

THE NEXT DECADE: STRATEGIC DIRECTION 2030



AMRO has made impressive progress in the past 11 years due to its members' joint efforts and continuous support. Since its establishment in 2011, it has developed well past the start-up phase and is now an emerging IO. In the process, AMRO has built up a professional team, enhanced its organizational capacity and strengthened its core functions, all of which have led to growing recognition from members and the international community.

Much has been achieved but more remains to be done. Against the backdrop of an evolving global landscape, AMRO is at a critical juncture to make further advancements over the next 10 years, to better support its members' needs and ensure its continuing relevance. Following the guidance of the ASEAN+3 Finance Ministers and Central Bank Governors and the instructions of the EC in May 2022, AMRO formulated its new long-term institutional strategy toward 2030—SD2030—to set the course of its future endeavors.

BACKGROUND

ASEAN+3 is one of the world's most dynamic and fastest-growing regions. If the momentum continues, the region's GDP is projected to expand by 70 percent to more than US\$50 trillion by 2030, raising its share of the global economy to about one-third by then. This increased economic heft will necessarily heighten the region's role and voice in international policy agenda.

Still, the future growth of the region calls for greater versatility and depends on its ability to cope with existing and emerging challenges. Aside from dealing with headwinds in the near term—such as the pandemic; rising inflation and interest rates; increasing volatility in financial markets; and capital outflows—the region is also facing structural challenges. These include fiscal sustainability, ageing populations, climate change, financial digitalization, and the reconfiguration of supply chains.

With greater risk of spillovers and contagion amid increasing regional integration, closer policy coordination, deeper financial cooperation, and stronger regional financial safety nets are essential to securing the region's macroeconomic and financial stability. As the only international organization dedicated to the ASEAN+3 region, AMRO is expected to take the lead and play a bigger role during this process.

NEW MISSION AND VISION

To effectively deliver its mandate and support members to better prevent and resolve future crises, AMRO endeavors to adapt itself to the changing environment and elevate its mission—to contribute to the region's macroeconomic and financial resilience and stability. Besides monitoring and assessing conjunctural concerns and helping to address balance of payments and short-term liquidity difficulties, AMRO will expand its coverage to emerging and structural issues and provide comprehensive knowledge and policy advice support to help members enhance their resilience against various shocks and challenges, foster economic transformation and reforms, and maintain long-term stability and sustainability.



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While cementing its role as a trusted policy advisor to ASEAN+3 members, AMRO also envisions itself becoming a globally influential thought leader, whose views on the regional economies are respected and sought after. To accomplish this, AMRO will leverage on its uniqueness as an organization of the region, for the region and by the region. This will help AMRO establish itself as the influential voice representing the region's interests and perspectives on critical policy issues on the global stage.

CORE FUNCTIONS AND STRATEGIES

To move forward, AMRO must be well-prepared to address potential threats and embrace possible opportunities in a future filled with uncertainties. With the SD2030, it has identified ways to strengthen its core functions.

First and foremost, AMRO will further enhance its core functions.

- Surveillance remains AMRO's cornerstone and will be upgraded across economy, regional and sectoral levels to enhance the timeliness, relevance, and credibility of policy advice. Over the next 10 years, AMRO will broaden the scope of its surveillance to macro-critical structural issues, accumulate in-depth knowledge about each member, and become more responsive to developments within each economy.
- AMRO will also step up efforts in advancing the ASEAN+3 RFA. While ensuring the CMIM's operational readiness, AMRO will also strive to support longer-term developments of the ASEAN+3 RFA, which will play an indispensable role in preventing and resolving future financial crises.
- In the coming years, AMRO will also actively strengthen its TA function and further scale up TA activities to support CLMV (Cambodia, Laos, Myanmar, and Vietnam) countries and other members in need. In particular, it will enhance strategic TA management and deliver more relevant and tailor-made TA programs with greater value-add to members.

AMRO's office-wide initiatives will be revamped to better support and maximize the value-add of its core functions.

- One key initiative is to establish AMRO's standing as a RKH and provide higher-quality, more relevant and more easily accessible knowledge support to members. Key actions include forming a new group—the macro-financial research group—to strengthen knowledge generation and enhance data management; creating an AFTN with regional think tanks to bolster the breadth and depth of research; and promoting knowledge dissemination and exchange, such as through AMRO's annual flagship forum, the *ASEAN+3 Economic Cooperation and Financial Stability Forum*.
- Meanwhile, AMRO will seek to provide more proactive, systematic, and consistent support to the ASEAN+3 Finance Process on both substance and process that reflect the collective interests of the region.

To support these functions and initiatives, AMRO needs to further enhance its competency, professionalism and efficiency in the coming decade.

- AMRO will strengthen the "One AMRO" approach to mobilize expertise, experience and resources across the company in a timelier manner to support its members.
- AMRO will continue to build a high-performing and diversified workforce, as well as promote staff engagement and a cohesive organizational structure; it will further promote cross-team cooperation and collaboration, and organize external swaps to boost innovation, facilitate knowledge sharing and broaden staff skills.
- AMRO will also adopt best practices and deploy advanced technologies to further modernize its operational processes for greater efficiency.

The coming decade will further prove AMRO's dedication to supporting and adding value to the evolving and growing needs of ASEAN+3 members. Its new, long-term institutional strategy, the SD2030, has set the course for AMRO to better serve the region more effectively. As it implements the necessary structures and initiatives as mapped out in the SD2030, AMRO will serve as the custodian of the region's macroeconomic and financial resilience and stability for years to come.