

-MESSAGE FROM AMRO DIRECTOR-



The year 2020 witnessed the world we live in transformed by the COVID-19 pandemic, the crisis of our generation. In one year, the outbreak tragically infected over 80 million people and claimed around 1.8 million lives. The massive shock of the pandemic and the large-scale containment measures have plunged the global economy into its worst recession since the Great Depression.

The ASEAN+3 region is not an exception. However, thanks to the policy buffers and reserves that ASEAN+3 policymakers have built up since the Asian Financial Crisis, governments have been able to introduce extraordinary measures to mitigate the impact of the pandemic. They have strengthened healthcare systems and deployed stimulus packages to support households, businesses, and the financial system.

Although the situation remains uncertain, we expect the region to witness a strong recovery in 2021 as vaccines are rolled out and economic activity gradually resumes.

Against this backdrop, “Stronger Together” is selected as the theme for AMRO’s 2020 Annual Report. It commends the collective efforts in building up resilience in the past 20 years, which has helped the region to emerge stronger out of

this pandemic. It is also my sincere hope that the ASEAN+3 finance cooperation process, which saw several milestone achievements in 2020, will continue to grow stronger, under the solid partnership of our member authorities, together with AMRO.

The 2020 Annual Report particularly emphasizes how AMRO navigated the disruptions posed by the pandemic to achieve our objectives. In March 2020, AMRO put in place a special business continuity plan that allowed us to continue to fulfill our responsibilities while ensuring the safety of our staff and community. Although the pandemic impacted AMRO’s operations, we were able to swiftly reprioritize our work programs to better support our members.

AMRO’s mandate—to contribute to securing the macroeconomic and financial stability in the ASEAN+3 region—was made crystal clear from day one, and we are fully committed to performing the duty of a capable and trusted “family doctor” to our member economies.

Since I assumed this position, one of my priorities has been to enhance the CMIM’s operational readiness; we worked

closely with the Co-chairs throughout the year to amend the CMIM Agreement and Operational Guidelines, and with the International Monetary Fund (IMF) to fine-tune the operational framework to ensure smooth co-financing.

Today, persisting global uncertainties and the region’s continuing integration with the global economy have highlighted the importance of the CMIM, which sits at the center of the ASEAN+3 financial safety net. At the ASEAN+3 Finance Ministers and Central Bank Governors’ Meeting in September 2020, the Ministers and Governors reached a historic consensus, allowing, first, members to access up to 40% of the maximum drawable amount under the CMIM without an IMF financial program, and, second, the option to use local currencies as part of the financing. AMRO is proud to have played a role in supporting these developments.

In terms of regional macroeconomic surveillance, we have intensified our efforts to provide timely analyses, risk assessments, and policy recommendations. Due to the pandemic and border restrictions, the schedules for annual consultation visits to member economies were disrupted. Nevertheless, the pace of our consultations has picked up, thanks to digital technology. In order to inform economic policies in the region amid the COVID-19 crisis, AMRO boosted research activities and deepened our analytical capabilities by developing new surveillance tools. We issued a series of analytical products, including ones to provide more timely analyses and information on the latest COVID-19 situations.

During any crisis, an efficient stakeholder communication plan is an organizational imperative. To ensure that accurate information is shared in a timely manner, we turned to the virtual space, leveraging digital media and technology to engage with key stakeholders and partners. Our webpage has seen several upgrades, becoming more searchable and user-friendly. The pandemic has also underscored the importance of collaboration to facilitate knowledge exchange and sharing. With this in mind, we renewed our Memorandums of Understanding with the IMF and the Asian Development Bank (ADB), embarked on a joint study with our peer Regional Financing Arrangements (RFAs), and co-organized the annual RFA High-Level Dialogue (HLD) and Research Seminar. We look forward to deepening our engagement with them.

I would like to thank our member authorities for their continued commitment to AMRO. The AMRO Executive

Committee (EC) has approved AMRO’s budget and staffing for 2021, and endorsed the Medium-term Implementation Plan (MTIP): 2021-2025. AMRO welcomed eight new staff in 2020. Our headcount is expected to grow from 66 in 2020 to 75 by the end of 2021. Backed by member authorities’ support and resources, AMRO will be able to better respond to their evolving needs and the challenges from the dynamic external environment.

AMRO is proud to be able to work alongside our member authorities to enhance the relevance and significance of the ASEAN+3 Finance Process for a more resilient, inclusive, and integrated ASEAN+3 region. We took the opportunity to submit a policy note, “ASEAN+3: From Recession to Recovery and Transition to Growth in the ‘New Normal’”, which examines the regional economies’ transition from emergency to recovery in the post-pandemic world, to the ASEAN+3 Leaders’ Summit. We hope to continue playing an active role in supporting the ASEAN+3 Finance Process.

AMRO remains committed to building capability and facilitating knowledge sharing among our member states. Over the past seven years, AMRO has provided targeted technical assistance, tailored to the needs and economic profile of the ASEAN+3 members. Under AMRO’s Technical Assistance program, we continue to welcome secondees from member economies, conduct seminars and trainings, and push on with ongoing projects.

AMRO will continue to work alongside our members to steer the ASEAN+3 region out of this health and economic crisis toward sustainable growth and opportunities in the years ahead.

“We will emerge from the COVID-19 pandemic Stronger Together.”

Doi Toshinori

AMRO Director