



PROJECT NOTIFICATION

Reference No.: 382

Date of Issue	25 April 2024
Project Code	24-RC-12-GE-RES-A
Title	Research on Economic Upgrading Strategies and Productivity Growth
Timing	30 April 2024–31 December 2024
Hosting Country(ies)	Not Applicable
Venue City(ies)	Not Applicable
Modality	Online
Implementing Organization(s)	APO Secretariat
Participating Country(ies)	All Member Countries
Overseas Participants	Not Applicable
Local Participants	Not Applicable
Closing Date	12 June 2024
Remarks	The above deadline is for nomination of national experts.

Objectives	Examine the need for and feasibility of implementing economic upgrading strategies in APO member economies, identify specific priority sectors with high potential for economic upgrading, review the implications of digital technology in advancing overall upgrading of economies, and provide an analysis of the expected contributions of economic upgrading to overall productivity growth.
Rationale	The landscape of the global economy is constantly evolving. To remain competitive and achieve sustainable growth, countries need to pursue economic upgrading strategies. This involves shifting from low value-added activities to those that generate higher economic benefits. While there are various approaches, leveraging digital technology can be a powerful tool for economic upgrading.
Background	<p>Economic upgrading, the shift from low to high value-added production activities, brings about increased economic benefits, higher productivity, and better quality of work. Given the predominance of middle-income countries among APO members, it is essential to tailor modernization strategies to specific national circumstances. This approach aims to strengthen technological capabilities and improve product quality at the firm level, thereby contributing to improved productivity and competitiveness at the national level.</p> <p>Recognizing the need for strategies tailored to specific circumstances, this research will explore the nexus between economic upgrading and digital technologies such as ICT. The focus is on understanding how leveraging technological capabilities in prioritized sectors such as manufacturing, IT services, agriculture, and services can amplify the positive impact on productivity growth, in line with the broader objective of promoting sustainable economic development.</p>
Topics	Economic upgrading strategies at firm level; High value-added activities; Labor quality improvement; Technological capability enhancement; Productivity gains through digital technology; Competitiveness improvement; Innovation ecosystems at firm level; and Impacts of digital economic upgrading.
Outcome	A comprehensive report on economic upgrading strategies in APO members, a proposed strategic framework for advancing sectoral economic upgrading and digital skill development agendas, and quantitative analysis of the impact of digital economic upgrading on productivity growth.
Qualifications	Economists, policy analysts, and academic researchers from institutions specializing in economics, with experience in microdata analysis using software such as STATA, a solid understanding of basic regression analysis, and proven research experience and publications.

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. In-country research: Each national expert will collect and analyze data and write a preliminary report based on the research framework circulated prior to the coordination meeting. The reports will be finalized after the coordination meeting.
- b. Coordination meeting of experts: A coordination meeting to finalize the research methodology and framework will be organized. The preliminary reports detailing country-specific situations will be presented in this meeting for feedback from other experts. The virtual sessions will be around three hours each day.

2. Qualifications of Experts

Chief experts

Extensive experience in undertaking international economic research projects focusing on economic upgrading and digital technologies, with proven experience in microdata analysis using software such as STATA and regression analysis, and related government support policies, conducting national-level need analysis, and publishing reports in English on those topics.

National experts

Policy analysts or academic researchers specializing in economics with experience in microdata analysis using software such as STATA, a solid understanding of basic regression analysis with a proven track record, five or more years in the position, and excellent English writing and presentation skills.

3. Tasks of Experts

Chief expert

- a. Develop the overall framework and guidelines for the research.
- b. Present the research framework, methodology, and report structure during the coordination meeting.
- c. Review the drafts and provide feedback to the national experts to ensure the quality of the work.
- d. Provide support and advice to the national experts in conducting the research.
- f. Prepare the final report and submit it to the APO Secretariat by the deadline.

National experts

- a. Collect data at national level following the methodology and framework provided.
- b. Write country reports on the analyses and findings based on the data collected.
- c. Present the preliminary reports during the coordination meeting.
- d. Revise the reports following the agreement during the coordination meeting and reflect the comments of the chief expert and APO Secretariat.
- e. Cooperate with the chief expert to ensure the quality and consistency of the final report.
- f. Submit the reports following the agreed format to the chief expert and APO Secretariat by the deadline.

4. Financial Arrangements

To be met by the APO

- a. Honoraria for the chief and national experts.
- b. All assignment and relevant research costs.

To be met by experts or participating members

All local implementation costs incurred by the national experts when collecting data at the national level.

5. Actions by Participating APO Members

- a. Participating members are requested to nominate candidate national experts before the deadline.
- b. Each nomination must be accompanied by the APO biodata form and uploaded to the APO Document Management System (DMS)/Fleekdrive by the NPO.

6. Actions by the APO Secretariat

- a. Identify and invite a chief expert to lead the research until its completion.
- b. Coordinate all arrangements related to the research activities.