ Challenges and uncertainties in global and regional economies presented opportunities for AMRO to fulfill our mandate as the macroeconomic surveillance organisation of the ASEAN+3 region in 2018. ”



In 2018, global and regional economies faced growing uncertainties stemming from tightening financial conditions and escalating trade conflicts. However, the ASEAN+3 region remained the fastest growing region in the world and its economies managed to stand against the external shocks relatively well. The long-term global economic momentum, although still strong, had shown some signs of moderation amid emerging downside risks. Population aging, digital technology and automation, and climate change also posed various structural challenges, which regional economies need to address to keep up the growth momentum.

In the face of these risks, 2018 presented tremendous opportunities and challenges for AMRO to fulfill our mandate as the macroeconomic surveillance organization of the ASEAN+3 region. Our work centered around three core functions, namely conducting macroeconomic surveillance, supporting the regional financial arrangement – the CMIM, and providing technical assistance to our members.

Responding to heightened risks in the region, AMRO stepped up our surveillance of regional developments and stayed in close contact with authorities to provide timely and appropriate policy advice to our members. In particular, we enhanced our Comprehensive Surveillance Framework to better detect and monitor risks in the region. We also analyzed the effects of a sharp interest rate spike by the U.S. Federal Reserve on regional economies, and simulated the impact of a trade war and its spillover on the region. In addition to Annual Consultation Visits, we made frequent short visits to member economies for discussions with policymakers, international financial institutions, academia, think tanks, and the private sector. These comprehensive discussions deepened AMRO's understanding of members' situation and sharpened our analysis and policy recommendations.

During the year, we continued to produce timely policy updates of global and regional economic developments to support ASEAN+3 cooperation. Notably, AMRO's policy note "ASEAN+3 and

External Risks: Sustaining Growth Through Cooperation” was recognized as “a helpful overview of recent macroeconomic trends and possible policy responses” in the Chairman’s statement at the 21st ASEAN+3 Leaders’ Summit held in Singapore.

In 2018, our Annual Consultation Reports followed the newly adopted Surveillance Operational Manual to incorporate thematic issues pertinent to members’ economic growth and sustainability. Importantly, an enhanced Economic Review and Policy Dialogue (ERPD) Matrix – a set of qualification criteria for the CMIM’s crisis-prevention facility – was developed and will be mainstreamed into our surveillance process. These approaches and toolkits reaffirmed AMRO’s commitment to enhance the quality of our surveillance and strengthen the linkage between our two-pronged mandate: macroeconomic surveillance and CMIM support.

The second edition of our annual flagship report – the ASEAN+3 Regional Economic Outlook (AREO) 2018 – garnered keen interest from policymakers, academia, the media, and market participants, who participated in our discussions during its launch in Manila in May and the subsequent roadshows in China, Indonesia, Singapore, Thailand and Vietnam. The report was translated into Chinese, Lao and Myanmar to cater to the broader public in those countries.

Persisting global uncertainties coupled with the region’s increasing integration with the global economy validate the growing importance of CMIM’s insurance and defense functions. In this context, AMRO further stepped up our efforts in supporting CMIM development on several fronts during the year. Besides supporting members in the conduct of the first CMIM periodic review – a key milestone in fortifying CMIM’s role as the regional financial arrangement, AMRO also supported members in the 9th CMIM test run and the development of the CMIM conditionality framework. These initiatives strengthened the operational readiness of the CMIM at a time of heightened volatility in financial markets and capital flows. Taking a forward-looking approach and following

guidance from the ASEAN+3 Deputies, AMRO also conducted studies on the future direction of the CMIM and local currency contribution to the CMIM.

Recognizing the diversity of the ASEAN+3 economies, AMRO provided technical assistance tailored to members’ needs and different stages of developments. We conducted three training programs in Cambodia and Lao PDR to help build and strengthen their capacity in implementing sound economic policies. In May, we organized the first capacity building seminar for officials from CLMV countries (Cambodia, Lao PDR, Myanmar, and Vietnam) to exchange views and experience on country surveillance, regional economic outlook and technical assistance programs. During the year, we hosted 17 secondees, a significant increase from seven in the previous year. We were encouraged to learn from our members’ feedback that the past secondees had applied the knowledge and experience gained from AMRO to their work at the parent organizations.

As AMRO’s operations become more sophisticated, we are mindful that our organizational capacity has to advance in tandem to better support our core functions. This led to the piloting and formal adoption of AMRO’s Performance Evaluation Framework (PEF) in 2018. Thus far, it has proven to be an effective tool in tracking, evaluating, and strengthening our results-based management and performance. Several important policies and strategies, including the Document Exchange Policy, Information/Document Classification Policy, Partnership Strategy, and Communications Strategy, were also developed to ensure that AMRO’s operations would be rule-based and mandate-oriented.

Aspiring to become the “regional anchor” of macroeconomic and financial issues, AMRO continued to play key roles in various international and regional fora and strengthen partnerships with peer organizations in 2018. We co-hosted the 2nd Joint Regional Financing Agreement (RFA) Research Seminar in Colombia and the 3rd High-level RFA Dialogue in Indonesia with our strategic partners, the European Stability Mechanism (ESM) and

the Fondo Latinoamericano de Reservas (FLAR). Several theme-based events that we co-organized with strategic partners in the region provided interactive platforms for policymakers and prominent experts to discuss important topics. These included the AMRO-Bangko Sentral ng Pilipinas (BSP) Joint Seminar with the theme “*Asia’s Emergence in the New World Order: Growth, Integration, and Resilience*” in Manila, Philippines, AMRO-Asian Development Bank (ADB)-Bank Indonesia (BI) High-Level Policy Dialogue on “*Regional Cooperation to Support Innovation, Inclusion and Stability in Asia*” in Bali, Indonesia, and the High-level Forum on “*40th Anniversary of China’s Reform and Opening-up: Progress, Prospects and Impacts on the East Asian Region*” in Beijing, China.

In an effort to improve our transparency, credibility and visibility, we revamped our website in 2018, making it a one-stop-shop for the general public to easily access all surveillance and research reports and information. Throughout the year, we published 19 reports and thematic studies – a record-high number of publications by AMRO. We also organized numerous roundtables, roadshows, and university talks in member economies to bring our knowledge products closer to the target audience as well as gather their feedback.

Going into 2019, economic prospects for the ASEAN+3 region remain clouded by external risks and challenges. Nonetheless, AMRO is committed to support our members to meet these challenges. 2019 also marks the 20th anniversary of the ASEAN+3 financial cooperation process and I am convinced that AMRO will continue to play an increasing role in this important initiative.

Junhong Chang
AMRO Director

MESSAGE FROM 2018 CO-CHAIRS OF THE EXECUTIVE COMMITTEE

“ AMRO has done an excellent job in building itself as an independent, credible and professional organization that serves members' interests. We commend AMRO's management team and staff for their commitment and efforts towards fulfilling AMRO's mandate and achievements in 2018. ”



Yoon Kyung Kim, Director-General
Ministry of Economy and Finance, Korea



Sangdai Ryoo
Deputy Governor, Bank of Korea



Tan Ching Yee
Permanent Secretary, Ministry of Finance, Singapore



Jacqueline Loh
Deputy Managing Director, Monetary Authority of Singapore

As the macroeconomic surveillance unit of the ASEAN+3 region, AMRO contributes to the macroeconomic and financial stability of the region. It also plays an important role in supporting the implementation of the CMIM, our regional financial safety net.

AMRO has done an excellent job in building itself as an independent, credible and professional organization that serves the interests of all its members. Korea and Singapore, as 2018 Co-Chairs of the AMRO Executive Committee (EC)¹, commend AMRO's management team and staff for their commitment and efforts towards fulfilling AMRO's mandate and the substantial achievements made in 2018.

Throughout the year, AMRO had worked tirelessly to fulfill its purpose of contributing to regional stability through conducting macroeconomic surveillance and supporting the CMIM in the context of a rapidly changing global and regional economic environment.

We also commend AMRO's efforts in strengthening its Comprehensive Surveillance Framework, in particular, successfully integrating its Economic Review and Policy Dialogue (ERPD) Matrix into its analytical framework for country and regional surveillance and developing the AMRO Regional Tracker for the ERPD Matrix Indicator Scorecard (ARTEMIS). These marked important progress for AMRO's surveillance and CMIM support functions. AMRO's application of important analytical toolkits such as risk maps and cycle analysis in its surveillance products, demonstrated AMRO's commitment to raise the quality of its work and strengthen its position as a trusted advisor to ASEAN+3 members.

AMRO successfully launched the second edition of the AREO on "*Resilience and Growth in a Changing World*" in 2018. During the year, AMRO also circulated policy notes to provide members with its assessment of the latest economic and financial developments. It explored pertinent issues in its research and

published several thematic studies ranging from topical surveillance issues to the role of RFAs in the Global Financial Safety Net (GFSN). These initiatives are a testament to AMRO's enhanced research and surveillance capacity and have raised AMRO's profile internationally.

On the CMIM front, AMRO continued efforts to enhance the operational readiness of the CMIM in 2018. We would like to highlight several important achievements. First, AMRO's technical support for the inaugural CMIM periodic review was critical in helping members finalize the revised CMIM Agreement, in time for its approval by Finance Ministers and Central Bank Governors in May 2019. Second, AMRO played a key role in the 9th CMIM Test Run, which served to enhance its operational readiness. Third, AMRO enhanced and operationalized the ERPD Matrix for use in the implementation of the CMIM. Fourth, AMRO prepared key documents that were endorsed, including Guiding Principles of the CMIM Conditionality Framework and Operational Guidelines for Early Information Sharing with the International Monetary Fund (IMF). Finally, AMRO conducted useful studies on local currency contribution to the CMIM and initiated thinking on CMIM's future development, ensuring the CMIM's continued effectiveness and relevance.

Recognizing the importance of capacity development in improving the macroeconomic surveillance capabilities of its members, AMRO provided targeted technical assistance (TA) aimed at creating a knowledge-sharing platform. We trust that AMRO's secondment, research and training, and consultancy programs will continue to strengthen our region's overall capabilities.

Strong corporate support is necessary for AMRO to deliver on its core functions. In this regard, we are pleased to note AMRO's initiatives aimed at improving its accountability mechanism. The implementation of a results-based management framework for performance

evaluation presents a key milestone and a crucial starting point for AMRO to track its progress and promote effective operational change through efficient resource use as well as effective response to feedback. AMRO also developed essential policies and strategies, which included the Document Exchange Policy, Partnership Strategy, Communications Policy and Communications Strategy to guide its direction and operations.

By increasing its outreach activities in 2018, AMRO was able to strengthen its international standing and credibility. AMRO organized several high-profile events that garnered considerable attention. These included the AMRO-BSP Joint Seminar, AMRO-ADB-BI Joint Seminar, AREO 2018 Launch, and High-level Forum on the "*40th Anniversary of China's Reform and Opening Up: Progress, Prospects and Impacts on the East Asian Region*". AMRO also increased the publication of its knowledge products as part of its effort to establish itself as a trusted policy advisor in the region.

With these achievements under its belt, we believe that AMRO is in a good position to continue strengthening its institutional effectiveness. As the ASEAN+3 finance process commemorates its 20th anniversary in 2019, we foresee AMRO taking on a growing role in shaping the future of the ASEAN+3 region.

Yoon Kyung Kim
Sangdai Ryoo
Tan Ching Yee
Jacqueline Loh
Co-Chairs

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

HISTORY OF AMRO



April 2011

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

July 2014

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

- (i) size doubled to USD240 billion,
- (ii) IMF de-linked portion was raised from 20% to 30%,
- (iii) a crisis prevention facility – the CMIM Precautionary Line (CMIM-PL) was introduced,
- (iv) the maturity and supporting period of CMIM facilities were extended.

February 2009

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



October 2014

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

March 2010

The CMIM Agreement came into effect.

2009

2010

2011

2014



February 2016

The AMRO Agreement entered into force, thereby establishing AMRO as an international organization with full legal personality.

