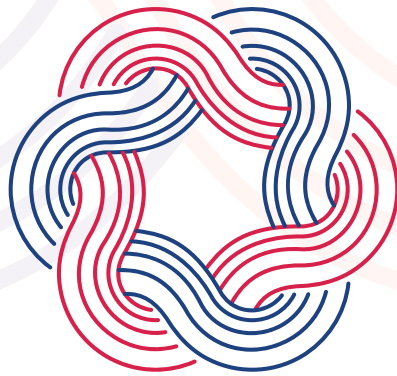


**ACCA**

Think Ahead



# **ACCA ASIA PACIFIC DIALOGUE 2024**

**WEAVING THE FABRIC OF  
TOMORROW'S SUCCESS TOGETHER**

**JW MARRIOTT HOTEL HANOI, VIETNAM  
28-29 May 2024**

# FOREWORD

**The ACCA Asia Pacific Dialogue 2024 in Hanoi, Vietnam was a landmark event, bringing together thought leaders, policymakers, business influencers, and educators to shape the future of economic growth and the finance profession across the region. Themed “Weaving the Fabric of Tomorrow’s Success Together”, the event served as a platform for collaboration and shared vision in an ever-changing world.**

I had the privilege of welcoming participants from across Asia Pacific, a region that stands at the crossroads of extraordinary opportunity and challenges. In the backdrop of global tensions, climate change, and rapid technological advancements, the Asia Pacific has emerged as a dynamic hub influencing the global narrative. This Dialogue offered a space to address the critical issues shaping our future - from sustainable growth to digital transformation and the essential role of talent in fostering innovation.

As ACCA celebrates its 120th anniversary globally, and 88 years in Asia Pacific, we are proud of the pivotal role our members, future members and community continue to play in promoting ethics and transparency. Their work exemplifies how the accountancy profession can lead in ensuring resilient and fair capital markets, driving forward sustainable business models and contributing to the robust economic frameworks that nations need to thrive.

The Dialogue underscored the collective responsibility we share in driving forward a wider view of what success looks like, moving beyond financial value to also encompass sustainability, human and social value. The discussions highlighted in many ways the crucial role of the accountancy profession in creating, measuring and protecting that value.

I extend my deepest thanks to all participants, our partners, and ACCA members who continue to lead with purpose and integrity. Together, we are laying the foundation for a better, more sustainable future for all.

**Helen Brand OBE**  
**Chief Executive of ACCA**



**Helen Brand OBE**  
Chief Executive of ACCA

Number of attendees

718



Countries represented

15

Number of sectors represented

18

# EXECUTIVE SUMMARY

The Asia Pacific has long been a strategically vital hub that connects established powers with emerging players. The region is home to half the world's population and has a burgeoning middle class. Its combined economic might is growing rapidly, with some estimates projecting that the region will account for up to 50% of the world's GDP in less than two decades.

Today, the Asia Pacific is also at the crossroads of geopolitical tensions and international trade challenges. And like any other parts of the world, it has to contend with the climate crisis and the urgent need to harmonise economic growth and environmental stewardship.

This confluence of forces and factors paves the way for the Asia Pacific to step into a central role in which the region can influence the global narrative, navigate currents of change, and create economic structures and set standards that will endure for generations.

With this in mind, the inaugural ACCA Asia Pacific Dialogue 2024 was held in Hanoi, Vietnam, on 28 and 29 May, 2024, bringing together policy makers, leaders from the public sector, businesses and academia to present ideas, spark conversations and strengthen ties.

The conference theme, Weaving the Fabric of Tomorrow Together, was a nod to the interconnected threads that bind the region's diverse cultures, industries and aspirations. Vietnam's dynamism served as a fitting backdrop while the participants heard and talked about how they can shape the future of economic growth and the accounting and finance profession across the Asia Pacific.

Day 1 of the conference was built around the sub-theme of Bytes and greens: Igniting



growth through digital and sustainable innovations, while the Day 2's sub-theme explored the associated learning imperatives through The talent equation: Driving the future of learning through technology and innovation.

This report highlights key ideas and issues that were brought up by speakers and panellists during the dialogue. The first four chapters focus on the sessions on Day 1. The final chapter is based on the Day 2 proceedings.

## Policy innovation for a green and digital Asia Pacific

Although sustainability and digitalisation are often viewed and handled separately, there are overlaps between the path to sustainability goals and the march of digital technology, and these correlations should be properly understood and managed.

For example, digitalisation boosts the sustainability agenda by helping us to save energy, monitor and verify data, and improve the operational transparency. However, when digitalisation leads to job losses, this affects the pursuit of sustainability. Therefore, digitalisation and sustainability must be embraced together with clear frameworks that can be easily implemented.

The sustainability agenda needs to be supported by the right strategies, skills, systems

and standards.

The work done so far by the International Sustainability Standards Board to set globally recognised and applicable standards and support implementation of sustainability reporting has been encouraging, and so too the response and approach by many countries in adopting those standards.

A big challenge is to come up with strategies that truly transform businesses in line with the sustainability agenda, instead of merely complying with reporting requirements, which is viewed as a common weakness in the Asia Pacific.

The lack of relevant skills and the high costs of the green transformation are other major hurdles in the pursuit of sustainability. It takes the efforts of an entire ecosystem to tackle these problems; businesses cannot do so on their own.

The changes driven by digital technology, particularly artificial intelligence (AI), are rapid and highly transformative. It is exciting and scary, but it is also inevitable. It is best to lean into it so as to have a hand in shaping the future. It is a positive sign that the people and governments in the Asia Pacific are responding well to digitalisation.

Amid the digital and green transformations, people must not lose sight of our humanity and our responsibility for directing change. If AI can provide all the answers, the most human thing for us to do is to ask the right questions. Digital innovations and the greening of the economy must be balanced against other major people-centric objectives so that disruptions will not cause lasting and widespread damage to the economy and society. The authorities in the region should ensure that their policies keep up with global trends and practices so that their jurisdictions remain attractive to investors. Those in power should also be willing to seek and take in views from all sides. Regional cooperation is critical in the transition to a green and digital

future because it facilitates the harmonisation of regulations and policies.

## **Sustainable growth through collaboration**

The world is grappling with a paradox – we have never been more connected than we are today and yet we are experiencing geopolitical fragmentation. Global companies have to figure out how they can best deal with these complex circumstances. Organisations should assess whether they have sufficient insight, oversight and foresight to take on today's geopolitical, political and regulatory challenges.

Nevertheless, collaboration in the Asia Pacific, such as through trade and investment ties, can contribute significantly to sustainable growth. States and businesses are making more calculated choices about location, with global supply chains being reordered explicitly to combat perceived vulnerability and mitigate dependency, rather than the more neutral objective of efficiency.

There should be more attention on how small and medium-sized enterprises (SMEs) can play a part in trade opportunities and cross-border partnerships across the Asia Pacific. These entities are often agile, innovative and adaptable, but have limited access to financing and capital markets. They can benefit if there are more institutions that can enhance domestic liquidity so as to enable the private sector to move forward.

Young people who are setting up and running SMEs are more digitally adept and are embedding sustainability principles in their organisations and projects. In addition, the size of these SMEs allows them to be more nimble than larger companies and the government. As such, going international comes naturally to many of these businesses, although they still need support in areas such as finance, access to markets, research, and training.

International trade and investments do not

necessarily involve huge projects and deals. Such partnerships can be based on something as simple as an exchange of knowledge and ideas.

