



## PROJECT NOTIFICATION

Reference No.: 132

<b>Date of Issue</b>	9 June 2023
<b>Project Code</b>	23-RC-11-GE-RES-A
<b>Title</b>	APO Productivity Outlook
<b>Timing</b>	15 June 2023–31 December 2023
<b>Hosting Country(ies)</b>	Not Applicable
<b>Venue City(ies)</b>	Not Applicable
<b>Modality</b>	Online
<b>Implementing Organization(s)</b>	APO Secretariat
<b>Participating Country(ies)</b>	All Member Countries
<b>Overseas Participants</b>	Not Applicable
<b>Local Participants</b>	Not Applicable
<b>Closing Date</b>	Not Applicable
<b>Remarks</b>	Not Applicable

<b>Objectives</b>	Analyze the status and prospects of sectoral total factor productivity (TFP); examine determinants to enhance sectoral labor productivity through knowledge spillover effects; provide evidence-based policy implications for enhancing productivity in APO member economies; and publish the APO Productivity Outlook 2024.
<b>Rationale</b>	In its role as a think tank, the APO publishes the annual APO Productivity Outlook series to monitor economic growth performance and provide insights on productivity prospects in key sectors in its members. Comparative analyses of key trends, factors, and levels of sectoral productivity are conducted to foster evidence-based productivity policymaking among APO member economies.
<b>Background</b>	<p>Using a sectoral productivity decomposition approach, the APO Productivity Outlook 2022 revealed that manufacturing is a crucial source of members' economic dynamics. A main cause of labor productivity gaps is the different levels and contributions of manufacturing activities. The majority of APO member economies are at a low level of technological adoption. Upgrading production capabilities is the key to enhancing economic complexity and fostering their long-term productivity growth. Manufacturing labor productivity gains benefit from technology transfers and positive spillovers. Strengthening manufacturing will in turn enable the efficient operation of other industries (ADBI, 2022).</p> <p>In the next APO Productivity Outlook edition, emphases are on TFP trends and knowledge spillovers in core manufacturing subsectors. Barriers to and enablers of knowledge spillovers in the sector and relevant policy implications will be included.</p>
<b>Topics</b>	Manufacturing labor productivity; TFP; Productivity outlooks; Value-added methods; Employment growth decomposition; Global value chain participation; Knowledge spillover effects on productivity; Forward and backward linkage effects; and Employment inducement effects.
<b>Outcome</b>	Strengthened think tank role of the APO; monitoring of productivity trends and performance in key sectors; and enhanced productivity policymaking in APO members.
<b>Qualifications</b>	Research institution with extensive and specialized knowledge in sectoral productivity decomposition, with a track record of publications in English on productivity statistics and thematic issues of productivity analysis, and with experience in providing advisory services to governments.

Please refer to the implementation procedures circulated with this document for further details.



Dr. Indra Pradana Singawinata  
Secretary-General

## **IMPLEMENTATION PROCEDURES FOR APO RESEARCH PROJECTS (DIGITAL MULTICOUNTRY)**

### **1. Methodology**

- a. Preliminary study: The APO Secretariat will identify partner research institutions, invite the submission of research proposals, and form a research team.
- b. Multistakeholder consultative meeting: To finalize the plan for the research, a meeting will be held virtually tentatively in July 2023. The indicative agenda items are:
  - Research overview
  - Proposals for the study by research partners
  - Discussion on implementation of the study
  - Finalization of the research plan
- c. Joint study implementation: The research team will collect, process, and analyze data for the report. The final report with findings will be submitted to the APO Secretariat by the end of December 2023.

### **2. Tasks of the Research Institutions**

- a. Assisting and working with the APO Secretariat in developing the research framework.
- b. Finalizing the methodology and outline of the policy study report structure with the APO Secretariat.
- c. Collecting data for the research (including communicating with the original data owners) and analyzing them based on the agreed framework and methodology.
- d. Preparing the final report and submitting it to the APO Secretariat by the deadline.
- e. Supporting the APO Secretariat during the process of confirming the research findings with APO member countries.
- f. Providing support for dissemination of the research findings after report completion.

### **3. Qualifications of the Research Institutions**

The APO Secretariat will invite and select appropriate research institutions with the following qualifications:

- a. Extensive, specialized knowledge in productivity measurement and analysis and sectoral labor productivity decomposition, with a track record of experience and publications in English on productivity statistics and sectoral and thematic issues of productivity analysis.
- b. Experience in providing advisory services to governments.
- c. Excellent English writing skills.
- d. Strong commitment to undertaking and completing the research project within the given time frame.

### **4. Financial Arrangements**

#### **To be met by the APO**

Honoraria for the research institutions to be paid upon completion of the final report.

#### **To be met by the research institutions**

All implementation costs incurred by the research institutions when conducting the study.