December 2016

The Executive Committee, the primary decision-making body of AMRO, approved and endorsed the Strategic Direction and Medium-term Implementation Plan, a leading document that articulates AMRO's mission, vision and core functions, as well as ensures consistency in AMRO's operations and management.

May 2017

AMRO (i) signed the first of its MoUs with strategic partners, (ii) launched its inaugural ASEAN+3 Regional Economic Outlook (AREO) and, (iii) published the first of its Annual Consultation Reports.



December 2017

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



April 2018

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

2016

2017

2018

HIGHLIGHTS OF AMRO'S 2018 ACHIEVEMENTS

TECHNICAL ASSISTANCE ACTIVITIES

SURVEILLANCE



12

Annual Consultation Visits

12

Annual Consultation Reports

14

Interim Visits

1

Flagship Report (AREO)

+

9

Updates of the AREO

THEMATIC STUDIES/ POLICY NOTES



6

Thematic Studies

+

17

Policy Notes



15

Secondees

3

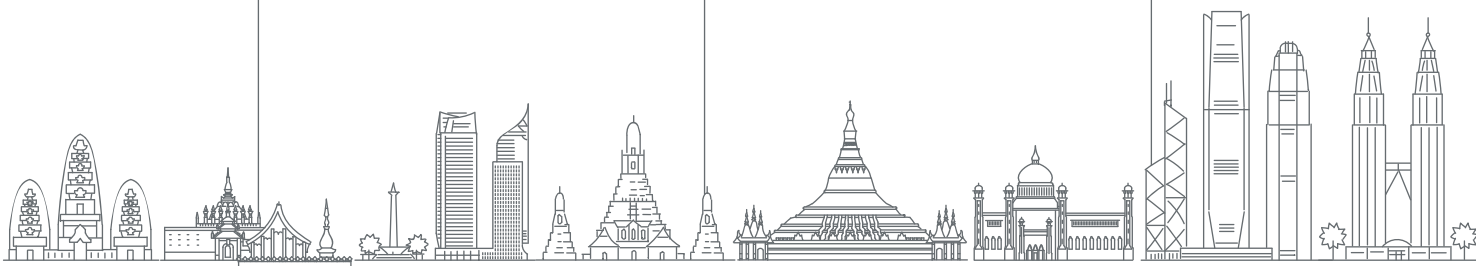
Training Courses

2

Research Collaborations

2

Ongoing Projects



PARTNERSHIP AND OUTREACH

POLICY PAPERS



5

Policy Papers

RESOLUTIONS ADOPTED



12

Resolutions

2

Memoranda of Understanding Signed



12

Public Lectures Conducted

46

Press Releases

12

Blog Posts

25

Events (Co-)organized

47

Events Participation

19

AMRO Knowledge Products Published

~500

Media Stories

~140,500

Page Views on AMRO's Website



FINANCIAL HIGHLIGHTS

Highlight of 2018 Budget Implementation

AMRO is funded annually 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 35), and the Office Related Budget is contributed wholly by the host country. The staffing level is approved annually by the EC.

At the staffing level of 57, the 2018 Manpower Related Budget amounted to USD 15.4 million, the implementation rate of which was 98.6%. The 2018 Office Related Budget amounted to USD 5.4 million, with an implementation rate of 75.7%. AMRO's revamped core operations, supported by lean budgeting and prudent expenditure control enabled AMRO to achieve an implementation rate within budget. AMRO's reserves amounted to USD 7.4 million as at 31 December 2018.

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

2018 Financial Summary

Manpower Related Budget and Implementation	
2018	USD '000
Manpower Related Budget	15,406
Manpower Related Implementation	15,186
Office Related Budget and Implementation	
2018	USD '000
Office Related Budget	5,389
Office Related Implementation	4,077
Assets, Liabilities & Reserves	
As at 31 December 2018	USD '000
Assets	16,797
Liabilities	9,370
Reserves	7,426

Summary of Director's Statement and Independent Auditor's Report on AMRO's Financial Statements

In the opinion of the AMRO Director, (a) 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 2018 and the financial performance of the business, changes in equity and cash flows of AMRO for the financial year ended; and (b) 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 2018. 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 of AMRO as at 31 December 2018, and the financial performance, changes in equity and cash flows of AMRO for the year ended on that date.



Manpower Related Budget

USD **15.4** million

Implementation Rate

98.6%



Office Related Budget

USD **5.4** million

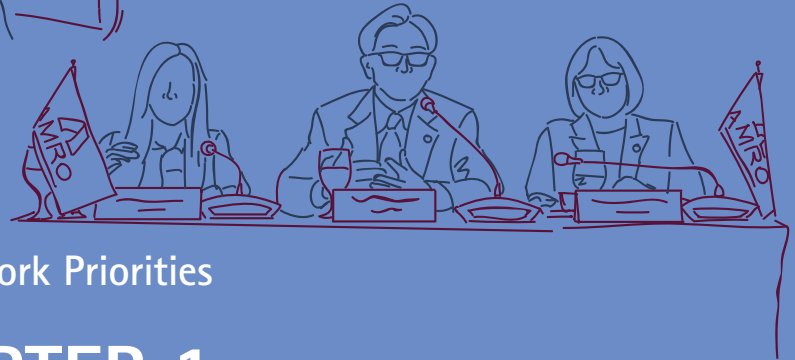
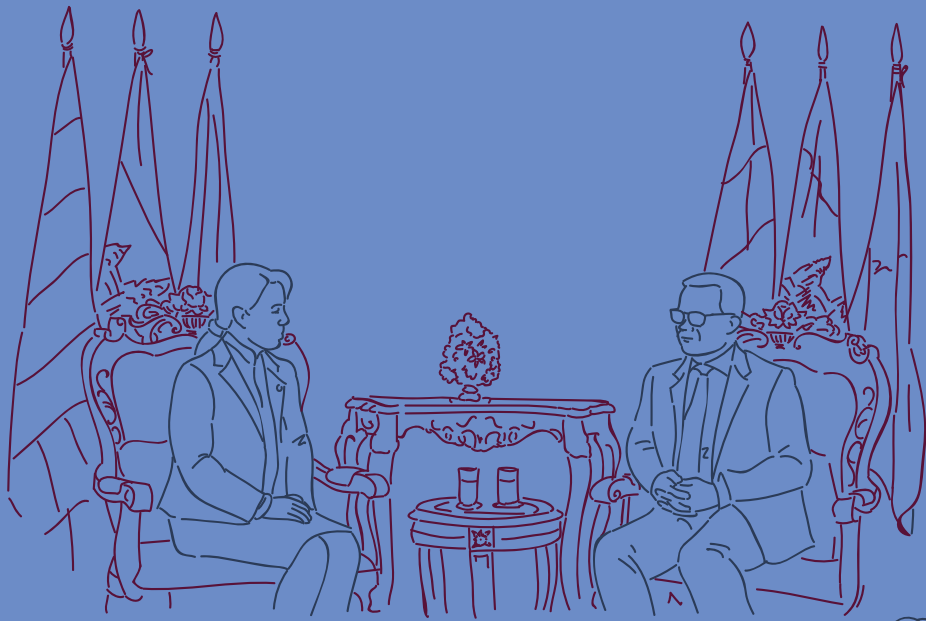
Implementation Rate

75.7%



Reserves

USD **7.4** million



2018 Work Priorities

CHAPTER 1: SAFEGUARDING REGIONAL STABILITY THROUGH QUALITY SURVEILLANCE



AMRO, as the regional surveillance unit associated with the CMIM, has continued to enhance its surveillance framework and capacity while strengthening its efforts in conducting country and regional surveillance in a timely and granular manner. In particular, in 2018 AMRO prioritized timely monitoring of the risks and spillovers from trade protectionism as well as tightening of global financial conditions to ASEAN+3 member economies.

AMRO mission team led by Director Dr Junhong Chang holds a courtesy meeting with Bank Indonesia Governor Mr Perry Warjiyo (middle) during the Annual Consultation Visit in June 2018.



FORTIFYING AMRO'S SURVEILLANCE FRAMEWORK

In 2018, AMRO continued to strengthen its surveillance framework to fulfill its macroeconomic and financial surveillance mandate. During the year, AMRO adopted its first Surveillance Operational Manual, which provided guiding principles for AMRO's Annual Consultation Visits to be conducted in a professional and effective manner. AMRO also endeavored to integrate the ERP Matrix into the surveillance process as part of its analytical framework, on both country and regional levels. To further enhance its surveillance capacity, AMRO also developed analytical toolkits such as the country risk map, business cycle, Taylor rule, and Financial Stress Index. The application and integration of these analytical tools in both regional and country surveillance not only enabled AMRO to provide member economies with more forward-looking analyses, risk assessments and value-added policy advice and recommendations, but also more comprehensive and relevant policy-oriented research.

STRENGTHENING COUNTRY SURVEILLANCE

Country surveillance is core to AMRO's surveillance work. To this end, annual consultation visits to all 14 member economies serve as the main vehicle for bilateral, regional and other multilateral surveillance activities. These visits mainly focus on the appropriateness and effectiveness of a member economy's policies in addressing risks, vulnerabilities and challenges threatening the member economy's macroeconomic and financial stability. These annual consultation visits are supplemented with short interim visits, which keep AMRO abreast of the latest developments in member economies and furnish timely data for its surveillance work.

In 2018, AMRO further enhanced its country surveillance process by

establishing its Country Surveillance Operational Manual with a view towards operationalizing and making the process more well-structured, transparent, engaging and effective. The Operational Manual provides formal guidance on the process of annual surveillance consultations with member economies. Besides stipulating the procedures, timelines, guidelines and formal requirements for country surveillance, it also requires that AMRO enhance engagement and communication with various stakeholders – in line with AMRO's vision to become a trusted policy advisor. In addition to the Operational Manual, AMRO also strengthened its internal policy review practices, and further streamlined processes around the

annual consultation visits to member economies, including the publication of annual consultation reports.

In 2018, several emerging market economies in the region faced global risk aversion and experienced relatively large portfolio outflows and exchange rate depreciation. The growing external uncertainty required AMRO to conduct more granular country surveillance, in particular, on external vulnerabilities. For example, AMRO increased the frequency of interim visits to Indonesia and Malaysia in 2018 to keep abreast of market conditions in a more timely manner. AMRO also enhanced its daily market monitoring to share information on a daily basis. The daily market monitoring enhanced the timeliness of AMRO's surveillance activities and increased the readiness of AMRO to support CMIM operations.

Vulnerabilities emanate from various sources. In less developed countries, they are often deeply rooted in structural weaknesses within the economy that can increase domestic and external vulnerabilities by constraining the economy's overall capacity to maintain macroeconomic



Heads of AMRO and the Ministry of Finance of Japan pose for a photo after the courtesy meeting during the Annual Consultation Visit in November 2018. From left to right: AMRO Chief Economist Dr Hoe Ee Khor, Deputy Prime Minister and Minister of Finance of Japan Mr Taro Aso, AMRO Director Dr Junhong Chang, and Vice Minister of Finance for International Affairs Mr Masatsugu Asakawa.

stability and absorb shocks in times of stress. In addition, these weaknesses are often the most critical impediments to realizing long-term growth potential and external stability. In response to growing challenges arising from structural vulnerabilities in less developed member economies, AMRO expanded its research on structural

issues in order to improve its policy consultation and country surveillance process. Examples included the review of the economic diversification plan in Lao PDR to assess its progress and the effectiveness of its policy measures; the study of the finances of state economic enterprises in Myanmar with a view towards strengthening fiscal soundness; and the analysis of the fiscal implication of demographic changes in Vietnam to support social security reform initiatives.

Mindful of the importance of members' confidence and trust in AMRO as a trusted policy advisor, AMRO carried out impartial, transparent and timely surveillance and enhanced engagement with members in 2018. AMRO conducted formal policy dialogues with members based on its draft preliminary assessments at the closing of each annual consultation visit. While roundtable discussions with various stakeholders had strengthened AMRO's communication with industry thought leaders, the issuance of a press release at the end of each consultation visit and the publication of annual consultation reports had further improved the transparency of AMRO's work. During the year, AMRO also conducted press interviews on some member economies, elevating AMRO's visibility.



