

Joint Message of the 20th Trilateral Finance Ministers and Central Bank Governors' Meeting

(September 18, 2020, Virtual)

1. We, Finance Ministers and Central Bank Governors of China, Japan and Korea, held the 20th trilateral meeting, under the chairmanship of H.E. Hong Nam-Ki, Deputy Prime Minister and Minister of Economy and Finance, the Republic of Korea. The meeting was held in virtual format given the extraordinary circumstances due to the COVID-19 pandemic.

2. We exchanged views on the recent global and regional economic developments, and policy responses to deal with the impact of the unprecedented COVID-19 pandemic, as well as the progress of ASEAN+3 financial cooperation. The spread of COVID-19 not only caused massive casualties, but had substantial impacts on the regional economies, notably a contraction in economic activities, heightened volatilities in the financial markets and disruptions to the global value chains. Against this backdrop, we agree to continue all our policy efforts while remaining vigilant to the future uncertainties, and reaffirm the importance of maintaining an open and rules-based multilateral trade and investment system. China, Japan and Korea are committed to enhance our cooperation and communication with each other as well as ASEAN countries to work towards fast economic recovery in our region.

3. Marking the 10th anniversary of the original CMIM agreement coming into effect, we acknowledge the significant progress made in the operational readiness of CMIM. We welcome the entry-into-force of the amended CMIM Agreement and Operational Guidelines on 23 June 2020, reflecting the achievement of the first Periodic Review, as well as the successful completion of the 10th test run last year. We also support the Package Agreement reached by the ASEAN+3 deputies in Xiamen, China in December 2019. In this regard, we look forward to the conclusion of the ad-hoc review of the CMIM Agreement to reflect the Package Agreement. Building on these efforts, we expect the CMIM, as an essential part of the regional financial safety net, to be

further strengthened to assist the regional economies dealing with various crisis situations including pandemics.

4. We commend AMRO's continuous efforts in enhancing regional macroeconomic surveillance, supporting the implementation of the CMIM and providing technical assistance to ASEAN+3 members. In particular, we highly regard AMRO's timely analysis on impacts of the COVID-19 pandemic and macroeconomic policy space of each member economy. We welcome the endorsement of the Medium-term Implementation Plan (MTIP): 2020-2024 in Xiamen, China in December 2019 and reaffirm our strong support for AMRO to continuously enhance its surveillance and organizational capacity to strengthen its role as a "trusted family doctor" in the region.

5. We recognize and support continuous progress of the Asian Bond Markets Initiative (ABMI) under the ABMI Medium-Term Road Map 2019-2022. We commend the sustained efforts by the Credit Guarantee and Investment Facility (CGIF) to support infrastructure financing including the Infrastructure Investors Partnership (IIP) study. We acknowledge continuous work by the ASEAN+3 Bond Market Forum (ABMF) towards developing local currency bond markets, and welcome the commencement of new Technical Assistance (TA) to promote local currency green bonds and to improve AsianBondsOnline (ABO). We commend collaborative efforts being made among different ABMI Task Forces, notably the information sharing by ABO with the ABMF and the CGIF on the local currency bond markets, as well as joint efforts by the Cross-Border Settlement Infrastructure Forum (CSIF) and the Asia Prime Collateral Forum (APCF) to promote cross-border collateral usage in the region.

6. We support the establishment of five Study Groups in line with "Strategic Directions of ASEAN+3 Finance Process" to extend the scope of regional financial cooperation, along with the reports prepared by each Study Group. We expect further discussions on new cooperative initiatives to be developed based upon the reports, and we are committed to work continuously with the ASEAN members to deepen and broaden our regional cooperation.

7. We welcome the progress towards operationalizing the catastrophe risk insurance pool for Lao PDR and Myanmar as the first product of the Southeast Asia Disaster Risk Insurance Facility (SEADRIF) and the initiation of preparatory work to adopt Public Asset Financial Protection Program.

8. We appreciate Japan and Vietnam's leadership as the co-chairs of ASEAN+3 Finance Ministers and Central Bank Governors' Meeting in 2020. In addition, we agree to support Korea and Brunei Darussalam to chair the 24th ASEAN+3 Finance Ministers and Central Bank Governors' Meeting next year.

9. We believe that the Trilateral Finance Ministers and Central Bank Governors' Meeting will serve as an effective platform for enhanced policy dialogue and coordination, and agreed to meet again in Tbilisi, Georgia in 2021.