A frequent mistake when companies venture abroad is failure to undertake thorough market intelligence research and underestimating the local competition. Another one is underestimating the complexity of establishing and running a business in unfamiliar territory

To ensure that the Asia Pacific countries keep growing together sustainably, leaders of the region must focus on demographics, enabling the private sector, infrastructure development, and facilitating business and investments.

## **Innovating in transition from brown to green**

Stakeholders must fully appreciate the enormity and complexity of the transition from fossil fuels and unsustainable practices to renewable energy and green technologies. There has to be constant engagement and collaboration in this matter.

The shift to renewable energy and net zero needs to be steered skillfully and firmly by the authorities. Government policies are a major factor in the pace of a country's green transition. It is not enough that these policies are sound and comprehensive on paper; their coordination and implementation must be effective, and a sturdy partnership between the public and private sectors is essential.

Among the technology-related developments that will support the green transition are improvements in energy storage and the lowering of production costs of solar panels and wind turbines. However, there should be caution when adopting technology solutions as part of the move to renewable energy. Some of these solutions may come with costs to the environment or may cause unexpected problems. There should be a good understanding of the overall impact on

carbon intensity when the use of renewable energy is widened.

Professional accountants need to recognise that sustainability is increasingly becoming an integral part of their job scope. CFOs and the finance function play an important role in the development, execution and monitoring of a robust emissions reduction plan, including strategies around the supply chains, to support their organisations' transition to a low-emissions economy.

The evolving role of professional accountants and auditors in the sustainability agenda is exciting because it makes their jobs even more meaningful and enhances the appeal of the profession to existing and new talents.

## **Fuelling growth through talent transformation**

The alchemy of talent refers to the fusion of skills, capabilities, and innovation to drive economic growth and success. The all-important ingredient here is purpose because young people are very much purpose-driven. It matters to them that they believe in their employers' meaning and mission.

Doing the right thing and acting with purpose starts from the top. Leaders must lead by example because the Gen Z and Gen Alpha talents are watching.

Today's employers have to deal with some new circumstances. For example, the workforce is now multigenerational, with each generation having its own set of priorities, expectations, connectivity and lifestyles. Another factor to consider is the higher frequency with which the youth switch employers these days.

Recruitment strategies are changing as employers respond to the current expectations of younger people and the shifts in how businesses operate.

As the competition for talent heats up, one option for businesses is to tap the potential of people living in smaller non-urban communities. Another strategy is for industry to nurture talent by working with schools to run programmes for students.

Providing ample opportunities for continuous learning is a powerful tool for talent retention. The younger generation appreciates shorter and more flexible learning programmes that include mentoring and storytelling.

Ethical behaviour in the accounting profession is linked to its attractiveness as a talent destination. To address this, accounting firms are a lot more discriminating about the people they are associated with, the sectors they operate in, and the nature of their client base.

Accountants must recognise that they are members of a profession bigger than themselves and which comes with an ethical framework and ethical professional standards. In addition, efforts to elevate ethical behaviour should include training on ethics and ethical decision-making.

## **Driving the future of learning through technology and innovation**

The rise of AI and other digital trends is an opportunity to get ahead, and accountants are better off adapting, learning and staying curious. This applies as well to those educating and training future accountants.

The global scramble to go digital at the start of the Covid-19 pandemic is a prime example of a broad and quick adoption of technology in education. It was the turning point that convinced schools, universities and other educational institutions of the benefits and possibilities of digital teaching and learning.

It was also the catalyst for the growth of the business of education technology (EdTech), which is the use of hardware, software, digital content, data, and information systems in

education to support and enrich teaching and learning and to improve education management and delivery.

Education in a digital environment offers flexibility that compels students to be responsible for their own learning. Technology-enhanced personalised learning provides tailored learning experiences that cater to the individual needs and preferences of each learner. Meanwhile, learning management systems allow teachers to track student progress in real-time, identify areas where additional support is needed, and give immediate feedback to help students stay on track.

It is worth noting that millennials and the Gen Z are digital-native, skilled with technology, and prefer learning through digital means. Educational institutions can get the attention of these young people by leveraging technology to enhance student engagement.

All these are powerful arguments for learning providers to be enthusiastic adopters of digital technology. But creating a digital environment for students is not merely about technology; it is also about empowering them with the right skills and mindset.

The use of AI in education is a hot topic. For example, educational institutions are exploring how generative AI (GenAI) can help with personalisation of the learning experience, creation of interactive and engaging content for educators, and administrative efficiency.

A challenge relating to the use of GenAI in education is the lack of clear policies and guidelines. There are also questions about the reliability of AI outputs, especially in the context of research. Overdependence on AI-based tool may result in the underdevelopment of the students' skills and knowledge. In addition, sustainability and ethical issues surrounding GenAI need to be rigorously examined and addressed.



# CHAPTER 1

## TWIN TRANSFORMATIONS – SUSTAINABILITY AND DIGITALISATION

### Two are better than one

The first panel of the conference gamely took on a broad topic – how the increasing demand for better sustainability reporting and the rise of all things digital are changing the policy landscape and business decisions. Although many people may see sustainability and digitalisation as separate spheres, the dialogue’s theme, Weaving the Fabric of Tomorrow’s Success Together, is a reminder that interconnectivity is prevalent and powerful.

Indeed, it was highlighted several times during this discussion that in some critical areas, there are overlaps between the path to the Sustainable Development Goals and the march of digital technology. These intersections deserve close study so as to ensure that the overall impact is a step forward.

Noting that public conversations focusing jointly on digitalisation and sustainability, were rare, Dr Hu Jie, a professor at the Shanghai Advanced Institute of Finance, said there should be more attention on the correlation between these two transitions.

He shared the general view that digitalisation boosted the sustainability agenda by helping with energy saving, the monitoring and verification of data, and improvements in the transparency of operations. However, he cautioned that digitalisation could also dramatically and quickly alter employment patterns, resulting in job losses that hurt the economy and the pursuit of sustainability.

“So, embrace digitalisation and embrace sustainability, but embrace them together,” he advised.

Claudia Anselmi, who was on the panel as a representative of the business community in Vietnam, added another layer to Hu’s call for action. She said, “Embrace sustainability. Embrace digitalisation. But make it simple and understandable. Let’s have clear frameworks with simple language that businesses can understand and turn into practice.”

### Advancing the sustainability agenda

EY Asia-Pacific public policy leader Julia Tay said the urgency of the sustainability agenda required immediate action, specifically by providing support through four elements: strategy, skills, systems and standards.

The current framework for sustainability reporting is certainly not simple, but Tay saw encouraging signs that the alphabet soup of multiple sets of sustainability reporting standards was on its way out. To her, the turning point was in November 2021 when it was announced during the COP26 conference that the International Sustainability Standards Board (ISSB) would be formed to develop sustainability disclosure standards. According to her, we were moving towards “an era of mandatory sustainability reporting based on global standards.”

Tay pointed out that China, the European Union, the United States and India had already mandated sustainability reporting. These economies combined to represent 64% of the world GDP and were home to almost half of the people on the planet.

