

2020-2023
STRATEGIC PLAN



ASEAN Federation of Accountants

Leveraging Our
ASEAN Connection.
Strengthening
the **GLOBAL** Network.

AFA is the umbrella organisation for the recognised national Professional Accountancy Organisations of the Association of Southeast Asian Nations (**ASEAN**) Member States. It comprises of 10 Primary Members and 9 Associate Members in more than 15 countries and jurisdictions, representing more than 2 million accountants worldwide.

AFA is an accredited Civil Society Organisation of the ASEAN recognised under the ASEAN Charter and an **IFAC** Network Partner.

INTRODUCTION

Leveraging Our ASEAN Connection. Strengthening the Global Network

Despite the recent slowing down of the global economic growth, Association of Southeast Asian Nations (ASEAN) as an economic region is expected to continue its journey towards becoming one of the largest economies in the world by 2050. With the ASEAN Economic Community (AEC) Blueprint 2015, ASEAN is shaping up to be a highly integrated, cohesive, competitive, innovative, and dynamic region, integrated with the global economy.

As an accredited Civil Society Organisation (CSO) of the ASEAN, AFA is playing its role in contributing to the achievement of the AEC's objectives, through successful hosting of development events and activities, publications and disseminations of AFA's thought leadership reports and periodical newsletters, and promoting collaborations between member organisations, partners and stakeholders on capacity building initiatives that contribute to the regional capacity of the profession. These efforts are in line with what AFA aspires to achieve under the AFA Strategic Plan 2016-2019: *Building Regional Capacity, Supporting Global Endeavours*.

We are pleased to see how AFA's profile as the regional body for the profession continues to be recognised by our partners and stakeholders. This is reflected in the increase in collaborations and more recently, recognition as an IFAC Network Partner for development of the accountancy profession in the ASEAN region.

AFA Strategic Plan 2020-2023: *Leveraging Our ASEAN Connection. Strengthening the Global Network* reflects our aspiration to leverage our relationship and collaboration with our member organisations, partners, and stakeholders in the region, and to be the voice of ASEAN accountancy profession in the global development of the profession. It is a culmination of a comprehensive year-long strategic deliberation from our member organisations – representatives of the ten ASEAN Member States (AMSs).

Through the Plan, we are sharing our vision, mission and objectives, our aspiration to deliver value propositions to our member organisations, partners and stakeholders, what we believe will be the successful outcomes for the period, the strategic thrusts necessary to be focused on to achieve the outcomes, and action plans that will define our directions for the period. AFA is here for the ASEAN accountancy profession.



AFA AND OUR VISION FOR THE ASEAN ACCOUNTANCY PROFESSION

Our journey began in December 1976.

A group of accountants of different ASEAN nationalities met in Manila for the first Forum of Accountants of ASEAN Member Countries. From a humble beginning, our founding fathers shared the same interest for a

community of ASEAN accountants, a platform to network, collaborate and together create a stronger grouping of accountants in the ASEAN region.

In 12 March 1977, at the first official meeting of ASEAN accountants from Indonesia, Malaysia, Singapore,

Thailand and the Philippines, our founding fathers agreed on the establishment of the ASEAN Federation of Accountants or AFA (www.afa-accountants.org) as an umbrella organisation for the national associations of accounting professionals of the ASEAN.



OUR VISION

To be globally recognised as the organisation that represents the accountancy profession in the ASEAN region.



OUR MISSION

To develop and promote the accountancy profession in the region in support of the socio-economic enhancement of the ASEAN Member States.

Realisation of AFA's vision and mission is translated into different objectives of the Federation, aimed at positioning AFA in various leading, contributing, and supporting roles.

