



The SEACEN Centre

# Opening Remarks

17th SEACEN-BIS High-Level Seminar, 25 Sept 2025

## Speech by the Executive Director of The SEACEN Centre, Dr Cynyoung Park at the 17<sup>th</sup> SEACEN-BIS High-Level Seminar, 25<sup>th</sup> September 2025

The 17<sup>th</sup> SEACEN-BIS High-Level Seminar was held on 25<sup>th</sup> September 2025, ahead of the 24<sup>th</sup> SEACEN Executive Committee (EXCO) Meeting in Seoul, Korea, hosted by The Bank of Korea (BOK)

Honourable Deputy Governors, the Heads of Delegates from the SEACEN Member Central Banks, BIS Colleagues, and Distinguished Guests,

Thank you for joining us this morning, and welcome to the 17th SEACEN-BIS High Level Seminar.

### I. Evolving Landscape and Geopolitical Risks

Today, we find ourselves navigating an exceptionally challenging economic and financial landscape. The global economic order, which has underpinned economic prosperity and stability since World War Two, is being reshaped by shifting geopolitical dynamics.

The rule-based multilateral trading system, which has kept world trade open and growing, is under siege. The US dollar, despite its unparalleled and deeply entrenched role in the international monetary system, is under scrutiny due to shifting fiscal and political landscapes. Meanwhile, the global commitment to the Paris Agreement—aimed at limiting global warming to two degrees Celsius above pre-industrial levels—is wavering, raising concerns about sustainability and transition risks.

These developments have pushed global uncertainty to historic highs, as reflected in the World Uncertainty Index. Geopolitical risks—manifesting through tariffs, protectionism, and competition for strategic resources—

are disrupting supply chains, fueling market volatility, and eroding consumer and business confidence.

For SEACEN economies, the implications are significant. Slower growth, subdued inflation, and rising fiscal pressures are becoming more pronounced. Various organizations have lowered their growth outlook for the region, citing global trade uncertainty, supply chain disruptions, and rising energy prices. In many economies, year-on-year monthly inflation has declined, while in some economies it has turned negative. However, upside risks remain—as tariff shocks, subsidy reforms, and geopolitical escalations could quickly reverse the trend. High public debt, especially when coupled with weak growth, also raises concerns about price and financial stability. Fiscal sustainability issues can undermine investor confidence, complicate monetary policy transmission, and amplify currency depreciation risks.

Beyond the cyclical challenges, structural shifts—climate change, rapid technological advances such as AI, and demographic changes—pose long-term policy dilemmas.

---

## II. Uncertainty and the Role of Central Banks

Despite these headwinds, SEACEN economies have shown remarkable resilience. In the second quarter of 2025, GDP growth averaged 5.7% year-on-year, up from 5.5% in the first quarter. This reflects the strength of our economies and the steadfast commitment of policymakers—especially central banks—in maintaining price and financial stability.

Yet risks are increasingly cross-border. External shocks—whether from financial volatility, exchange rate swings linked to the dollar's dominance, or global supply chain disruptions—propagate rapidly across borders. Technological change, too, is global by nature, shaping not just productivity but also cyber risks, payment systems, and financial intermediation. Opportunities are vast, but risks are just as large.

This is why Asian central banks must not only strengthen their domestic policy frameworks but also deepen regional cooperation. By coordinating surveillance, sharing policy experiences, and enhancing regional financial safety nets, we can build collective resilience. Closer cooperation can also help manage dollar spillovers, promote regional currency usage in trade and investment, and explore new technologies such as central bank digital currencies (CBDCs) and cross-border payment linkages to enhance the efficiency of the financial system and the productivity of the economy as a whole.

---

## III. What Can Help Navigate During Uncertain Times

In navigating this uncertain terrain, three principles stand out: central bank independence, strategic risk management, and transparent communication.

Central bank independence is a cornerstone of sound monetary policy. When monetary authorities are free from short-term political pressures, they can focus on safeguarding long-term stability. This independence, however, must be matched by central bank credibility and accountability, by ensuring that decisions are grounded in data, analysis, evidence, and the public interest and trust.

Strategic risk management is equally vital. A robust framework enables policymakers to identify vulnerabilities, assess impacts, and respond with timely and proportionate measures. Shared regional approaches—through stress-testing exercises, swap arrangements, and cooperation in financial market development—can make our region collectively stronger and more resilient.

Transparent communication is also critical. Former FED Chairman, Ben Bernanke once said “monetary policy is 98% talk and only 2% action”, emphasizing his view on the crucial role of central bank communication. In a world where uncertainty is high and information can be quickly amplified and distorted, clear and consistent messages not only anchor expectations but also build confidence. Furthermore, periods of global uncertainty often bring sudden disruptions—whether from geopolitical tensions, shifts in major economies’ policies, or volatility in global financial markets. These disruptions rarely remain confined to one country; instead, they spill across borders, tightening liquidity, pressuring exchange rates, and unsettling financial stability in the region. In such an interconnected environment, joint communication and knowledge-sharing among SEACEN members can help guide markets and the public with a steady, credible voice.

---

## Conclusion

Ultimately, independence, strategy, and transparency must be reinforced by regional solidarity. By working together, Asian central banks can better mitigate the risks to financial stability, manage the challenges of shifting geopolitics, and harness the opportunities of technological change.

These principles are not just ideals—they are operational necessities. By upholding them, we strengthen our institutions, reinforce public trust, and ensure that together, we are prepared to meet the challenges of today and tomorrow.

I hope today’s discussions will be enriching and insightful for SEACEN members as our keynote speakers will share their perspectives on these critical issues.

Thank you.

[www.seacen.org](http://www.seacen.org)

[comms@seacen.org](mailto:comms@seacen.org)

[LinkedIn: The SEACEN Centre](#)

### About The SEACEN Centre —

The South East Asian Central Banks (SEACEN) Research and Training Centre was established in 1982 to serve the capacity building needs of central banks in the South East Asian region. Starting with 8 initial members, the Centre now boasts members from 19 jurisdictions among its full members, as well as 9 Associate and 7 Observer members in the Asia-Pacific region. The SEACEN Centre has established its unique regional position in serving its membership of central banks in the Asia-Pacific region through its learning programmes, research work, and networking and collaborative platforms for central banking capacity building in line with its Vision to become the Regional Learning Hub for Central Banks in the Asia-Pacific region.

© All rights reserved by The South East Asian Central Banks (SEACEN) Research and Training Centre