# BRIGHT HORIZONS BOLD MOVES



## PANEL DISCUSSION: Policy innovation for a green and digital Asia Pacific

**Duleesha Kulasooriya,**  
managing director, Deloitte's Center  
for the Edge Southeast Asia

**Dr Hu Jie,**  
professor of practice, Shanghai  
Advanced Institute of Finance, Shanghai

**Jiao Tong**  
University/director,  
Fintech Innovation Base (Nanjing)/  
executive director, Southeast Asia  
Center

**Julia Tay,**  
Asia-Pacific public  
policy leader, EY

**Claudia Anselmi,**  
general manager, Hung Yen Knitting  
and Dyeing Co/vice-chair, European  
Chamber of Commerce in Vietnam

**Moderator:**  
Aucky Pratama, regional lead public  
affairs, Asia Pacific, ACCA

Apart from this, she added, many countries were well into the process of adopting the ISSB standards, which were positioned as the global baseline.

“What has been really positive is that the policymakers have taken a very pragmatic approach in this matter by taking into account industry feedback and the time needed to build capacity,” said Tay.

When it comes to strategy to serve the sustainability agenda, the challenge is for businesses to formulate strategies that truly reflect their buy-in.

“The sustainability agenda is very much about business transformation. It starts with a business strategy overseen by a governance body, followed by an implementation roadmap and execution by a management team,” Tay explained. “Unfortunately, when entities take a compliance approach, which is very common in the Asia Pacific, the focus is on the reporting instead of the business strategy. It should not be about the tail wagging the dog.”

Another factor hindering the pursuit of sustainability is the lack of relevant skills. Tay said this talent gap was felt not only within the operations of companies, but also across the business ecosystem, including among directors, investors, regulators and even accounting firms. This is why she lauded the ISSB’s move to identify capacity building as a strategic priority. She added that ASEAN too had done its part in building capacity in the field of sustainability through knowledge-sharing initiatives and the publication of the ASEAN Taxonomy for Sustainable Finance.

In respect of systems, Tay pointed out that because sustainability reporting was much broader than financial reporting, companies needed to either build new systems or enhance existing ones to manage more data sources and ensure data integrity. “But of course, this will incur costs, and we know that companies do need help,” she said.



Anselmi, the vice-chair of the European Chamber of Commerce in Vietnam, said the green transformation was difficult for many companies in Vietnam and in ASEAN in general because of the lack of knowhow, the high initial outlay, and tight access to green financing.

“The green transformation is definitely an amazing opportunity for all businesses. But businesses in Vietnam and many other parts of the Asia Pacific face challenges and cannot do it alone. We need the whole ecosystem, including financial, academic and legal resources and frameworks.





## Is digitalisation exciting or scary?

**A few hours after taking part in this panel discussion, Duleesha Kulasooriya of Deloitte was on the stage again to give a presentation titled Human in a Digital World. During both sessions, he emphasised that the changes over the next five to 10 years propelled by digital technology, particularly artificial intelligence (AI), would bring us into “a whole different world.”**

Duleesha, who heads the Southeast Asian arm of Center for the Edge, Deloitte’s futurist think tank, said the next internet was going to be intelligent, immersive, instantaneous... and overwhelming. He expected the development and adoption of digital technology in the next decade to be more rapid than it was over the previous 20 years (which already experienced

remarkable technological leaps), adding that we would not be equipped to deal with the pace of change.

He described the future as both exciting and scary. It is also inevitable, he added, and the best thing to do was to lean into it. “If you lean in, you get to shape what the future could be, rather than reacting to what it will be. So, I’m encouraging everyone here to personally and professionally lean into all things digital,” he said.

This may not be a tall order for the Asia Pacific. A global study by Deloitte last year showed that the region led in every metric for enthusiasm and adoption of AI, registering above even the US and Europe. “Enterprises in the Asia Pacific are willing (to adopt AI). The people are really willing,” he added.

Duleesha said the governments in the region too were responding well to digitalisation, each with policies tailored to the country’s circumstances and needs. But all the governments are working on boosting digital literacy, which he regarded as yet another good sign.

## Humanity in the face of transformation

Given that AI and other digital innovations are likely to drastically change the world within a decade or so, the Center for the Edge came up with a paper that essentially threw out questions that can help ensure that the next internet will be more human-centric than techno-centric.

The questions were based on four core traits that define us as human beings: humans as dreamers, storytellers, social and moral beings, and physical beings. A key takeaway from the paper and Duleesha’s presentation is that if AI can present all the answers, the most human thing for us to do is to ask the questions.

“It becomes our responsibility as humans to

make very conscious choices as to where we want AI to lead and where we want humans to lead. If we don't, AI will take over pretty much everything we do," he warned.

Another angle to humanity amid the waves of transformation is the struggle for balance. Hu said every government was trying to strike a balance between the sustainability agenda and other major people-centric objectives. There is no universal approach because every country has its own unique set of conditions, and the pursuit of sustainability does not yet have a long history that yields many proven solutions.

For example, it is tough to find balance when the greening of the economy threatens to derail development. Hu referred to China's decision a couple of years ago to shut down some smaller businesses because their operations had caused pollution. He said, "And now, I believe that we are kind of regretting that move because we did do some harm to the economy by doing that."

Digitalisation and the imposition of global standards are other areas where balance can be elusive in the context of the sustainability agenda.

Hu argued that once the economic system was off-balance, it would be disrupted, and this could be damaging. "We sometimes think that disruption is good for innovation, but the problem is, it may take too long for the whole system to settle to a new balance, and that's going to have some negative consequences," he said.

When asked about the attitude of the youth towards a green and digital future, Duleesha said Generation Z and Generation Alpha were much more open to adopting technology and changing their behaviour to be greener. "It makes sense. We've have screwed up the world. They're the ones who have to live in it now. The question is, how can we enable them? One way is for leaders of countries and enterprises to give young people more space and power to do

more," he added.

He thinks that more young people would be persuaded to join the accounting profession if it was made clear to them that crafting and driving good accounting, auditing and sustainability standards was central the green and digital transitions.

## Messages to policymakers

**Tay saw regulation as the primary driver for the sustainability agenda in the Asia Pacific. Therefore, she advised the authorities in the region to make sure that their policies kept up with global trends and practices so that their jurisdictions remained attractive to investors. And there should be a willingness to seek and take in views from all sides. "Consult, consult and consult with all your stakeholders. Understand their pain points and provide policy reliefs and assistance," she added.**

While acknowledging the region's rich cultural diversity, Duleesha was convinced that the Asia Pacific countries would be on the losing end if they did not band together. "Cooperation across ASEAN and the Asia-Pacific is going to be critical in order to stand out in the transition to a green and digital future. Every country has to be part of a much bigger environment," he said.

Hu also advocated regional cooperation, pointing out that when the Asia Pacific countries saw themselves as one community, it would be easier to harmonise regulations and policies, which in turn promoted cross-border investments. He added that the harmonisation process could be aided by communication, education and technology.

This is further highlighted by moderator Aucky Pratama, who summarised the discussion and asked a question, "Can digital becomes green and green becomes digital?", further emphasising the need to focus on the correlation between sustainability and digital and to embrace them together, for all stakeholders big and small.

# CHAPTER 2

## GROWING TOGETHER, GROWING SUSTAINABLY

### Simple yet challenging paradox

In his keynote, McKinsey partner and geopolitical risk specialist Ziad Haider described a “simple paradox” that the world is grappling with. We have never been more connected than we are today, he said. The flow of people, services, ideas and goods tells us that the connectivity is deepening and that within this lies opportunities. Of the Asia Pacific’s total trade in 2022, 60% was the result of the countries in the region trading with each other. “We are seeing the steady strengthening of bonds and connectivity within Asia. That is a story that’s often overlooked if you’re sitting outside Asia,” said Haider.

