

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

1. *What is the Chiang Mai Initiative Multilateralization?*

The Chiang Mai Initiative Multilateralization or the CMIM is a multilateral arrangement among the finance ministries and central banks of the ASEAN+3 member economies¹ (collectively, the CMIM Parties and each a CMIM Party) that is governed by a single contractual agreement for the purpose of providing financial support in United States Dollars (USD) and/or local currencies (LCY) of CMIM Parties through currency swap transactions among them. The initial size of the CMIM Arrangement was US\$120 billion, comprised of contributions from the CMIM Parties.

The CMIM evolved from the Chiang Mai Initiative (CMI), the first regional currency swap arrangement launched by the ASEAN+3 countries in May 2000. CMI comprised of: (a) the ASEAN Swap Arrangement (ASA)² among ASEAN countries; and (b) a network of bilateral swap arrangements (BSAs)³ among the ASEAN+3 economies.

At the 15th ASEAN+3 Finance Ministers and Central Bank Governors Meeting (AFMGM+3) held on 03 May 2012 in Manila, Philippines, the CMIM features were enhanced including the doubling of its size to US\$240 billion and the introduction of a crisis prevention facility.

During the 28th AFMGM+3 held on 04 May 2025 in Milan, Italy, the Finance Ministers and Governors approved the Rapid Financing Facility (RFF) as a financing facility under the CMIM Agreement. The RFF provides liquidity support through currency swap transactions in response to actual and urgent balance of payments (BOP) difficulties of any CMIM Party or CMIM Parties stemming from sudden exogenous shocks (e.g., natural disasters, pandemics).

2. *What are the objectives of the CMIM?*

The CMIM aims to: (a) address potential and actual balance of payments (BOP) and USD short-term liquidity difficulties in the region; and (b) supplement existing international financing arrangements.

3. *When did the CMIM take effect?*

The original CMIM Agreement was signed on 24 December 2009 and entered into force on 24 March 2010. A series of amendments to enhance CMIM was

¹ Includes the ASEAN countries (Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam), and China; Hong Kong, China; Japan; and Korea.

² The ASA, which involved a total amount of US\$2 billion, allows member banks to swap their local currencies with major international currencies, i.e., US Dollar, Japanese Yen, and Euro, for an amount up to twice their committed amount under the facility. The ASA was first established on 05 August 1977 by the five (5) founding members of the ASEAN, namely Indonesia, Malaysia, the Philippines, Thailand, and Singapore. The Philippines committed to contribute up to US\$300 million and could request swap of up to US\$600 million worth of Philippine peso. Furthermore, the ASA expired on 16 November 2021 and is undergoing negotiations to reestablish the financial support arrangement among ASEAN member states.

³ In the context of the CMI, a BSA provided financial assistance in the form of swaps to any ASEAN+3 economy participating in the CMI in need of BOP support or short-term liquidity support. The BSA was intended to complement existing international financial facilities, including those provided by the International Monetary Fund (IMF) and the then expanded ASA.

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

undertaken to strengthen the regional financing arrangement and ensure its smooth operationalization, as follows:

Year	Effectivity	Amendments
2012	17 July 2014	<p>During the 15th AFMGM+3 on 03 May 2012 in Manila, Philippines, Finance Ministers and Central Bank Governors unanimously agreed:⁴</p> <ul style="list-style-type: none"> • To double the size of the CMIM from US\$120 billion to US\$240 billion; • To increase the IMF De-Linked Portion (IDL⁵) to 30 percent; • To lengthen the maturity and supporting periods of the IMF Linked Portion (ILP) and IDLP; and • To introduce a crisis prevention facility called the CMIM Precautionary Line (PL).
2016 to 2018	23 June 2020	<p>Pursuant to the conclusion of the first periodic review of the CMIM and approval by the Finance Ministers and Central Bank Governors on 02 May 2019 in Nadi, Fiji,⁶ the Amended CMIM came into effect on 23 June 2020, with the following key points:⁷</p> <ul style="list-style-type: none"> • To create more flexibilities for the financing period of the ILP of the CMIM to secure consistency with the IMF-supported programs and strengthen coordination mechanism with the IMF; • To introduce an overarching legal basis for conditionality in order for the CMIM to support members in addressing their risks and vulnerabilities through policy recommendations as well as financial support; and • To address legal ambiguity issues.