AMRO mission team conducts a lecture to present key findings of the AREO 2018 and introduce the CMIM during the Annual Consultation Visit in November 2018 in Brunei Darussalam. The lecture is well attended by professors/lecturers and students from the Universiti Brunei Darussalam and officials from the Ministry of Finance and Economy and other ministries.

MAINTAINING A STEADY REGIONAL SURVEILLANCE PACE

Regional surveillance forms an integral part of AMRO's surveillance activities. The economic outlook of the broader ASEAN+3 region is assessed through applying both global and regional perspectives. Regional surveillance identifies emerging global risks from outside the region and assesses their spillovers. It also monitors and evaluates intra-regional developments and linkages for regional spillovers. In 2018, global economic momentum, although still strong, showed some signs of moderation amid emerging downside risks. Financial markets experienced renewed volatility on tightening global financial conditions exacerbated by global trade uncertainties, which led to financial turmoil in some emerging markets outside the region with fundamental macroeconomic imbalances. Prospects of a broad-based slowdown

in the global economy further unsettled markets towards the end of the year.

Regional surveillance activities in 2018 focused on the risks and spillovers from trade protectionism, and the impact of tightening global financial conditions on ASEAN+3 economies. Over the course of the year, AMRO leveraged proprietary models such as Oxford Economies and the Global Trade Analysis Project to provide timely updates and assessments to its member authorities and stakeholders on regional growth and the potential escalation of global trade tension. AMRO also circulated Policy Issue Notes on topical issues of interest to policymakers, such as the market turmoil in Argentina and Turkey and its implications on regional emerging markets in August 2018, when some regional economies experienced growing external headwinds. In addition to short-term issues, AMRO carried out analyses on longer term structural issues that cut across the region, such as the restructuring of global value chains and the demand shifts in the ASEAN+3 region. These assessments were also shared in the form of a blog in AMRO's website.

Throughout the year, AMRO supported regional discussions at the peer review surveillance process at the Deputy-level ERP, as well as participated in discussions at the Ministerial and Governor-level – AFMGM and AFMGM+3.

Being the regional surveillance organization to support the CMIM, AMRO was also actively engaged in other regional and global fora such as the ASEAN Senior Level Committee on Financial Integration, ASEAN+3 Bond Market Forum, as well as the Informal Organization for Economic Co-operation and Development (OECD) Consultative Group Meetings. AMRO continued to be proactive and forward-looking in providing high quality and timely Policy Issue Notes to stakeholders on pertinent economic issues at the regional level. This includes the Policy Issue Note prepared for the ASEAN+3 Leaders' Meeting in Singapore; it was well received and appreciated by the Leaders.

In terms of publication, AMRO launched its second annual flagship publication – the AREO 2018 – in Manila in May. This publication included a forward-looking thematic chapter – *"Resilience and Growth in a Changing World"*, building upon the theme *"ASEAN+3 Region: 20 Years after the Asian Financial Crisis"* in the AREO 2017. The theme in AREO 2018 examines the continued relevance of the "manufacturing for exports" strategy that had underpinned industrialization and growth in several ASEAN+3 economies over the last few decades, and how this strategy can be augmented given challenges posed by changes in global value chains, digital technology and the services sector. It includes recommendations on how the regional economies can leverage new technologies and the rising services sector to enhance growth potential, and further strengthen intra-regional connectivity and integration to build resilience against external shocks. For the first time, the AREO used AMRO's new analytical toolkits in its analyses, enriching the macroeconomic and policy discussions. Complementary to the annual AREO publication, AMRO also circulated monthly AREO updates on regional economic developments, which included special features on topical issues.

AMRO Chief Economist Dr Hoe Ee Khor (middle) makes a presentation at the launch of the AREO 2018 in May 2018 in Manila, Philippines. The event is attended by 120 participants, including policymakers, journalists, academics, as well as representatives from other international organizations and the private sector.





Speakers discuss at a seminar co-organized by AMRO and the Ministry of Finance of Vietnam on "ASEAN+3 Regional Economic Outlook: Resilience and Growth in a Changing World" in May 2018 in Hanoi, Vietnam. The seminar is part of a roadshow to five countries in the ASEAN+3 region to promote the AREO 2018.

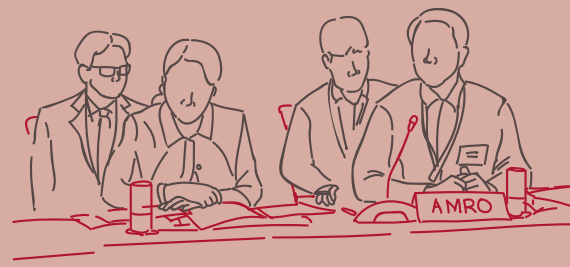
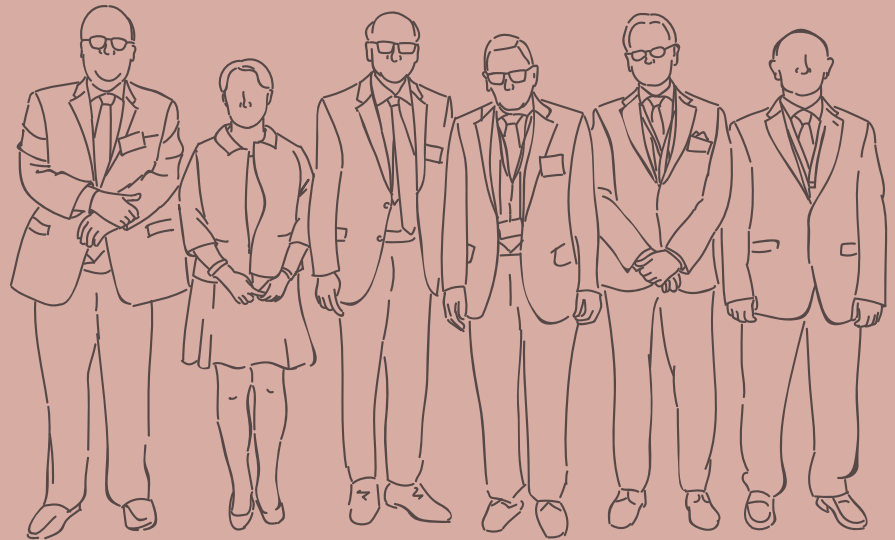
ENGAGING IN THEMATIC STUDIES AND RESEARCH

To reinforce AMRO's surveillance and support for CMIM, AMRO carried out in-depth analytical studies and rigorous research related to key policy issues. The growing research output by AMRO provided an effective communication platform with ASEAN+3 policymakers and other stakeholders. In 2018, AMRO published several policy-related research supporting country and regional surveillance, including "China's Reform and Opening-Up: Experience, Prospects and Implications for ASEAN", "Assessing Financial Stress in China, Japan, Korea and ASEAN-5 Economies", "Impact of Technology on Wages and Productivity in Singapore", and "China's Increasing Economic Linkages with ASEAN and the Potential Spillover Effects". These research papers were presented at conferences and seminars across the region.



AMRO Chief Economist Dr Hoe Ee Khor (far left) moderates a discussion panel of high-level policymakers during the High-level Forum on "40th Anniversary of China's Reform and Opening-up: Progress, Prospects and Impacts on the East Asian Region" in October 2018 in Beijing, China. Co-organized by the AMRO, CMOF, and PBOC, the forum uses AMRO's study titled "China's Reform and Opening-Up: Experiences, Prospects and Implications for ASEAN" as a background document.





2018 Work Priorities

CHAPTER 2: PROVIDING EFFECTIVE SUPPORT TO REINFORCE THE REGIONAL FINANCIAL ARRANGEMENT



The CMIM is a key element of the ASEAN+3 Regional Financial Safety Net (RFSN). It provides a regional reserves buffer and insurance against the risks of financial crises that may potentially arise from volatile capital flows, imbalances or negative spillovers. AMRO supports members in the implementation of the CMIM through conducting surveillance and contingency planning.

In 2018, AMRO supported the ASEAN+3 members in conducting the first CMIM periodic review. This is a key milestone that reinforces the CMIM's role as the RFA, and the pillar of the ASEAN+3 RFSN. AMRO also supported the CMIM test run and the completion of members' peacetime preparation exercise.

In addition, AMRO supported improvements to the CMIM's operational readiness by developing the CMIM conditionality framework for members' review and approval, further enhancing the ERP Matrix, and stepping up its coordination activities with the IMF and other international financial institutions (IFIs).

Furthermore, as part of its intellectual support for members, AMRO conducted collaborative research with regional academics on local currency contribution to the CMIM and explored issues related to the future direction of the CMIM. AMRO also shared staff discussion notes pertaining to key GFSN and RFSN developments with members for their reference.

SUPPORTING THE CMIM PERIODIC REVIEW

Every five years, the CMIM parties review the CMIM Agreement to make sure that the CMIM remains up-to-date, reflective of member economies' circumstances, and relevant to global economic and financial conditions. The members kick-started the first periodic review in 2017, with steady progress made during the year.

In 2018, AMRO continued to support members in the first periodic review by addressing key issues raised, and preparing revised texts of the CMIM Agreement for members' discussion and adoption. In May, the ASEAN+3 Finance Ministers and Central Bank Governors reached a general agreement on the main contents of the first CMIM periodic review.

The main revisions included adding flexibility to extend the support period of the CMIM Arrangement linked to an IMF-supported program, providing a legal basis for conditionality, introducing information sharing process with the IMF, reinforcing the review and ex-post monitoring mechanism, and fine-tuning the confidentiality clause. As instructed by the Finance Ministers and Central Bank Governors, their Deputies agreed on the final text of the amended CMIM Agreement in December 2018 for signing and execution at the earliest opportunity.

IMPROVING THE OPERATIONAL GUIDELINES OF THE CMIM

The Operational Guidelines for Enhancing Effectiveness of the CMIM (CMIM OG), adopted by the Executive Level Decision Making Body (ELDDB) to facilitate implementation of the CMIM Agreement, is a document that is revised from time to time to ensure its relevance. Revisions are made based on members' discussions, test run experiences, and amendments to the CMIM Agreement. In 2018, AMRO supported members in revising and updating the CMIM OG, to improve the information sharing process between the CMIM and the IMF as part of the 1st CMIM periodic review. AMRO also prepared discussion notes and supported members on the establishment of an information sharing mechanism between the CMIM and the IMF.

FACILITATING THE CMIM TEST RUN

In 2018, the CMIM members conducted its 9th test run, which involved engagement with the IMF. Building on the momentum from two previous years, which saw closer coordination between the CMIM and the IMF in activating the IMF-linked portion of the CMIM Arrangements, AMRO supported members in designing the scenario, implementing the CMIM activation procedures, preparing necessary documents, assisting in the members' discussions, and submitting AMRO reports for members' deliberation and decision. Together with the 2018 Co-chairs of ASEAN+3, AMRO also contributed towards the preparation of an evaluation report of the 9th test run. This evaluation report identified gaps in the current process and put forth recommendations to strengthen the CMIM's effectiveness as the RFA.

CONTINUING PEACETIME PREPARATION

AMRO continued to support members' peacetime preparation exercise to enhance the operational readiness of the CMIM. Members have been conducting internal test runs for CMIM activation following a new peacetime preparation checklist since 2017. In 2018, AMRO supported members in finalizing their internal manuals and completing their internal test runs. By December, all members had completed their internal test runs, which contributed towards strengthening the operational readiness of the CMIM.

ESTABLISHING CMIM CONDITIONALITY FRAMEWORK

The legal basis for conditionality in the amended CMIM Agreement is scheduled for signing in 2019. AMRO has been assisting members in developing the CMIM conditionality framework. This is expected to strengthen the CMIM's support to members by providing guidance in the design and implementation of appropriate economic and financial policies in order to safeguard the financial resources of CMIM. In turn, this would enable members to address any macroeconomic imbalances, recover more quickly, and embark on a sustainable path of growth. The Deputies endorsed the guiding principles for the CMIM conditionality framework in December 2018. AMRO also developed a technical guidance note for the implementation of the guiding principles, which will be developed further in 2019.