And yet, there are plenty of signs of geopolitical fragmentation. It is impossible to shake off the sense that something in the air is shifting. “The world we knew of unipolarity, the world that was built around the post-World War II era, is giving way to something different,” he added. In the face of this paradox, global companies have some soul-searching to do. They have to figure out if they can remain global, and if so, how to do it.

These companies need to peer round the corner and weigh the risks and opportunities attached to geopolitical events, which are divided into black swans (unpredictable events with high impact), grey rhinos (probable events with high impact) and silver linings (openings and opportunities that may provide a safe zone and competitive advantage).

Haider urged organisations to examine whether they had sufficient insight,

oversight and foresight in terms of thinking about geopolitical, political and regulatory challenges. In addition, the organisations should assess their preparedness to execute based on what they had gathered through this combination of insight, oversight and foresight. If there were shortcomings, further investments might be necessary.

### What does sustainable growth look like?

Haider’s keynote, particularly his statements about the deepening connectivity within the Asia Pacific, set the tone for the next session of the conference – a panel discussion that focused on how trade and investment ties and other forms of collaboration in the region can contribute to sustainable growth.

The panel’s moderator, George Thomson, set the scene by quantifying the Asia Pacific’s integration in comparison to other regions. “In 2022, intra-regional trade between Asia Pacific countries accounted for around 60% of the region’s total trade. That compares to a global average of 39% among other regions,” he explained.

However, Thomson continued, states and firms were making more calculated choices about location, and global supply chains “are being reordered explicitly to combat perceived vulnerability and mitigate dependency, rather than the more neutral objective of efficiency.”

The meaning of sustainable growth itself was worth some exploration. At InfraZamin Pakistan, growth was largely viewed through the development lens, said chief



**KEYNOTE: Black swans, grey rhinos and silver linings - global trade redefined**

**Ziad Haider,**  
global director of geopolitical risk,  
McKinsey & Company

**PANEL DISCUSSION: Stronger together – sustainable growth through collaboration**

**Mariam Riza,**  
chief executive officer, Wattleshire

**Moderator:**  
George Thomson, public affairs manager,  
Asia Pacific, ACCA

**Moin Iqbal,**  
chief investment officer, InfraZamin Pakistan

**Douglas Jackson,**  
managing director,  
Alvarez & Marsal, Vietnam







investment officer Moin Iqbal. Previously, the credit enhancement company might have defined sustainable growth from an accounting or financial perspective, that is, it was understood as growth without additional leverage.

“The equation has evolved. Today, we look at people, planet, the wider economy, and market transformation. And the objective is not just for now, but for a sustainable future,” Iqbal explained. “Development impact is critical. To be able to survive and prosper in the future, to be able to raise funds and export into other markets, sustainability has to be an embedded part of every organisation.”

Mariam Riza, who heads the Australia-based human capital consulting firm Wattleshire, highlighted the people aspects of the sustainability agenda. To her, a big part of sustainable growth was realising an individual’s potential and breaking through social mobility barriers. “It is about making sure we optimise and mobilise marginalised communities. There is so much untapped potential in an individual. I feel it is a crime

when individuals are born into this world and they don’t have the opportunity to reach their full potential.”

Given his experience doing socioeconomic development work for the Vietnamese government, Douglas Jackson spoke about sustainable growth from the perspective of a government official looking at advancing the economy. He described sustainable economic development as a very holistic approach that prioritises the needs of people alive today while preserving the environment for future generations.

“But it’s also seeking to promote diverse economies across different industries; develop the talent pools and human resources that will help to sustain innovation in the market; and impose regulations to maintain protection of the environment and incentivise the right behaviour. And all this without overburdening corporates with administrative red tape, which tends to squeeze out small enterprises and favour large corporates. I think that’s the key to long-term sustainable growth for Vietnam,” said the managing director of consulting firm Alvarez & Marsal’s business in Vietnam.

## Venturing overseas

When discussing trade opportunities and cross-border partnerships across the Asia Pacific and with the rest of the world, the panel turned the spotlight on small and medium-sized enterprises (SMEs).

Iqbal pointed out that the private sector is an extremely critical component of any economy, with medium-sized entities often displaying a lot of agility, innovativeness and adaptability. Unfortunately, they usually had limited access to financing and capital markets, which could stifle their growth. Hence there was a need for companies like Iqbal’s InfraZamin Pakistan to step in to enhance domestic liquidity and enable the private sector to move forward.

At the same time, fortune favours those who

are clear about what it takes to secure a better future. “The younger generation who are setting up and running SMEs are more digitally adept and innovative. They have bought into the sustainability agenda and are automatically embedding sustainability in their organisations and projects. And their top advantage is their size because it allows them to incorporate and implement sustainability and digitisation elements a lot easier than could the larger corporates or the government,” said Iqbal, who added that going international would come naturally to many of the new generation of SMEs because they had already embraced digitalisation and connectivity.

Nevertheless, appropriate government support is always valuable as companies expand overseas. Riza said effective policies for helping SMEs grow internationally were typically in the areas of finance, access to markets, research, and training.

She also wanted to correct the notion that international trade and investments were about chasing the big bucks and clinching high-profile projects. She cited the example of Coliban Water, an Australian company that works on water security issues. A few years ago, it partnered with the water supply company in Vietnam’s Phu Tho province on a programme to improve access to safe drinking water. “Trade partnerships can also be about exchange of knowledge and ideas, about sharing and collaborating,” said Riza.

Expanding internationally is, of course, not without huge challenges. Jackson said many companies venturing into foreign markets had been guilty of making mistake No.1 – failure to undertake thorough market intelligence research and underestimating the local competition. As a result, the newcomers launched with flawed market strategies.

Another common mistake, he added, was the inability to grasp and therefore be ready for the complexity of establishing and running a business in unfamiliar territory. “It presents a tough operational challenge.

Rejigging your supply chains to match your new footprint is really difficult. Finding the right suppliers is another challenge. Human resource management is a key issue,” he said.

Jackson also observed that when some companies ventured abroad, the people appointed to key positions in the new overseas businesses were not necessarily competent or qualified enough to do the job. Instead, they were chosen primarily because the head office wanted trusted, familiar faces. That too was a mistake. Hiring local talent can be a good solution, but Jackson pointed out that it would not be easy to retain these people if they perceived that they could not progress far at group level.

## **Critical ingredients for regional success**

**The discussion wound down with this final question: What is the one thing that leaders of the region must constantly prioritise in order to ensure that the Asia Pacific keep growing together sustainably?**

“It comes down to demographics. The leaders should focus on the demographical changes in their countries, particularly the birth rates,” said Riza, who pointed out that the trends in birth rates had sizeable socioeconomic impact.

Iqbal urged policymakers to enable the private sector, be it for infrastructure growth or adapting to the changing environment.

Drawing on his experience in Vietnam, Jackson said infrastructure development mattered a lot because it would drive competitiveness across industries. He added that it was equally important for the authorities to clarify regulations, streamline processes and put in place safeguards for international investors so that investors were reassured that their money was safe and that they could expect fair treatment and healthy returns.

