



CHAPTER 3

CATERING TO MEMBERS' NEEDS: PROGRESS UNDER THE TA PROGRAM

The third and final core function of AMRO is capacity-building in member economies through a TA program. AMRO's TA is tailored to the needs and economic profiles of members, taking into account, among other things, a member's developmental stage and policy priorities. It is provided through various modalities: consultancy, training courses/seminars, secondment programs and research collaborations.

In 2022, AMRO's TA activities were well-aligned with the strategic direction of MTIP. In response to an increase in requests for TAs from members, the TA program expanded rapidly. In order to make TA operations more strategic, systematic and streamlined, the TA framework was established.

Due to travel restrictions as a result of the pandemic, it was difficult to conduct the TA program in-person. Hence, AMRO delivered the consultancy program online and conducted virtual webinars, which allowed for a wider audience. AMRO aims to conduct more in-person TA programs in 2023.

AMRO staff also accelerated coordination with external stakeholders to organize joint events. A key achievement of 2022 was the completion of the History Book project titled, [Trauma to Triumph: Rising from the Ashes of the Asian Financial Crisis](#), which was published in hard and soft copies.

The first decade set a foundation for the TA program to be scaled up and managed strategically. This fostered internal collaboration and engagement with other IOs and research institutions. In the coming years, AMRO will keep strategizing TA development, while also enhancing its TA capacity and trust funds management. AMRO's TA activities will continue to be scaled up across different programs in response to members' TA requests so that their needs are met in a timely manner.

CONSULTANCY PROGRAMS

In 2022, AMRO initiated two consultancy programs. The first was a project for BOL, which included a Bank Risk Assessment and Analysis, a Bank Stability Rating Scorecard, a Liquidity Stress Testing Follow-up (second phase), and a BOL-Interbank Liquidity and Funding analysis.

BOL is moving toward a Risk-Based Supervisory approach, as part of its transition to Basel II/III. It had requested AMRO's TA team to assist on a project to help build a bank risk assessment scorecard model for their supervisors to identify problem portfolios, sectors or banks, allowing them to focus on areas of key risk.

TABLE: UTILIZATION OF TA TRUST FUNDS IN 2022 (USD'000)

	CMOF	JMOF	KMOEF
Secondment Program	403	810	39
Consultancy	45	160	-
Research Collaboration	49	290	119
Conferences and Seminars	-	4	-
Others	5	5	5
Total Expenditure	502	1,269	163

The consultants have developed the scorecard and BOL has tested it using data from five banks. The model is undergoing a final calibration process, after which BOL staff will receive training on its use and application. The scorecard will then be rolled out across the banking sector.

The second program was a study on MSME financing in Cambodia for the Ministry of Economy and Finance of Cambodia (CMOEF). Two consultants and one TA advisor were hired to jointly conduct this project. Based on an assessment of the current status, an econometric analysis and a case study, this program sought to design financing mechanisms to increase MSMEs' access to formal finance in Cambodia during the COVID-19 recovery period. These projects guide AMRO in identifying recipient authorities' needs and requests, as well as cultivating new consultancy projects.

TRAINING COURSES/SEMINARS

Throughout the year, AMRO held regular training seminars, including the *AMRO Tool Time* series, which provided an opportunity to share AMRO staff's new automated analytical tools and datasets that were uploaded to [ARTEMIS](#).

In order to better understand and tackle the urgent issue of climate change, AMRO held brownbag seminars for its members and staff on climate risk-related issues. A discussion was held with Asia

Research & Engagement, which undertook a climate risk survey of leading banks in Asia. Another discussion was held with the Head of Climate Hub at the Bank of England (BoE), where they delved into BoE's latest climate stress test. By understanding its methodology and results, attendees were better able to grasp its implications for banks.