OUR OBJECTIVES

The objectives of the Federation are to:

- a. Provide an organisation for ASEAN accountants for the further advancement of the status of the profession regionally and globally with the view to establish an ASEAN philosophy on the accountancy profession;
- b. Establish a medium for closer relations, regional cooperation and assistance among ASEAN accountants;
- c. Enhance the continuous development of the accountancy profession in the region through the joint endeavours of accountants representing the ASEAN;
- d. Serve the public interest by strengthening and contributing to the development of strong international economies through the joint efforts of AFA member organisations;
- e. Further serve the public interest by promoting the adoption and supporting the implementation of international standards on private and public sector accounting, auditing, ethics, and education, as well as the establishment of related quality assurance and enforcement mechanisms;
- f. Support AFA member organisations through mutual assistance to build their capacity and become fully effective Professional Accountancy Organisations;
- g. Speak out on issues of public interest;
- h. Identify and highlight vital challenges affecting the accountancy profession in the ASEAN region and to formulate and promote proposals towards the solution of these challenges;
- i. Provide ASEAN accountants with a venue for the exchange of the significant knowledge, ideas and information on the accountancy profession in the ASEAN Member States;
- j. Elevate the image of the Federation and be recognised as a representative of the ASEAN accountants in their collective dealings with international accountancy and other organisations; and
- k. Work in cooperation with ASEAN business professional and other regional groupings whose economic development efforts may be complemented by ASEAN accountants.

OUR MEMBER ORGANISATIONS

AFA continues to grow as a collective grouping of Professional Accountancy Organisations (PAOs) of the ten AMSS, supported by regional and global accountancy bodies who are friendly to and supportive of the AFA objectives. Collectively, the AFA membership consists of almost 3 million members around the world, including both recognised and qualified accountants and those currently on a journey to be associated with the profession.

AFA PRIMARY MEMBERS



ASEAN Federation of Accountants



BRUNEI DARUSSALAM
Brunei Darussalam Institute of Certified Public Accountants (BICPA)



MYANMAR
Myanmar Institute of Certified Public Accountants (MICPA)



CAMBODIA
Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA)



PHILIPPINES
Philippine Institute of Certified Public Accountants (PICPA)



INDONESIA
Ikatan Akuntan Indonesia (IAI)
Institute of Indonesia Chartered Accountants



SINGAPORE
Institute of Singapore Chartered Accountants (ISCA)



LAO PDR
Lao Chamber of Professional Accountants and Auditors (LCPAA)



THAILAND
Federation of Accounting Professions (TFAC)



MALAYSIA
Malaysian Institute of Accountants (MIA)



VIETNAM
Vietnamese Association of Accountants and Auditors (VAA)



AFA ASSOCIATE MEMBERS



ASEAN Federation of Accountants



CPA Australia



Institut Akuntan Publik Indonesia (IAPI)
Indonesian Institute of Certified Public Accountants



Chartered Accountants Australia
and New Zealand (CA ANZ)



The Japanese Institute of Certified Public
Accountants (JICPA)



The Association of Chartered
Certified Accountants (ACCA)



Institute of Management
Accountants (IMA)



The Association of
Accountants and
Financial Professionals
in Business

The Association
of Accounting Technicians (AAT)



The Malaysian Institute of Certified
Public Accountants (MICPA)



The Institute of Chartered Accountants
in England and Wales (ICAEW)



AFA AS A RECOGNISED VOICE FOR ASEAN ACCOUNTANTS

ASEAN (www.asean.org) recognises AFA's role as a representation of the ASEAN accountancy profession. Achievement of the AEC's objective to "establish a highly integrated and cohesive; competitive, innovative and dynamic; with enhanced connectivity and sectoral cooperation; and a more resilient, inclusive, and people-oriented,

people-centred community, integrated with the global economy" requires contribution from all stakeholders in the region, including AFA. As an accredited ASEAN CSO, AFA is committed to support the ASEAN in fulfilling the region's full potential as one of the largest global economic powerhouses.



AFA is an accredited ASEAN **Civil Society Organisation (CSO)**, recognised under the ASEAN Charter since 1994.



AFA also recognises the important role of the International Federation of Accountants or IFAC (www.ifac.org) as the global representation of the accountancy profession. As an IFAC Network Partner, we look to continue our positive collaboration with IFAC in developing the profession in the ASEAN region and contribute to the global accountancy profession.

AFA recognises the value of membership with IFAC for the AFA

member organisations. Continuous fulfilment of the IFAC Statements of Membership Obligations (SMOs) is an indicator of a PAO's stage of development and an assessment of the PAO's role in development of the accountancy profession in its jurisdiction. As a valuable partner to IFAC, we look to continue our collaboration with IFAC in the development of the ASEAN accountancy profession.