# CHAPTER 3

## THE JOURNEY FROM BROWN TO GREEN

### Sizing up the challenges

The transition from fossil fuels and unsustainable practices to renewable energy and green technologies is as challenging as it is imperative. For one thing, reaching net zero by 2050 is a lofty target that demands massive mobilisation and reallocation of resources, unswerving leadership commitment, and a decisive mindset change. None of this is easy, but it helps if stakeholders do not underestimate the enormity and complexity of the tasks ahead. It is equally important that there is constant engagement and collaboration. These are key themes that emerged in the panel discussion titled From brown to green - innovating in transition.

“Everybody should keep in mind the scale of what we’re trying to do here,” said Johnathan Back of ACEN, the listed energy platform of the Philippines’ Ayala Group. He pointed out that a broad decarbonisation of the world as it is now would require a speedy tripling of the existing generation fleet for renewable energy.

It is a good sign that many people are discussing the green transition. As a member of the ACCA Council and director of three listed corporations in Malaysia (including utility company Tenaga Nasional Bhd), Dato’ Merina Abu Tahir has observed a common thread in these organisations’ frequent conversations on environmental, social and governance (ESG) matters. “They are all talking about the energy trilemma, which is about sustainability, security of supply, and affordability,” she said.

She observed that ESG and the green transition had prompted a high degree of engagement between the boards and shareholders - both major and minority -

and other stakeholders such as customers, vendors, financial institutions, and civil society organisations. “There is eagerness for engagement on these areas, and businesses need to engage on all fronts,” she said.

Perhaps a more immediate argument for businesses to commit to energy transition is that it improves their standing in the capital market. Nguyen Huu Quang, a portfolio manager at Vietnam’s Dragon Capital Group, explained that when companies embraced the transition from brown to green and were able to demonstrate that they had met certain ESG standards, the pool of international institutions that were keen to invest in these companies was enlarged. The resulting stronger demand for the companies’ securities will eventually increase their valuations.

### Public-private partnerships

The panel agreed that the shift to renewable energy and net zero needs to be steered skillfully and firmly by the authorities. Quang of Dragon Capital was optimistic that we would get there if everybody joined the journey and did their part but added that it was essential that there was “commitment from the top”.

When asked about how ACEN determines the countries which it operates in, Back said that it was a combination of factors. Government policy was one of the most important considerations, together with the potential for growth. The potential for growth could be underpinned by the countries’ strong forecasted economic growth or, in the case of more mature economies, it could be driven by clear decarbonisation push in the energy industry.

# BRIGHT HORIZONS BOLD MOVES



## PANEL DISCUSSION: From brown to green - innovating in transition

**Nguyen Hoa Cuong,**

vice president, Central Institute for Economic Management, Vietnam's Ministry of Planning and Investment

**Jonathan Back,**

group chief financial officer and group chief strategy officer, ACEN

**Dato' Merina Abu Tahir,**

ACCA Council member and independent non-executive director of public listed companies in Malaysia

**Nguyen Huu Quang,**

portfolio manager, Dragon Capital

**Moderator: Chiew Chun Wee,**

regional lead, policy and insights, Asia Pacific, ACCA

“Government policy matters in terms of providing a regulatory regime and a tariff framework within which you can invest,” he added.

As vice president of the Central Institute for Economic Management, an agency under Vietnam’s Ministry of Planning and Investment, Nguyen Hoa Cuong brought to the discussion the public sector’s perspective. He described Vietnam’s net zero commitment, made during the COP26 conference in 2021, as historic. Following that, the government has been working on mobilising ministries, provincial governments, the local business community and foreign investors so that the country can collectively work towards becoming a green economy.

Vietnam’s green economy accounts for about 2% of the GDP. That share is poised to rise, buoyed by multiple factors, including resolve at various levels of leadership, the younger generation’s warm reception towards sustainability initiatives, changing consumer behaviour, and the use of technology.

Cuong singled out policy coordination and policy implementation as critical areas of the green transition. “This is related to so many ministries and not just the ministries in charge of investments, natural resource, the environment and industrial trade. We need strong coordination among all ministries to make sure that every effort is for the right purpose and is made in the most efficient way,” he said.

Similarly, he added, policy implementation must be driven appropriately so that resources went to the intended beneficiaries and fulfilled the most pressing needs of society and the economy. “We want a good partnership between the government and the private sector in order to make the policies work for people and enterprises,” he said.

The SMEs, for instance, understand the need to go green as well. But the cost

impact of the transition can be staggering for small businesses. “How do we customise affordable solutions for SMEs? We talk about the beauty of policy at the macro level and at the international level, but making policies work on the ground is really difficult and requires a lot of thought and effort,” Cuong added.

## **Technology, opportunities and a cautionary note**

When asked about technology solutions that support the green transition, Back identified energy storage as an important piece. This relates to the intermittency of renewable energy sources such as solar and wind. These sources are neither constantly available nor predictable, which means they cannot consistently produce energy that meets demand round the clock. A way to overcome this problem, Back said, was to generate and store surplus energy when possible and release it during the evening peak.

“If we’re to achieve a net zero future, which implies vast amounts of new renewable energy, we will need a lot of battery storage. Whether it’s gravity-based storage, heat-based storage or other new technologies out there, we’re going to probably need to employ almost all of these technological solutions because the renewables by themselves aren’t going to be enough,” he added.

Quang agreed with Back on the importance of battery storage and found it equally compelling that the costs of producing solar panels and wind turbines had been going down dramatically over the last five to 10 years. He saw that as an opportunity for countries like Vietnam to stride closer towards minimal dependence on coal and gas for energy.

“The technology is still developing, and you can see bigger and bigger turbines, which leads to lower and lower capital and operating expenditure.



Right now, Vietnam cannot afford to harvest offshore wind because it's still quite expensive. That will change in the next five to 10 years. With solar and wind, and if we have good battery technology then, we can truly be energy-independent," he said.

Cuong and Merina injected caution into the discussion on the role of technology in expediting the transition to green energy. Cuong said when harnessing renewable energy sources, there should be balance and harmony with other elements of nature and our wellbeing. "For example, with solar panels and batteries, what happens with the waste when they are no longer in use? Would there be unexpected problems with wind energy as well? So renewable energy may give rise to other issues that need to be managed," he added.

When looking at technology solutions that support the move to green energy, Merina is always asking whether these solutions are "really green". "Some of these technologies are not truly green because they involve a cost to the environment by creating another issue in the green evolution. If we do not address this well, it may be seen as greenwashing," she said.

Back reasoned that it was a matter of taking a step back and appreciating the nuances of the big picture. "You always have to look at total carbon intensity. Ultimately, once you start to deploy more and more renewable energy into the entire system, and you are using renewable energy to do things like extracting the minerals needed in, say, lithium-ion batteries, then that significantly lowers the carbon intensity of your activities," he explained.

"If you're using an EV (electric vehicle) in a grid that's mostly coal-fired power, you're going to need to drive that EV something like 60,000 kilometres before it becomes carbon neutral. On the other hand, if you use that EV in a grid with a lot of renewable energy, it might only be 20,000 kilometres."

## **CFOs amid the green transition**

To accountants who still think sustainability lies outside their job scope, Merina reminded that sustainability would be an increasingly significant element in financial statements as more and more accounting standards and regulations are introduced or amended to reflect the green transition. She said it would be a mistake to believe that sustainability was merely something to disclose in annual reports for compliance purpose, or that only chief sustainability officers needed to worry about sustainability standards.

"It's coming, guys. It will be in your

financial statements,” she added. She urged accountants be engaged early when exposure drafts relating to sustainability were published so that they knew what would be coming and they could help shape such standards.