ENHANCING THE ERPD MATRIX

AMRO has been developing the ERPD Matrix, its surveillance tool to assess qualification for the crisis prevention facility of the CMIM, i.e. the CMIM Precautionary Line (CMIM-PL). The ERPD Matrix applies both quantitative and qualitative methods to assess a member's macrofinancial performance in five key areas, namely, the external sector, fiscal policy, monetary policy, the financial sector, and data adequacy.

In 2018, AMRO piloted the enhanced ERPD Matrix with three members, using the enhanced ERPD Matrix Scorecard to analyze their macrofinancial performance. Based on lessons learned from these pilot projects, AMRO will further calibrate the Scorecard. The enhanced ERPD Matrix and AMRO's proposal for a Scorecard qualification reference for the CMIM-PL was endorsed by the Deputies in December. In operationalizing the Scorecard, AMRO developed a "regional tracker," an interactive web-based tool that allows members to monitor all Scorecards – promoting transparency in the process.

PROVIDING INTELLECTUAL SUPPORT ON CMIM'S FUTURE DIRECTION

As part of its commitment to enhance the CMIM, AMRO provided intellectual support, mainly by preparing and circulating staff discussion notes on GFSN and CMIM issues to facilitate members' discussion on how best to shape the CMIM Arrangement for the future. In this regard, AMRO's intellectual support included an empirical study on the risks threatening regional financial stability. AMRO also provided analysis on the sufficiency of the ASEAN+3 RFSN as well as adequacy of the CMIM by taking into account the development of other RFAs. AMRO identified areas for further enhancement and provided suggestions on the future direction of the CMIM. During the year, AMRO also conducted a collaborative research with four regional renowned scholars on the possibility of local currency contribution to the CMIM.

The study explored the plausibility of local currency contribution to the CMIM, and identified the possible modality and practical issues based on regional integration and cross-border local currency usage in the region. The study contributed to members' discussion on how to advance the CMIM to secure regional financial stability.

ENHANCING COLLABORATION WITH IFIS AND COMMUNICATION WITH MEMBERS

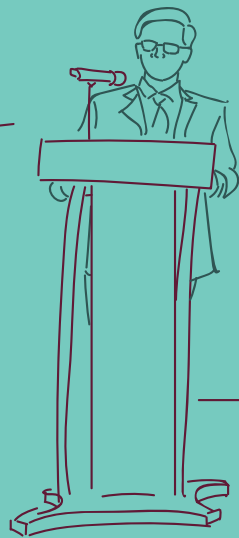
AMRO actively participated in international conferences and seminars to enhance communication and collaboration with other IFIs in 2018. In particular, AMRO placed great importance on the 3rd RFA High Level Dialogue in Bali, Indonesia and the 2nd Joint RFA Research Seminar in Cartagena Indus, Colombia. Together with other RFAs, including its co-organizers, ESM and FLAR, AMRO provided broader perspectives and insightful ideas about the development of the RFAs, particularly on issues related to collaboration with the IMF. AMRO also participated in a joint research on *"IMF-RFA Collaboration:*

Motives, State of Play and Way Forward" together with ESM and FLAR.

In 2018, AMRO enhanced communication with members on CMIM-related matters. In addition to close communication with the Co-chairs, AMRO also conducted workshops and lectures on selected CMIM issues for some member authorities, including Cambodia, Indonesia and Lao PDR, upon their requests. This helped members build a common understanding on the CMIM-related and GFSN issues. It also deepened relations between AMRO and the members.

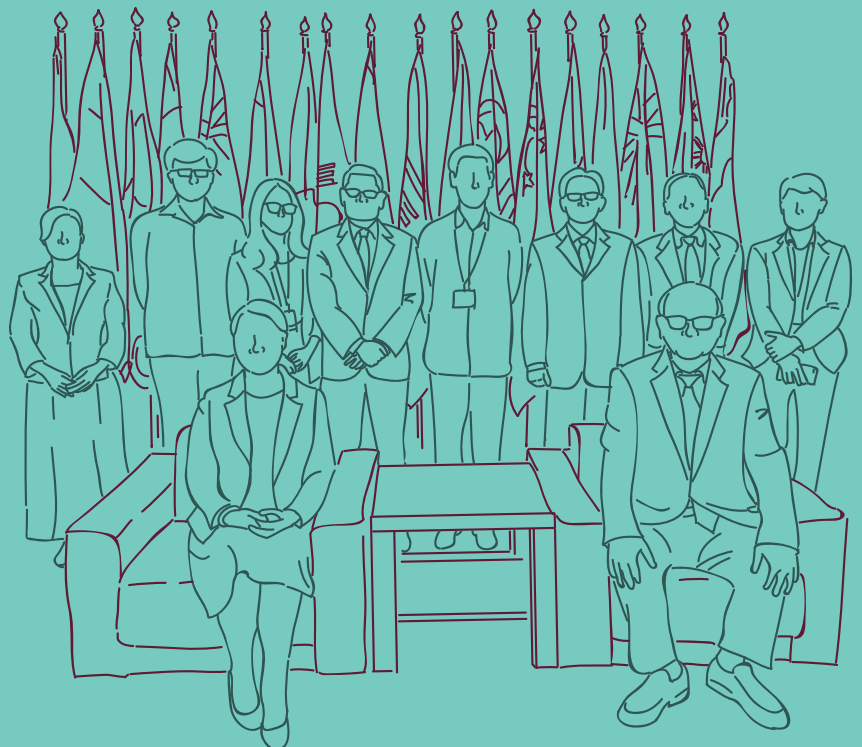
Heads of RFAs around the globe convene at the 3rd High-level RFA Dialogue in October 2018 in Bali, Indonesia, to discuss new developments in their institutions and respective regions, and cooperation among RFAs and between RFAs and the IMF. Mr Tharman Shanmugaratnam, Deputy Prime Minister of Singapore, and in his capacity as Chairperson of the G20 Eminent Persons Group, delivers a keynote speech at the event.





2018 Work Priorities

CHAPTER 3: LEVERAGING RESOURCES TO FOSTER REGIONAL CAPACITY DEVELOPMENT



Since the official launch of its TA Program in 2016, AMRO continues to strengthen ASEAN+3 member authorities' macroeconomic surveillance capacities, facilitate knowledge sharing among member authorities and other international organizations, as well as capitalize on synergies with other TA providers. Making steady progress since the beginning, the TA Program has entered into full-fledged implementation stage. TA support, made possible by generous 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 (KMOEF) into AMRO's TA Trust Funds, has been delivered to member authorities based on their requests and in consistency with AMRO's mission.

PROGRESS UNDER THE TA PROGRAM

Secondment Program and Expanded Secondment Program

In 2018, AMRO hosted a record-high number of secondees from member authorities through its Secondment Program and Expanded Secondment Program (ESP). Specifically, AMRO received 11 secondees from central banks and/or finance ministries of Cambodia, China, Lao PDR, Myanmar, and Vietnam for its Secondment Program. Meanwhile, under the ESP program, AMRO received four secondees from the Monetary Authority of Singapore, Bank of Korea, Hong Kong Monetary Authority, and Ministry of Finance of China. The programs have proven to be mutually beneficial as these secondees

were not only able to contribute their knowledge and expertise on macroeconomic surveillance and regional financial cooperation issues during their time in AMRO, but were also exposed to macroeconomic surveillance methodology, and given opportunities to experience and observe how missions are conducted from AMRO's perspective. This on-the-job training with AMRO in the areas of surveillance, CMIM support, and coordination related work enabled them to diversify their skill set.

The secondees were also encouraged to attend relevant training courses on macroeconomics and finance organized by the IMF-Singapore Regional Training Institute (STI) and other institutions as well as other seminars and conferences held both in Singapore and overseas.



MESSAGES FROM SECONDEES OF AMRO'S SECONDMENT PROGRAM IN 2018

Name: Mya Hnin Wai Pwint

Home Office Job Title: Deputy Director

Home Organization: Ministry of Planning and Finance (MOPF) of Myanmar

TA Duration: September 2017 to August 2018

The year at AMRO provided me with a valuable opportunity to upgrade my critical thinking, research methodology, communication, and time management skills. What I learnt went beyond my expectations. AMRO also equipped me with greater technical skills, enabling me to analyse a country's economy and evaluate a country's development, as well as sharpened my capability in policy implementation. Overall, my experience from this secondment had been positive – it enables me to serve my department better upon my return.

With a better understanding of risks and vulnerabilities assessment, formulation of relevant policy recommendations, and country economic growth analysis, I am confident that I will be able to apply what I acquired from AMRO to my current role, as well as my future career at the MOPF in an effective way.

Name: Truong Thanh Ha

Home Office Job Title: Principal Official

Home Organization: Ministry of Finance of Vietnam

TA Duration: September 2017 to October 2018

Thanks to AMRO and the Japanese Government's financial support of the AMRO's secondment program, I had a fourteen-month secondment at AMRO from September 2017 to October 2018. This was a great chance for me to work in an international organization. I had the opportunity to participate in macroeconomic surveillance activities as I joined the annual consultation visits to Brunei, Korea and Vietnam. This helped me better understand macro-economic surveillance, and risks and vulnerabilities assessments, as well as what provision of relevant policy recommendations for each economy is about. I was also able to enhance my critical thinking and analytical skills during my time in AMRO. These experiences will definitely help me to be more effective and professional in my work at the Ministry of Finance of Vietnam.

I would like to express my sincere gratitude to AMRO Director, Chief Economist, Group Heads (especially Dr Luke Hong and Dr Sumio Ishikawa), colleagues and consultants for sharing their knowledge and experience and providing professional guidance. They helped me significantly in my conduct of research. My time in AMRO also provided me with a better understanding of the diverse cultures and lifestyles of each country in our ASEAN+3 family. What impressed me the most is the non-stop and professional working attitude of all AMRO staff, which I highly appreciate.

Ms Mya Hnin Wai Pwint (fourth from left) and Ms Truong Thanh Ha (fifth from left) pose with the AMRO TA Specialist Mr Kazuo Kobayashi and other secondees in joining AMRO in 2018.



Consultancy Program

In 2018, AMRO completed a project for the Ministry of Finance of Lao PDR, supporting its development of an English website. In addition, following a request from the Ministry of Economy and Finance of Cambodia, AMRO is currently working with the Ministry's officials to improve the collection and analysis of real estate transactions in the country. The project is making steady progress.



Research Collaboration Program

Since the launch of AMRO's Research Collaboration Program (RCP) in July 2017, several studies have been conducted. These projects included "Prospects of Local Currencies' Usage in Asia" and "Network of International Capital Flows and Shock Transmission: The Case of the ASEAN+3 Region". These studies, which have inspired deliberation among members, were made possible with AMRO's TA trust fund.

