



ທະນາຄານແຫ່ງ ສປປ ລາວ  
Bank of the Lao PDR

# NEWS

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BOL

## Lao PDR successfully chaired the ASEAN+3 Finance and Central Bank Deputies' Meeting

### ASEAN+3 FINANCE AND CENTRAL BANK DEPUTIES' MEETING

December 10-11, 2016 Guiyang, P.R.China



Photo: Ministry of Finance, China.

The ASEAN+3 Finance and Central Bank Deputies' Meeting (AFCDM+3) was held in Guiyang, China on the 10<sup>th</sup> and 11<sup>th</sup> of December 2016 under the Co-chairmanship of Lao PDR and China which was the last meeting of the year 2016 under ASEAN+3 Finance and Banking Cooperation Framework. The meeting was co-chaired by Mrs. Thipphakone Chanthavongsa, Deputy Finance Minister of Lao PDR and Mrs. Vathana Dalaloy, Deputy Governor of Bank of the Lao PDR, Dr.

Shi Yaobin, Deputy Finance Minister of China and Mr. Yin Yong, Assistant Governor of the People's Bank of China. Almost 150 delegates from ASEAN+3 countries including Hong Kong, ASEAN Secretariat, Directors and Deputy Directors from international financial institutions namely ASEAN+3 Macroeconomic Research Office (AMRO), International Monetary Fund (IMF), Asian Development Bank (ADB) and Credit Guarantee and Investment Facility (CGIF) attended the meeting.

The meeting provided an excellent opportunity for ASEAN+3 Finance and Central Bank Deputies to discuss the progress and achievements after the Vientiane AFCDM+3 in April 2016 in regional economic outlook, Chiang Mai Initiative Multilateralization (CMIM), ASEAN+3 Macroeconomic Research Office (AMRO), and Asian Bond Markets Initiative (ABMI).

CMIM is created as regional short-term liquidity support arrangement in USD through currency swap transaction with the total CMIM Arrangement size of US\$240 billion. At the meeting, to ensure the CMIM operational readiness, Deputies endorsed the proposed CMIM Operational Guideline Revision, CMIM Agreement revision plan, 7<sup>th</sup> CMIM Test Run results and the development of Economic Review and Policy Dialogue (ERPD) Matrix. The assessment results and the possible increase of the IMF De-linked Portion were also reported and discussed. After the transition of AMRO to International Organization in February 2016, Deputies has discussed and endorsed on the proposed AMRO Strategic Direction and Medium-Term Implementation Plan and AMRO Publication Policy in order to enhance the capacity of AMRO in surveillance work and CMIM support as well as its visibility. Furthermore, under the ABMI framework, the meeting focused on the implementation of nine priorities which were set out in ABMI New Roadmap+ particularly the developing infrastructure financing scheme, launching guarantee program and promoting green local currency denominated bonds, fostering an investment-friendly environment, enhancing ASEAN+3 bond markets forum activities and etc.

In regional economic outlook during the informal session, IMF presented the global growth which is projected to slow by 3.1 percent in 2016 before recovering to 3.4 percent in 2017. ADB showed that ASEAN+3 growth remains steady to 4.4 percent in 2016 compared to the previous year and is expected to be 4.3 percent in 2017. The growth in BCLMV remains outstanding to 5.7 percent compared to other countries in the same region as the inward FDI to ASEAN are large. AMRO explained that regional growth has generally help up recently compared to the

slowing growth in the plus three since China's economies is expected to moderate in 2017 and Japan's economies is likely to soften after the strong fiscal stimulus in 2016.

The AFCDM+3 was successfully concluded with the adoption of Executive Committee Decision and the next AFCDM+3 meeting will be held in Cebu, the Philippines.

On the sidelines of the AFCDM+3 meeting, all delegates were invited to the ASEAN+3 Financial Forum or ATFF, a high level flagship forum, which was held for the first time with the theme of **East Asia in a Dynamic New World**. At this forum, Deputy Finance Minister of Lao PDR, Deputy Finance Minister of China, AMRO Director Chang Junhong were given an honor to deliver their opening remarks on behalf of ASEAN+3 Finance and Central Bank Deputies. The forum aimed to exchange views and perspectives on regional economic outlook and policy response, regional financial safety net and cooperation from high policy makers, renowned academics and economists.

