



SPEECHES

Response Address

**Mr. O. Chuluunbat, Governor, The Bank of Mongolia,
at the 38th Governor's Conference
Manila, Philippines
13-14 February 2003**

The Honourable Rafael B. Buenaventura, Governor, Bangko Sentral ng Pilipinas,
Honourable Governors,
Distinguished Guests and Delegates,
Ladies and Gentlemen,

I am honoured to deliver this Response Address on behalf of my fellow Governors and delegates to the 38th Conference of Governors of South East Asian Central Banks.

I would like to begin by thanking Governor Rafael B. Buenaventura and Bangko Sentral ng Pilipinas for the excellent organization and arrangements they have made for the Conference.

This Conference is taking place under heterogeneous circumstances. Uncertainty caused by the prospect of war in Iraq and fresh tensions in North Korea are gripping financial markets hurting growing hopes that U.S. economy will emerge from its yearlong slump. Despite remaining concerns over global economic slowdown the region economic outlook is invigorating. The region stock markets were mostly up, reflecting general optimism over the performance of our economies.

In my view and also I believe in the view of other Governors, one of the most remarkable achievements since the Asian crisis in 1997/98 was the resilience of the regional economies to the negative impact of slowdown in the external sector.

While benefiting from globalisation through enhanced efficiency and raised productivity both very open and relatively closed economies are facing severe uncertainties due to widespread conveyance of an economic disturbance in one country, especially in U.S.

We hope that on-going research of SEACEN Centre on Economic openness and Effectiveness of Counter-Cyclical Macroeconomic Policies in the Context of Global Economic Slowdown will contribute in formulating and finding out the ways to overcome difficulties during the process of integration into the global economy.

Considering investment and export-driven economies of many SEACEN countries further efforts in strengthening economic, financial and structural resilience of each country as well as the region as a whole to external shocks might help to mitigate strong influence of unpleasant developments in the global economy.

We do hope that this regional forum will continue being a useful platform for countries to share their experiences in managing process of integration, strengthening effectiveness of our economies, overcoming constraints of domestic markets.

The last SEACEN Governors Conference reviewed strategic issues of the SEACEN Centre and decided to set up an Executive Committee. I am pleased to mention that its first meeting was successfully held in Ulaanbaatar and arrived with the programme of activities and budget for Operating Year 2003. Also it resolved several outstanding issues concerning the operations and the affairs of the SEACEN Centre.

In closing let me once again thank, on behalf of my fellow governors and delegates, Governor Rafael B. Buenaventura and the staff of Bangko Sentral ng Pilipinas for the excellent arrangements and warm hospitality extended to us. We look forward to a fruitful and successful Conference.

Thank you.