

**Joint Message of the 21st Trilateral
Finance Ministers and Central Bank Governors' Meeting**
Virtual, 3 May 2021

1. We, Finance Ministers and Central Bank Governors of China, Japan and Korea, held the 21st trilateral meeting, under the chairmanship of H.E. Aso Taro, Deputy Prime Minister and Minister of Finance of Japan. The meeting was held online due to the COVID-19 pandemic.

2. We exchanged views on the recent global and regional economic developments, and policy efforts to push forward the economic recovery from the effects of the COVID-19 pandemic, as well as the progress of ASEAN+3 financial cooperation. The regional outlook has improved, with continued policy support and growing vaccine coverage. However, we should remain vigilant as the economic recovery has been uneven across and within member economies, uncertain and subject to elevated downside risks. Against this backdrop, we are committed to providing necessary support measures, while switching from broad-based ones to targeted ones for those most affected, to achieve inclusive recovery, preserve long-term fiscal sustainability and maintain financial stability. We remain resolute in our commitment to uphold an open and rules-based multilateral trade and investment system. China, Japan and Korea will demonstrate our leadership in the ASEAN+3 Finance Process by further enhancing our cooperation and communication with each other as well as ASEAN countries to work towards robust recovery and sustainable growth in our region.

3. Given the heightened uncertainties surrounding the region, we stress the importance of ensuring the operational readiness of the CMIM. We welcome the entry-into-force of the amended CMIM Agreement on 31 March 2021, reflecting our historic achievements in September 2020. The amended CMIM Agreement includes (i) the increase in the IMF De-Linked Portion from 30% to 40% as well as (ii) the institutionalization of the local currency contributions in the CMIM on a voluntary and demand-driven basis for both

requesting and providing parties. We also welcome the successful completion of the 11th test run last year. Building upon these efforts, we look forward to further progress on enhancing the operational readiness and effectiveness of the CMIM through forthcoming updates on the CMIM Operational Guidelines to incorporate the adoption of the new CMIM reference rate by the end of 2021, and the procedures for the use of local currency, together with the proposed 12th Test Run, and constructive discussions on the CMIM future direction. Given the emerging needs to respond to the structural challenges and their profound implication to regional economic and financial stability, we will explore new initiatives to strengthen the ASEAN+3 Regional Financial Safety Net.

4. Marking 10th anniversary of ASEAN+3 Macroeconomic Research Office (AMRO), we commend the significant progress AMRO has made in enhancing regional macroeconomic surveillance capacity, supporting the implementation of the CMIM and providing technical assistance to ASEAN+3 members. In particular, we welcome AMRO's continued efforts to help members towards a sustained recovery and economic financial stability by providing timely analysis, risk assessments and policy recommendations in the turbulent times of the COVID-19 pandemic and for the post-pandemic new normal. In this regard, we appreciate the revision of AMRO's Guidance Note for Country Surveillance Consultation to further enhance its surveillance activities. We are pleased with the updated Medium-term Implementation Plan (MTIP): 2021-2025 and encourage AMRO to continue to strengthen its organizational capacity, and become a more results-oriented institution. We reaffirm our strong support for AMRO to become a better and stronger "trusted family doctor" in the region in the next decade and beyond.
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 sustained efforts by the Credit Guarantee and Investment Facility (CGIF) to enhance the issuance of local currency denominated bonds despite the difficult conditions under the pandemic. We welcome the continued improvements of AsianBondsOnline (ABO) and the steady progress towards

market integration as well as the launch of a new research on the current status of “double mismatch problem” in the region and way forward under the ASEAN+3 Bond Market Forum (ABMF). We welcome the launch of a cross-border delivery-versus-payment (DvP) link by Hong Kong Monetary Authority and Bank of Japan, which has been developed under the Cross-Border Settlement Infrastructure Forum (CSIF). We appreciate the progress of the Asia Prime Collateral Forum (APCF), which further promotes the utilization of collateral in the ASEAN+3 region.

6. In line with “Strategic Directions of ASEAN+3 Finance Process”, we welcome the establishment of four Working Groups (WGs) to further explore potential areas for new initiatives. As leading economies for three WGs, we are committed to facilitating the activities in the WGs in order to promote regional economic growth and integration.
7. We welcome the continued efforts of the Southeast Asia Disaster Risk Insurance Facility (SEADRIF) in strengthening the financial resilience of ASEAN member countries against disaster risks, with support from the ASEAN Secretariat and the World Bank. We welcome the catastrophe risk insurance coverage as the first product of SEADRIF, and the progress of the Public Asset Financial Protection Program.
8. We appreciate Korea and Brunei Darussalam’s leadership as the Co-chairs of ASEAN+3 Finance Ministers’ and Central Bank Governors’ Meeting in 2021. In addition, we agree to support China and Cambodia to chair the 25th 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 decided to meet again in Colombo, Sri Lanka in 2022.