

ASEAN+3 to strengthen regional financial safety net

MANILA, May 3 (Xinhua) -- ASEAN, China, Japan and South Korea (ASEAN+3) agree to strengthen the regional financial safety net during the 15th ASEAN+3 Finance Ministers and Central Bank Governors' Meeting held in Manila Thursday.

The attendees exchanged their views on the recent global and regional economic developments and policy responses, and discussed measures to further strengthen the regional financial cooperation as well.

Despite the region has posted steady growth so far, the delegates feared that the prolonged sovereign debt crisis in Europe could continue to weigh on regional economies. Besides, they also worried about the continuing inflationary pressures, the increasing volatility in short-term capital flows.

Under the circumstances, the attendees were determined to heighten their efforts against the impact of such potential risks by strengthening the Chiang Mai Initiative Multilateralisation (CMIM) as a part of the regional financial safety net, including doubling the total size of the CMIM from 120 billion U.S. dollars to 240 billion U.S. dollars, increasing the IMF de-linked portion, lengthening the maturity and supporting period, introducing a crisis prevention facility called "CMIM Precautionary Line (CMIM- PL)", etc.

"We strongly believe that our agreement made today on strengthening the CMIM .. will serve as another important step forward to strengthen the regional financial safety net and to pursue sustainable growth in the region," said the delegates from the above-mentioned countries in a joint statement released after the meeting.

The meeting, which was co-hosted by Keat Chhon, Deputy Prime Minister and Minister of Economy and Finance of Cambodia, and Bahk Jaewan, Minister of Strategy and Finance of Korea, was first attended by the Central Bank Governors for the first time.