Other Training Programs and Conferences

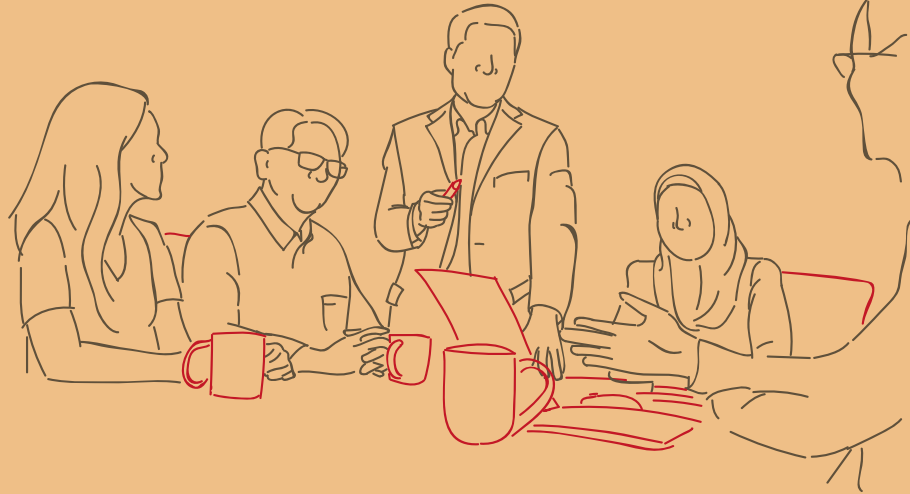
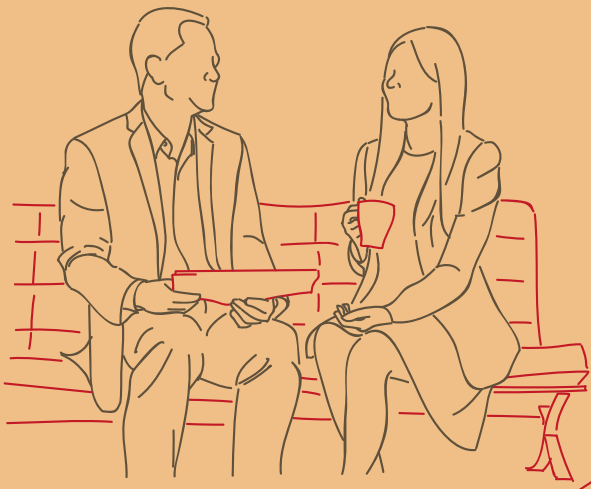
In May 2018, AMRO hosted a Joint Working Seminar for CLMV members in Danang, Vietnam, with support from the Ministry of Finance of Vietnam, the State Bank of Vietnam, and the Ministry of Finance of Japan. The Seminar, joined by ADB and the IMF, aimed to provide an open platform for CLMV officials and experts to exchange views on important issues for CLMV members, particularly on how to maintain resilience and growth in a changing world, as well as ways to enhance collaboration with other international organizations.

In September 2018, AMRO hosted the AMRO Working Committee (AWC)/ CMIM Task Force Members' Retreat in Seoul, Korea. At the Retreat, AMRO updated progress of the study on Local Currency Contribution to the CMIM, the Future Direction of CMIM and AMRO's Performance Evaluation and Communications Initiatives.

AMRO remains committed to manage its TA Program effectively and efficiently to further enhance ASEAN+3 member authorities' macroeconomic surveillance capacity as well as promote AMRO's surveillance, research and CMIM activities.

AMRO Lead Specialist Dr. Seung Hyun (Luke) Hong speaks at the Joint Working Seminar on "Capacity Building in CLMV Economies" in May 2018 in Danang, Vietnam. The seminar serves as an open platform for CLMV officials, experts from international financial institutions and academics, to exchange views on important issues for CLMV members.





2018 Work Priorities

CHAPTER 4: ACHIEVING RESULTS FOR ORGANIZATIONAL EFFECTIVENESS



BUDGET AND FINANCIAL MANAGEMENT

AMRO's budget aims to deliver results with optimum support for its core functions. AMRO makes great efforts to maintain a lean but adequate budget.

The 2018 Manpower Related Budget amounted to USD 15.4 million with an implementation rate of 98.6%. Despite AMRO's expanded core operations, lean budgeting and reference to historical expenditure trends and tightened operations enabled AMRO to achieve an implementation rate within budget.

The Office Related Budget, amounting to USD 5.4 million, has an implementation rate of 75.7%. This was mainly attributed to office facility maintenance, as well as IT security and capacity maintenance.

AMRO's reserves amounted to USD 7.4 million as at 31 December 2018.

AMRO will continue to uphold transparency and accountability to member authorities by ensuring relevance in budgeting and prudence in spending and reserves management.



2018 Manpower Office Related Budget amounted to

USD 15.4 million

with an implementation rate of

98.6%

AUDIT

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

It opined that the financial statements of the organization had been drawn up in accordance with the IFRS to give a true and fair view of the state of affairs of AMRO and the Trust Funds as at 31 December 2018.





HUMAN RESOURCE MANAGEMENT

At the core of every successful organisation are its people. AMRO recognizes that its staff are its most valuable asset and resource to promote the AMRO brand to stakeholders and the public.

In 2018, AMRO stayed committed to hiring diverse talents based on merits through a consistent, transparent and open recruitment process. Attracting candidates with high levels of proficiency and retaining high potential talents remain key priorities in its staffing approach. AMRO made good progress in 2018 in human resource

management, successfully filling 95% of staff vacancies. In addition, AMRO strengthened its staff diversity, with staff coming from 12 different countries, and a male-female ratio of 60/40.

In line with AMRO's Human Resource (HR) Development Framework that was developed in 2017, AMRO staff were invited to participate in a Training Needs Analysis (TNA) survey in 2018. This aimed to provide an enabling environment for training and learning. The survey covered technical needs and soft skills development. This approach not only aided in the identification of current

and future training requirements of individual staff, but also facilitated the development of a training program that focuses on the enhancement of core competencies to accomplish functional team's objectives within the organization.

Active staff participation in this exercise enabled AMRO to create a holistic and robust training program. Subsequently, AMRO provided an overview of the TNA survey in an open communication session with all staff, during which it also outlined the training program's progressive development going forward.



ACCOUNTABILITY

Instilling a strong sense of accountability is fundamental to creating a culture of learning within an organization. A learning culture in turn leads to high-quality sustainable business and operational processes, as well as effective allocation of resources.

Since 2017, AMRO has been working to incorporate results-based management (RBM) into its operations by developing a corporate PEF. The PEF – comprising a results framework, an indicator set and a staff handbook – serves as a starting point for AMRO to embrace learning and operational changes.

In 2018, AMRO piloted this PEF based on the methodology of RBM, identifying gaps by running the full cycle of measurement, analysis, reporting, learning, and planning before its formal implementation, and testing the resource implication of PEF activities for AMRO. The results of this pilot confirmed the alignment of the PEF with AMRO's operational structure and business cycle, and the effectiveness of the set of indicators in capturing progress made by AMRO. The data collected during this process also provided feedback as actionable input, allowing AMRO to reflect and better understand its comparative strengths and weaknesses.

Following the conclusion of the pilot, AMRO's EC agreed to formally adopt the PEF. This PEF takes effect from 1 January 2019. Recognizing that RBM is an iterative process that requires constant refinement to ensure continued effectiveness, AMRO is committed to translate findings from its annual performance evaluation into tangible operational and institutional changes, and integrate RBM in its business cycle.

THE WORK ENVIRONMENT

Fostering a work environment that supports staff productivity and performance was achieved through improving administrative processes, beautifying the office space, and providing timely technology support.

After the completion of AMRO's office renovation in July 2017, AMRO invited its member authorities to donate artworks for display in the newly renovated office. The donated artworks, showcased throughout AMRO's office, demonstrates the rich and diverse culture of ASEAN+3 members while creating an aesthetically pleasing work environment for all staff.

AMRO continues to ensure that its information technology infrastructure is up-to-date and efficient to support AMRO's core functions. Its reliability and resilience is secured through a data backup and a disaster recovery site.

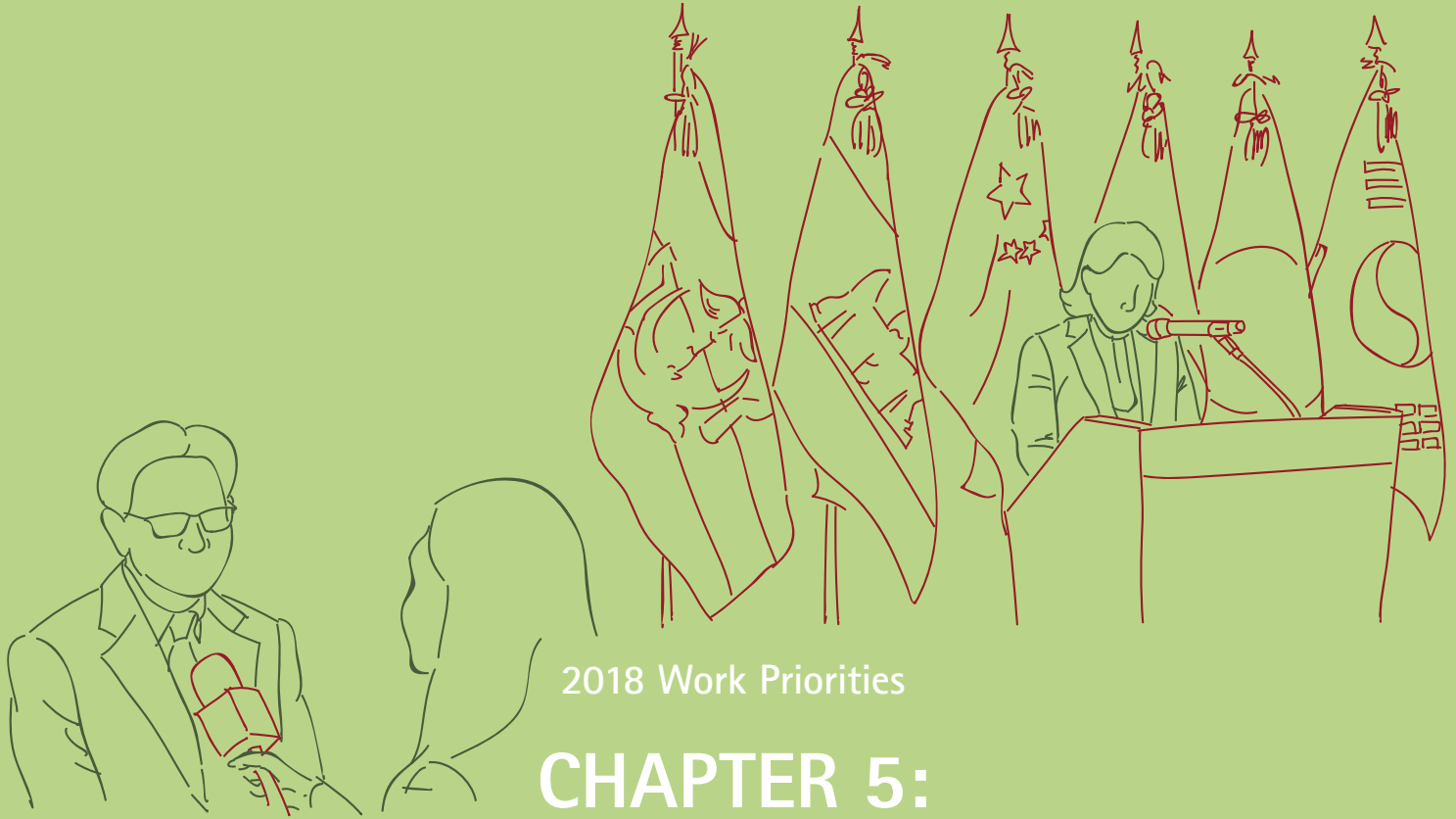
LEGAL AFFAIRS

AMRO adopted the Information/ Document Classification Policy in its Administrative Orders to ensure the proper classification, marking and handling of all information and documents, as well as safeguard sensitive information, preventing unauthorized access and disclosure.

In relation to AMRO's membership in the International Labor Organization Administrative Tribunal (ILOAT), AMRO conducted comprehensive revisions of staff rules and regulations (Administrative Orders) to ensure that AMRO has in place a regulatory framework compatible with the principles of the law of the international civil service applied by the ILOAT.

To assist in the precise formulation of up-to-date legal instruments, AMRO revised and updated the Secondary Rules of the AMRO Agreement, which was endorsed by the EC in December 2018.

With the ratification of the AMRO Agreement completed by all members on 5 April 2018, AMRO has started to work on the dissolution of AMRO Limited.



2018 Work Priorities

CHAPTER 5: DEVELOPING COLLABORATIVE PARTNERSHIPS AND EXPANDING OUTREACH IN AN INTERCONNECTED WORLD



PARTNERSHIPS

Forging and deepening partnerships have been a strategic priority of AMRO since its inception. Through building strong partnerships and embracing a collaborative approach, AMRO has fostered many win-win relationships with partners – leveraging each other's experience and comparative advantage to build capacity and gain credibility, as well as enhancing AMRO's capabilities in surveillance, CMIM support, technical assistance, and corporate enhancement.

