

# PROJECT NOTIFICATION

22 May 2019
19-RP-16-GE-SNP-C
Specific National Program (SNP) for Member Countries
One year commencing from 1 July
From one to several weeks, depending on the type of activity
Member countries
APO Secretariat
All member countries
1 October 2019

# 1. Objectives

This is an institutional capacity-building consultancy project that aims to: 1) assist APO member economies to meet the prerequisites for sustaining productivity improvement and ultimately to create well-functioning institutional settings for national productivity drives; and 2) support them in advancing national productivity agendas and in implementing key interventions to achieve national productivity goals aligned with the APO Vision 2020 objectives.

## 2. Background

Initiatives to sustain productivity growth have been a central theme of the economic development policies of every country. The fact that all aggregate determinants of economic growth, particularly labor and total factor productivity growth, affect the standard of living underlines the significance of mainstreaming productivity improvement into development agendas. In addition, the ability to improve the quality of products or services or to find ways to create better ones is closely related to economic transformation. Agility, which is correlated with the ability to foresee future changes and to quickly adapt and seize the opportunities to create new products and services and new business models, is needed to sustain economic progress.

The interconnections among productivity improvement, economic development, innovation capacity, and better standards of living are obvious. For those interconnections to be functional, a set of preconditions must be met. The institutionalization of productivity enhancement within the overall development policy is one of the most important preconditions. Policies supporting the creation of a favorable environment for innovation, including those facilitating business-model innovations, are necessary. Policy approaches that strengthen competition, improve resource allocation through better firm dynamics, and encourage the market entry of disruptors must be developed and administered. Subsidies for education, establishing industry—academia linkages, and promoting innovation in public services can also be significant in improving productivity through innovation.

Several APO member economies are ranked low in the Global Competitiveness Index 2016–2017. Some have even shown downturn trends in recent years. Since the index reflects competitiveness combined with productivity, this global report gives a clear picture of national productivity challenges. Any endeavors to increase institutional capacity to become more productive must consider multiple requirements from a macro perspective with long-term dimensions. These are in line with the primary role of the APO, which is to contribute to the sustainable socioeconomic development of its member economies through enhancing productivity and competitiveness. The APO is also working to strengthen its role as a policy advisory body on productivity for its members through all possible avenues.

The ultimate objective is not simply improved productivity and national competitiveness but also greater inclusiveness and enhanced well-being of citizens. The latter has particular significance to prevent the widening income inequalities in economies ranked low in competitiveness reports, which is also the essence of the concept of sustainable productivity.

# 3. Priority Areas

The program will support any in-country initiative to increase productivity and improve competitiveness which encompasses overarching issues related to productivity at the macro policy level. The following are the priority areas/activities to be covered:

- a. Development of national productivity roadmaps/master plans including related action plans, policy papers, etc.:
- b. Formulation of productivity, quality, and innovation frameworks and action plans;
- Establishment of sectoral (agriculture, industry, service, public sector, etc.) and/or regional policy frameworks to increase productivity and competitiveness;
- d. Alignment of national productivity improvement plans with long-term development agendas;
- e. Mainstreaming productivity and innovation in national development plans;
- f. Strengthening policy frameworks related to national R&D systems;
- Policy frameworks for public-sector productivity;
- h. Research to support productivity policy formulation;

- National-level capacity development projects that are innovative or strategic, while in the process introducing new processes, knowledge, tools, etc.; and
- j. Institutional strengthening of national productivity organizations.

# 4. Scope, Duration, and Implementation Procedure

Scope

- a. Providing consultancy, policy directions, and capacity-building services to address specific in-country productivity- and competitiveness-related issues, particularly those with macro, strategic, and broad economic dimensions; and
- Assigning international resource persons for all activities related to approved SNP proposals.

### **Duration**

- The duration of SNP projects can be from one to several weeks, depending on the activities and budget availability.
- b. Postproject progress monitoring three to six months after completion may be conducted.

