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Joint Press Release

Chiang Mai Initiative Multilateralization (CMIM) Comes Into Effect on the 24th of March 2010

1. The Finance Ministers and Central Bank Governors of the ASEAN Members States, China, Japan and Korea (ASEAN+3) and the Monetary Authority of Hong Kong, China, are pleased to announce that the Chiang Mai Initiative Multilateralization (CMIM) Agreement has come into effect on the 24th of March 2010.
2. The total size of the CMIM is USD 120,000,000,000 (one hundred and twenty billion US dollars). With the core objectives (i) to address balance of payment and short-term liquidity difficulties in the region, and (ii) to supplement the existing international financial arrangements, the CMIM will provide financial support through currency swap transactions among CMIM participants in times of liquidity need. Each CMIM participant is entitled, in accordance with the procedures and conditions set out in the Agreement, to swap its local currency with US Dollars for an amount up to its contribution multiplied by its purchasing multiplier (Attachment).
3. The CMIM, a multilateral currency swap contract which covers all ASEAN+3 members, is developed from the current CMI bilateral swap network to facilitate prompt and simultaneous currency swap transactions through establishing a common decision making mechanism under a single contract.
4. The successful launch of the CMIM, together with an independent regional surveillance unit to be established, demonstrates the solid commitments and concerted efforts of ASEAN+3 members to further enhance regional capacity to safeguard against downside risks and challenges in the global economy.

Attachment CMIM CONTRIBUTIONS AND PURCHASING MULTIPLES

	Financial contribution		Purchasing Multiple
	USD (billion)	(%)	
China	38.40	China (Excluding Hong Kong, China) 34.20	28.50 0.5
		Hong Kong, China 4.20	3.50 2.5
Japan	38.40	32.00	0.5
Korea	19.20	16.00	1
Plus 3	96.00	80.00	-
Indonesia	4.77	3.97	2.5
Thailand	4.77	3.97	2.5
Malaysia	4.77	3.97	2.5
Singapore	4.77	3.97	2.5
Philippines	3.68	3.07	2.5
Vietnam	1.00	0.83	5
Cambodia	0.12	0.10	5
Myanmar	0.06	0.05	5
Brunei	0.03	0.02	5
Lao PDR	0.03	0.02	5
ASEAN	24.00	20.00	-
Total	120.00	100.00	-

* Hong Kong, China's purchasing is limited to IMF de-linked portion because Hong Kong, China is not a member of the IMF