⁴ Joint Statement of the 15th ASEAN+3 Finance Ministers' Meeting 03 May 2012, Manila, Philippines

⁵ The IDLP means with respect to any Arrangement Requesting Party (ARP), the maximum amount (excluding any interest thereon), equivalent to 30 percent (since 2021, increased to 40 percent) of the Maximum Arrangement Amount, that may be provided under the CMIM Arrangement, of the total amount of CMIM Arrangements that can be made by such ARP and remain established or outstanding at any given time in circumstances where an IMF-Supported Program does not exist in relation to the Arrangement Requesting Country and is not, in the judgement of the ELDMB, expected to come into existence in the very near future.

⁶ Joint Statement of the 22nd ASEAN+3 Finance Ministers' and Central Bank Governors' Meeting, 02 May 2019, Nadi, Fiji

⁷ Press Release on the Amended CMIM, 23 June 2020

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

Year	Effectivity	Amendments
2020	31 March 2021	<p>Pursuant to the Finance Ministers' and Central Bank Governors' approval on 18 September 2020⁸ of further enhancements to the fundamental aspects of the CMIM, the amended CMIM Agreement came into effect on 31 March 2021, with the following key features⁹</p> <ul style="list-style-type: none"> • To increase the IDLP from 30 percent to 40 percent; • To institutionalize the use of members' LCY, in addition to USD, for CMIM financing on a voluntary and demand-driven basis; and • To address other technical issues, including revisions related to the reference rate, specifically the transition from the use of London Inter-Bank Offered Rate (LIBOR).
2022	01 January 2022	<p>The 25th AFMGM+3 on 12 May 2022 welcomed the updates to the CMIM Operational Guidelines (OG) to reflect the following agreements of the Members effective 01 January 2022:¹⁰</p> <ul style="list-style-type: none"> • To use each member's own local currency for CMIM arrangements; and • To adopt a new reference rate for CMIM liquidity support arrangements aligned with global financial market conventions.
2023	19 January 2024	<p>Pursuant to the endorsement of the ASEAN+3 Finance and Central Bank Deputies Meeting (AFCDM+3) on 06 to 07 December 2023 in Kanazawa, Japan, the CMIM OG was updated to reflect the following agreements effective 19 January 2024¹¹:</p> <ul style="list-style-type: none"> • To implement a new CMIM margin structure to improve the accessibility and effectiveness of the facility.

⁸ Press Release on the amendment of the CMIM Agreement and the Operational Guidelines

⁹ Press Release on the Amended CMIM, 31 March 2021

¹⁰ Joint Statement of the 25th ASEAN3 Finance Ministers and Central Bank Governors Meeting, 12 May 2022, Virtual

¹¹ Co-chairs' Press Statement on the ASEAN+3 Finance and Central Bank Deputies' Meeting, 07 December 2023

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

Year	Effectivity	Amendments
2024	03 May 2024	<p>As reflected in the 27th AFMGM+3 Joint Statement,¹² the Finance Ministers and Governors agreed:</p> <ul style="list-style-type: none">• To endorse the establishment of the RFF with the incorporation of freely usable currencies (FUCs) as currencies of choice;• To adopt the updated CMIM OG to reflect the new CMIM margin structure, which would improve the CMIM's accessibility as an effective regional financing structure; and• To endorse the CMIM OG revision to revamp the CMIM Precautionary Line to allow for the renewal of drawings possible.
2025	04 May 2025	<p>The recent amendments to the CMIM Agreement were approved during the 28th AFMGM+3 in Milan, Italy:</p> <ul style="list-style-type: none">• To reflect provisions for the establishment of a new facility under CMIM, the RFF, with the incorporation of eligible FUCs as the currencies of choice. <p>The members are undergoing domestic procedures to ensure the signing of its entry into force.</p>

4. *What is the effect of the CMIM on the other swap arrangements under the CMI?*

The CMIM replaces the existing network of BSAs among ASEAN+3 member economies. ASEAN+3 member economies, however, are not precluded from entering separate bilateral currency swap arrangements if the parties consider it necessary to supplement the CMIM. In fact, the BSP has an existing BSA with the Bank of Japan, as an acting agent of the Japan's Minister of Finance.¹³

5. *What distinguishes CMIM from CMI?*

CMIM is a multilateral currency swap arrangement with the total size of US\$240 billion, governed by a single contractual agreement, while the CMI is a network of bilateral swap arrangements among the "Plus Three" and ASEAN-5 countries¹⁴. In addition, an independent regional surveillance unit called the ASEAN+3 Macroeconomic Research Office (AMRO) was established as a company limited by guarantee in Singapore in April 2011 to monitor and

¹² Joint Statement of the 27th ASEAN+3 Finance Ministers' and Central Bank Governors' Meeting, 03 May 2024.

¹³ The BSP-BOJ BSA renewal took effect on 01 January 2025 and will be valid until 31 December 2027.

