



PROJECT NOTIFICATION

Ref. No.: 22-RC-19-GE-RES-A-PN2200063-001

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| Date of Issue | 22 June 2022 |
| Project Code | 22-RC-19-GE-RES-A |
| Title | Research on Institutional Ecosystems to Drive Productivity |
| Timing and Duration | August–December 2022 (five months) |
| Hosting Country(ies) | Not Applicable |
| Modality | Digital Multicountry |
| Implementing Organization(s) | APO Secretariat |
| Participating Country(ies) | All Member Countries |
| Qualifications of National Experts | Policy analysts or academic researchers specializing in national innovation system-related frameworks with a track record of experience, three or more years in the position, and excellent English writing and presentation skills |
| Qualifications of Chief Expert | Extensive experience in undertaking international research projects on national innovation systems and innovation policies, conducting national-level need analysis, and publishing reports in English on those topics |
| Nomination of National Experts | All nominations must be submitted through National Productivity Organizations of members |
| Closing Date for Nomination of National Experts | 22 July 2022 |

1. Objectives

- a. Analyze the latest trends in productivity changes in APO member economies.
- b. Examine the role and contributions of national innovation systems (NIS) in boosting productivity growth.
- c. Propose policy recommendations for improving institutional ecosystems to achieve productivity gains.

2. Background

Most Asian economies have experienced a slowdown in economic growth and a decline in total factor productivity growth in recent years (World Bank, 2021). The ongoing COVID-19 pandemic has exacerbated that slowdown. Under this situation, there is evidence that innovation is enabling a rebound in productivity growth.

Innovation will flourish when appropriate, effective institutional settings are in place. This requires a set of prerequisites which includes well-governed arrangements, mechanisms, and interactions among stakeholders, or in other words, a conducive institutional ecosystem. Economies with well-established NIS tend to exhibit higher rates of productivity growth. An efficient NIS will determine innovation capacities, which in turn contribute to the productivity growth trajectory. A sound NIS also facilitates the creation of policies ensuring that the diffusion of new technologies can generate productivity gains. Labor market and R&D policies, for example, should intertwine with each other, resulting in productivity growth.

This research will examine institutional settings to promote productivity growth through innovation. It will undertake comparative analyses among the NIS of APO members to identify best practices in institutional innovation ecosystems and develop recommendations for strengthening NIS.

3. Scope and Methodology

Scope

- a. Institutional ecosystem frameworks
- b. NIS
- c. Institutional factors of productivity
- d. Quantification of productivity gaps
- e. Total factor productivity growth
- f. Policy recommendations

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. The indicative agenda items are:

Day 1:

- Research overview
- Research framework
- Methodology and scope
- Data availability and sources

- Preliminary research findings

Day 2:

- Agreement on the research framework, format of the final report, and timeline
- Final publication requirements

4. 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.
- e. 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.

5. 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.

6. 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.

7. 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.

A handwritten signature in black ink, appearing to read 'Mochtan', with a long, sweeping flourish extending to the right.

Dr. AKP Mochtan
Secretary-General