

COMPLETION REPORT

The research project undertaken entitled: *ROLE OF JAPAN IN ASEAN+3 FINANCIAL COOPERATION IN THE CONTEXT OF THE POST 2008-GLOBAL FINANCIAL CRISIS*, has completed with a 46-page Report in English and a 46-page Report in Vietnamese with 5 sections as: (i) introduction; (ii) An overview of the main features of the ASEAN +3 financial cooperation since the establishment; (iii) ASEAN+3 financial cooperation in the post 2008 financial crisis; (iv) Japan's role in the process of ASEAN +3 financial cooperation development; and (v) conclusion, with following findings:

Research Findings:

The ASEAN +3 financial cooperation after the 2008 crisis has made fundamental changes in both initiatives, CMIM (Chiang Mai Initiative Multilateralization) and ABMI (Asian Bond Market Initiative) due to fundamental changes in the global economic situation as well as the evolution of the economic and financial situation in the region. Of which, the Chiang Mai Initiative has made a fundamental change from being independently bilateral BSA (Bilateral Swap Agreement) to multilateral institutions of CMI. Compared with BSA CMI, CMIM based on the overall contribution of the Member States and degree of the swap depends on the contributions of the swap, degree of swaps and the maximum swap. Particularly, the financial cooperation in the CMIM can be conducted in a more flexible way and based on collective decisions. Similarly, the ABMI has also built following a new roadmap with 4 task force groups, those in charge of important issues of the ABMI such as promoting issuing bond in local currency in the region, boosting demand for bonds of the domestic currency, improving the regulatory framework and infrastructure improvements related to the bond market. In particular, the new ABMI roadmap also led to the establishment of the Credit Guarantee and Investment Fund (CGIF) to provide financial support for the ASEAN +3 enterprises in raising capital through the issuance of bond issuing in local currency. CGIF is to promote the operation of bond guarantee in the region, including the operation of credit guarantee of the bonds, loan guarantees, lending and equity investments in order to facilitate and support the development of bond markets in the member countries. Along with the renovation of the two collaborative initiatives, ASEAN +3 financial cooperation gradually improves institutions of the monitoring activities such as the establishment of AMRO, improve the quality of ERPD process, ASEAN+ 3 research group in order to make the process of financial cooperation more effective.

The development process of the ASEAN+3 financial cooperation is also associated with the growing role of Japan for the financial cooperation in the region. Japan has play a key role as a country that can provide most finance to the funds within the two initiatives as CMIM and CGIF in order to improve the quality of collaborative activities. As a responsible power, Japan was the main contributor to contribute to the formation of cooperation institutions through CMIM and ABMI, enabling the collaborative process becomes more effective, remedying defects from financial cooperation institutions before 2008. Through supporting role of Japan, ASEAN+3 financial cooperation is also connected with the international financial institutions such as IMF, ADB, making the regional financial cooperation closer to the international institution and practices. This is the condition for regional financial cooperation to be effective for all member states, including the old member states and especially for the new member states. Regional financial cooperation and collaboration also proved that the responsible role of Japan in cooperation with the major countries in Northeast Asia like China as well as smaller members of ASEAN. The responsible cooperation of Japan is necessary condition to pave the way for Japan, China and Korea to form and develop cooperation institutions among these three countries in the fields of trade, investment, finance, creating conditions to promote ASEAN +3 cooperation.

In the context of the new development of ASEAN +3 financial cooperation, Japan should continue to hold a leading role, both in terms of financial support, institutional, technical assistance in order to make the regional financial cooperation more and more effective.

Publication of the Results of Research Project:

Verbal Presentation (Date, Venue, Name of Conference, Title of Presentation, Presenter, etc.)

- 17 May 2012 at the Graduate School of Art and Sciences, University of Tokyo, Japan.
- Title of presentation: Role of Japan in the ASEAN
- Presenter: Dr. Nguyen Van Ha

Thesis (Name of Journal and its Date, Title and Author of Thesis, etc.)

- Name of Journal and its date: Review of Southeast Asian Studies, May 2013 (No. 5 (158))
- Title: ASEAN+3 Financial Cooperation after the 2008 Global Economic Crisis and the Role of Japan
- Author: Nguyen Van Ha

Book (Publisher and Date of the Book, Title and Author of the Book, etc.)