In 2018, AMRO set out to introduce a holistic framework for creating and sustaining meaningful relationships by establishing clear objectives, principles and target partner groups in its Partnership Strategy. The Strategy reaffirms AMRO's commitment to pursue partnerships, which will enhance its ability to better fulfill its mandate. Besides a strong focus on its comparative advantage and autonomy in decision-making, the Partnership Strategy also outlines priority areas and modalities for cooperation. AMRO's EC endorsed this Partnership Strategy during its meeting in Busan in December 2018.



Deepening Engagement with Member Authorities

Member authorities are both shareholders and key clients of AMRO. As such, it is essential for AMRO to strengthen communications with member authorities through delivering timely, rigorous and comprehensive surveillance products, and providing regular updates on its operations and developments.

In 2018, AMRO continued to be at the forefront of economic and financial developments, furnishing member authorities with policy notes and analyses of pertinent developments that impact the region. One significant achievement is AMRO's provision of the policy note titled *"ASEAN+3 and External Risks: Sustaining Growth through Cooperation"* to support

discussions at the 21st ASEAN+3 Leaders' Summit in Singapore in November 2018. ASEAN+3 Leaders commended AMRO's efforts, in providing timely and high quality analyses on the regional economic and financial situation, in the Chairman's Statement of the Summit. AMRO's involvement in the ASEAN+3 Leaders' Summit for the second consecutive year has further entrenched its role as a constructive contributor to the ASEAN+3 cooperation process.

AMRO was also responsive to member authorities' feedback on ways to improve its operations, incorporating their suggestions into its policy and strategy papers. These initiatives have fortified AMRO's communication with member authorities and increased the transparency of its operations and work.



Distinguished panel speakers discuss at the High-Level Policy Dialogue on "Regional Cooperation to Support Innovation, Inclusion, and Stability in Asia," co-organized by the AMRO, ADB and Bank Indonesia in October 2018, in Bali, Indonesia.

Broadening Ties with Peer Institutions

Building on the momentum of institutionalizing collaboration with peer institutions in 2017, AMRO continued to deepen links with existing partners and established links with new partners, amplifying the impact and reach of its work.

In October, AMRO signed a Memorandum of Understanding (MoU) with FLAR in Singapore. The MoU provides a general framework to strengthen AMRO-FLAR collaboration on issues of common interest through joint activities, technical cooperation, joint research and capacity building. Given the momentum for RFSNs to enhance their roles in the GFSN, this MoU marks an important step in promoting cooperation among

regional organizations, with the aim of contributing to financial stability and crisis management.

The academic community presents a valuable partner for information and knowledge exchange. AMRO's signing of an MoU with the Graduate School of Public Policy of the University of Tokyo (GraSPP) in November 2018 is expected to encourage the development of academic exchanges, and joint research and events in areas of mutual interest. This is AMRO's first MoU with an academic institution. Going forward, AMRO will continue to pursue similar relationships with the aim of boosting its ability in fulfilling its mandate.

AMRO also started delivering lectures at the sidelines of its Annual Consultation Visits and other visits to member economies, in a bid to deepen relations with the region's academic

community. Twelve public lectures were conducted during the year in Brunei, China, Indonesia, Japan, Korea, and Thailand. Such engagements facilitate information and knowledge exchange, enriching discussions with diverse views from different backgrounds.

Another notable achievement in 2018 is the EC's approval of AMRO's Policy on Document Exchange with other International Organizations. This document defines what, when, how, and with whom AMRO can engage in document exchange. Given the importance of information sharing and exchange to AMRO's work, this policy supports AMRO in fulfilling its mandate by providing policy guidance for document exchange, as well as broadening collaboration in the area of information exchange.

OUTREACH AND VISIBILITY

As a newly-established international organization, AMRO is keen to strengthen its international presence and reputation, especially in the area of macroeconomic and financial surveillance and research. Throughout 2018, AMRO intensified its outreach efforts by increasing its participation in, and organization of events in the ASEAN+3 region and beyond to reinforce its position as a premier macroeconomic and financial surveillance organization and a leading voice in the ASEAN+3 region. AMRO also made more of its intellectual products and operational information accessible to stakeholders and the wider public, hence, raising its voice and visibility on several fronts.

Building upon the regulations set out in the Communications Policy and the amended Publication Policy, AMRO developed its Communications Strategy to provide clear directions and strategic approaches for the design and execution of its communication and outreach initiatives.

Collaborating to Raise AMRO's Voice on the Global and Regional Stage

AMRO actively organized and participated in regional events and forums, widening its outreach and networks and raising its visibility, voice and role on the regional and global stage. This resulted in an eventful year for AMRO in 2018, with several events taking place each month.

In January, AMRO presented preliminary findings of its study on resilience and growth in the face of regional structural challenges at the 5th AMRO-IMF Joint Seminar in Singapore. AMRO also participated in the Shanghai International Financial Conference in the same month.

At the invitation of ASEAN, AMRO took part in the ASEAN Senior Level Committee (SLC) discussion on Financial Integration

in Brunei, and spoke as a panelist at the IMF-BI High-level International Conference, with the theme "New Growth Models in a Changing Landscape" in Jakarta, Indonesia in February.

In March, AMRO participated in the China Development Forum in Beijing, China.

The following month, AMRO was invited to the 8th World Bank-Singapore Infrastructure Finance Summit in Singapore and 13th Asia-Europe Finance Ministers' Meeting in Sofia, Bulgaria.

In May, AMRO and BSP co-organized a seminar with the theme "Asia's Emergence in the New World Order: Growth, Integration, and Resilience" at the sidelines of the AFMGM+3 in Manila, Philippines. In the seminar, AMRO presented key findings from its flagship report, AREO 2018, setting the context for discussion. More than 120 high-level policymakers and representatives from ASEAN+3, international organizations, and academic institutions participated in an engaging and fruitful discussion on how the regional economies have been able to develop into one of the most dynamic regions in the global economy while remaining open to trade and investment, and managing emerging risks and challenges.

Other events in May included the 2nd RFA Seminar in Cartagena, Colombia, and the New Development Bank Annual Meeting in Shanghai, China.

The month of June kicked off with AMRO's participation in the Lujiazui Forum in Shanghai, China. Other events that AMRO attended during the month included the G20 International Financial Architecture

Working Group (IFA WG) in Seoul, Korea, and the 3rd Asian Infrastructure Investment Bank (AIIB) Annual Meeting "Mobilizing Finance for Infrastructure: Innovation and Collaboration" in Mumbai, India.

In July, AMRO co-organized the 6th Asian Regional Roundtable with ADB/ADBI, Economic Research Institute for ASEAN and East Asia (ERIA) and OECD. This Roundtable convened leading experts from Asia and the OECD to discuss the potential and implications of technology on economic growth in the region.

Meanwhile, in August, AMRO participated in an ADB Workshop on "Strengthening Regional Surveillance and Financial Safety Net Mechanisms in Asia" in Manila, Philippines.

In October, AMRO capitalized on the IMF-WB Annual Meetings in Bali, Indonesia, to co-organize back-to-back events with several partners. The first of these was a workshop jointly organized with Boston University and Kyoto University on "Scaling Up and Leveraging Regional Surveillance" in Singapore. Another event that took place at the sidelines in Bali was the 3rd RFA High-level Dialogue co-organized by AMRO, ESM and FLAR. The event saw Singapore's Deputy Prime Minister Mr Tharman Shanmugaratnam share his insights on ways to enhance the resilience of the GFSN to better support countries during global liquidity shocks. AMRO also jointly convened a High-level Policy Dialogue on "Regional Cooperation to Support Innovation, Inclusion, and Stability in Asia" with ADB and BI. Distinguished panelists – comprising ADB President



AMRO Director Dr Junhong Chang delivers the opening remarks at AMRO-BSP joint seminar with the theme "Asia's Emergence in the New World Order: Growth, Integration, and Resilience" in May 2018 in Manila, Philippines.

Mr Takehiko Nakao, Bank of Thailand (BOT) Governor Mr Veerathai Santiprabhob, National Bank of Cambodia (NBC) Deputy Governor Madam Neav Chanthana, BSP Deputy Governor Mr Diwa Guinigundo, Women's World Banking President and Chief Executive Officer Ms Mary Ellen Iskenderian, MAS Managing Director Mr Ravi Menon, and Bank Negara Malaysia (BNM) Deputy Governor Mr Abdul Rasheed – discussed ways to harness the potential of new technologies for inclusive growth, and respond to emerging challenges posed by fintech.

Also in Bali, AMRO participated in a number of events organized by other international organizations and the private sector on various topics pertinent to regional macroeconomic and financial developments, including debt sustainability analysis, trade, neo-protectionism, financial risks and safety nets, and the Belt and Road Initiative.

Besides the Bali events, AMRO also teamed up with the Ministry of Finance of China and the People's Bank of China (PBC) to co-organize a High-level Forum on the "40th Anniversary of China's Reform and Opening Up: Progress, Prospects and Impacts on the East Asia Region" in Beijing, China, in October. One of the first and largest international conferences to commemorate China's reform journey and its impact on the region, the Forum used AMRO's staff working paper titled, "*China's Reform and Opening-up: Experiences, Prospects and Implications for ASEAN*" as a background document for discussion. Panelists at this High-level Forum included high-level policymakers from China and the ASEAN+3 region, prominent academics, senior representatives from international organizations and the private sector.

Subsequently in November, AMRO partnered with the ISEAS-Yusof Ishak Institute to hold a seminar in Singapore on the same topic to further disseminate the study and facilitate the discussion in a regional context. The initiative reinforced AMRO's role in leading discussions on topics pertinent to regional economic developments.

In the same month, AMRO, ADBI and Korea Development Institute (KDI) co-organized a High-level Policy Forum



With the theme "Voyage in Growing Uncertainties," the ATFF 2018 discusses growing challenges faced by the ASEAN+3 region, including increasing trade protectionism, tightening financial conditions, and the new technological revolution, as well as policy recommendations.

on "Aging Populations and the Impact of Fiscal Sustainability in China, Japan and Korea" in Tokyo, Japan. This Forum brought together policymakers and experts from across the region to share their experience in addressing challenges arising from an aging population.

AMRO wrapped up the year on a high note. In December, the 2018 ASEAN+3 Financial Forum (ATFF) themed "Voyage in Growing Uncertainties" was held back-to-back with the AFCDM+3 in Busan, Korea. The third installment of this high-level event saw engaging and illuminating discussions among ASEAN+3 Deputies, academics and high-level representatives from IFIs and other multilateral organizations. The full-day program focused on how ASEAN+3 members have continued to sustain growth and stability in the face of growing uncertainties, including global trade issues and tightening financial conditions. In this context, the Forum discussed the future of ASEAN+3 regional financial cooperation, with a focus on enhancing the region's financing arrangement – the CMIM – and its contribution to the GFSN. AMRO, as the ATFF organizer, also contributed to the discussion by providing two introductory presentations on the ASEAN+3 regional economic outlook and possible evolution path of the CMIM in the future.

AMRO closed the year by partnering with the IMF and MAS to convene a seminar under the theme "*Macroeconomic Prospects and Challenges in ASEAN: Monetary Framework in the New Normal*".

Enhancing Accessibility of AMRO's Knowledge Products

In 2018, AMRO continued to explore effective ways to disseminate its knowledge products to better serve its audience in the ASEAN+3 region and beyond.

AMRO saw a greater turnout and more engaged audience at the launch of its second edition of the flagship report – AREO – in May in Manila, Philippines as well as subsequent roadshows in China, Indonesia, Singapore, Thailand and Vietnam. For the first time, AMRO published AREO 2018 in three local languages – Chinese, Lao, and Myanmar. This is in line with AMRO's commitment to make its publications more relevant and accessible to a larger audience in member economies. This also helped increase the visibility and reach of AMRO's materials on the Internet.