She expressed concern over survey results that came out in a report titled *The Role of the CFO and Finance Function in the Climate Transition*, which was issued jointly last November by ACCA, the International Federation of Accountants and PwC. According to the report, a survey of finance professionals suggests that almost half of the respondents (46%) have yet to produce an emission plan, which ought to be a core component of an organisation’s transition to operating in a low-emissions economy. In addition, nearly 70% of those respondents without an emissions plan suggested they currently have no intention or concrete timeline to developing one.

“We need to convince the CFOs and the finance function that they need to have emission plans. Energy transition is not a wish list, it is inevitable,” said Merina.

Back of ACEN underscored the importance of the finance function taking the lead on the monitoring of sustainability. He encouraged finance professionals to treat this as part of their daily job. “That means that you have to ask for the data. The data ultimately drives a lot of this, so that you understand whether your own supply chains are actually compatible with ESG and net zero initiatives,” he added.

Panel moderator Chiew Chun Wee, who is ACCA’s policy and insights lead for Asia Pacific, said the role of accountants and auditors in the sustainability agenda should be regarded as exciting instead of challenging. “It is making our job more meaningful and enhancing the appeal of the profession,” he added.

Should accountants need to be further persuaded that they have as much to do with the pursuit of sustainability as anybody else, Chiew offered this stark warning from British polar explorer Robert Swan: “The greatest threat to our planet is the belief that someone else will save it.”



# CHAPTER 4:

## POWER OF PEOPLE AND PURPOSE

### **Wanted: A purpose-driven career**

Centuries ago, alchemy was essentially a search for what we now know is the impossible, that is, a single cure for everything and a way to turn base metals into gold. These days, people talk about alchemy of talent. As the title of a panel discussion in the ACCA Asia Pacific Dialogue 2024, it refers to the fusion of skills, capabilities, and innovation to drive economic growth and success. There are still no magical solutions out there, but the panellists agree that employers should home in on this one element in the talent landscape – purpose.

When speaking about his company's efforts to retain employees through learning and development, Jehan Perinpanayagam, CEO of business process outsourcing (BPO) player Infomate, said these initiatives took into account the fact that younger people were purpose driven. "They are very focused on the environment, values, CSR (corporate social responsibility), and you need to support that. We have training and programmes specifically for that," he added.

Ibrahim Sani argued that purpose should visibly be a part of an organisation's identity because young talents have an "incessant need to have a purpose." "If an organisation does not elucidate its purpose – and it means that the organisation does not have a purpose-led mission – it will not retain its young talents," warned the CEO of Yayasan Peneraju, a Malaysian government foundation tasked with building and strengthening talent capacity. He observed that the younger generations are open to joining organisations that are small and

not as well-funded if they believe in the organisations' meaning and purpose.

Purpose can be different things to different people. For ACCA, it is about being a force for public good, and to lead the profession by creating opportunity. Helen Brand OBE, chief executive of ACCA, who moderated the panel, concurred: "You'd be amazed how many people tune in to that in working for ACCA. Whether we are working through an opportunity or a challenge, we can hook everything we do, every decision we make, on that purpose."

Certainly, doing the right thing and acting with purpose starts from the top. "Those of us who are leaders, whether in business or a profession or as academics, are obliged to lead by example, to set the tone at the top and to make sure we do the right thing, because those Gen Z and Gen Alpha talents are watching us," said Warrick Cleine, who leads KPMG in Vietnam and Cambodia, and sits on the Asia Pacific Board and Global Council of the network.

### **What is changing**

Employers now have to deal with a multigenerational workforce with differing priorities, expectations, connectivity and lifestyles. The leadership of organisations today is mostly from Generation X. Some of the leaders are millennials, while many of the rest of the millennials are next in line to take over as leaders. The Gen Zs are currently in the early stages of their careers or will graduate soon. The next generation is Gen Alpha, who are still in school, but employers should already be thinking of what it would be like when Gen A becomes part of the talent pool.





**PANEL DISCUSSION: Alchemy of talent –  
fuelling growth through talent transformation**

**Prof Dr Nasiruddin Mitul,**  
dean, School of Undergraduate Studies,  
National University Bangladesh

**Warrick Cleine,**  
chairman and CEO, KPMG in Vietnam  
and Cambodia

**Ibrahim Sani,**  
CEO, Yayasan Peneraju, Malaysia

**Jehan Perinpanayagam,**  
chairman, Sri Lanka Association for  
Software and Services Companies/  
CEO, Infomate

**Moderator: Helen Brand,**  
chief executive, ACCA

There should be some attention on what the Gen A wants to do. Ibrahim said this cohort “tends to want to do everything all at once, every single day.”

Another factor to consider is the frequency with which the youth move from one employer to another. According to Ibrahim, about a decade ago, those below 30 switched jobs just once. Today, a person would have had an average of six jobs by time he turns 30. This is why Yayasan Peneraju’s strategy in giving financial assistance to students is to accelerate their education and training with the aim of them getting degrees and certifications before they hit 25. The foundation has been operating for 12 years and has provided aid to 70,000 people.

The acceleration means that some of these students will begin working earlier than their peers. As Ibrahim put it, this may lead to a level of generational friction at the workplace that would be new to many employers. If so, it will be a learning experience that will offer insights into how the talent landscape will look like in the coming years.

A common criticism of universities is that they are generally not dynamic and proactive enough in meeting the needs of the world around them. Over 10 years ago, the tertiary institutions in Bangladesh had a hard time countering that perception. At the time, the country’s graduates on average had to apply for 17 job openings and wait three years before finally securing employment, said Prof Dr Nasiruddin Mitul, the dean of the School of Undergraduate Studies at the National University Bangladesh. Worst of all, he added, when the graduates did get hired, it was often for jobs that did not require tertiary education.

Nasiruddin said there is now heavier emphasis on skills-based programmes, many of them conducted through partnerships with professional bodies such as ACCA. His university has introduced professional course covering fields such

as accounting, entrepreneurship, digital marketing, capital market investment and cybersecurity. Soft skills are taught as well. All this, he reported, had increased the graduates’ employability.

Recruitment strategies are changing too. Cleine said KPMG in Vietnam and Cambodia was relying heavily on graduate intake but added that this avenue was going out of date.

“The economics of the business are changing because the skills are changing due to the digitisation of audit, and the use of AI, audit delivery centres and other technologies. The Gen Z element is also pressure for change. Young people’s expectations of their career are much different than those of somebody who joins a professional firm to get qualified or to become a partner. And we’re not just an audit firm anymore. We also provide high-end consulting activities, M&A advice and legal services, for example, and the firm has greater demand for experienced or lateral hires,” he explained.

## The competition for talent

Following economic turmoil in 2022, Sri Lanka experienced a surge in brain drain. Like many other emerging economies, it is exploring ways to persuade its people living abroad to come home and contribute directly to the drive for growth. At the same time, looking inwards has to be part of efforts to fill the talent gap. Jehan said the country can expand its domestic talent pool by widening its focus beyond the biggest cities and towns. “There’s great talent all across the country, not just in the largest communities. There’s a little bit of work to do, particularly on fluency in English, but there is fantastic potential to tap into. Given the opportunity and the training, they can perform,” he added.

In 2007, Infomate set up a BPO centre in a rural Sri Lankan village and employed local youths. There are now three such



centres. Jehan said 90% of the employees are women and these centres did 50% of the work for Infomate's parent company. He added that another way to nurture homegrown talent was to start young, with industry working with schools to run programmes for students.

