



BANK OF PAPUA NEW GUINEA



The SEACEN Centre

## **Press Communiqué**

### **50<sup>th</sup> SEACEN Governors' Conference & High Level Seminar, and 34<sup>th</sup> Meeting of SEACEN Board of Governors,**

**20-22 November 2014,**

**Port Moresby, Papua New Guinea**

The 50<sup>th</sup> Conference and High-Level Seminar of the Governors of the South East Asian Central Banks (SEACEN) and 34<sup>th</sup> Meeting of the SEACEN Board of Governors, hosted by the Bank of Papua New Guinea were held from 20-22 November 2014 in Port Moresby, Papua New Guinea. Participating in the Conference and Meeting were Governors and representatives of SEACEN Central Banks and Monetary Authorities.<sup>1</sup> The Minister for Treasury, Papua New Guinea, Honourable Patrick Pruaitch officiated at the opening ceremony and Governor Loi Bakani of Bank of Papua New Guinea chaired the Meeting. Dr Yuba Raj Khatiwada, Governor of Nepal Rastra Bank, former host of the Conference and Meeting delivered a response address. Governors also welcomed Hong Kong Monetary Authority as the 20<sup>th</sup> SEACEN member.

The theme of the Conference was “Regional Initiatives in the Midst of Vulnerabilities”. Mr. Naoyuki Shinohara, Deputy Managing Director,

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<sup>1</sup> The SEACEN members are: Autoriti Monetari Brunei Darussalam; National Bank of Cambodia; People's Bank of China; Reserve Bank of Fiji; Hong Kong Monetary Authority; Reserve Bank of India; Bank Indonesia; The Bank of Korea; Bank of the Lao PDR; Bank Negara Malaysia; The Bank of Mongolia; Central Bank of Myanmar; Nepal Rastra Bank; Bank of Papua New Guinea; Bangko Sentral ng Pilipinas; Monetary Authority of Singapore; Central Bank of Sri Lanka; Central Bank, Chinese Taipei; Bank of Thailand; and State Bank of Vietnam.

International Monetary Fund and Mr. Hervé Hannoun, Deputy General Manager, Bank for International Settlements spoke at the Conference.

Governors noted that volatile capital flows and increasing financial integration, as well as shadow banking activities, can pose challenges to regional financial and macroeconomic stability.

Governors agreed that various responses could be taken on the national and regional level to deal with these challenges, including (1) the use of macro and micro prudential measures to complement sound macroeconomic policies, (2) further development of capital market to support economic growth and improve market efficiency, (3) sharing information and experiences on cross border capital movement and activities in financial system and (4) enhancing regional and global safety net arrangements.

Moreover, the Governors believed that important consideration should be given by advanced economies on the extent to which their policies contribute to financial stability risks in emerging economies.

In the 34<sup>th</sup> BOG Meeting, Governors reviewed the strategic role of SEACEN in building central banking capabilities and networking through its comprehensive learning and applied research programs. They endorsed changes to its organisational structure and remuneration scheme to further elevate SEACEN as a high performing organisation. At the Meeting, the Reserve Bank of Australia, Bangladesh Bank, Royal Monetary Authority of Bhutan, Monetary Authority of Macao, State Bank of Pakistan and National Reserve Bank of Tonga were admitted as SEACEN's Associate Members. Governors accepted with thanks the offer of Bangko Sentral ng Pilipinas to host the 51<sup>st</sup> Conference

of the SEACEN Governors and 35<sup>th</sup> Meeting of the SEACEN Board of Governors in 2015. Governors also expressed their appreciation to the Bank of Papua New Guinea for the excellent arrangement and warm hospitality in hosting this year's SEACEN Governors' Conference and SEACEN Board of Governors' Meeting.