In 2018, AMRO also published 19 reports and thematic studies, a significant increase from seven in 2017. These included the AREO 2018, four Annual Consultation Reports for 2018, seven Annual Consultations Report for 2017, six thematic studies on various subjects, and the Annual Report 2017.

In October, for the first time, AMRO held a press conference to launch an Annual Consultation Report in Myanmar. The event helped to increase dissemination of the report in the local market, enhancing the public's awareness of AMRO and CMIM.

Strengthening Engagement with the Media

As a relatively young organization, AMRO has identified media coverage to be the key focus of its public communications in the initial stage. In 2018, AMRO was able to maintain a continuous high level of exposure in international, regional, and domestic media, through a proactive media relations strategy. These approaches helped facilitate the flow of information and knowledge between AMRO and its target audience.

During the year, AMRO Director Dr Junhong Chang and the management team were featured in numerous interviews with prominent media outlets. In addition, AMRO's reports and analyses were cited in more than 500 news articles in both English and Asian local languages. International and local media that carried stories about AMRO included Bloomberg, Reuters, the Nikkei, the Business Times, Xinhua News, the BusinessWorld, the Nation, and Vietnam Television, to name a few. AMRO Chief Economist, Dr Hoe Ee Khor also spoke on live interviews on Bloomberg TV and Channel News Asia, and joined the Dialogue talk show on China Global Television Network.

To facilitate thought leadership, AMRO actively pitched op-eds on both regional and country-specific issues to regional and local newspapers. Throughout the year, AMRO published nine opinion pieces. For example, in May, AMRO Director, Dr Chang co-authored an opinion article titled "*Can Services Become the New Driver of Growth in Asia?*" with BSP Governor Mr Nestor A. Espenilla, Jr. for publication in the BusinessWorld. In the same month, AMRO Chief Economist, Dr Khor published the op-ed "*US Unilateral Protectionism Casts a Long Shadow*" in the Nikkei Asian Review. In October, AMRO Deputy Director, Mr Yasuto Watanabe contributed the article "*Preparing Asia for the Next Financial Crisis*" to the East Asia Forum Quarterly. In the same month, AMRO staff published an op-ed on the manufacturing sector as a growth engine in the Myanmar Times and two articles on China's reforms and opening-up in the Business Times and People's Daily.

Increasing AMRO's Online Presence

Digital communications – including websites, multimedia platforms, and social media – are changing the way people form opinions, exchange ideas, and shape agendas. Fully aware of the role of new media, AMRO actively explores novel ways in reaching out to, and interacting with its audience. AMRO's principal vehicle in this regard is its website, which provides primary information for external audiences. Other online platforms are also being developed as means to expand reach and interaction.

In April, AMRO launched its corporate LinkedIn Page, with the aim of interacting with professionals in economic, financial, and public policy industries, and attracting potential talents.

In September, following comprehensive consultations with both external and internal users, AMRO launched a revamped website with new functions and user-friendly design that allows easy access to the wealth of information. One example is the tagging of each member economy to a dedicated page where all stories and reports related to that particular economy can be found. During the year, AMRO published 46 press

releases, nine feature stories, and two infographics. This drew 140,500 page views, a growth of almost 40% from the previous year.

Launched in 2017, AMRO's blog page "*Economic Insights*" has become a regular platform for AMRO staff to share insights on pressing economic issues. The number of blogs published on the site increased from three in the previous year to 12 in 2018, signifying AMRO staff's growing efforts in exchanging views and engaging in open discussions with the public. Some of the blogs were picked up and republished in local newspapers.

In September, AMRO also started circulating its electronic monthly newsletters to interested parties, including member authorities, market participants, academia, and other international organizations, to keep them informed of its main events and products.



AMRO Website

140,500
page views



AMRO Chief Economist Dr Hoe Ee Khor (left) shares his views on regional economic prospects and risks in a live interview with Bloomberg TV Philippines in May 2018, in Manila, Philippines.

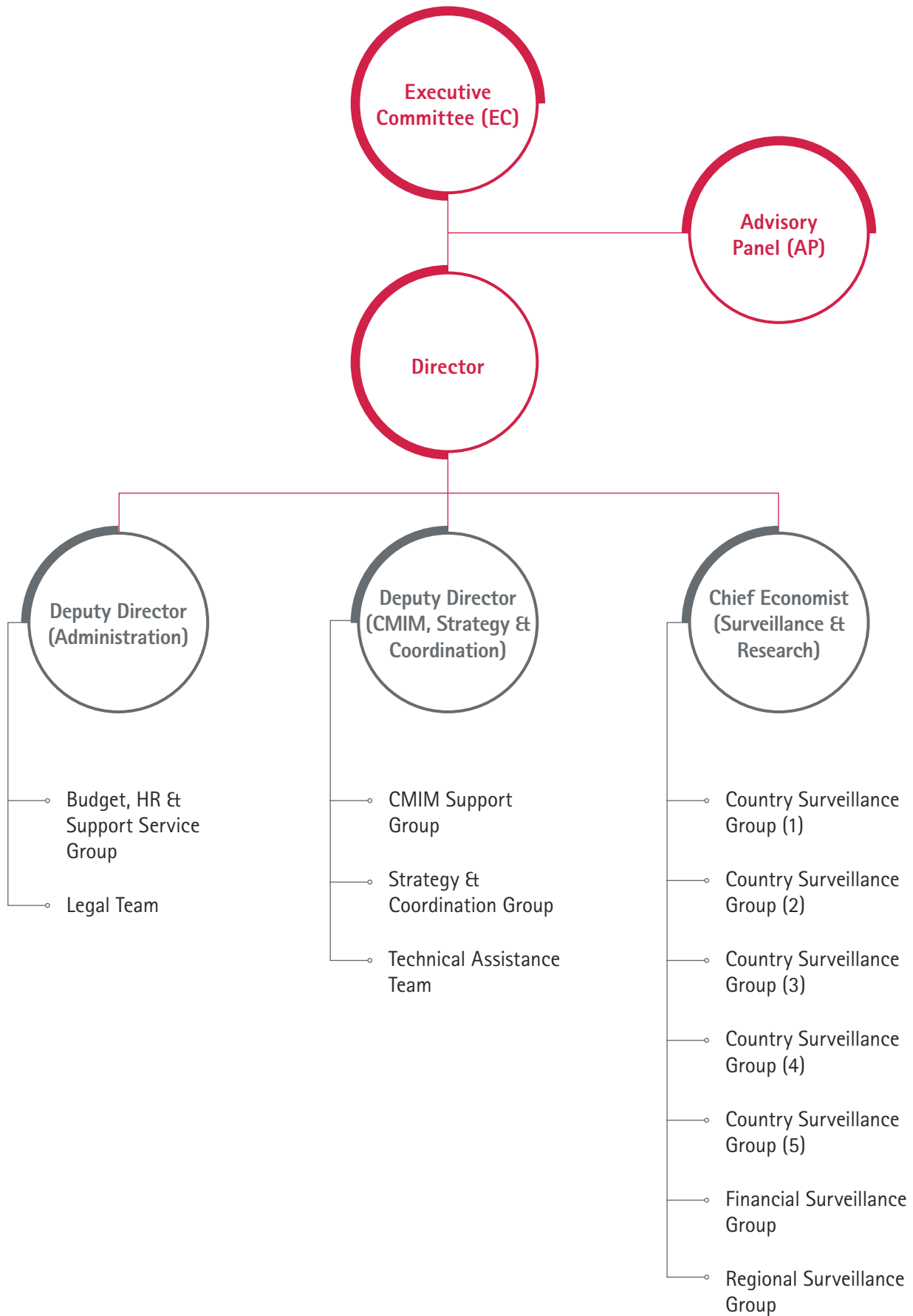
MEMBERS AND VOTING POWER

		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
Plus 3			80.00	9.60	192.00	201.60	71.59
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
ASEAN			20.00	32.00	48.00	80.00	28.41
Total			100.00	41.60	240.00	281.60	100.00

EXECUTIVE COMMITTEE MEMBERS

Country	Organization	Name	Designation
Brunei Darussalam	Ministry of Finance and Economy	May Faezah Ahmad Arriffin	Permanent Secretary (Economy)
	Autoriti Monetari Brunei Darussalam	Mardini Eddie	Assistant 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	Eddie Yue	Deputy Chief Executive
Indonesia	Ministry of Finance	Suahasil Nazara	Deputy Minister
	Bank Indonesia	Dody Budi Waluyo	Deputy Governor
Japan	Ministry of Finance	Masatsugu Asakawa	Vice Minister
	Bank of Japan	Tomoyuki Fukumoto	Deputy Director-General for Asian Affairs
Korea	Ministry of Economy and Finance	Yoon Kyung Kim	Director-General
	Bank of Korea	Sangdai Ryoo	Deputy Governor
Lao PDR	Ministry of Finance	Viengkeo Sila	Deputy Minister
	Bank of the Lao PDR	Vathana Dalaloy	Deputy Governor
Malaysia	Ministry of Finance	Datuk Siti Zauyah binti Md. Desa	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	Diwa C. Guinigundo	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

1. Dr Mohamad Ikhsan

Advisory Panel Chair

Dr Mohamad Ikhsan is the Advisor to the Vice President of the Republic of Indonesia. Earlier he was special advisor to the Coordinating Minister for Economic Affairs. He is concurrently a professor of economics at the University of Indonesia. In addition to being a member of Policy Advisory Committee at AMRO, he is also a member of Policy Advisory Committee at Asian Development Bank Institute (ADBI) in Tokyo. He was also a member of the Board of Trustee for International Food Policy Research Institute (IFPRI), Washington DC, from 2008 to 2014.

Dr Ikhsan also serves as a non-executive board member at several state owned enterprises and private companies. Before joining the government, he was the director for the Institute of Economics and Social Research University of Indonesia. He has doctorate in Economics from the University of Illinois at Urbana-Champaign, USA and a Master's Degree in Economics from Vanderbilt University in Nashville, Tennessee, USA. He obtained his Bachelor in Economics from University of Indonesia.

2. Dr Akira Ariyoshi

Advisory Panel Member

Dr Akira Ariyoshi is Professor, School of International and Public Policy, Hitotsubashi University. Dr Ariyoshi has extensive experience with the Japanese Government and international financial institutions in macroeconomic and financial regulatory policies, including as Director of the Regional Office for Asia and the Pacific of the International Monetary Fund (IMF), Deputy Vice-Minister for International Affairs at the Japanese Ministry of Finance and Director of the Legal and Planning Division at the Japanese Financial Services Agency.

Dr Ariyoshi is the President of Japan Risk Forum, a non-profit organization of Chief Risk Officers (CROs) and risk specialists. He also serves on the Risk Committee of Mitsubishi-UFJ Financial Group. He is a graduate of Tokyo University and holds a doctorate in Economics from Oxford University.

3. Dr Maria Socorro Gochoco-Bautista

Advisory Panel Member

Dr Maria Socorro Gochoco-Bautista is the Bangko Sentral ng Pilipinas 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 also previously 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.

More recently, Dr Gochoco-Bautista spent five years as Senior Economic Advisor in the Office of the Chief Economist at the Asian Development Bank's (ADB) 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. Dr Gochoco-Bautista received a Bachelor in Economics, Magna cum laude and Phi Beta Kappa, from Mount Holyoke College, and holds a doctorate in Economics from Columbia University.

4. Dr Eun-Bo Jeong

Advisory Panel Member

Dr Eun-Bo Jeong is currently a Visiting Fellow of the Korea Capital Market Institute in Seoul, Korea. He has served as a Korean government official for

more than three decades. He has vast experience 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 Finance and Economy of Korea (MFE). Before that, he held the positions of Deputy Director General of International Finance at the MFE and, subsequently, Director General of Financial Policy at the FSC.

Dr Jeong hold a doctorate and Master's degree in Economics from the Ohio State University, USA. He also received a Master's degree in Business Administration and a Bachelor's degree in Business from Seoul National University in Seoul, Korea.

