The APO Vision 2025

Inclusive, Innovation-led Productivity Growth

Draft for the consideration of the APO Governing Body
Prepared by the APO Vision 2025 Steering Committee

ASIAN PRODUCTIVITY ORGANIZATION

CONTENTS

Executive Summary

Vision 2025 is the strategic plan of the APO for the period 2021–2025. It embodies the organization's three main features that in turn distinguish its operations, contributions, and standing from those of other organizations: 1) aspirations, comprising the APO's purpose and intended direction; 2) deliverables, reflecting the targeted achievements; and 3) actions, referring to the concerted efforts that the organization will make to achieve its targets. These features form the primary components of the Vision 2025 architecture. They are subdivided into goals, key result areas (KRAs), strategic thrusts, and strategies to guide the APO's program plans for 2021–2025.

The first feature, aspirations, covers the APO's mission and vision. The mission of the APO as defined at the time of its founding is to "contribute to the sustainable socioeconomic development of Asia and the Pacific through enhancing productivity." As the organizational purpose is unchanged, the mission statement remains the same. To capitalize on the prevailing trends, maximize emerging opportunities, and overcome the challenges of the years ahead, the APO has developed a new vision to replace Vision 2020. For the 2021–2025 period under Vision 2025, the APO is poised to undertake "more inclusive, innovation-led productivity growth in the Asia-Pacific." The two key words "inclusive" and "innovation-led" emphasize the characteristics of productivity growth that the APO will pursue and promote in the years ahead. The emphasis on the word "more" at the beginning of the vision statement prepares the APO for greater achievements, with the accomplishments under Vision 2020 as the baseline.

The second feature, deliverables, comprises the organization's goals for 2021–2025. There are three goals, each accompanied by specific KRAs. The first goal is "sustained productivity growth," which is the aggregate measure of the outcome of APO member countries' efforts to raise productivity. This goal has three KRAs: centrality of productivity; quality of the workforce; and smart transformation. The second goal is a "robust innovation system," which represents commitment to enabling innovation as the key driver of productivity to flourish in member countries. There are two KRAs for this goal: business dynamism; and innovation capability. The third goal is "inclusive engagement and shared prosperity," which captures the extent of inclusion of economic and social sectors in national productivity drives and the quality of the distribution of productivity gains. Five KRAs are embedded in this goal: engagement of SMEs; size of the informal sector; female labor force participation; engagement of persons with disabilities; and productivity gainsharing.

The third feature, actions, comprises seven strategic thrusts directed at the three goals and the KRAs. Six of them are operational, and one institutional. The six operational strategic thrusts are: expand capacity building and promote best practices; leverage and adopt new and next-generation technologies; contribute to a regulatory environment that stimulates innovation; intensify promotion and adoption of Green Productivity; step up think tank and advisory services; and widen networks of experts and deepen strategic

partnerships. The institutional strategic thrust is to strengthen the APO Secretariat. For each strategic thrust, there are supporting strategies to guide the program plans to be implemented by the APO.

Vision 2025 includes a monitoring and evaluation (M&E) system to track progress and align the actions with the deliverables. Key performance indicators to ensure tracking of the appropriateness, efficiency, quality, and impact of the actions, with composite indices for higher-level deliverables, are being devised. The combination of the M&E system and indices will form the key monitoring and measurement tools to assess the progress of Vision 2025.

Together, the various components of the Vision 2025 architecture constitute the outcomes that the APO hopes for by the end of 2025, the roadmap for achieving them, and the indicators and measurements to confirm the outcomes. They represent the collective ownership of member countries and their renewed commitment to improving productivity with support from the APO. They will also guide the implementation of APO programs for member countries.

1. Context for Vision 2025

"Productivity isn't everything, but in the long run it is almost everything."
Paul Krugman, Nobel Laureate in Economics

Established in 1961, the APO will celebrate its 60th anniversary or diamond jubilee in 2021. The continued commitment of all member countries over the years has made it possible for the APO to complete a proud, fruitful six-decade journey. In this context, Vision 2025 serves as the new, post-60 chapter of the APO, ensuring that the organization will remain relevant, agile, and worthy in the years ahead.

Compared with 60 years ago, the global economic environment has changed dramatically. New, pressing challenges have surged to the fore, many of them unprecedented, underlining the precariousness of our global economy. One recent example is the prolonged tension in US–PR China trade relations, with widespread effects due to the tightly knit, complexly interconnected nature of today's world. The COVID-19 pandemic is another example. Not only does the pandemic underscore the frailty of our economy, humanity itself is under threat due to the unparalleled losses of jobs, businesses, and investments.

There are other challenges, some of them local in nature. They include the aging of the population, which is being experienced by several member countries. For others, the struggle with institutional capacity building remains; for some, the challenge is to break away from the middle-income trap and create new growth.

As exemplified in the above quotation by Nobel Laureate Paul Krugman, productivity remains the long-run engine of growth. Considering the complexity of today's world, however, the current pursuit of productivity is far from simple; it is also marked by paradoxes.

The first paradox is slower productivity growth in a period of rapid technological progress spurred by the advent of the digital economy. There is evidence of advances in digital technologies all around in the form of increasingly sophisticated computers; digital platforms for information, communication, and commerce; and applications of robotics and artificial intelligence in industry and services. The conventional wisdom is that this should lead to significant productivity growth, as technology is understood to be the fundamental driver of innovation and increased productivity. The evidence, however, shows that productivity growth has slowed in advanced countries and in many major emerging economies. The reason is that the potential contribution of technological progress to productivity growth has been curtailed by barriers to technology diffusion and innovation as well as shortages of the needed technical and higher-level skills.

The second paradox is mounting social gaps amid rising prosperity. Although the world is more prosperous than ever, and hundreds of millions in the Asia-Pacific have been lifted out of extreme poverty, many societies face increasing discontent. Underlying this

is the unequal distribution of income and wealth within countries. While the Asia-Pacific is home to the most billionaires worldwide, millions still lack access to basic services. Across the region, women experience barriers to full participation in the workforce. Close to two-thirds of all working women in the Asia-Pacific are in the informal sector, with insecure employment and little, if any, social protection. Minorities and persons with disabilities (PWDs)are also excluded from many economic opportunities, and their needs are not adequately considered in employment policies. If not handled properly, these undercurrents may have adverse consequences for peace and stability.

The final paradox is poorer prospects for sustainable growth in the future even as many countries move up the rungs of the economic development ladder. While global growth has been strong since the 2008 financial crisis, especially in the Asia-Pacific, insufficient attention is given to the issue of sustainable development. Although many economic activities contribute strongly to current growth, they produce large amounts of fossil fuel emissions that threaten sustainable growth in the future. This is reflected in the growing vulnerability of Asia-Pacific countries to climate change and its consequences. To underline the importance of striking a balance between current and future growth, the UN has published a list of 17 Sustainable Development Goals (SDGs) for 2030.

Governments in the Asia-Pacific will have to address these three paradoxes as they undertake initiatives to improve productivity. There must be policies to unshackle technological developments and their diffusion; invest in skills for a changing world of work; revamp labor market policies to include all segments of society in economic activities; and counter the detrimental effects of current activities on sustainable growth in the future. All these should pivot on the centrality of productivity in policymaking.

The APO is in a unique position to spearhead strategies and programs to sustain productivity growth for long-term socioeconomic development. It has been playing this leadership role and providing support to its member countries to drive their productivity movement since its founding in 1961. As the third decade of the 21st century unfolds, the leadership role of the APO will become even more important.