As for talent retention, Jehan is convinced that continuous learning is a powerful incentive. "If you can encourage your employees to keep learning, they will stay in the organisation. We have a personal development plan for each person so that they know what they will learn over the next 12 months, 18 months and 24 months if they do not move elsewhere. We reward those who complete programmes with badges and other recognition. And we don't have to reinvent the wheel. There is great content out there - ACCA has great content - and we can leverage on that," he said.

Ibrahim chimed in with what he felt was key to engaging the younger generation in a learning programme, "You provide a framework and let them decide. The more structured a programme, the less talent you are going to attract." In addition, he shared the following tips: "Shorten the programme duration. Layer mentoring and storytelling

on top of the hard content that is delivered."

On what it takes to strengthen ethical behaviour in the accounting profession, so as to enhance its attractiveness as a talent destination and to address rising regulatory and reputational risks, KPMG's Cleine said firms like his were a lot more discriminating about the people they were associated with, the sectors they operated in, and the nature of their client base. The firms expected clients to demonstrate good faith, good corporate governance, and ethical conduct.

"Secondly, it is about understanding that our people are members of a profession. I'm the CEO of a firm, but I'm also a member of a profession that is bigger than ourselves and which comes with an ethical framework and ethical professional standards," he added.

In addition, there needs to be training on ethics and ethical decision-making. "Along with the firms being values-driven and purpose-driven, the training gives young professionals the tools that they need to make good decisions and to understand that ethical decision-making is doing the right thing. And doing the right thing might be at odds with the interests of your employer or your client, but it's really important that they do so," said Cleine.

# CHAPTER 5

## NEW TECH IN SCHOOL

### A question of trust

It is more than likely that many people who attended the ACCA Asia Pacific Dialogue 2024 were hoping to get some clarity as to whether AI will shape up to be a threat to accounting jobs. A video played on the second day addressed the matter head-on. The audience were told that AI is “completely redefining the accounting landscape” and that the shift is so transformative that it is changing the game for accountants worldwide.

Leveraging algorithms and machine learning to process information way faster than humans ever could, AI would be doing the heavy lifting for accountants, said the voice in the video. AI can power systems that are sophisticated enough to analyse complex financial data in seconds, predict trends and offer strategic advice. Generative AI (GenAI) promises to take things to another level by learning from data to continuously improve its precision and efficiency. But there is good news.

“AI doesn’t just transform existing tasks; it creates new possibilities. Imagine predictive accounting, where AI helps forecast future financial scenarios with incredible accuracy. This could mean the difference between steering clear of a financial pitfall and walking right into one. And let’s not forget the human aspect. While AI handles data crunching, accountants can focus on strategy, client relations, and advisory roles. It’s about upgrading the role of the accountant from number cruncher to strategic advisor,” added the narrator.

However, the video is not delivering the expert opinion of anybody per se. The audience had already known that these statements and the video were entirely

created by AI after Pulkit Abrol, ACCA’s director for Asia Pacific, had prompted the ChatGPT chatbot to present views on the potential impact of AI on accounting. He wanted to demonstrate what AI can do. At the same time and in a unique and interesting way, the video reinforced his hypothesis that AI will do the legwork while accountants will channel their time and effort into other aspects of their professional duties.

This moment during Abrol’s presentation, titled Digital Horizons: Technology and Innovation for the Future Accounting Profession, also showed that it is unwise to unquestioningly accept everything that is churned out by AI.

For one thing, there is the matter of transparency and explainability. Abrol said he did not know how the images and voice were chosen for the video. Nor could he tell how the AI had been trained to the point that it could reproduce those views captured in the video. In addition, if there are biases and mistakes in an AI system’s training data, design and user demographic, it is possible that the system’s outputs too will reflect such biases and mistakes.

These are among the issues discussed in a recent ACCA report called Enabling Trust in an AI-Enhanced World, which dives into the idea that the emergence of AI is introducing new dynamics to the traditional trust mechanisms that underpin the accountancy profession.

Nevertheless, ignoring AI is not an option. In the face of the rise of AI and other digital trends, Abrol urged accountants to adapt, learn and stay curious. Most of all, he said, it is an opportunity to get ahead.

Judging by the panel discussions and

other presentations during the second day of the conference, that advice applies as well to those educating and training future accountants.

## Way beyond online classes

The most obvious example of a broad and quick adoption of technology in education was the global scramble to go digital at the start of the Covid-19 pandemic. Almost overnight, schools, universities and other educational institutions had to digitise instructional materials and find ways to enable remote learning. Four years later, it is apparent that this was an inflection point. After being forced to switch to online delivery, the institutions saw the benefits and possibilities of digital teaching and learning.

In her presentation on the future of education, Esther Thng, ACCA's regional head of learning and education for Asia Pacific, said the Covid-19 lockdowns had profoundly changed the education experience. She noted, for example, that the business of education technology (EdTech) is highly innovative and growing fast.

The World Bank defines EdTech as the use of hardware, software, digital content, data, and information systems in education to support and enrich teaching and learning and to improve education management and delivery. It is far more sophisticated than online classes and examinations, pre-recorded lectures, and uploaded slides.

Pakistan's SKANS School of Accountancy, an ACCA Approved Learning Partner (ALP), is a big believer in providing education in a digital environment. According to CEO Sajid Hussain, the institute had invested in a digital platform to "provide our tuition support to the world at large." This was before the pandemic. Because of the head start, SKANS had little problem moving from in-person teaching to online delivery once the lockdown began.

"The advantages that a digital environment provides to learners are huge. But the best part is the ability to flex studies around their daily schedules and cover the course at their own pace. Unlike face-to-face learning classes, where the tutor has a leading role in meeting the course and deadlines, the digital offering shifts the responsibility of learning to its rightful place - with the learners," said Hussain.

In his presentation, Empowering ACCA Learners through Technology-Enhanced Personalised Learning, he pointed out that each student has unique needs, preferences and learning styles. "Technology-enhanced personalised learning holds immense potential to transform traditional education models by providing tailored learning experiences that cater to the individual needs and preferences of each learner. With the help of the learning management system (LMS), teachers can track student progress in real-time, identify areas where additional support is needed, and provide immediate feedback to help students stay on track," he added.

Hussain said learning providers should not be afraid to be early adopters of digital technology. However, he argued that creating a digital environment for students is not merely about technology. "It's about empowering our students with the skills and mindset needed to thrive in today's dynamic accounting landscape," he said.

Seed Financial Academy in Nepal is another ALP that believes technology has a major role in accounting education, particularly if the objective is to get more young people to take the path that leads to the profession.

The college's founder and CEO, Ananta Gautam, said it is important to understand that millennials and the Gen Z are digital-native, skilled with technology, and prefer learning through digital means. As such, educational institutions can get the attention of these young people by leveraging technology to enhance student engagement.

“Digital-native students thrive in tech-driven learning environments, making advanced technology essential for more engaging and effective education. Blended learning models, which combine traditional face-to-face classes with digital tools, make education more accessible and engaging. Mobile learning apps and social media platforms engage and connect students, fostering a sense of collaboration and communication,” said Gautam, whose presentation covered concerns and opportunities in relation to attracting the next generation to enrol with ALPs.