¹⁴ Indonesia, Malaysia, Philippines, Singapore, and Thailand

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

analyze regional economies and support the CMIM decision-making process. AMRO was transformed into an international organization (IO) in February 2016 to strengthen its contribution to securing macroeconomic and financial stability in the ASEAN+3 region.

6. What are the types of facilities available to CMIM members? How long are the maturity and the supporting periods?

The CMIM offers the following facilities:

- CMIM-Precautionary Line (PL) - a crisis prevention facility, may be tapped for potential crisis or liquidity difficulties
- CMIM-Stability Facility (SF) - may be availed for crisis resolution
- RFF - liquidity support in response to actual and urgent BOP difficulties of stemming from sudden exogenous shocks (e.g., natural disasters, pandemics)

Under CMIM-PL and CMIM-SF, 40 percent of the maximum drawable amount by any member may be quickly disbursed, called the IDLP. For RFF, the maximum drawable amount is 20 percent for IDLP. Meanwhile, the ILP refers to the maximum amount that may be drawn in circumstances where an IMF-Supported Program exists or is expected to come into existence in the very near future.

The maturity and supporting period of the CMIM facilities are as follows:

Facility		Maturity	Number of Renewals	Maximum Supporting Period
CMIM-PL	IDLP	6 months	3 times	2 years
	ILP	1 year	multiple times to be consistent with the relevant IMF-Supported Program	in line with the supporting period of the IMF-Supported Program
CMIM-SF	IDLP	6 months	3 times	2 years
	ILP	1 year	multiple times to be consistent with the relevant IMF-Supported Program	in line with the supporting period of the IMF-Supported Program
RFF	IDLP	6 months	1 time	1 year
	ILP	1 year	1 time	2 years

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

The matrix in the **Annex** features all CMIM facilities for details.

7. *What is the level of CMIM contribution of the ASEAN and the Plus Three countries as regional groupings? How much will the Philippines contribute to the CMIM and how much can it borrow?*

With the total size of US\$240 billion, the contribution proportion between ASEAN and the Plus Three economies is at 20:80, i.e., the 10 ASEAN member countries will collectively contribute US\$48 billion, while China, Hong Kong, China, Japan, Korea, and will collectively contribute US\$192 billion. The Philippines, through the BSP, has a contribution commitment of US\$9.104 billion to the CMIM. The Philippines may be able to borrow up to 2.5 times its contribution commitment to the CMIM, i.e., maximum arrangement amount of US\$22.76 billion.

Below is the table of financial contribution and maximum arrangement amount per CMIM party:

CMIM Party	Financial Contribution (in USD billion)	Maximum Arrangement Amount (in USD billion)
China (excl. Hong Kong)	68.40	34.20
Hong Kong, China	8.40	8.40
Japan	76.80	38.40
Korea	38.40	38.40
Plus Three	192.00	119.40
Indonesia	9.104	22.76
Thailand	9.104	22.76
Malaysia	9.104	22.76
Singapore	9.104	22.76
Philippines	9.104	22.76
Vietnam	2.00	10.00
Cambodia	0.24	1.20

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

CMIM Party	Financial Contribution (in USD billion)	Maximum Arrangement Amount (in USD billion)
Myanmar	0.12	0.60
Brunei	0.06	0.30
Lao PDR	0.06	0.30
ASEAN	48.00	126.20
Total	240.00	245.60

8. *Does the contribution to the CMIM involve outright transfer of the committed amount?*

No. The contribution commitment to the CMIM does not involve outright transfer of the committed amount. The central banks/monetary authorities of ASEAN+3 economies issue a commitment letter in the amount equivalent to their committed contribution. Under this arrangement, the management and custody of committed reserves remain with the central banks until a swap request has been approved. The amount to be provided by each CMIM Party will only be proportionate to its respective contribution to the CMIM.

9. *What is the importance of the CMIM for: (a) the Philippines; and (b) regional stability?*

The CMIM is important to the Philippines in two ways: (a) as a contributor to the multilateral swap facility, the Philippines will be able to provide liquidity assistance to another CMIM member which is experiencing liquidity difficulty; and (b) as a recipient, the Philippines may be able to borrow up to US\$22.76 billion from the facility to help avert an impending or actual BOP problem. From the regional standpoint, the CMIM is a testament to the strong cooperative spirit among ASEAN member countries, China, Hong Kong, China, Japan, and Korea. Aside from the US dollar swaps and members' local currencies that can be tapped by its members should the need arise, CMIM also resulted in the establishment of the AMRO which serves as an independent regional surveillance organization that will ensure timely monitoring and analysis of the ASEAN+3 economies. This surveillance mechanism will in turn aid in the early detection of risks, swift implementation of remedial actions, and effective decision-making of the CMIM, which is expected to help promote stability in the region.