Built upon Vision 2020 that has guided APO activities during 2016–2020, Vision 2025 is formulated to address the latest challenges confronting the region and individual member countries, meet new expectations, and guide the APO activities from 2021 to 2025. Vision 2025 is the outcome of collaborative efforts among APO members, spearheaded by a Steering Committee led by Thailand as APO Chair for 2019 and 2020. Two Technical Working Groups (TWGs) were formed to assist the Steering Committee: one involving selected eminent persons and productivity experts from member countries to deliberate on the strategic thrusts and strategies; and another involving experts to help develop the monitoring and evaluation (M&E) system for the plan. The Steering Committee and TWGs were supported by the APO Secretariat and two rapporteurs.

The Vision 2025 plan is divided into three sections. Sections 2 and 3 provide the details of the vision, and Section 4 describes the M&E system. Annex 1 summarizes the list of meetings and participants in formulating Vision 2025. Annex 2 shows how the strategies in Vision 2025 support the key result areas (KRAs); and Annex 3 elaborates the strategies

into program plans and key performance indicators (KPIs). Annex 4 summarizes how Vision 2025 supports the UN 2030 SDGs. To ensure clarity and a common understanding of the terms used in Vision 2025, a glossary is included as Annex 5.

2. Overview of Vision 2025: Architecture

Vision 2025 embodies the organization's three main features that in turn distinguish its operations, contributions, and standing from those of other organizations:

1. **Aspirations**, comprising the APO's purpose and intended direction;
2. **Deliverables**, reflecting the targeted achievements; and
3. **Actions**, referring to the concerted efforts that the organization will make to achieve its targets.

These features are the primary components of the Vision 2025 architecture. They are subdivided into goals, KRAs, strategic thrusts, and operational and institutional strategies to guide the APO's programs and initiatives for 2021–2025. The architecture also includes the drivers or champions in the Vision 2025 endeavor and their expected roles and contributions. A summary of the Vision 2025 architecture and its components is given in Figure 1.

Drivers/Champions

ASPIRATIONS

Purpose & Direction of the APO

MISSION

Contribute to the sustainable socioeconomic development of Asia and the Pacific through enhancing productivity

APO Convention

VISION(2021–2025)

More inclusive, innovation-led productivity growth in the Asia-Pacific

GBM (61st–65th)

DELIVERABLES

Targeted achievements for 2021–2025

GOALS

| Sustained productivity growth | Robust innovation ecosystem | Inclusive engagement and shared prosperity |

KRAs

- Centrality of productivity
- Quality of workforce
- Smart transformation

- Business dynamism
- Innovation capability

- Engagement of SMEs
- Size of informal sector
- Participation of women in the workforce
- Engagement of PWDs
- Productivity gainsharing

Member countries

ACTIONS

Concerted efforts to achieve the expected deliverables

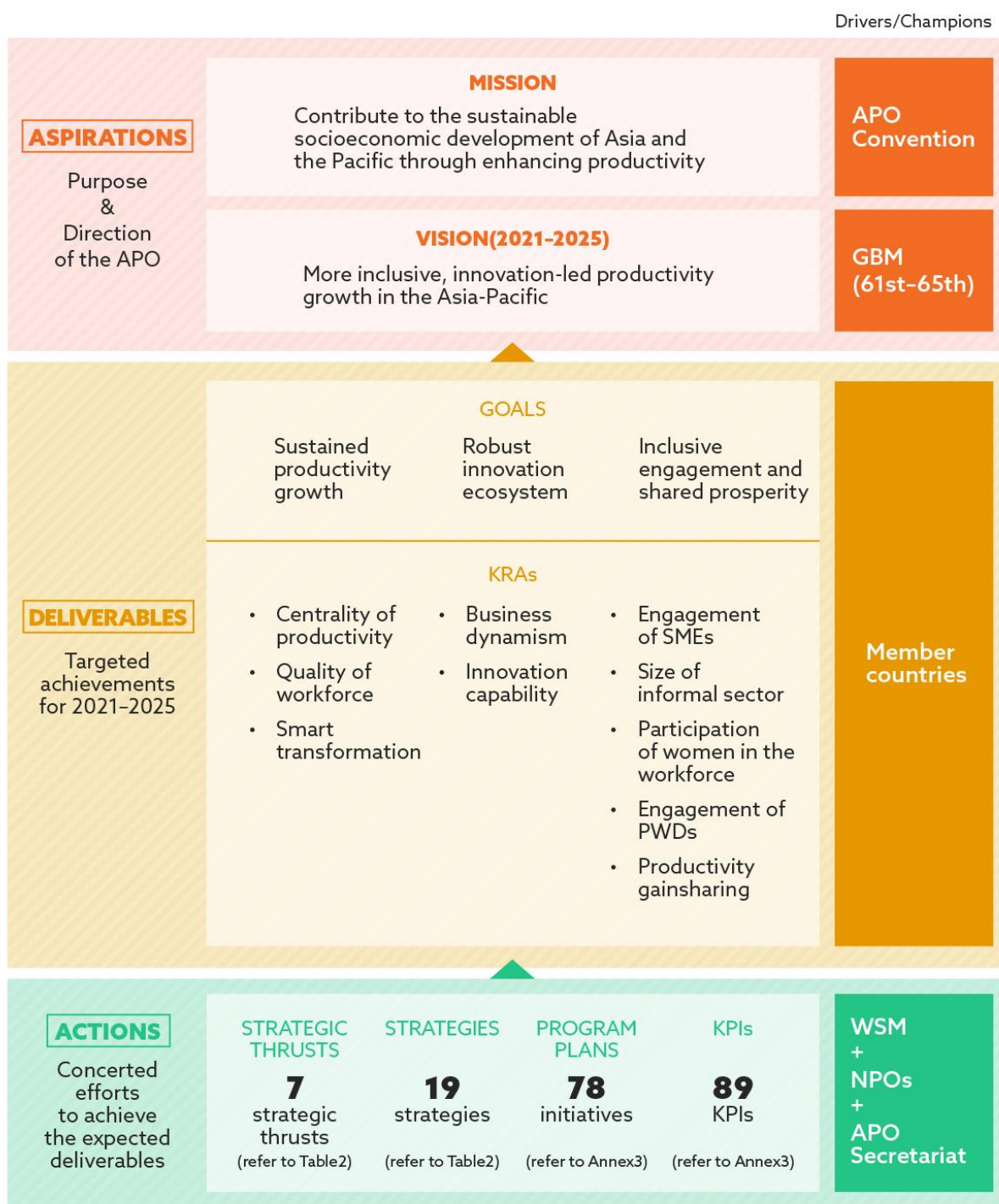| STRATEGIC THRUSTS	STRATEGIES	PROGRAM PLANS	KPIs
7 strategic thrusts	**19** strategies	**78** initiatives	**89** KPIs
(refer to Table2)	(refer to Table2)	(refer to Annex3)	(refer to Annex3)

WSM + NPOs + APO Secretariat

Figure 1. Vision 2025 architecture.

Vision 2025 includes an M&E system to track progress and align actions with deliverables. KPIs to ensure tracking of the appropriateness, efficiency, quality, and impact of the actions, with composite indices for higher-level deliverables, are being devised. The combination of the M&E system and indices will form the key monitoring and measurement tools to assess the progress of Vision 2025.

Together, the various components of the Vision 2025 architecture constitute the outcomes that the APO hopes for by the end of 2025, the roadmap for achieving them, and the indicators and measurements to confirm the outcomes. They represent the collective ownership of member countries and their renewed commitment to improving productivity with support from the APO. They will also steer the implementation of programs for member countries.

