

**Response Address By Dr. Yuba Raj Khatiwada**  
**The Chairman of the SEACEN Board of Governors & Governor of Nepal Rastra Bank**

**At the 50<sup>th</sup> SEACEN Governors' Conference**  
**Port Moresby, Papua New Guinea, 20 November 2014**

**Mr. Patrick Pruaitch, CMG MP, Minister for Treasury, Papua New Guinea**

**Mr. Loi Bakani, Governor of Bank of Papua New Guinea**

**Mr. Naoyuki Shinohara, Deputy Managing Director of International Monetary Fund**

**My fellow Governors and heads of delegates**

**Delegates and distinguished speakers**

**Ladies and Gentlemen**

It is my great pleasure to be here and address the 50<sup>th</sup> SEACEN Governors' Conference. As the chairperson of the BOG, let me extend warm regards to every one of you. I would also like to extend my sincere gratitude to Mr. Loi Bakani, Governor of Bank of Papua New Guinea for hosting this important SEACEN event. I take this opportunity to express my sincere appreciation to Mr. Bakani and his entire team as well as the SEACEN Centre for the warm hospitality extended to the delegates and also for the excellent arrangements made for this event. The colorful reception we had last evening will be highly memorable to all of us.

**Ladies and Gentlemen,**

While addressing this august gathering at the Opening Ceremony amid 20 member central bank Governors and quite a few associate members, I am reminded of the first SEACEN Governors' Conference which was held in 1966 in Bangkok with the participation of seven heads/representatives of the central banks. Since then, and with each Governor's Conference, the participation has grown from the small group to this present member of twenty, reflecting the organization's vibrant and dynamic growth. Today, I am happy to welcome officially the Hong Kong Monetary Authority as the newest member of the SEACEN.

**Fellow Governors,**

Each Governor's Conference is based on a topical theme which is discussed by participating heads/representatives and where important issues are raised, and these discussions have contributed and enriched the policy debate in this region. I am happy to observe that this trend is continuing with this bi-centennial Governors' Conference on "Regional Initiatives in the Midst of Vulnerabilities".

**Ladies and Gentlemen,**

The theme for this year's SEACEN Governors' Conference is indeed timely. The theme acknowledges that in the integrated global economy the strategies of central banks are affected by the external economy where formulation of domestic policies has to be made in an environment of greater cross-border financial linkages. In this context I understand that this conference will focus on three particular areas: (1) reconciling domestic and cross-border considerations in the use of macro-prudential and capital-flow-management tools; (2) steps to further the development of regional bond markets and their implication for monetary policy strategies; and (3) issues and challenges associated with increased integration of emerging market banking systems. In this regard SEACEN has an important role in enhancing cooperation and coordination of members for spurring regional initiatives for ameliorating perceived risks.

**Fellow Governors**

**Ladies and Gentlemen,**

In the last several years, the dynamism of SEACEN is self evident. It has been successful in discharging its aim by adjusting its strategic goals in the changing environment as well as enhancing collaboration with other global financial stakeholders in general and IMF, BIS, Bank of England, Bundes Bank and CEMLA in particular. In the meantime, while I gather the fresh memory of 49<sup>th</sup> SEACEN Governor's Conference and 33<sup>rd</sup> Board of Governors' Meeting held in Kathmandu which was successful with fellow Governors' encouraging participation, I would also like to express my sincere thanks to all BOG members for their kind and constructive support during my tenure as the SEACEN Chair. Finally, allow me to conclude by wishing everyone here a productive and rewarding Conference and a successful Meeting of the Board of Governors.

Thank you.