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The Establishment of the Chiang Mai Initiative Multilateralization

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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 the signing of the Chiang Mai Initiative Multilateralization (CMIM) Agreement following the conclusion on all the main components of the CMIM at the ASEAN+3 Finance Ministers' Meeting (AFMM+3) in May 2009 in Bali, Indonesia

2. The CMIM will strengthen the region's capacity to safeguard against increased risks and challenges in the global economy. The core objectives of the CMIM are (i) to address balance-of-payments and short-term liquidity difficulties in the region and (ii) to supplement the existing international financial arrangements.

3. The CMIM, with the total size of USD 120,000,000,000 (one hundred and twenty billion), will provide financial support through currency swap transactions to the CMIM participants facing balance-of-payments and short-term liquidity difficulties. Each CMIM participant is entitled, in accordance with procedures and conditions set out in the Agreement, to swap its local currency with the United States Dollars for an amount up to its contribution multiplied by its purchasing multiplier. (Attachment 1)

Attachment 1   **CMIM CONTRIBUTIONS AND PURCHASING MULTIPLES**

	Financial contribution				Purchasing Multiple
	USD (billion)		(%)		
China	38.40	China (Excluding Hong Kong, China) 34.20	32.00	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