3. Details of Mission, Vision, Goals, Key Result Areas, and Strategic Thrusts

3.1 Mission
The mission of the APO is to "contribute to the sustainable socioeconomic development of Asia and the Pacific through enhancing productivity." As the organizational purpose is unchanged, the mission statement remains the same.

The context and challenges for sustainable socioeconomic development, however, have changed dramatically compared with six decades ago. As reflected in the UN 2030 SDGs, sustainable socioeconomic development is not about maximizing economic growth alone but covers the whole range of socioeconomic objectives in a development endeavor, including eradicating poverty, improving education, promoting equality, and minimizing environmental impacts of economic activities. The ongoing havoc brought about by the COVID-19 pandemic reminds us of another key point relating to sustainable socioeconomic development: the need to nurture resilience in the economy. All these underline the point that our pursuit of productivity has broad, multifaceted objectives, for which the priorities for 2021–2025 are explained below.

3.2 Vision
The APO Vision for 2021–2025 is "more inclusive, innovation-led productivity growth in the Asia-Pacific." The two key words "inclusive" and "innovation-led" emphasize the characteristics of productivity growth that the APO will pursue and promote in the years ahead. The emphasis on the word "more" at the beginning of the vision statement prepares the APO for greater achievements, with the accomplishments of Vision 2020 as the baseline.

The first key word, "inclusive," emphasizes two intents:

a. First, more segments of the economy and society will be included in national productivity drives. This will ensure that all available resources are used fully in generating wealth and that there is widespread participation in and commitment to productivity improvement. It will also strengthen the resilience and preparedness of the economy and society for global challenges such as pandemics.

b. Second, the fruits of productivity improvement will be distributed equitably. This will ensure the continued involvement and engagement of all stakeholders in national productivity agendas as well as enjoyment of the greater prosperity created.

The second key word, "innovation-led," emphasizes the main source of productivity growth in the Asia-Pacific from now on. "Innovation" is defined as covering product, process, and business model innovations, all of which are assisted by technology but not restricted to it. Since the founding of the APO in 1961, the key source of productivity growth has changed significantly. Broadly, it has shifted from labor to capital, management, knowledge, IT, and now to innovation. In terms of the key driver, productivity is in effect in its sixth phase. Hence, the productivity drive in the current era may be termed "Productivity 6.0," and the phrase "innovation-led productivity growth" underlines the APO's intent to lead Productivity 6.0 during the five-year period of Vision 2025.

3.3 Goals and Key Result Areas
Three high-level goals are identified under Vision 2025:

a. Sustained productivity growth;
b. Robust innovation ecosystem; and
c. Inclusive engagement and shared prosperity.

These three goals represent the deliverables by APO member countries by 2025. Collectively, they serve as the major determinants of the achievement of Vision 2025.

The NPO in each member country is expected to take the lead in efforts to achieve the goals. The APO will provide support through programs and initiatives, building capabilities, and offering technical assistance. Each goal has KRAs with corresponding indices. They serve as tangible, easy-to-track subgoals, as summarized below.

Goal 1: Sustained Productivity Growth
Sustained productivity growth is the aggregate measure of the outcome of member countries' efforts to raise productivity. It is regarded as the top-ranked, key deliverable of the APO since robust, sustained productivity growth fuels economic growth and higher standards of living. A bigger economic pie resulting from sustained productivity growth also contributes to the reduction of poverty and income inequality over time.

The word "sustained" emphasizes the need for productivity growth to continue increasing over the long term, although there may be fluctuations from year to year.

There are three KRAs under this goal:

a. Centrality of productivity;
b. Quality of the workforce; and
c. Smart transformation.

Key Result Area 1.1: Centrality of productivity
This emphasizes the need for productivity to take center stage in any country's national development planning agenda, thus placing productivity in the driver's seat to propel socioeconomic development. This means that productivity is institutionalized at the national level and imparted as part of the work ethos and culture throughout. The first indicator is therefore the percentage of member countries with productivity in their national development planning agendas.

The second indicator is the average annual growth of labor productivity (GDP per hour), which measures the outcome of national productivity improvement efforts. This has been used consistently by the APO as well as international organizations such as the World Bank, International Monetary Fund, and International Labour Organization. There are three reasons for the widespread use of this indicator:

1. First, there is a high correlation between labor productivity growth and the standard of living.
2. Second, the data for this indicator are more reliable and comparable internationally than data for other measures.
3. Third, the indicator captures the impact of all factors that determine productivity performance, not simply the contribution of labor, as is often mistakenly understood.

In addition to labor productivity, indicators at the national level such as total factor productivity and capital productivity will be used to track progress in each member country. Specific indicators will be assigned for the agriculture, industry, service, and public sectors.

The aggregate 2016–2020 data that will serve as the baseline to gauge labor productivity growth during the Vision 2025 period are not yet available. The *APO Productivity Databook 2019*, however, projects around 3% average growth for 2020–2030. This may be used as an indicative target for 2021–2025, subject to correction when the actual data become available. For reference, labor productivity growth for member countries averaged 4.0% annually for 2015–2017. Some countries recorded much higher growth: Vietnam, 7.0%; and India and Thailand, 6.6% each.

Key Result Area 1.2: Quality of the workforce
Labor is an important factor of production. The degree to which it can contribute to productivity depends on the quality of the workforce in the broad sense, including farmers. The aim is therefore to improve the various aspects of workforce quality over time, ensuring that workers have the appropriate education, skills, knowledge, and competencies in the rapidly evolving, intensely competitive digital economy. An improvement in workforce quality is also a prerequisite for successful transformation of economic sectors toward high value-added activities. A measure to track such improvements is the quality-adjusted labor input in the *APO Productivity Databook*. This indicator will be used for this KRA.

Key Result Area 1.3: Smart transformation
Smart transformation refers to the degree to which the economy is transformed by digital and other technologies associated with Industry 4.0. These technologies include artificial intelligence, advanced robotics, cyberphysical systems, the Internet of Things, additive manufacturing, augmented reality, blockchain technology, and big data analytics. The wide application of these technologies creates opportunities for increased productivity in all sectors and enterprises of different sizes. In manufacturing, the technologies enable vast improvements in production processes and complex global value chain linkages. In agriculture, they allow the automation of most facets of farming and agribusiness. In services, they increase the convenience and speed of transactions, reduce dependence on labor, and allow cross-border economic activities without compromising security. In the public sector, they enable the delivery of high-quality services while increasing convenience and reducing costs for citizens. They also help to make governments more future-ready to anticipate and meet challenges in the future. The aim is therefore to increase the rate of adoption of these technologies in the economy. The indicator for this KRA is a composite index to be developed from various relevant indicators, including the Digital Adoption Index of the World Bank.

Goal 2: Robust Innovation Ecosystem
The second goal represents commitment to enabling innovation, as the key driver of productivity, to flourish in member countries. It underlines the point that productivity growth can be led or spurred by innovation only if a robust innovation ecosystem is in place. Such an ecosystem comprises not just the narrow domain of science and R&D but also all enabling conditions that are conducive to innovation. The ecosystem is robust only when all parts of it are strong. There are two KRAs for a robust innovation ecosystem:

    a. Business dynamism; and
    b. Innovation capability.

Key Result Area 2.1: Business dynamism and Key Result Area 2.2: Innovation capability
These two KRAs jointly determine the degree of robustness of a country's innovation ecosystem and hence the likelihood that innovation will flourish. Business dynamism underlines the need for the enabling conditions to encourage the creative destruction of businesses, i.e., setting up new businesses, exit of nonviable businesses, and growth of businesses that embrace new ideas, and to foster an entrepreneurial culture, i.e., willingness to take risks and to embrace disruptive ideas. Innovation capability emphasizes the need for a strong innovation value chain, from idea generation (to produce preliminary ideas that can be developed further), to R&D (to develop inventions), to commercialization (to successfully bring new products to market). The two KRAs are covered comprehensively in the innovation ecosystem pillar of the Global Competitiveness Index produced annually by the World Economic Forum since 1979, as summarized in Table 1.