AFA is a recognised **IFAC Network Partner** since 2019.



OUR PARTNERS AND STAKEHOLDERS

As a not-for-profit organisation, we recognise the importance of working with our member organisations, partners, and stakeholders, and leverage their collective work and expertise to provide ASEAN accountants with access to various development updates, resources, and activities.

As a regional organisation, we value our relation and collaboration with local, regional and international partners and stakeholders as an important step in realising our vision, mission, and objectives. AFA understands each partner and stakeholder has different interests and priorities. It is important to identify, focus and prioritise on common or

shared strategic interests, especially those that we believe will benefit the ASEAN accountancy profession. The AFA strategy for 2020-2023 reflects our priorities for our core stakeholders among others, our member organisations, IFAC, ASEAN, and the development bodies.

We must remain relevant to our partners and stakeholders, particularly in meeting their needs and expectations. AFA is in a unique position to provide values to our partners and stakeholders, through collaboration on common strategic interests that will benefit all the parties involved and the accountancy profession in general.

Our Value Propositions

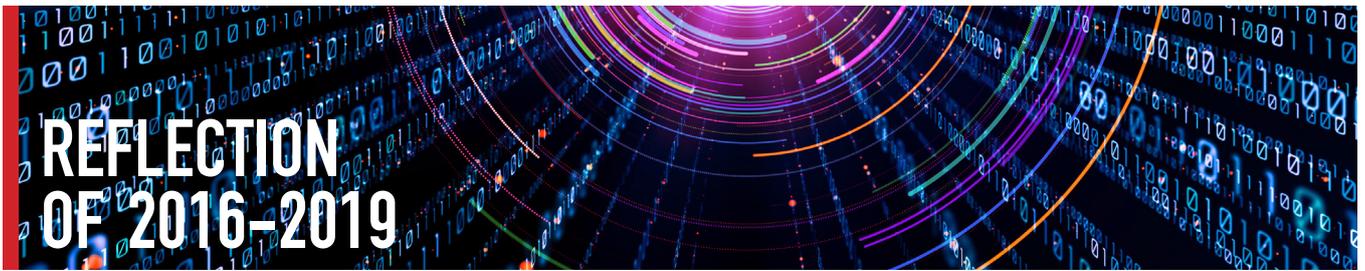
Gateway to and centre for data, update, and research on the ASEAN accountancy profession, providing **insights** about the region;

Regional platform for efficient communication with and **network** to the ASEAN PAOs and stakeholders, including for knowledge learning and sharing, dissemination of the latest information relevant to the ASEAN accountancy profession, and identification of collaboration and business opportunities;

Regional **partner for development** of the accountancy profession in the ASEAN region, through among others, promotion of adoption and implementation of international standards and best practices and capacity building activities;

Recognition of quality and excellence (increased status) through association with and as a member of AFA;

Realisation of connection within and between the ASEAN accountancy profession, bringing the ASEAN PAOs as a one stronger **regional voice**, representing the voice of the region in global discussions.



REFLECTION OF 2016-2019

The AFA Strategic Plan 2016-2019: *Building Regional Capacity, Supporting Global Endeavours* was established to serve as AFA's guidance in working on our priorities for the period. Under the leadership of LCPAA (2016-2017) and ISCA (2018-2019), AFA has made significant progress on different aspects of our organisation and member organisations' efforts in developing the profession. We believe some of the objectives in the period will continue to be relevant in 2020-2023.

2016-2019 is about strengthening our governance and institutional capability, to position AFA to better serve our member organisations and work with our partners and stakeholders. We believe AFA is now in a stronger position to focus on our strategies and priorities for 2020-2023.

2016-2019: Our Strategic Objectives

Obtain global recognition as the regional accountancy body of ASEAN and advocate on public interest issues for the region;

Promote and facilitate adoption and implementation of international standards and support member bodies to develop expertise in other key areas in the ASEAN region;

Support and facilitate AFA PAOs capacity building and membership;

Champion and contribute to efforts to enhance transparency and accountability in public sector; and

Support and facilitate high-quality accountancy practices through knowledge, ideas and resources sharing.