## Making smart choices with AI

GenAI entered public consciousness in late November 2022 when ChatGPT was launched. It has not even been two years yet but there are already plenty of AI-powered tools and systems used in **just about every industry and in many aspects of our daily lives. Education is certainly no exception. And there is certainly much to say about GenAI, considering that it was frequently a subject of discussion throughout the conference. On the second day, there were two back-to-back presentations on the use of GenAI in education.**

Dr Nuwan Gunarathne, a senior lecturer at Sri Lanka’s University of Sri Jayewardenepura, spoke about the use of that technology in classrooms and assessments, especially in university-level accounting and finance education. He said GenAI could help with personalisation of the learning experience, creation of interactive and engaging content for educators, and administrative efficiency.

An adaptive learning platform relies on data-driven AI and algorithms to gauge a student’s needs, preferences, and progress based on his or her performance and feedback. The platform then adjusts the resources and learning activities to match the student’s pace and requirements.

Gunarathne said GenAI tools are particularly useful for creating simulation models that mimic real-world systems or situations, thus allowing the application of theoretical accounting knowledge in practical scenarios. “These simulation models or similar interactive elements will stimulate motivation and engagement among students,” he added.

As for the use of GenAI in administrative work, he said there is potential for the automation of tasks such as grading, assessment, marking of attendance, and scheduling. That will free up more time for the educators to mentor students and improve their learning experience. He also believes that the use of AI in assessments can improve accuracy and consistency.

Among the challenges relating to the use of GenAI is the lack of firm and clear policies and comprehensive guidelines at university level as well as nationally. Gunarathne noted that this is true for many countries in the Asia Pacific. Another question mark is the reliability of AI outputs, more so if these are used in research. “ChatGPT has been known to generate information from sources that do not exist or that cannot be verified. As teachers, we need to carefully check the origin of the information,” he added.

He said overdependence on AI-based tools, whether among teachers or students, is a problem because it may result in the underdevelopment of the students’ skills and knowledge. It is something that should deserve some analysis and reflection.

There is also the widely discussed issue of students turning in work that is substantially, if not wholly, produced by AI chatbots. Although there are tools for the detection of AI outputs, Gunarathne conceded that there are many tools that can ‘humanise’ those outputs.

Australia’s RMIT University has decided that it is not feasible to try detecting AI-generated text. “Categorically, if someone using an AI knows what they’re doing or

combines it with a series of other tools, we cannot detect it. And for that reason, we at RMIT have elected not to turn on these detecting tools,” said Dr Nick McIntosh, a learning futurist based at RMIT University Vietnam.

His presentation explored the sustainable and ethical application of GenAI in education. The ethical issues surrounding GenAI that he raised involved copyright, bias, sustainability, privacy and truth.

On copyright, he explained that GenAI models are trained using information drawn from the internet. These models generate responses to prompts from users without citation and this has not gone down well with those who produced the source content. The New York Times has initiated a lawsuit against OpenAI (the company that came up with ChatGPT) and Microsoft. OpenAI is also in a dispute with actress Scarlett Johansson, who says the voice used in another product is hers.

McIntosh’s point about bias surfacing amid the use of GenAI is similar to what ACCA’s Abrol highlighted, that is, the AI is a product of its training data, which may be skewed in terms of culture, language and historical perspective.

The issue of sustainability relates to the fact that the AI models run on massive

computing power housed in data centres. These centres generate a lot of heat and the cooling systems use a lot of water. McIntosh said it had been estimated that the training of GPT-4 required 6 billion litres of water, the equivalent of 2,500 Olympic-sized swimming pools. An interaction with ChatGPT involving up to 50 questions can result in half a litre of water being used to cool down the servers.

He added that AI chatbot users who valued privacy should check the settings of their accounts because the companies might capture information by default. It could be a problem if the data collected was monetised.

The ethical issue regarding truth is no big secret. If you know how to do it, it is fast and easy to use AI to fabricate a lot of things, including photos and videos. In some cases, such deep-fake content has caused much harm.

“Things are changing fast in this space. My job is to work in this area, and I am exhausted by it. I cannot keep up, but I do my best. I think the way that I catch my breath with this, is to remember that ethics cannot be forgotten, that we can manage these things with principle-driven frameworks and accountability measures,” said McIntosh.







AI includes many technologies, providing innovative solutions that will transform society and business

Speech Recognition  
Predictive Analytics  
Intelligent Automation  
Virtual Assistants  
Machine Learning  
Vision AI  
Conversational AI  
Deep Learning  
AI Simulation  
Generative AI  
Autonomous Systems  
Artificial General Intelligence (AGI)  
Quantum

Artificial Intelligence (AI) is a broad market of which Generative AI is one of the many technologies that can disrupt how society interacts and business is conducted...

... and signals show the AI market growth is turbocharging

ECONOMIC IMPACT	WORLDWIDE REVENUES	ENTERPRISE APPLICATION
Generative AI expected to increase Global GDP by <b>\$7 trillion</b> (7% over 10 year period), with a <b>1.5% growth in labor productivity</b>	Global revenues for AI-related software, hardware, and services is forecasted to surpass <b>\$900B in 2026</b> , representing a <b>18.6% five-year CAGR</b>	<b>79%</b> of leaders reported full-scale deployment for <b>three or more types of AI applications</b> – a <b>17% increase from 62% in 2021</b>

**ACCA** Think Ahead



# What are your thoughts on the ACCA APAC Dialogue 2024?



**CLAUDIA ANSELMINI**  
General Manager, Hung Yen Knitting and Dyeing Co./ Vice-Chair, Eurocha



**HELEN BRAND**  
Chief Executive, ACCA



**LOW SZE JEIN**  
Senior Lecturer, Sunway TES



**DATO' MERINA ABU TAHIR**  
Independent Non-Executive Director, Tenaga Nasional



**DULEESHA KULASOORIYA**  
Managing Director, Deloitte's Center for The Edge, Southeast Asia



**MARIAM RIZA**  
CEO, Wattleshire

# What are your thoughts on the ACCA APAC Dialogue 2024?



**DR. MAREDI LAMET**  
Programme Lead for Accounting and Finance, British University Vietnam



**DR. NICK MCINTOSH**  
Learning Futurist, RMIT University Vietnam



**DR. NUWAN GUNARATHNE**  
Senior Lecturer, University of Sri Jayewardenepura



**IBRAHIM SANI**  
CEO, Yayasan Peneraju



**JEHAN PERINPANAYAGARE**  
Chairman, Sri Lanka Association for Software and Services Companies



**JONATHAN BACK**  
Chief Finance Officer and Chief Strategy Officer, ACEN



**ASSOC. PROF. BUDI WALUYO**  
Deputy Director of Student Affairs Polytechnic of State Nance Stan, Indonesia



**ASSOC. PROF. DR. YUANTO KUSNADI**  
Associate Professor, Singapore Management University

## About ACCA

**Founded in 1904 to widen access to the accountancy profession, ACCA (the Association of Chartered Certified Accountants) has long championed inclusion and today proudly support a diverse community of over 252,500 members and 526,000 future members in 180 countries. ACCA's headquarters are in London, UK but with offices in Australia, Bangladesh, Cambodia, People's Republic of China, India, Indonesia, Malaysia, Mauritius, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Vietnam.**

Our forward-looking qualifications, continuous learning and insights are respected and valued by employers in every sector. They equip individuals with the business and finance expertise and ethical judgment to create, protect, and report the sustainable value delivered by organisations and economies. Our Policy and Insights team seeks answers to the big questions around being an accountant. We share our findings with you through reports, articles, videos and events.

Find out more at: [www.accaglobal.com](http://www.accaglobal.com)



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