Table 1. Key result areas for a robust innovation ecosystem.

Innovation ecosystem	Business dynamism	Administrative requirements	a. Cost of starting a business b. Time to start a business c. Insolvency recovery rate d. Insolvency regulatory framework
		Entrepreneurial culture	a. Attitudes toward entrepreneurial risk b. Willingness to delegate authority c. Growth of innovative companies d. Companies embracing disruptive ideas
	Innovation capability	Interaction and diversity	a. Diversity of the workforce b. State of cluster development c. International co-inventions d. Multistakeholder collaboration
		R&D	a. Scientific publications b. Patent applications c. R&D expenditures d. Research Institutions Prominence Index
		Commercialization	a. Buyer sophistication b. Trademark applications

Countries are assessed and given scores ranging from 0 to 100 for their performance in business dynamism and innovation capability. These scores are the two indicators to gauge the robustness of the two KRAs for Goal 2.

In addition, the extent of entrepreneurship in member countries will be monitored, since innovation is directly associated with the national level of entrepreneurial activity.

Goal 3: Inclusive Engagement and Shared Prosperity
The third goal highlights the inclusivity of productivity, particularly the broader societal benefits that a productivity movement is expected to provide to communities at large. It has two emphases. The first, inclusive engagement, stresses purposeful, proactive involvement of all segments of society in the productivity movement. The KRAs for inclusive engagement are:

a. Engagement of SMEs;
b. Size of the informal sector;
c. Female labor force participation; and
d. Engagement of PWDs.

Key Result Area 3.1: Engagement of SMEs
SMEs are predominant in all member countries in terms of numbers, and in terms of share of employment in several countries. However, their share of overall value added and productivity performance pale in comparison with those of larger enterprises. The COVID-19 pandemic has also shown that many SMEs are highly vulnerable to unexpected external developments. It is thus critical to engage SMEs and give them special attention to grow and improve their performance. The indicator for this KRA is the percentage of SMEs involved in the productivity movement.

Key Result Area 3.2: Size of the informal sector
The informal sector, comprising persons employed in own-account unregistered enterprises (such as unpaid work in a family enterprise, casual wage labor, home-based work, and street vending) is large in several member countries. This is a concern as it locks valuable resources in unproductive, low value-added economic activities. Informal employment is also associated with poor working conditions and low earnings and is positively correlated with poverty. The aim is therefore to bring informal workers into the mainstream of economic activities, thus reducing the size of the informal sector. This must be accompanied by appropriate generic and functional skill training to ensure a smooth transition from informal to formal employment. The indicator for this KRA is the percentage of persons employed in the informal sector. As a country develops, the percentage should decrease.

Key Result Area 3.3: Female labor force participation
In many member countries, the participation of women in the labor force is much lower than that of men. There are various reasons for this, including the traditional belief regarding women's roles at home, and the withdrawal of women from the labor force when they have children. This means that a large segment of the population is excluded from contributing to productive activities. In countries with a proportionally large working-age population emerging, the low participation of women in the labor force negates the potential of enjoying a demographic dividend. At the other extreme, countries with an aging population are deprived of a larger workforce when the participation of women in the labor force is low. The aim is therefore to increase the proportion of women in the workforce. The indicator for this KRA is the female labor force participation rate.

Key Result Area 3.4: Engagement of persons with disabilities
PWDs, defined as those who have long-term physical, mental, intellectual, or sensory impairments, can be meaningfully engaged as part of the labor force in many productive activities. For this to occur, there must be policies to accommodate their participation, recognition of the diversity of disabilities so as to maximize their productivity, and provision of appropriate skill development programs. The indicator used for this KRA is the percentage of companies employing PWDs.

The second emphasis of Goal 3, shared prosperity, represents the extent of the distribution of productivity gains or wealth created. It has one KRA.

Key Result Area 3.5: Productivity gainsharing
Sharing the gains from productivity improvement goes together with inclusive engagement. It underlines commitment to ensuring that the gains are distributed equitably, and not just among the top rungs of companies and society. This practice benefits not just individual workers but companies as well since productivity gainsharing is necessary to sustain employee commitment to increasing productivity. Depending on the individual company, productivity gainsharing schemes can range from simple ones such as giving a fixed percentage of profit to all employees to complicated ones based on different factors and groups of employees. The indicator for this KRA is the percentage of companies with any form of productivity gainsharing scheme in place.

The indicators to track all the KRAs are being refined by the APO Secretariat. Ideally, original, APO-developed indices should be used as the indicators. However, the development of such original indices is likely to take a long time and require substantial investment and resources. For practicality and as an alternative to relying solely on existing published sources, the Secretariat is working on appropriate APO composite indices.

3.4 Strategic Thrusts and Supporting Strategies
The strategic thrusts and strategies in Vision 2025 are intended to guide and ensure that the actions taken are in sync with the intended deliverables. There are seven strategic thrusts, six of which are program related and one institutional, focusing on the APO Secretariat. Each strategic thrust is supported by several strategies, which are translated into program plans and KPIs. Table 2 summarizes the strategic thrusts and corresponding supporting strategies.

Table 2. Strategic thrusts and supporting strategies.

▶▶▶ Strategic thrusts and supporting strategies

A **OPERATIONAL**	**STRATEGIC THRUST 1** Expand capacity building and promote best practices	1.1 Step up in-country initiatives tailored to the needs of individual member countries 1.2 Strengthen the organizational capability of NPOs 1.3 Foster greater collaboration among NPOs
	STRATEGIC THRUST 2 Leverage and adopt new and next-generation technologies and practices	2.1 Undertake proactive environmental sensing 2.2 Develop new programs and methodologies to meet present and future needs 2.3 Train and reskill the workforce continually
	STRATEGIC THRUST 3 Contribute to a regulatory environment that stimulates innovation	3.1 Enhance capacity building on good regulatory practices 3.2 Develop platforms for sharing good regulatory practices
	STRATEGIC THRUST 4 Intensify the promotion and adoption of Green Productivity	4.1 Enhance current programs on Green Productivity 4.2 Expand the scope of Green Productivity to take climate change into account
	STRATEGIC THRUST 5 Step up think tank and advisory services	5.1 Reinforce the APO's status as a trusted reference on all productivity matters and statistics in the Asia-Pacific 5.2 Promote evidence-based policy advisory services 5.3 Conduct comprehensive productivity need assessment in member countries
	STRATEGIC THRUST 6 Widen networks of experts and deepen strategic partnerships	6.1 Leverage organizations and individuals who have participated in APO programs 6.2 Expand networks of expertise 6.3 Foster strategic partnerships with leading institutions and key stakeholders
B **INSTITUTIONAL**	**STRATEGIC THRUST 7** Strengthen the APO Secretariat	7.1 Establish clear measures of effectiveness for the APO Secretariat 7.2 Leverage expertise of competent individuals closely associated with the APO 7.3 Forge stronger links between the APO Secretariat and NPOs

An exercise to demonstrate how the strategies support the KRAs is provided in Annex 2. Significantly, many of the strategies support more than one KRA. A breakdown of the strategies into program plans and KPIs is shown in Annex 3.