10. *What is the activation process under the CMIM?*

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

Activation of swap transactions under the CMIM may be initiated by any CMIM Party by submitting to the CMIM Coordinating Countries¹⁵ a request for the purchase of US dollars or other members' currencies under the CMIM arrangement with its local currency. The Coordinating Countries, in turn, will deliver the swap request notice and other relevant information to the Executive Level Decision Making Body (ELDMB) and convene a meeting to decide on the swap request. Upon approval, CMIM Parties will proceed with the activation of bilateral swap transactions between each of the swap providing parties and the relevant swap requesting party, in accordance with the terms and pro rata allocation provided in the CMIM Agreement. In any event, determinations required in response to a swap request should be completed within two weeks following the delivery of the swap request notice to the members of the ELDMB.

11. *What is AMRO and what is its role under the CMIM?*

AMRO was established in 2011 and transformed into an international organization in February 2016 mandated to conduct regional macroeconomic surveillance to contribute to securing macroeconomic and financial stability in the ASEAN+3 region. AMRO's vision is to be an independent, credible, and professional regional organization acting as a trusted policy advisor to its members.

The establishment of AMRO ensures timely monitoring and analysis of the ASEAN+3 economies, which will in turn aid in the early detection of risks, swift implementation of remedial actions, and effective decision-making of the CMIM.

[Governance of AMRO](#) is being exercised by the Executive Committee (EC) composed of ASEAN+3 finance and central bank deputies. AMRO operations are headed by the AMRO Director, Chief Economist and three (3) Deputy Directors. An Advisory Panel (AP) comprised of six (6) distinguished members provides timely strategic, technical, and professional inputs to AMRO's macroeconomic assessments. AMRO's office is located at the Monetary Authority of Singapore complex in Singapore.

In terms of its role under CMIM, during peace time, AMRO conducts annual consultations with individual member economies and on this basis, prepares consolidated reports focusing on the macroeconomic assessment of the ASEAN+3 region and individual member economies. On the other hand, AMRO will, during crisis time, prepare recommendations on any swap request based on its macroeconomic analysis of the swap requesting member and monitor the use and impact of funds once any swap request is approved.

12. *What is the future direction of the CMIM?*

Following the unprecedented economic impacts of the COVID-19 pandemic and the heightened geopolitical risks, the role of the CMIM in bolstering financial stability across the region has become increasingly vital. ASEAN+3 members have emphasized the importance of further strengthening the

¹⁵ Refer to the two Chairs of the ASEAN+3 Finance and Central Bank Deputies' Meeting (one from the ASEAN Member States and one from the Plus Three countries)

**Frequently Asked Questions on the
Chiang Mai Initiative Multilateralization**
As of June 2025

regional financial safety net and have agreed on the necessity of continuously discussing various aspects of the CMIM.

The ASEAN+3 finance process remains focused in transforming the CMIM into a more responsive effective, and attractive financing mechanism for member countries to address potential economic and financial vulnerabilities. This involves improving existing facilities, exploring more robust financing structures, and ensuring that CMIM remains a relevant and reliable pillar of financial safety net in the region.

Features of the Chiang Mai Initiative Multilateralization (CMIM) Facilities

		CMIM Precautionary Line	CMIM Stability Facility	Rapid Financing Facility
Purpose		<ul style="list-style-type: none"> • Crisis prevention – for potential balance of payments or liquidity difficulties 	<ul style="list-style-type: none"> • Crisis resolution – for actual balance of payments or liquidity difficulties 	<ul style="list-style-type: none"> • Emergency response to sudden exogenous shocks (e.g., pandemics, natural disasters)
Currency		<ul style="list-style-type: none"> • USD and/or Local Currency (LCY-P) 	<ul style="list-style-type: none"> • USD and/or LCY-P 	<ul style="list-style-type: none"> • Freely Usable Currencies (FUCs): USD, China Renminbi, Japan Yen
Access Limits	IDLP	<ul style="list-style-type: none"> • 40% of Maximum Arrangement Amount (MAA) 	<ul style="list-style-type: none"> • 40% of MAA 	<ul style="list-style-type: none"> • 20% of MAA
	ILP	<ul style="list-style-type: none"> • 100% of MAA 	<ul style="list-style-type: none"> • 100% of MAA 	<ul style="list-style-type: none"> • 50% of MAA
Conditionality		<ul style="list-style-type: none"> • Ex-ante qualification + ex-post conditionality 	<ul style="list-style-type: none"> • IMF program required for linked portion 	<ul style="list-style-type: none"> • No ex-ante or ex-post conditionality