5. Dr Feng Lu

Advisory Panel Member

Dr Feng Lu is currently Professor of Economics at the National School of Development (NSD) at Peking University, China, where he teaches courses in Macroeconomics, Principles of Economics, and Managerial Economics. He once served as former Deputy Dean of NSD. He has conducted extensive studies on issues related to China's open macro-economy, including the exchange rate, external imbalance, capital return, food security and agricultural development.

Dr Lu has published more than 40 academic papers in both Chinese and English journals, six academic books and numerous magazine articles. Dr Lu serves as an advisor and a member of expert groups for various China government agencies such as Ministry of Finance, Ministry of Human Resources and Social Security, and People's Bank of China. Dr Lu was the founding editor of "China Economic Journal", the official English journal for China Center for Economic Research at Peking University.

6. Dr Bandid Nijathaworn

Advisory Panel Member

Dr Bandid Nijathaworn is presently Visiting Professor, Hitotsubashi University, Tokyo, Japan, and member of the Council of trustees and the board of directors of Thailand Development Research Institute.

Dr Bandid is a well-known economist with many years of experience in macroeconomics. He left the Bank of Thailand in November 2010 – after a tenure of 20 years and his last held position was Deputy Governor – to work on improving Thailand's corporate governance and manage the country's private sector anti-corruption initiative under the capacity of President and Chief Executive Officer of the Thai Institute of Directors.

7. Mr Kyung Wook Hur

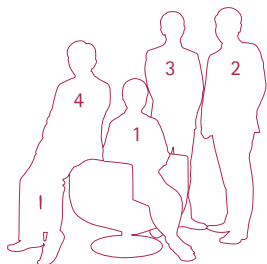
Advisory Panel Member

Mr Kyung Wook Hur is a Senior Advisor at Bae, Kim & Lee LLC (BKL) and the chief advisor of the KSP program of KDI to India. He is also the chair of advisory board for CFA Society Korea. Previously, Mr Hur served as Director for International Finance Bureau and Deputy Vice Minister of International Finance for the Ministry of Strategy and Finance, Korea, Secretary of National Affairs for the Office of President (Blue House), First Vice Minister of Strategy and Finance, and Ambassador Extraordinary and Plenipotentiary of Korea to the Organization for Economic Co-operation and Development (OECD). During which time, he also delivered lectures as a Visiting Professor at Seoul National University Graduate School of International Studies and at KDI School of Public Policy and Management.

Mr Hur has extensive experience in policy making and implementation, as well as deep knowledge of the Korean economy, international economy, and international finance.



SENIOR MANAGEMENT TEAM



1. Dr Junhong Chang *AMRO Director*

Dr Junhong Chang became the third director of AMRO in May 2016.

Dr Chang's career in public and international public service spans over two decades. This has provided her with rich experiences in regional and multilateral economic and financial fora, as well as profound insights on the global economy, international finance, international development, and regional financial cooperation.

Prior to her appointment in AMRO, Dr Chang served as Deputy Director General of the Department of International Economic Relations in the Ministry of Finance (MOF) of China. From 2011

to 2015, she had been responsible for China's engagement in multilateral platforms such as the G20, APEC and ASEAN+3, as well as bilateral economic and financial dialogues with other major economies. Dr Chang has also held several senior positions in international financial institutions, including Alternate Executive Director for China at the World Bank Group between 2009 and 2010 and Advisor to the Executive Director for China at the Asian Development Bank from 2002 to 2004.

Dr Chang holds a Ph.D. in Economics from the Institute of Asia Pacific Studies of the Chinese Academy of Social Sciences (CASS) and a Master of Engineering from the Management School of Tianjin University, China.



2. Mr Byungseo Yoo

AMRO Deputy Director (Administration)

Mr Yoo assumed the position of AMRO Deputy Director in September 2017. He is responsible for Administration including Human Resource management, budget, and legal affairs.

Mr Yoo has more than 20 years of high-level work experience in the fields of planning and budget, international finance and development since he began his career as a government official in 1995. Prior to joining AMRO, he served in the Office of the President (Cheong Wa Dae) as Chief Assistant Secretary to the President for Planning in 2016 and 2017 as well as the President for Economic and Financial Policy in 2012 and 2013. He also

held various key positions in the Ministry of Strategy and Finance, Korea, including Senior Director of the Welfare, Land and Transportation, and Education Budget Divisions in the Budget Office from 2013 to 2016. During the tenure, he was in charge of various areas, including setting the Korean national strategy, national budget formulation and coordination, macroeconomic policies, and international cooperation and official development assistance (ODA) policy.

Mr Yoo also worked as Senior Economist for the Japan and Korea Desk in the department of Economics at the Organisation for Economic Co-operation and Development (OECD) in France between 2009 and 2012, where he was involved in OECD Economic Outlook and Surveys.

Mr Yoo holds a Master of Science in Industrial Administration from Krannert Graduate School of Management, Purdue University, USA and a Bachelor's degree of Economics in Seoul National University.

3. Mr Yasuto Watanabe

AMRO Deputy Director (CMIM, Strategy and Coordination)

Mr Watanabe assumed the position of AMRO Deputy Director, responsible for CMIM support, strategy and coordination, in June 2016.

He brings more than 25 years of extensive experiences in the fields of international finance and development finance, regional financial cooperation and financial regulation since the beginning of his career at the Ministry of Finance, Japan, in 1992. Before joining AMRO, Mr Watanabe served as Assistant Commissioner of the Financial Services Agency, Japan until 2016 and had oversight of international cooperation, international financial markets, financial reporting issues and trade negotiations. He was the lead negotiator for the Trans-Pacific Partnership (TPP), and was also involved in Regional Comprehensive Economic Partnership (RCEP), and Trade in Services Agreement (TiSA/WTO).

Mr Watanabe held board membership positions at Multilateral Development Banks Boards. He was an Alternate

Executive Director at the Asian Development Bank from 2008 to 2011 and Senior Counselor at the Inter-American Development Bank from 1998 to 2001. In addition, he served as the Vice Chairman of the sixth policy committee of the International Organization of Securities Commissions (IOSCO) from 2014 to 2016.

Mr Watanabe holds a Master of Arts in International/Development Economics from Yale University, and Bachelor degrees in Economics and Management from the University of Tokyo.

4. Dr Hoe Ee Khor

AMRO Chief Economist

Dr Hoe Ee Khor is the Chief Economist of AMRO. He is responsible for overseeing and conducting macroeconomic and financial market surveillance for the ASEAN+3 region and its member economies. He is also a member of the senior management team responsible for setting the strategic direction and work program of AMRO.

Prior to joining AMRO, Dr Khor was a Deputy Director of the Asia and Pacific Department (APD) at the IMF. He was in charge of overseeing surveillance work on six ASEAN and 12 Pacific Island countries. Dr Khor started his career as an economist at the IMF in 1981 and has experience working with economies in the Western Hemisphere, Asia and Pacific. He was the IMF's Deputy Resident Representative in China between 1991 and 1993.

Dr Khor also served at the Monetary Authority of Singapore (MAS) from 1996 to 2009 holding the position of Assistant Managing Director from 2001 to 2009. He was responsible for economic research, monetary policy, macro-financial surveillance, and international relations. After his stint at MAS, Dr Khor went on to become Head of Economic Development and Chief Economist at the Abu Dhabi Council for Economic Development (ADCED) from 2009 to 2010. Dr Khor obtained his Bachelor in Economics/Mathematics from the University of Rochester and Ph.D. in Economics from Princeton University.



**AMRO
FAMILY**





ABBREVIATIONS

AMRO	ASEAN+3 Macroeconomic Research Office	GFSN	Global Financial Safety Net
ADB	Asian Development Bank	GraSPP	Graduate School of Public Policy of the University of Tokyo
ADBI	Asian Development Bank Institute	HR	Human Resource
ADCED	Abu Dhabi Council for Economic Development	IFA WG	International Financial Architecture Working Group
AFCDM+3	ASEAN+3 Finance and Central Bank Deputies' Meeting	IFI	International Financial Institution
AFMGM+3	ASEAN+3 Finance Ministers' and Central Bank Governors' Meeting	IFPRI	International Food Policy Research Institute
AIB	Asian Infrastructure Investment Bank	IFRS	International Financial Reporting Standards
AREO	ASEAN+3 Regional Economic Outlook	ILOAT	International Labor Organization Administrative Tribunal
ARTEMIS	AMRO Regional Tracker for the ERP Matrix Indicator Scorecard	IMF	International Monetary Fund
ASEAN	Southeast Asian Nations	IOSCO	International Organization of Securities Commissions
ATFF	ASEAN+3 Financial Forum	JMOF	Ministry of Finance of Japan
AWC	AMRO Working Committee	KDI	Korea Development Institute
BI	Bank Indonesia	KMOEF	Ministry of Economy and Finance of Korea
BNM	Bank Negara Malaysia	MAS	Monetary Authority of Singapore
BOT	Bank of Thailand	MOPF	Ministry of Planning and Finance of Myanmar
BSP	Bangko Sentral ng Pilipinas	MoU	Memorandum of Understanding
CASS	Chinese Academy of Social Sciences	NBC	National Bank of Cambodia
CLMV	Cambodia, Lao PDR, Myanmar and Vietnam	ODA	Official Development Assistance
CMIM	Chiang Mai Initiative Multilateralisation	OECD	Economic Co-operation and Development
CMIM-PL	Chiang Mai Initiative Multilateralisation Precautionary Line	OG	Operational Guidelines
CMOF	Ministry of Finance of China	PBC	People's Bank of China
CRO	Credit Risk Officer	PEF	Performance Evaluation Framework
EC	Executive Committee	RBM	Results-based Management
ELDMB	Executive Level Decision Making Body	RCEP	Regional Comprehensive Economic Partnership
ERIA	Economic Research Institute for ASEAN and East Asia	RCP	Research Collaboration Program
ERPD	Economic Review and Policy Dialogue	RFA	Regional Financing Agreement
ESM	European Stability Mechanism	RFSN	Regional Financial Safety Net
ESP	Expanded Secondment Program	SLC	Senior Level Committee
FLAR	Fondo Latinoamericano de Reservas	STI	IMF-Singapore Regional Training Institute
FSC	Financial Service Commission of Korea	TA	Technical Assistance
G20	Group of Twenty	TISA/WTO	Trade in Services Agreement
		TNA	Training Needs Analysis
		TPP	Trans-Pacific Partnership

This report is a product of the Director and staff of AMRO and has been approved by the Executive Committee. Any interpretations or conclusions expressed are not necessarily those of the AMRO members. By making any designation of or reference to a particular territory or geographical area, or by using the term "member" or "country" in this report, AMRO does not intend to make any judgments as to the legal or other status of any territory or area.

Nothing herein shall constitute or be considered to be a limitation upon or waiver of the privileges and immunities of AMRO, all of which are specifically reserved.

This report contains highlights of the audited financial statements as at 31 December 2018, and the summary of the independent auditor's report in respect of their audit concerning these financial statements.

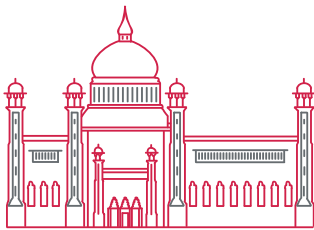
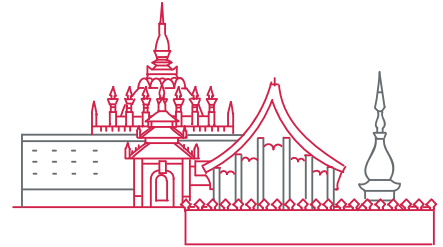
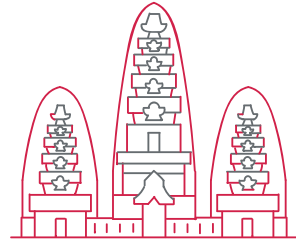
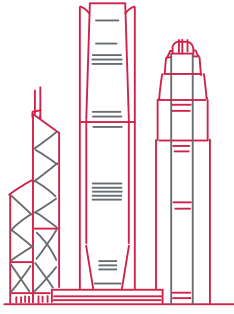
The factual information and the description of AMRO policies and activities cover the year 2018, except when stated otherwise.

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