

Key Points of the amendment of the CMIM Agreement and the Operational Guidelines

1. Flexibility on the Supporting Periods of CMIM IMF Linked Portion

The supporting period of the IMF Linked Portion of the CMIM has been made flexible by allowing renewals as many times as necessary to match the supporting period of the relevant IMF-supported programs. Adjustments of other financing terms such as disbursement date have also been made to secure consistency with the IMF-supported program in the case of co-financing.

2. Strengthened Coordination Mechanism with the IMF

In order to ensure consistency with the IMF, a coordination process in the form of Operational Guidelines has been established to create a shared view on economic and financial situations, financing needs, and policy recommendation for co-financing, and the modalities of early information-sharing has been aligned with this strengthened coordination process.

3. Enhanced Conditionality Framework

ASEAN+3 members introduced an overarching legal basis for conditionality that applies to both the CMIM-SF (a crisis resolution facility) and the CMIM-PL (a crisis prevention facility). Previously, the CMIM Agreement only regulated the conditionality for CMIM-PL. Also, in the case of co-financing with the IMF, it is required that the CMIM conditionality should be consistent with that of the relevant IMF-supported program.

4. Reinforced Review and Ex-post Monitoring

The program review and monitoring process are reinforced by clarifying the issues to be reviewed and monitored after a CMIM Arrangement is approved. In the case of co-financing with the IMF, it is required that the reviews and disbursements based on such a review by the CMIM and the IMF should be consistent with each other.

5. Upgrading Financing Terms and Conditions

A series of financing conditions have been upgraded to match the relevant IMF-supported program. For example, in the case of the IMF Linked Portion, flexibility will be applied to

the schedule of disbursement, subject to the decision made by the Executive Level Decision Making Body (ELDMB).

6. Fine-tuning the Duty to Confidentiality Clause

Rules on confidentiality have been eased so that some CMIM-related information could be provided 1) for media coverage to bolster market confidence when the CMIM is activated, and 2) to third parties, including the IMF, subject to the decision made by the ELDMB.
