



Nepal Rastra Bank

Press News

Board of Directors of Asian Clearing Union (ACU) meets in Nepal

The 41st annual meeting of the Board of Directors of the Asian Clearing Union (ACU) was held on May 17, 2012 at Pokhara, Nepal. ACU is a multilateral institution comprising central banks of Bangladesh, Bhutan, India, Iran, Maldives, Myanmar, Nepal, Pakistan and Sri Lanka. It was established in December 1974 and started its operations a year later in November 1975 with the main objective of providing an efficient mechanism for payment and settlement among the member countries on a multilateral basis.



The 41st ACU meeting was chaired by Dr. Yuba Raj Khatiwada, Governor, Nepal Rastra Bank and was attended by the Governors/Deputy Governors/Vice Governors/Executive Directors of all member central banks. Governor from Da Afghanistan Bank participated in the meeting as an observer.



While welcoming the delegates, Dr. Khatiwada highlighted on recent developments in the global financial sector and its implication on the ACU member countries. Ensuring political stability and sustainable peace and creating investment-friendly environment for inclusive and sustainable growth as critical national agenda that are yet to be accomplished, Governor Dr. Khatiwada added. He further reiterated the economic agenda to be accorded a top priority with the completion of the political agenda. Dr. Khatiwada also highlighted Nepal's recent macro-economic fundamentals which have witnessed encouraging trends as illustrated by the latest economic and financial indicators.



Dr. Khatiwada expressed the commitment to work together in strengthening the Union in the days ahead. At the end of the session, he said the meeting has been fruitful in exploring the new avenues of co-operation and further simplification in the existing mechanism in the pursuit of fostering its effectiveness for facilitating trade amongst member countries. He also expressed his hope that ACU will be further instrumental in enhancing monetary as well as technical co-operation among member central banks.



The directors presented brief reports on macro-economic developments of their respective countries. They shared the view with respect to the present practices of their respective countries in the area of monetary, foreign exchange and financial including others. The board of directors discussed the agenda recommended by the Technical Committee of the ACU. The meeting carried out discussions on the undecided agenda of the previous board of directors meeting such the use of domestic currency in the payment and settlement of transactions among ACU member countries, setting up of ACU Trade and Development Bank, introduction of trade finance, preservation of records at ACU secretariat and use of web-based application.

The ACU Board of Directors approved certain amendments and insertion in ACU procedural rules to address the difficulties on

operational issues such as the use of Message Management Module (MMM) on ACU website, invitation of a non-member country as an observer to ACU Board of Directors Meeting and setting up a task force for dispute resolution.

The 42nd Board of Directors' meeting is scheduled to be held in Pakistan in 2013.

20 May 2012

Office of the Governor