AMRO also continued to jointly organize and contribute to training seminars and workshops organized by peer IOs like the Organisation for Economic Co-operation and Development (OECD), the Asian Development Bank (ADB), the IMF and the South East Asian Central Banks (SEACEN). One such training session was the *AMRO-OECD Fireside Chat*, as part of the OECD's *Forum on Green Finance and Investment* in October 2022, titled, *The Role of Central Banks and Finance Ministers in Greening the Economy in Southeast Asia*. The session featured AMRO's Capacity Development Expert Aziz Durrani and Bangko Sentral ng Pilipinas (BSP)'s Assistant Governor Lyn Javier, who discussed topics like climate risk management in the financial sector, and mobilizing capital for green and low carbon investments in Southeast Asia.

In August 2022, AMRO conducted a webinar on CMIM that included topics such as the use of LCY, Prior Assessment, Margin Structure (RAMP Report and Crisis Premium), Test Run and Future Direction. Finally, on November 29, 2022, [AMRO conducted a training course for Cambodian regulators](#) (see box).

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REBPR greatly appreciates AMRO for going to great lengths to organize a face-to-face training. The materials and discussions were both relevant and interesting, reflecting the experience and expertise of AMRO's technical staff. REBPR and I look forward to continue strengthening our cooperation in the future.”

Chamnan Sieng, Director of Research, Training and Cooperation Department of Real Estate Business & Pawnshop Regulator of Cambodia



SECONDMENT PROGRAMS

AMRO's secondment programs have two objectives: to augment AMRO's capabilities with expertise from its member authorities; and to provide secondees with on-the-job training opportunities to enhance their knowledge and experience in macroeconomic surveillance, CMIM support, and coordination-related work, especially relating to AMRO's ACVs to member economies.

In 2022, AMRO received nine new secondees and hosted 23 secondees in total. By the end of 2022, AMRO hosted a total of 60 secondees across member economies.

The TA allowed secondees to more deeply understand AMRO's institutional operations, and to better

understand the member authorities whom AMRO collaborates with.

RESEARCH COLLABORATIONS

In total, AMRO completed three research collaborations: the *History Book Project*, *Monetary Policy in a Low-inflation and Low-growth Environment* and *Indicator Based Fiscal Sustainability Assessment*. AMRO is currently working on translating the *History Book Project* into multiple languages, including Korean and Japanese. Meanwhile, AMRO is also in the process of implementing new projects, including ASEAN+3 pandemic policy support, financial stability risks and exit strategies, and assessing the impact of climate-related risk on macroeconomic and financial stability.



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AMRO is a melting pot of cultures and races, a testament to the best that our ASEAN+3 region can offer. That melting pot offers progress, to a whole that is greater than the sum of its parts. My competencies have benefited greatly from the penetrative intellectual discourse, entrenched collaborative spirit, and inclusive working climate that continues to define my days in AMRO.”

Aimran Azmir, Bank Negara Malaysia secondee

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AMRO has a positive workplace culture that motivates me to work harder, seize more opportunities and further enhance my understanding of financial cooperation with ASEAN+3 member economies and authorities. Not only is working at AMRO my first on-the-job training experience in an international organization, it is also a place where I built many friendships with people from across the region.

Chanthevivanh Keobounphanh, BOL secondee



A TRAINING SESSION ON CAMBODIA'S REAL ESTATE MARKET

On November 29, 2022, a delegation from Cambodia's Real Estate Business & Pawnshop Regulator (REBPR) visited AMRO to participate in a half-day training course moderated by Jinho Choi, Deputy Group Head and Senior Economist. It consisted of three main components: AMRO's country surveillance framework for Cambodia; assessing key risks in Cambodia's real estate market; macro-prudential surveillance; and a policy framework for the real estate market based on the experiences of other ASEAN+3 countries.

REBPR is a newly established government body under the Non-Bank Financial Services Authority of Cambodia, and the training was provided by AMRO economists as part of its TA activities. By opening a dialog with REBPR, AMRO was able to create an opportunity for both organizations to exchange views on key areas of weakness in Cambodia's real estate sector supervision. As emphasised by Tetsuya Utamura, AMRO Deputy Director, this mutual learning is extremely valuable.

