

Peter Pang: The 10th anniversary of the BIS Representative Office for Asia and the Pacific

Remarks by Mr Peter Pang, Deputy Chief Executive of the Hong Kong Monetary Authority, to a reception for the 10th Anniversary of the BIS Representative Office for Asia and the Pacific, Hong Kong, 7 July 2008.

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Mr Hannoun, Distinguished Guests, Ladies and Gentlemen,

It gives me great pleasure to celebrate with you this evening the 10th anniversary of the BIS Representative Office for Asia and the Pacific.

Ten years is a long time. Long enough for us to see the robust recovery of the Asian economies following the 1997 financial crisis. Long enough to see China catapult onto the world stage and its emergence as a global economic powerhouse. Long enough for oil prices to rise 11-fold from US\$13 a barrel in 1998 to US\$145 a barrel now. And it is long enough for terms like Google, eBay, Facebook and MySpace to move from being the preserve of computer geeks to the mainstream. I am sure you all have your own stories to tell about these past ten years.

It was also 10 years ago that the BIS made the important decision to set up its first overseas office in the Asia-Pacific region, and to strategically locate it in Hong Kong. This put the BIS at the right place, and at the right time, to meet the growing needs of Asia. To this end, the functions of the Asian office have evolved and expanded over time – from organisation of meetings and seminars to conducting research, to providing dealing and banking services. And the office has grown from a start-up staff of six to its current 33.

We are celebrating this occasion in this lovely restaurant above the Star Ferry – which is an icon in Hong Kong and a symbol of quality and value-for-money service. The BIS Asian office is also a "STAR" entity. The word "STAR" has been chosen carefully and with good reason – each letter of the word symbolises and embodies the excellence of BIS' activities:

- S: **S**urveillance – The Asian office is clearly a star performer in its surveillance work on regional economic and financial developments. This is self-evident from reading the background notes prepared on the region for various BIS and regional central bank meetings.
- T: **T**opical studies and research – The Asian office, with its pool of economists and financial experts, is well placed to conduct research. Under the auspices of the Asian research programme initiated in 2006, many topics that are of interest and relevance to Asian central banks have been, and continue to be, explored and developed. The BIS has made important contributions in this area, with its research providing useful information and insight for policymakers in the region.
- A: **A**venue for meetings – To promote discussion and policy analysis among central banks, the Asian office has hosted and supported numerous meetings and events in the region, collaborating with other organisations such as the Financial Stability Institute, EMEAP and SEANZA.
- R: **R**eserves management – The Asian office plays a vital role in the management and administration of Asian Bond Funds 1 and 2 that aim to broaden and deepen regional and domestic bond markets. The dealing room of the Asian office also provides Asian central banks with ready access to BIS banking services, helping facilitate their liquidity and portfolio management of foreign reserves.

Over these 10 years, I have seen the Asian office play a significant role in helping to strengthen financial sectors, develop financial infrastructure, and promote stability and

financial integration in this region. And since its establishment, the HKMA has stepped up its participation in the BIS' wide range of activities, sometimes co-hosting seminars and meetings, fostering an even closer relationship between us.

Let me take this opportunity to acknowledge with thanks the great work of the BIS management and its staff, who have made the Asian office a success. In particular, I would like to thank Bob McCauley who has contributed significantly to the achievements of the Asian Office in the past decade. The accomplishments of the BIS in Asia over the past 10 years call for celebration. With this in mind, let's celebrate these achievements and anticipate even greater endeavours to come. I propose a toast and wish the Asian office continued success for the next 10 years and beyond.

Thank you.