



## PROJECT IMPLEMENTATION PLAN

Ref. No. 19-RP-03-GE-RES-A-AP01-PP2000017-001

<b>PIP Issue Date1</b>	11-May-2020
<b>Project Code</b>	19-RP-03-GE-RES-A-AP01
<b>Title</b>	APO–Asian Development Bank Institute (ADBI) Joint Study on the Impact of Covid 19 on SMEs
<b>Reference</b>	Project Notification on APO Productivity Database and Databook Project dated 28 November 2019
<b>Timing and Duration</b>	1 May 2020-30 November 2020 (7 months)
<b>Venue</b>	APO Secretariat

## **1. Objectives**

- a. To analyze the impact of COVID-19 on SMEs in APO member countries; and
- b. To publish a joint APO–ADBI report that could assist member countries in planning for effective strategies for SME recovery.

## **2. Background**

Since the UN WHO declared the COVID-19 global pandemic, it has disrupted all human activities. Most countries across the globe are closing their borders, declaring lockdowns, requesting citizens to stay at and work from home, and practicing social distancing in public spaces. Businesses that require labor intensity are temporarily shut down since employees are not allowed to travel from their residences. While some are able to operate remotely, most cannot or are not prepared to deal with this unprecedented situation. The most heavily affected are SMEs. Recognized as the largest economic contributors in APO members and employing more than 60% of the workforce, experts acknowledge that SMEs will become the greatest casualties if no interventions are undertaken by governments. Many SMEs were already under pressure long before the pandemic due to political factors, the need for digitization accompanying the Fourth Industrial Revolution, and economic uncertainty. Now, with countries locked down and hopes dashed that a recession can be averted, economists fear that the pandemic could totally destroy this largest group of business entities.

In most APO members, governments have stepped up by providing short-term assistance including paying partial salaries to workers, providing tax exemptions, and setting moratoriums on loan repayments. However, it is now important for governments to plan long-term strategies to assist SME recovery. In collaboration with the ADBI, the APO will conduct a joint study on the impact of COVID-19 in its member countries. In the first stage, a survey will be conducted to gain an understanding of the situation faced by SMEs, amount of damage faced, and possible job losses. The ADBI and APO will analyze the data and publish the joint report including recommendations for developing long-term policies and strategies to keep SMEs afloat.

## **3. Scope and Methodology**

### **Scope**

- a. Database of SMEs in selected APO member countries;
- b. Impact of COVID-19 on SME operations and productivity;
- c. SME readiness and resilience;
- d. Post-COVID-19 recovery measures for SMEs; and
- e. Policy implications for SME support.

### **Methodology**

The research team will comprise NPOs, APO-assigned expert(s), and ADBI–APO staff.

- a. The APO will identify the NPOs to participate in this project.
- b. The participating NPOs will conduct online surveys of SMEs in coordination with and under the guidance of the APO–ADBI.
- c. The experts assigned by the APO along with the APO–ADBI team will analyze the survey data and write the report.
- d. The APO and ADBI will jointly publish the report.

## **4. Qualifications of the APO-assigned Expert(s)**

The APO will appoint an expert(s) for this joint study to analyze the data and write the report in conjunction with the APO Secretariat and ADBI team. The APO-assigned expert(s) must possess the following:

- a. Extensive knowledge of SME operations, productivity, and strategies as well as policies for SME productivity enhancement, preferably with publications in English on SME topics;
- b. Excellent English writing and presentation skills, as the final report will be written in English; and
- c. Strong commitment to undertaking and completing the research project within the given time frame and producing analyses of the survey data.

## **5. Financial Arrangements**

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

Honoraria for the expert(s) to be paid upon completion of the final research report and its acceptance by the APO–ADBI.

### **To be met by the ADBI**

Honoraria for NPO teams to conduct the survey, to be paid upon completion and acceptance of the final data submission.

**To be met by participating NPOs**

- a. All local implementation costs incurred by NPO teams when conducting the surveys and related activities.
- b. Administrative costs of the project incurred by NPOs, including personnel costs and other costs related to preparation and coordination work.

**6. Actions by Member Countries**

- a. Member countries selected by the APO Secretariat for inclusion in the research are requested to appoint a coordinator from the NPO who will serve as the focal point for communication and coordinate the overall schedule for survey implementation in the country.
- b. Participating member countries are required to communicate frequently with the APO–ADBI team on the progress of the research project, including any challenges.

A handwritten signature in dark ink, appearing to read 'Dr. AKP Mochtan', with a long, sweeping flourish extending upwards and to the right.

Dr. AKP Mochtan  
Secretary-General