Many of the program plans cater to the common needs of member countries. In implementing these plans, the APO will take into account the needs of the more advanced members as well as those of others. In addition, some program plans (the last two program plans under Strategy 1.1 in particular) are tailored to the specific needs of more advanced members. Annex 4 shows how the various parts of Vision 2025 collectively support the UN 2030 SDGs.

Strategic Thrust 1: Expand capacity building and promote best practices
The key drivers of productivity in all member countries are the NPOs. It is thus imperative for NPOs to be able to carry out their roles effectively. This requires continual building up of their capacity to keep up with changes in the economy and to learn from the best practices of others, both locally and internationally.

Strategy 1.1: Step up in-country initiatives tailored to the needs of individual member countries
While multicountry programs address the broad common needs of member countries, in-country initiatives have the greatest impact as they cater to members' specific requirements. Programs that will be stepped up include development of productivity master plans, establishment of demonstration companies, and creation of more Centers of Excellence (COE).

Strategy 1.2: Strengthen the organizational capability of NPOs
The APO's organizational capability-building programs are designed to directly increase the capacity of NPOs to drive their national productivity movements. Programs such as Institutional Capability Development Plans for NPOs and the Accreditation Program for NPOs as Certification Bodies are useful in increasing the capabilities of NPOs and will be intensified.

Strategy 1.3: Foster greater collaboration among NPOs
As many member countries face similar issues that impact productivity, NPOs can benefit by learning from each other and sharing best practices. The APO will assist member countries in sharing best practices through study missions, bilateral cooperation among NPOs based on need assessment, and partnerships among NPOs in the areas of innovation and inclusiveness. NPOs will also be encouraged to set up mutual staff exchange programs.

Strategic Thrust 2: Leverage and adopt new and next-generation technologies and practices
Many member countries can benefit by adopting simple, established technologies and practices, such as farm mechanization and automation of manufacturing processes, in traditionally labor-intensive operations. Nevertheless, in a fast-changing environment,

existing technologies and practices become obsolete very quickly or are inadequate in meeting new challenges. It is thus critical that new and next-generation technologies and practices be adopted to improve productivity and accelerate development. These technologies are also critical for building up a country's innovation capacity, one of the two parts of an innovation ecosystem. Furthermore, the COVID-19 pandemic has shown that it is the technology-intensive sectors and organizations that are more resilient and less affected by such unexpected developments. The APO itself will leverage and adopt new and next-generation technologies to implement all the programs supporting the strategies and strategic thrusts.

Strategy 2.1: Undertake proactive environmental sensing

Proactive sensing of the environment is critical to keep abreast of trends, including political, economic, environment, social, and technological developments, that have a bearing on the technologies and practices that should be promoted. This will be done regularly, with specific focus on the implications for productivity in general and for member countries in particular. Programs to be initiated by the APO include reports on trends affecting productivity, joint research with leading international organizations, and organization of international platforms for knowledge sharing and dissemination of the latest trends.

Strategy 2.2: Develop new programs and methodologies to meet both present and future needs

Following proactive environmental sensing, new programs and methodologies, including tools and techniques, will be developed as soon as possible. The aim is to promote cutting-edge technologies and practices to meet both the present and future needs of member countries. Besides promoting production technologies in manufacturing and services, the APO will encourage the use of ICT that makes virtual offices and systems a reality. This includes videoconferences for various work purposes, including meetings and training courses, as well as online platforms for information dissemination and public engagement. The widespread use of ICT during the COVID-19 pandemic has shown that it provides a viable alternative to physical meetings and other forms of human interaction. Besides technologies, the APO will promote best practices in areas such as epidemic management and business continuity management to build up resilience and respond to crises effectively. Special attention will be given to SMEs to help them adopt the relevant technologies and practices. The healthcare sector will also be assisted in adopting best practices.

Existing programs and methodologies that are no longer relevant will be discontinued, while those that remain relevant will be updated appropriately. These include programs and methodologies for increasing productivity in general and for enhancing the innovation ecosystem and inclusive engagement and shared prosperity in particular. A council of advisers or panel of experts will be set up to recommend APO programs to meet future needs.

Strategy 2.3: Train and reskill the workforce continually
To leverage and adopt new and next-generation technologies and practices effectively, the workforce must be continually trained and reskilled. Besides being equipped to do their current jobs well, workers should be reskilled continually to meet the requirements of higher value-added industries that emerge over time. In addition to job-specific functional skills, they need future-ready generic skills. Future literacy should be as important as basic literacy and numeracy. The APO will work closely with NPOs to organize training courses relating to new skills and the future of work through in-country programs. To complement conventional classroom training, a new digital-learning platform will be introduced. New modalities of e-learning courses on new and next-generation technologies and practices will be added. All these forms of training will be customized appropriately in conjunction with efforts to engage more SMEs, informal-sector workers, women, and PWDs.

Strategic Thrust 3: Contribute to a regulatory environment that stimulates innovation
The degree of business dynamism in a country, one of the two parts of an innovation ecosystem, depends heavily on the regulatory environment. A regulatory environment that boosts business dynamism and hence stimulates innovation is one that has minimal bureaucracy and does not impose unnecessary, burdensome rules and regulations on businesses. This requires the public sector, as the administrator of rules and regulations, to adopt a pro-business mindset and to improve its productivity and quality of service continually.

Strategy 3.1: Enhance capacity building on good regulatory practices
Regulators need to understand the essentials of good regulatory practices and have the ability to develop and implement them effectively. The APO will introduce programs to build the capacity of member countries in good regulatory practices. Programs that will be launched include research on the regulatory environment for innovation in member countries, promotion of smart regulations under the APO Public-sector Productivity Framework, development of country-specific regulatory frameworks, and training on innovation management standards (ISO 56000 family).

Strategy 3.2: Develop platforms for sharing good regulatory practices
Sharing of good regulatory practices is important since many of them are applicable in all member countries. Digital technologies have made such sharing easier and enhanced the reach to member countries. Programs that will be launched include an expanded annual APO International Conference on Public-sector Productivity, a new digital platform for sharing good regulatory practices for innovation, promotion of innovation management standards, and cooperation with other international organizations to share and implement good regulatory practices.

Strategic Thrust 4: Intensify promotion and adoption of Green Productivity
The concept of Green Productivity, originated by the APO, refers to the application of productivity and environmental management policies, tools, techniques, and technologies

to reduce the environmental impact of an organization's activities. This concept is central to productivity as it affects the extent to which productivity growth can be sustained in the long run. It is thus a strategy for simultaneously enhancing productivity and environmental performance for overall socioeconomic development.

Strategy 4.1: Enhance current programs on Green Productivity
The APO's Green Productivity initiative was launched at the First World Conference on Green Productivity in Manila in December 1996. Since then, the APO has organized international conferences, training courses, workshops, Eco-products International Fairs (EPIFs), and study missions to help NPOs build capability in Green Productivity practices. In addition, the APO COE on Green Productivity was established in the ROC in 2013. These existing programs will be enhanced and new ones developed. They include relaunching and rebranding the EPIF, increasing the number of Green Productivity specialists/practitioners through the Green Productivity Certification Program, and developing a program to certify and award organizations on Green Productivity. The APO will also promote the application of digital technologies to advance Green Productivity. Examples include use of the digital ecofactory, a virtual factory and IT platform, to assess green performance in addition to productivity and manufacturability to ensure sustainable production planning; and the digital transformation of industry, which not only improves reliability and productivity but also increases energy efficiency and supports the move toward a sustainable, low-carbon economy.

