



**AGREEMENT ON THE ESTABLISHMENT OF  
THE ASEAN+3 FINANCE COOPERATION FUND**

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand, the Socialist Republic of Viet Nam (ASEAN), the People's Republic of China, Japan, and the Republic of Korea (ASEAN+3) (hereinafter referred to singularly as "the Contracting Party" and collectively as "the Contracting Parties"):

DESIRING to support the ASEAN+3 policy dialogue mechanism in response to the recommendation of the ASEAN+3 Study Group to Examine Ways of Enhancing the Effectiveness of Economic Reviews and Policy Dialogues in Kuala Lumpur on 22 November 2001 and in Yangon on 4 April 2002;

RECOGNIZING the necessity for a fund to be established to provide financial support for the ASEAN + 3 finance meetings,

DO HEREBY AGREE AS FOLLOWS:

**ARTICLE 1  
ESTABLISHMENT AND MEMBERSHIP**

1. The Contracting Parties shall establish an ASEAN+3 Finance Cooperation Fund (hereinafter referred to as "the Fund") to provide financial support for the ASEAN+3 finance meetings.
2. The Contracting Parties shall be members of the Fund.

**ARTICLE 2  
CONTRIBUTIONS TO THE FUND**

1. The Fund shall consist of contributions made by the Contracting Parties in accordance with the Terms of Reference. Japan shall make an annual contribution of US\$40,000 to the Fund. The People's Republic of China and the Republic of Korea shall contribute US\$20,000 each to the Fund annually. The ASEAN Member Countries shall also make an annual contribution of US\$2,000 each.



2. The amount of contribution of each Contracting Party to the Fund may be adjusted upon the agreement of all Contracting Parties.
3. The Fund shall belong to the Contracting Parties and shall be held and administered by the ASEAN Secretariat.

### **ARTICLE 3 ADMINISTRATION OF THE FUND**

The Fund shall be administered by the ASEAN Secretariat in accordance with the terms and conditions contained in the attached Terms of Reference of the ASEAN+3 Finance Cooperation Fund (hereinafter referred to as "the Terms of Reference"), which shall form an integral part of this Agreement.

### **ARTICLE 4 EXPENDITURE**

The Fund shall be disbursed for the purpose of meeting the administrative and logistics costs incurred by any Contracting Party in organizing and hosting any of the ASEAN+3 finance meetings.

### **ARTICLE 5 AMENDMENT**

Any Contracting Party may propose an amendment to the provisions of this Agreement or to the Terms of Reference. Such amendment shall come into force only upon acceptance by all the other Contracting Parties.

### **ARTICLE 6 ENTRY INTO FORCE AND TERMINATION**

1. This Agreement shall enter into force on the date of signature by all Contracting Parties and shall remain in force until it is terminated by the decision of all the Contracting Parties.
2. This Agreement shall be deposited with the Secretary-General of ASEAN.
3. The termination of this Agreement shall not affect any agreement, undertaking or other arrangement concluded, entered into or performed pursuant to this Agreement during the duration of the Agreement. In such event, the Contracting Parties shall fulfill their obligations in accordance with the provisions of such agreement, undertaking or other arrangement.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

DONE at Makati, Philippines on the 7<sup>th</sup> day of August 2003 in the English Language.



## Terms of Reference

### The ASEAN + 3 Finance Cooperation Fund

#### Objectives of the ASEAN + 3 Finance Cooperation Fund:

1. The ASEAN+3 Finance Cooperation Fund (hereinafter referred to as "the Fund") shall be utilized for the purpose of meeting the administrative and logistics costs incurred by any Contracting Party in organizing and hosting any of the ASEAN+3 finance meetings (hereinafter referred to as "the host country").

#### Contribution for the ASEAN+3 Finance Cooperation Fund:

The Fund shall receive contributions from the Contracting Parties amounting to US\$100,000 annually with the details as follows:

Japan	US\$40,000,-
People's Republic of China	US\$20,000,-
Korea	US\$20,000,-
ASEAN Member Countries (10 × US\$2,000 each)	US\$20,000,-

#### Budget Estimates:

1. The host country shall prepare a budget proposal showing full and detailed itemized expenditures (as well as a schedule of payments, if applicable) which may include:
  - Conference Room Rental.
  - Photocopier, Facsimile, Telephone, Computer, and Printer Rental.
  - Meals and Refreshments.
2. The host country shall submit a copy of the budget proposal at least thirty (30) days before the meeting to the ASEAN Secretariat for review and approval.

#### Disbursement of the ASEAN+3 Finance Cooperation Fund:

1. The ASEAN Secretariat would be responsible for the disbursement of funds to the host country for the purpose of the Agreement.
2. The fund remittance shall be made in accordance with the schedule of payments. In the event that the fund for the meeting is not fully utilized, it shall be the responsibility of the host country concerned to inform the ASEAN Secretariat to withhold the whole or part of subsequent remittances.
3. The host country concerned shall send to the ASEAN Secretariat an official receipt as acknowledgement of the remittances.
4. Remittances from the Fund shall bear the signatures of any of the two authorized signatories from the ASEAN Secretariat as below:



ASEAN Secretary-General/Deputy Secretary-General  
and

Assistant Director of Finance and Funding/Any one of the Directors

5. The ASEAN Secretariat shall be reimbursed for the actual costs incurred in the administration of the Fund.

**Accounting:**

1. The Fund shall be denominated in United States dollars and shall be operated and accounted in accordance with the agreed Financial Regulations and accounting system of the ASEAN Secretariat.
2. The Fund shall be deposited in a bank or banks to be determined by the ASEAN Secretariat.
3. The financial year for the Fund shall commence on the 1<sup>st</sup> of January and end on the 31<sup>st</sup> of December.
4. The host country concerned shall forward to the ASEAN Secretariat a statement of accounts of the funds disbursed, not later than thirty (30) days from the date of conclusion of the relevant meeting. Failure to do so would lead to non-delivery of subsequent remittances.
5. The unutilized balance from any meeting shall be remitted back to the Fund at the ASEAN Secretariat by the host country concerned within sixty (60) days after the conclusion of the relevant meeting.
6. Each disbursement should be settled within sixty (60) days after the completion of the meeting. Failure to do so would bar disbursement of remittances for future meetings by the same host country.
7. The ASEAN Secretariat shall submit to ASEAN+3 Finance and Central Bank Deputies an annual report summarizing the financial transactions of the Fund within ninety (90) days after the end of the financial year. The annual report shall also be tabled at the ASEAN+3 Finance Ministers Meeting.
8. Any proceeds accruing and/or not utilized from the meetings shall be credited back to the Fund. Where applicable, and with the approval of the ASEAN Secretariat, the proceeds may be retained by the host country concerned to be offset against subsequent remittances by the ASEAN Secretariat.
9. The statement of account of the Fund shall be audited by the Audit Committee of the ASEAN Secretariat.