2016-2019: Our Priorities and Key Initiatives

Our priorities for 2016-2019 are on adoption and implementation of international standards, regional thought leadership on SMEs and SMPs issues, and capacity building of the ASEAN PAOs.

In 2016-2019 AFA introduces the AFA Working Committee, to focus on the three identified priorities. In realising our aspiration to be a regional thought leader on discussion of SMEs and SMPs issues in the region, AFA also introduces the AFA Research Grant initiative. We have awarded two grants in 2016 and 2019.

OUR STRATEGIES AND PRIORITIES FOR 2020-2023

In defining our strategies for 2020-2023, we recognise the unique characteristics of ASEAN as a continuously developing economic region full of potential and expectations. These characteristics are also reflected in the different stages of development of the ASEAN PAOs. Our strategies are focusing and prioritising on common interests of the stakeholders of the ASEAN accountancy profession, with strong emphasis on joint efforts and collaboration between AFA, our member organisations, partners and stakeholders.

Our member organisations believe there are elements in our strategies for 2016-2019 that are still relevant for 2020-2023. We look to continuing our focus on these strategies, whilst responding to new expectations of our partners and stakeholders. We understand the importance of prioritisation which leads to strategies to be chosen based on what AFA and our member organisations believe to be our focus for 2020-2023.

