



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.



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