# Implementation Procedure

a. Application

- A proposal is to be submitted to the APO elaborating the background/rationale, objectives, expected outcomes, itemized budget, and breakdown of activities (see Attachment 1), preferably accompanied by a formal request letter from a representative of the government agency in charge of the project.
- Proposed activities can be separated into several project phases implemented in multiple years if necessary.
- 3. The proposal should also contain information on the structure of project management when applicable, particularly when the activities involve a number of agencies or organizations.
- The submitted proposal may require revision in consultation with the APO to ensure clarity before final approval.

b. Approval

- 1. After satisfying the evaluation criteria in Attachment 2 and making any necessary revisions, the submitted proposal will be discussed by a selection committee within the Secretariat.
- If the proposal is approved, the detailed arrangements and modalities will be incorporated in a project implementation plan (PIP).
- Conditional approval may be given, and implementation will not commence until the conditions are met.

c. Postproject Evaluation

- Evaluation, if necessary, of the progress in achieving the intended objectives will be conducted within the time frame given in the PIP.
- Postproject evaluation may involve activities such as onsite evaluations by the international resource persons assigned to the project.
- A comprehensive evaluation report will be made detailing project performance to achieve the objectives.
- The evaluation mechanism should be reflected in the SNP project proposal, particularly if it involves various agencies and/or requires a project management unit.

d. Cancellation Policy

If a project is cancelled after the issuance of a PIP, any costs incurred should be borne by the member country concerned.

### 5. Financial Arrangements

In general, budget for the SNP is intended to cover costs related to consultancy, policy advisory, and other services provided by the international resource persons assigned by the Secretariat.

# To be met by NPOs or partner organizations

# NPOs/partner organizations will meet the following costs:

 All local implementation costs not covered by the APO including costs related to a panel of local resource persons; and

 Other implementation and administrative costs of the projects including personnel costs and others related to preparation and postproject activities.

# To be met by the APO

The APO will meet all costs for assigning international resource persons, which may include preparatory work, costs incurred during implementation, and postproject activities.

# 6. Actions by Member Countries

 Submitting proposals containing all necessary information required for approval including time frame and structure of the project management unit, if necessary; and

b. Appointing one NPO staff member to act as the focal contact point with the APO and host NPO, who will be responsible for all necessary actions before and after the project as well as liaising with the partner organization(s).

# 7. Actions by the APO Secretariat

a. Design the approach/methodology of the project;

b. Assign an international resource person(s) or a consultant(s);

c. Coordinate and carry out consultations with both the resource person(s)/consultant(s) and the NPO;

d. Monitor the overall project; and

e. Provide administrative and financial support.

Dr. Santhi Kanoktanaporn Secretary-General

# SPECIFIC NATIONAL PROGRAM (SNP) PROPOSAL

The first part of the proposal should cover the basic summary of the proposed project which includes but is not limited to:

- a. Project title
- b. Name of implementing agent(s) if the NPO is not the only organization involved
- c. Project location
- d. Proposed starting date
- e. Project duration
- f. Amount requested (please specify the details in a separate sheet)

The project proposal must also cover the following descriptions (refer to the explanation below in completing this part):

- a. Background and justification of the project
- b. Objectives of the project
- c. Expected results of the project
- d. Project implementation and management
- e. Project budget

### I. Background and Justification

This section should provide a brief introduction to the context/circumstances where intervention is needed. The background should also describe:

- The problem or critical issue which the proposal seeks to resolve
- b. How the proposal relates to other relevant national development initiatives, strategies, and policies
- c. Whether there are other programs and activities that will complement the proposal
- d. How the need for the project was determined
- e. How intended beneficiaries were involved in project identification and planning

# II. Objectives

The elaboration of this section should indicate the specific national, regional, sectoral, social, and economic objectives (depending on the context of the project) to which the proposal, if approved, is expected to contribute, and how this is expected to contribute to improved overall productivity and competitiveness.

This section should describe what the project is expected to achieve in terms of effects among intended beneficiaries. Specifically, it should discuss the changes expected to occur among intended beneficiaries if project implementation is successful.