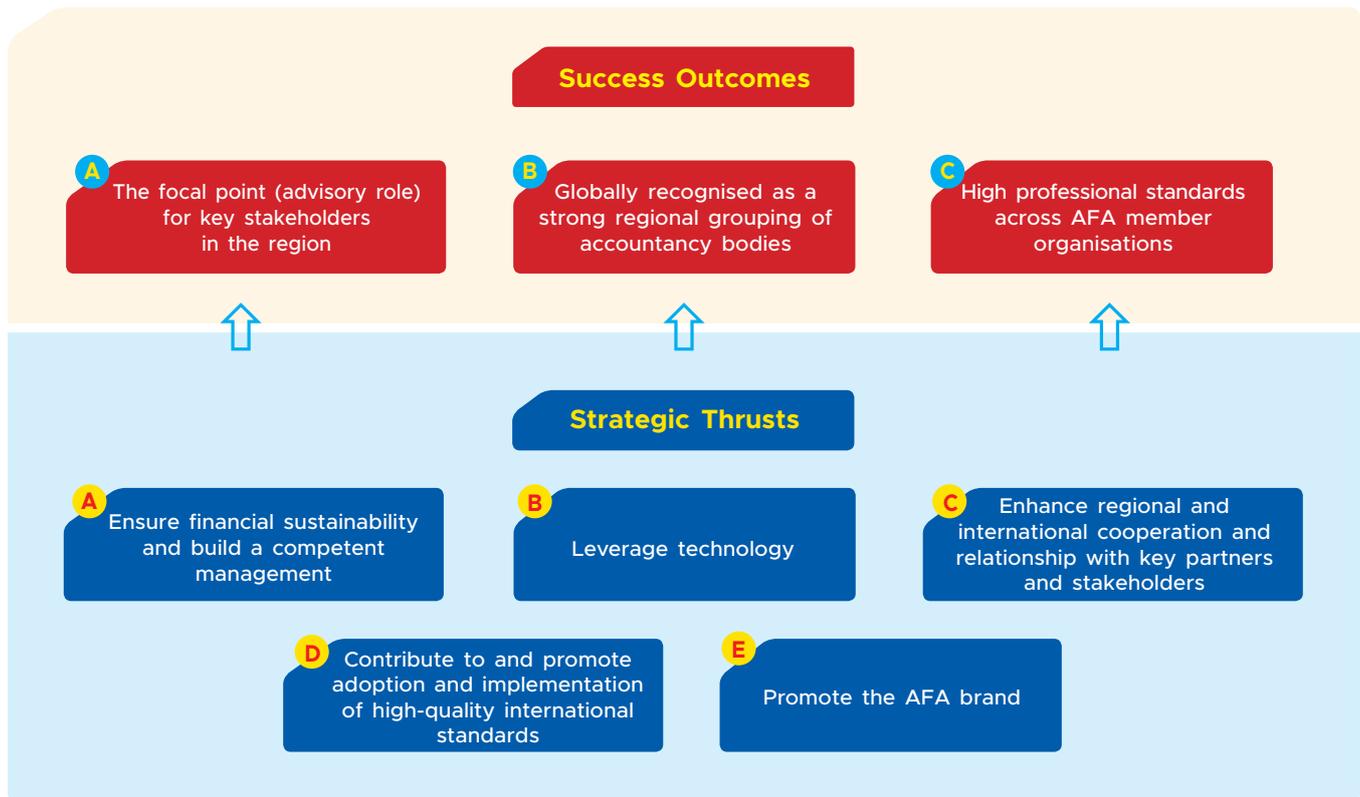


Illustration 1: AFA Strategic Plan 2020-2023

2020-2023: Success Outcomes**Recognition of AFA as the focal point (advisory role) for key stakeholders in the region**

AFA to play advisory and leading role on matters relating to ASEAN PAOs, capacity building, accountancy profession, and technical accountancy discussion in the region;

Global recognition of AFA as a strong regional grouping of accountancy bodies

AFA to carry the voice of ASEAN accountancy profession and be represented in, contribute to and influence regional and global discussions; and

Implementation of high professional standards across AFA member organisations

AFA to raise the professional standards of the AFA member organisations, through membership with IFAC, continuous fulfilment of the IFAC SMOs, and reduction of development gaps.

To achieve the aspired successful outcomes, AFA understands the importance of identifying and focusing on prioritised key strategic thrusts. These include strengthening of our internal governance and capability, and prioritising of our external engagements and activities. Each of the identified thrusts will contribute to the achievement of our success outcomes for the period. We believe successful execution of these thrusts will put AFA in a stronger position to deliver our value propositions to partners and stakeholders.

2020-2023: Strategic Thrusts

Ensure **financial** sustainability and building a **competent (executive) team**; and

Promote the **AFA brand**.

Leverage **technology** to achieve AFA's objectives;

Enhance **regional and international cooperation** and relationship with key partners and stakeholders; and

Contribute to and promote adoption and implementation of **high-quality international standards**.

Strengthening of Internal Capability and AFA Branding as Platforms for Implementing the Strategic Plan

Execution of the internal strategic thrusts will be conducted through a string of continuous coordination between the AFA leadership and member organisations. We recognise the importance of continuously strengthening our internal capability and building awareness towards the AFA brand and our activities, as platforms for implementing the strategic plan. Only when AFA is internally strong and recognised as a brand for representation of ASEAN accountants we can achieve the desired success outcomes for the period.

As a not-for-profit organisation, AFA is working on a budget driven mainly by revenue from membership fees and proceeds from joint activities with member organisations, partners, and stakeholders. We are focusing on effective and efficient use of our budget in delivering our value propositions and achieving our objectives through:

1 Strengthening of our cooperation with the Institute of Indonesia Chartered Accountants (*Ikatan Akuntan Indonesia – IAI*) as the permanent AFA Secretariat in Jakarta and the Institute of Singapore Chartered Accountants (ISCA) under the AFA Treasurer who supports our finance matters in Singapore;

2 Enhancing the role of the AFA Council, member organisations, and AFA Working Committee as platforms for volunteering, collaborating, and contributing to AFA's events and activities;

3 Leveraging cooperation with our member organisations and their available resources to support implementation of the strategic plan;

4 Leveraging and investing in technology to increase effective and efficient communication and collaboration with our member organisations, partners and stakeholders;

5 Strengthening of the AFA branding through consistent communication of our value propositions to partners and stakeholders, showcasing AFA and member organisations' products and services, and leveraging social media as platform for communication; and

6 Exploring potential streams of revenue to provide AFA with more opportunities to work on development activities.

Leveraging Technology, Enhancing Cooperation and Relationship, and Promoting High-Quality International Standards to Position AFA as a Globally Recognised Grouping of ASEAN Accountancy Bodies

Achievement of the external strategic thrusts will be the focus of AFA, through collaboration with our member organisations, partners, and stakeholders. AFA recognises the importance that technology can play in facilitating our collaborative efforts to implement the strategic plan.

