

MESSAGE FROM 2019 CO-CHAIRS OF THE EXECUTIVE COMMITTEE



JIAYI ZOU
Vice Minister,
Ministry of Finance of China



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

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

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

This year witnessed the smooth transition of AMRO's Senior



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Permanent Secretary,
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MATHEE SUPAPONGSE
Deputy Governor,
Bank of Thailand

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

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

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

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

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

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

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

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

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