# III. Project Implementation and Management Plan

### A. Expected project results

This section should describe the overall results that the project is expected to achieve, whether there may be unintended effects of the project, and how these possible challenges will be addressed.

# B. Project activities and work plan

This section should describe how each immediate project objective will be met in terms of planned activities, their timing and duration, and who will be responsible for each activity. This can be summarized in a simple table.

# C. Project beneficiaries

This section describes who and how many are expected to benefit from the project, both directly and

indirectly. It should also discuss how the intended beneficiaries were involved in project design and their expected roles in project implementation and evaluation.

# D. Implementing agent and management of the project

This section should describe:

- a. Who will be responsible for the planning and management of project operations as well as the roles of other bodies and organizations associated with the project
- b. What arrangements will be established to ensure that there will be effective coordination with other relevant programs and activities

This section should also discuss whether project operations are expected to other areas or sectors once the current phase of assistance is completed. This could include plans for introducing self-financing provisions to ensure the continued viability of operations after project completion.

### **IV. Project Evaluation**

This section should discuss proposed mechanisms and procedures for the monitoring of project operations to ensure that activities occur as planned, that they remain directed toward stated objectives, and that appropriate corrective action is taken if required.

### V. Budget

The budget for SNP projects should detail the costs incurred for any relevant activities within the indicated time frame, which may include:

- Local costs
- International resource persons
- In-country training including costs of individual and group training organized and conducted in the country hosting the project.

# **EVALUATION CRITERIA**

The proposed project should fulfill the following criteria to be approved for implementation:

- 1. Is the project aligned with the goals and objectives of the APO Roadmap to Achieve Vision 2020?
- 2. Is the project supportive of the national priorities of the government/NPO related to productivity and competitiveness enhancement?
- 3. Are the objectives and activities of the proposed project not covered by any regular program of the government?
- 4. Are the objectives and activities of the proposed project not covered by existing multicountry projects and other Category C programs?
- 5. Are the objectives and target outcomes of the project clearly identified?
- 6. Are the activities identified supportive of the objectives and target outcomes?
- 7. Are the cost estimates reflective of the true value of the goods and services to be used in the project activities?
- 8. Is the counterpart contribution of the NPO to the project identified and correctly valued?
- 9. Is the time frame of the project realistic enough to meet the objectives and target outcome?
- 10. Is the implementation and reporting mechanism clearly defined?
- 11. Is the monitoring and evaluation mechanism adequately defined?

# Specific National Program (SNP) for Member Countries

I inkoge to	① Raising MCs' labor productivity (through improvement of policy frameworks on productivity)	nt of policy frameworks on productivity)
APO Roadmap 2020	<ul><li>② Increasing MCs' competitiveness</li><li>③ Enhancing APO brand image</li></ul>	
Meeting member countries' needs	Supporting MCs in establishing and/or improving policy frameworks on productivity to sustain their productivity improvement in the future	rameworks on productivity to sustain their productivity
Future-proof	<ul> <li>Assisting MCs in aligning productivity policies with their long-term development visions</li> <li>Providing long-term solutions to specific national challenges in enhancing productivity</li> </ul>	r long-term development visions nges in enhancing productivity
Linkage to Strategic Roadmap	Enhance MCs' satisfaction     Enhance relevance to MCs     Anticipate paradigm shifts	
	Objectives	Measurement of success and targets
	Providing long-term solutions to specific national challenges in enhancing productivity	Policy frameworks on productivity in targeted member countries are improved
	Increasing member countries' institutional capability related to productivity enhancement	50% of institutional constraints related to productivity issues in the countries implementing projects are ameliorated
,	Aligning national productivity policy frameworks with long-term national development agendas	Productivity policy frameworks in targeted member countries are aligned with their long-term development visions
	• MCs' labor productivity enhanced through improvement of policy frameworks	of policy frameworks
Outcomes	National productivity level enhanced     APO brand image improved	
Additional Information	NA	
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