2020-2023 Action Plans

Leverage technology to achieve AFA's objectives

Develop a **centralised** multilingual (ASEAN languages) **AFA technology-based platform** for ASEAN accountancy profession research, thought leadership, development resources, and latest information about the state of the profession in the region (including adoption of international standards in ASEAN Member States);

Facilitate the use of **cloud-based solutions** to promote cooperation between ASEAN accountants;

Engage with relevant and leverage partners and stakeholders' **technological initiatives**; and

Optimise the use of technology for regional **data analytic** and e-learning activities.

*AFA recognises the use of technology as a key element in further enhancing the global public awareness towards AFA and the member organisations' achievements, initiatives, and activities. This will contribute to AFA's aspirations to be recognised as the **focal point** for key stakeholders in the region and as a strong **regional grouping** of ASEAN PAOs. Technology can also facilitate sharing of resources between member organisations, as part of AFA's aspiration to build member organisations' capacity through adoption of **high professional** standards.*

To achieve the success outcomes, we understand the importance of strengthening our cooperation and relationship with partners and stakeholders. We value the contributions of our partners and stakeholders to the continuous improvement of the ASEAN accountancy profession. AFA look forward to continuing our role as a strategic partner for the accountancy profession in the ASEAN region, be the voice of the profession and contribute to the global development of the profession.

2020-2023 Action Plans

Enhance regional and international cooperation and relationship with key partners and stakeholders

Identify and focus on **common strategic interests** that will benefit the ASEAN accountancy profession, through among others, establishment of multi-stakeholders working groups on issues relevant to the profession, joint publication of thought leadership resources, co-hosting of development events and activities;

Engage with key partners and stakeholders to promote and deliver AFA's **value propositions**, leading to real collaborations in line with AFA's strategies and priorities;

Leverage recognition of AFA as an **IFAC Network Partner** to be the voice of the ASEAN accountancy profession and contribute to and influence global development of the profession; and

Actively contribute as an accredited ASEAN CSO to **ASEAN initiatives** such as implementation of the ASEAN MRA on Accountancy Services.

*AFA recognises the importance of enhancing regional and international cooperation and relationship with partners and stakeholders in strengthening its position as the **focal point** for key stakeholders in the region and as a strong **regional grouping** of ASEAN PAOs. Collaboration with partners and stakeholders is also key in ensuring member organisations are provided with access to resources and support in their efforts to adopt **high professional** standards.*

Continuing the progress that we have made under AFA Strategic Plan 2016-2019, AFA is committed to support, promote, and contribute to adoption and implementation of high-quality international standards in the ASEAN region. AFA will continue to work closely with our member organisations and build our collective capacity in the region to support adoption and implementation of the standards.

2020-2023 Action Plans

Contribute to and promote adoption and implementation of high-quality international standards

Strengthen AFA and AFA member organisations' **capacity** to take leadership role in discussion and engagement with national, regional and international stakeholders;

Introduce a **mentoring** system between AFA member organisations, to identify and address common and/or pressing **needs and priorities** based on fulfilment of the IFAC SMOs;

Leverage **collective expertise and resources** of the AFA member organisations to advocate adoption of high-quality standards and best practices in the ASEAN Member States;

Constructively **provide input** to the global standard-setting discussion, focusing on pressing and prioritised issues that are relevant and crucial to the ASEAN region; and

Facilitate **dissemination** of the latest information on global adoption and implementation of international standards to the ASEAN stakeholders.

*Contribution to and promotion of adoption and implementation of high-quality international standards in the ten AMSs is a key thrust contributing to AFA's aspiration for the member organisations to adopt **high professional** standards. Stakeholders can also recognise AFA's role as a **regional grouping** and a **focal point** for the region's collective efforts in adopting and implementing the standards.*



ASEAN Federation of Accountants
Accredited Civil Society Organisation of the ASEAN

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