Strategy 4.2: Expand the scope of Green Productivity to take climate change into account
Climate change is widely regarded as the paramount threat facing the world today. The landmark 2015 Paris Agreement, adopted by every nation, emphasizes the global attention needed to address climate change and its negative effects. The APO's Green Productivity initiative was launched before widespread recognition of the issue of climate change but directly contributes to current efforts to address it. The APO will expand the scope of Green Productivity to take climate change into account and emphasize the fact that unsustainable practices, such as irresponsible use of agricultural land and pollution from manufacturing industries, exacerbate climate change. Moreover, they increase costs and adversely affect long-term value-added generation and productivity growth. New Green Productivity techniques that include climate-resilient technologies will be explored. The scope of application of Green Productivity will also be expanded beyond agriculture, industry, and services to other sectors such as tourism, community development, etc.

Strategic Thrust 5: Step up think tank and advisory services
For the APO to play an effective role in supporting member countries in relation to all the goals and KRAs, it will need to boost its roles as think tank and adviser. This is especially critical in view of the fast-changing environment impacting productivity, the diverse stages of development of member countries, and the varying needs and constraints of each.

Strategy 5.1: Reinforce the APO's status as a trusted reference on all productivity matters and statistics in the Asia-Pacific
For the APO to be considered an effective productivity think tank and adviser, it must have the requisite capabilities acknowledged by member countries and recognized by the international community. The APO will thus build its capabilities as a think tank and strive to be a trusted reference on all productivity matters and statistics in the Asia-Pacific. Programs that will be undertaken include expanding the coverage of the *APO Productivity Databook*, publishing an APO Productivity Index, producing sectoral and regional analyses, and developing an interactive productivity data portal.

Strategy 5.2: Promote evidence-based policy advisory services
The policy advisory services of the APO will continue to be evidence based, i.e., driven by facts and data. Studies on key productivity issues will be undertaken by the APO and the findings will be disseminated to member countries. Assistance will be given to NPOs to provide evidence-based advisory services to their stakeholders by dispatching experts to build their capacity to offer such services. The APO will also collaborate with member countries to develop and implement national productivity and innovation plans.

Strategy 5.3: Conduct comprehensive productivity need assessment in member countries
Need assessment provides the basis for the APO's advisory services, especially through in-country initiatives. The APO will thus conduct comprehensive productivity diagnoses among member countries. It will also identify country-specific policy implications based on the *APO Productivity Databook* and APO Productivity Index. Technical advisers will be dispatched to disseminate the findings to policymakers in member countries.

Strategic Thrust 6: Widen networks of experts and deepen strategic partnerships
The extent to which the APO and NPOs can carry out their work effectively depends on the resources available as well as their access to knowledge and best practices. A wide network of experts and deep strategic partnerships with relevant organizations and institutions can expand the effectiveness of the APO and NPOs significantly.

Strategy 6.1: Leverage organizations and individuals who have participated in APO programs
Over the years, many organizations and individuals have been involved in APO programs. They include those who have attended APO training courses and those who have been certified, e.g., productivity specialists, and organizations recognized as APO demonstration companies. These valuable resources should be tapped for their knowledge and competencies and encouraged to share best practices. To facilitate this, the APO will assist NPOs in organizing and activating APO alumni to support the productivity movement in the country, encourage NPOs to form networks of organizations/companies to promote productivity, and connect alumni networks across member countries.

Strategy 6.2: Expand networks of expertise
In addition to previous project participants, the APO will expand its networks of expertise in other ways. This will allow the APO to take advantage of wide-ranging knowledge in its

activities. Programs that will be undertaken include leveraging APO alumni expertise to implement programs, providing research grants for productivity studies on a competitive basis, and developing a Productivity Challenge Competition for new talent to solve productivity issues.

Strategy 6.3: Foster strategic partnerships with leading institutions and key stakeholders

The APO has formed partnerships with various regional and global organizations with common objectives. In addition to project collaborations, MOU have been signed with regional research institutions and think tanks such as the Korea Development Institute and Science and Technology Policy Institute of the ROK. Strategic partnerships with international and national organizations and other strategic partners will be expanded to assist the APO in program implementation. Partnerships will also be developed with the media and NGOs to promote the APO's visibility.

Strategic Thrust 7: Strengthen the APO Secretariat

The APO Secretariat plays a pivotal role in supporting member countries and ensuring effective implementation of programs under Vision 2025. Strengthening the Secretariat in terms of both competencies and resources is therefore critical.

Strategy 7.1: Establish clear measures of effectiveness of the APO Secretariat

Clear measures of effectiveness of the APO Secretariat are important to ensure that it has the capacity and competencies to support member countries. Measures that will be undertaken include recruiting the best talent from among member countries, developing staff into experts in specific productivity domains, promoting lifelong learning for staff, practicing good governance and sound corporate management, leveraging digital technology, and benchmarking against other international organizations.

Strategy 7.2: Leverage the expertise of competent individuals closely associated with the APO

Many competent individuals have been associated with the APO through its programs over the years. It is thus important to leverage their expertise. Programs that will be initiated by the APO include establishing a listing of experts, inviting them to serve on the program councils of advisers, engaging them as technical advisers for programs, and organizing in-house sessions for experts to speak on topics relevant to the Secretariat.

Strategy 7.3: Forge stronger links between the APO Secretariat and NPOs

Strong links between the APO Secretariat and NPOs are critical to enhance efficiency and effectiveness in implementing strategies and conducting programs. Programs that will be introduced by the APO to strengthen the links include inviting NPO staff to be attached to the APO Secretariat, exploring a common mobile app for the Secretariat and all member countries, organizing discussion sessions between NPO Heads and the Secretariat in conjunction with projects/visits, and creating online groups with APO Liaison Officers.

4. Monitoring and Evaluation System

4.1 Framework for Monitoring and Evaluation

An M&E system is embedded in Vision 2025. It will operate at two levels, strategic and operational, to measure performance related to the KPIs and to assess whether the strategies and programs remain valid over time. Table 3 shows the framework for the M&E system.

Table 3. Vision 2025 framework for monitoring and evaluation.

	Goals	1. Sustained productivity growth			2. Robust innovation ecosystem		3. Inclusive engagement and shared prosperity					Strategic M&E
D E L I V E R A B L E S	KRAs	Centrality of productivity	Quality of the workforce	Smart transformation	Business dynamism	Innovation capability	Engagement of SMEs	Size of informal sector	Female labor force participation	Engagement of PWDs	Productivity gainsharing	**Appropriateness/ validity**

	Strategic Thrusts	7 strategic thrusts			**Operational M&E**
A C T I O N S	Strategies	19 strategies: 3 strategies under Strategic Thrust 1 3 strategies under Strategic Thrust 2 2 strategies under Strategic Thrust 3 2 strategies under Strategic Thrust 4 3 strategies under Strategic Thrust 5 3 strategies under Strategic Thrust 6 3 strategies under Strategic Thrust 7			**Effectiveness** Collective contribution of programs to KRAs and goals
	Program Action Plans	Name of Program	KPIs	Targets	**Efficiency & Process** Output performance Efficiency (cost, timeliness, etc.) Process Quality and impact

Operational Monitoring and Evaluation

Operational M&E focuses on measurement of performance, i.e., analyzing results of the actions implemented against the targets, both quantitatively and qualitatively. Operational M&E will be done at two levels: 1) for programs implemented; and 2) for the strategic thrusts and strategies. At the program level, the focus is on efficiency and process. Every program will be tracked on an annual basis to gauge its progress against its KPIs and targets. There are four KPIs for programs:

a) Output performance (e.g., number of training courses conducted);
b) Efficiency (e.g., cost and timeliness);
c) Process (e.g., how the program is delivered and degree of connectedness between the program and its beneficiaries); and
d) Quality and impact.

At the strategic thrust and strategy levels, the emphasis is on the effectiveness of programs in achieving the expected outcomes in the KRAs. For this purpose, the collective contribution of programs under a strategy will be assessed on a yearly basis.

In sum, the targets set are the foundation for the KRAs, goals, and vision. In this context, operational M&E ensures the links between activities and components under the Vision 2025 architecture and safeguards the integrity of the total vision. If there are shortfalls in meeting the targets, the APO Secretariat will undertake a review and take remedial actions.

Strategic Monitoring and Evaluation
Strategic M&E is aimed at reviewing the deliverables, comprising the high-level goals and KRAs. This exercise will gauge whether any part of the deliverables requires adjustment as a result of developments in the environment or new needs of member countries. The review will be done on a biennial basis. Since Vision 2025 covers a relatively short period, major revisions may not be required to the high-level deliverables. Changes, if any, are likely to be at the strategy and program levels.

Action Planning as a Follow-up to Monitoring and Evaluation
Following every operational and strategic M&E exercise, action planning will be undertaken to address any gaps or to change directions if necessary. The process is shown in Figure 2.
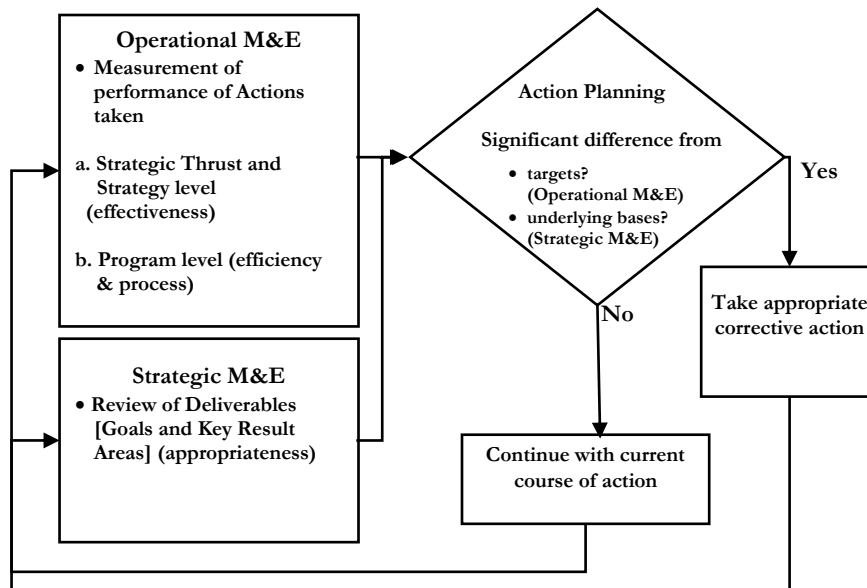
Figure 2. Action planning after monitoring and evaluation.

For both operational and strategic M&E, an assessment will be made of whether the findings show significant differences from expectations. If there are significant differences, appropriate corrective action will be taken; if not, the current course of action will continue.

4.2 Reporting the Progress of Vision 2025

The APO Secretariat will prepare an annual report on the progress of implementation of Vision 2025 following the M&E exercises. Since Vision 2025 represents the collective ownership of member countries, NPOs are also encouraged to contribute to the progress reports, particularly in providing evaluations of the APO programs they host. The combined evaluation by the APO Secretariat and NPOs will give a good idea of the headway made in relation to the expected outputs and outcomes of Vision 2025.

List of Meetings and Participants in the Formulation of Vision 2025

A. Meetings

Committee	Date	Place
Steering Committee		
1st meeting	25–26 November 2019	Tokyo
2nd meeting	25–26 February 2020	Hanoi
3rd meeting	27 March 2020	Videoconference
4th meeting		Videoconference
TWG Meeting 1: Strategic Thrusts and Strategies		
1st meeting	15–17 January 2020	Tokyo
TWG Meeting 2: Monitoring and Evaluation System		
1st meeting	10–11 March 2020	Tokyo
2nd meeting	16 March 2020	Videoconference

B. Steering Committee Members

Country	Name
Bangladesh	**Nishchinta Kumer Podder** APO Alternate Director for Bangladesh and NPO Director (Joint Secretary)
Cambodia	**Phork Sovanrith** APO Director for Cambodia and Secretary of State Ministry of Industry & Handicraft
Republic of China	**Jang-Hwa Leu** APO Alternate Director for the ROC and Director General Industrial Development Bureau Ministry of Economic Affairs

India	**Sh. Arun Kumar Jha, IES** APO Alternate Director for India and Director General National Productivity Council
Japan	**Shige Watanabe** APO Alternate Director for Japan and Director, First Country Assistance Planning Division International Cooperation Bureau Ministry of Foreign Affairs of Japan
Philippines	**Dr. Adoracion M. Navarro** APO Director for the Philippines and Undersecretary for Regional Development Office National Economic and Development Authority
Thailand	**Dr. Phanit Laosirirat** APO Alternate Director for Thailand and Executive Director Thailand Productivity Institute
Vietnam	**Dr. Ha Minh Hiep** APO Alternate Director for Vietnam and Deputy Director General Directorate for Standards, Metrology and Quality Ministry of Science and Technology

C. Technical Working Group Members

Eminent Persons	
Country	**Name**
UNESCAP	**Dr. Armida Salsiah Alisjahbana** Under Secretary-General of the UN and Executive Secretary of UN ESCAP
Japan	**Takashi Tajima** APO Secretary-General 1998–2004 and former Ambassador of Japan to Canada, Myanmar, and Bulgaria
Thailand	**Dr. Darmp Sukontasap** Director and Executive Director and Chairman of the IT Strategy and Policy Committee, Export- Import Bank of Thailand
Productivity Experts	
Republic of China	**Dr. Eugene Yu-Ying Lin** Director Office of the APO Director for the ROC China Productivity Center

India	**Vijay Sardana** Techno Legal Expert for Food Consumer Products and Agri-commodities
Japan	**Dr. Tetsushi Sonobe** Dean/Chief Executive Officer Asian Development Bank Institute
	Yoshikuni Ohnishi Former Secretary-General of the ASEAN-Japan Centre Advisor of the Hiroshima ASEAN Association
	Setsuko Miyakawa Director Japan-ASEAN Integration Fund (JAIF) Management Team ASEAN (Association of Southeast Asian Nations) Secretariat
Republic of Korea	**Dr. Youngsun Koh** Executive Director Global Knowledge Exchange & Development Center Korea Development Institute
Malaysia	**Dato' Abdul Latif Haji Abu Seman** Director General Malaysia Productivity Corporation
Philippines	**Antonio D. Kalaw, Jr.** Managing Director Center for Strategy, Enterprise & Intelligence
Singapore	**Dr. Tan Siang Hee** Executive Director CropLife Asia
	Chew Mok Lee Assistant Chief Executive Officer ICM & Digitalisation, Enterprise Services & New Industries Enterprise Singapore
Vietnam	**Dr. Ha Minh Hiep** APO Alternate Director for Vietnam and Deputy Director General Directorate for Standards, Metrology and Quality Ministry of Science and Technology
M&E Experts	
Australia	**Dr. Roberta Ryan** Distinguished Professor University of Newcastle

France	**Anthony Rottier** Former Executive Director OECD
Japan	**Dr. Koji Nomura** Professor Keio Economic Observatory Keio University
Republic of Korea	**Dr. Dong Hun Kim** Professor of Economics Yonsei Graduate School of International Studies
	Dr. Shin Kim Director & Senior Research Fellow Center for International Public Cooperation Korea Institute of Public Administration
Special Speaker	
Japan	**Dr. Nobuyuki Shirakawa** Senior Research Fellow Science and Technology Foresight Center National Institute of Science and Technology Policy
Rapporteurs	
Philippines	**Joselito Bernardo** Management Consultant Former Director of Research & Planning APO Secretariat
Singapore	**Dr. Woon Kin Chung** Managing Consultant, iXp Consulting Former CEO of Singapore Productivity Centre
APO Secretariat	
	Dr. AKP Mochtan, Secretary-General **Sherman Loo,** Director **Hikaru Horiguchi,** Director **Md. Zainuri Juri,** Head **Dr. Jose Elvinia,** Head **Sehyeon Baek,** Head **Arsyoni Buana,** Program Officer **Huong Thu Ngo,** Program Officer **Polchate Kraprayoon,** Program Officer

Note: In addition to the above list of names, all NPOs were invited to participate in the 3rd and 4th Steering Committee meetings through videoconferencing to give their views on drafts of the Vision 2025 document.

How the Strategies Support the Key Result Areas

Strategic thrusts and strategies	Goal 1: Sustained productivity growth			Goal 2: Robust innovation ecosystem		Goal 3: Inclusive engagement and shared prosperity				
	KRA 1.1	KRA 1.2	KRA 1.3	KRA 2.1	KRA 2.2	KRA 3.1	KRA 3.2	KRA 3.3	KRA 3.4	KRA 3.5
Strategic Thrust 1: Expand capacity building and promote best practices										
1.1	█									
1.2	█									
1.3	█									
Strategic Thrust 2: Leverage and adopt new and next-generation technologies and practices										
2.1	█	█	█	█	█	█	█	█	█	█
2.2	█	█	█	█	█	█	█	█	█	█
2.3	█	█				█	█	█	█	
Strategic Thrust 3: Contribute to a regulatory environment that stimulates innovation										
3.1				█						
3.2				█						
Strategic Thrust 4: Intensify promotion and adoption of Green Productivity										
4.1	█									
4.2	█									
Strategic Thrust 5: Step up think tank and advisory services										
5.1	█									
5.2	█	█	█	█	█	█	█	█	█	█
5.3	█	█	█	█	█	█	█	█	█	█
Strategic Thrust 6: Widen network of experts and deepen strategic partnerships										
6.1	█	█	█	█	█	█	█	█	█	█
6.2	█	█	█	█	█	█	█	█	█	█
6.3	█	█	█	█	█	█	█	█	█	█
Strategic Thrust 7: Strengthen the APO Secretariat										
7.1	█	█	█	█	█	█	█	█	█	█
7.2	█	█	█	█	█	█	█	█	█	█
7.3	█	█	█	█		█	█	█	█	█

Strategies and Key Result Areas

Strategies	Key Result Areas (KRA)
1.1 Step up in-country initiatives tailored to the needs of Individual member countries	1.1: Centrality of productivity
1.2 Strengthen organizational capability of NPOs	1.2: Quality of the workforce
1.3 Foster greater collaboration among NPOs	1.3: Smart transformation
2.1 Undertake proactive environmental sensing	
2.2 Develop new programs and methodologies to meet both present and future needs	2.1: Business Dynamism
	2.2: Innovation Capability
2.3 Train and reskill the workforce continually	3.1: Engagement of SMEs
3.1 Enhance capacity building in good regulatory practices	3.2: Size of Informal Sector
3.2 Develop platforms for sharing good regulatory practices	
4.1 Enhance current programs on Green Productivity	3.3: Female Labor Force participation
4.2 Expand scope of Green Productivity to take climate change into account	3.4: Engagement of PWDs
5.1 Reinforce the APO's status as a trusted reference on all productivity matters and statistics in the Asia-Pacific	3.5: Productivity gain sharing
5.2 Promote evidence-based policy advisory services	
5.3 Conduct comprehensive need assessment in member countries	
6.1 Leverage organizations and individuals who have participated in APO programs	
6.2 Expand networks of expertise	
6.3 Forge strategic partnerships with leading institutions and key stakeholders	
7.1 Establish clear measures of effectiveness of the APO Secretariat	
7.2 Leverage expertise of competent persons closely associated with the APO	
7.3 Forge stronger links between the APO Secretariat and NPOs	

Elaboration of Strategies into Program Plans and KPIs

The APO's actions, in the form of programs, projects, and initiatives, are guided by a set of strategic thrusts that are further elaborated into strategies and program plans before eventually being translated into project topics or activities. KPIs are assigned to the program plans to monitor and evaluate the efficiency, quality, and output of their implementation. Within this process, the following key points should be noted:

a. In elaborating and executing the program plans, the Secretariat under the guidance of Heads of NPOs and through the WSM platform will take into account two considerations:
   - First, the needs of all members are compiled through a need assessment exercise. Many of the program plans cater to the common needs of member countries. In addition, some program plans (the last two program plans under Strategy 1.1 in particular) will be tailored to the specific needs of more advanced member countries.
   - Second, the sectors of focus and current concerns will be addressed. For example, in the light of the COVID-19 pandemic, attention will be given to strengthening the healthcare sector and building the resilience of enterprises and the economy to withstand external shocks.

b. The KPIs stated are for the measurement of output performance. In addition, the programs will be evaluated for their efficiency, process, quality, and impact as part of the regular operational M&E process.

c. The KPIs are at the program level. For most programs, there is only one KPI or two at most, even though the full list of KPIs may appear to be long. These KPIs are important for the M&E of the progress of each program.

A summary of the program plans and KPIs under each strategy is shown below.

Strategic Thrusts	Program Plans	KPIs
Strategic Thrust 1: Expand capacity building and promote best practices		
1.1 Step up in-country initiatives tailored to the needs of individual member countries	• Undertake masterplans for member countries • Establish demonstration companies in member countries • Create new Centers of Excellence (COEs) in member countries • Launch tailored programs for member countries • Support NPOs to facilitate trade and technology promotion	• Number of masterplans • Number of demonstration companies • Number of member countries with demonstration companies • Number of COEs • Number of tailored programs for member countries • Number of NPOs undertaking the initiative
1.2 Strengthen organizational capability of NPOs	• Undertake Capacity Development Plans for NPOs • Assist NPOs to become APO accredited certification bodies • Provide guidance on certification courses offered by NPOs • Give guidance to NPOs to enlarge the pool of productivity practitioners	• Number of plans developed for NPOs • Number of NPOs accredited as certification bodies • Number of certified courses • Number of NPOs receiving the guidance
1.3 Foster greater collaboration among NPOs	• Assist member countries to share best practices through study missions • Assist bilateral cooperation among NPOs through needs assessment • Encourage staff exchange programs among NPOs • Facilitate partnerships among NPOs in the areas of innovation and inclusiveness	• Number of study missions on best practices • Number of bilateral programs assisted • Number of staff exchange programs among NPOs • Number of agreements and MOUs
Strategic Thrust 2: Leverage and adopt new and next-generation technologies and practices		
2.1 Undertake proactive environmental sensing	• Publish reports on trends affecting productivity • Participate in joint research projects with leading international organizations, research institutions, and universities • Participate in events organized by leading organizations • Organize international platforms for knowledge sharing and dissemination of latest trends	• Number of reports published • Number of joint research projects • Number of staff members participating • Number of forums organized

Strategic Thrusts	Program Plans	KPIs
2.2 Develop new programs and methodologies to meet present and future needs	• Expand scope of existing programs • Explore and develop programs on new productivity tools and techniques • Establish council of advisors/ panel of experts advising on programs to meet future needs	• Percentage of budget allocated to new programs • