

Joint Message

The Special Trilateral Finance Ministers' Meeting among China, Japan and Korea

November 14, 2008 Washington D.C., USA

We, the Finance Ministers of China, Japan and Korea, held an informal Trilateral Finance Ministers' Meeting on November 14, 2008 in Washington D.C., USA in the midst of grave challenges to financial markets and real economy. We reviewed the current economic and financial conditions and exchanged the views on the causes and developments of the current crisis and its impact on real economies. We shared the view that enhancement of collaboration among the three countries is crucial to effectively address the global financial crisis.

While having enjoyed solid economic fundamentals and sound financial sector, the Asian region faces challenges including slower economic growth and financial market fluctuations. We concurred that we should be well-prepared against the adverse effects of the global financial turmoil and the risks of further slowdown in the world economy. We also agreed that the three countries, China, Japan and Korea, should play a pivotal role in maintaining economic and financial stability of the region, which is not only helpful for the Asian region but also contributing to the world economy.

In this regard, we discussed and welcomed policy measures taken by the three countries, and reiterated our strong commitment to taking macroeconomic policy and financial stability measures as appropriate and necessary and strengthening policy dialogues among the three countries. We are mindful of the necessity to enhance our financial cooperation. We concurred to explore increase in the size of bilateral currency swap arrangements among the three countries.

We also stressed the need for close communication among authorities responsible for macroeconomic and financial stability. In this sense, we reaffirmed the importance of the Workshop on Macroeconomic and Financial Stability to be held in Tokyo on 26 November 2008, which is expected to be a perfect opportunity to share the view and opinions among ministries of finance, central banks and financial supervisory authorities from China, Japan and Korea. Based on the result of the first meeting, we will consider ways to further strengthen the role of the workshop.

We emphasized the importance of further enhancement of the regional cooperation and expressed the determination to work with other ASEAN+3 members to expedite the process of the Chiang Mai Initiative Multilateralisation (CMIM) as the top priority. We agreed to exert our efforts further to reach consensus on all the elements of the CMIM. We also call for review on strengthening the regional surveillance mechanism for effective monitoring on the regional economy and financial market.

We believe that today's global issues can be effectively resolved by concerted efforts of both advanced and emerging economies, and more active role and close collaboration of the three countries in this global cooperation network are important. We also recognized the need for

reforms of the international financial institutions and the Financial Stability Forum so that they can be more responsive to ever-changing global economic situation and future challenges. We confirmed their critical role to address challenges posed by the current financial turbulence. To ensure that the Asian Development Bank has adequate capital base to fulfill its role in Asia, we called for the early agreement on the Fifth General Capital Increase (GCIV) of ADB.

We were content with the achievements in our tripartite cooperation and the fruitful outcomes of this meeting, and had a concurrent view that the Trilateral Finance Ministerial Process will continue to act as an effective medium for better dialogue and collaboration.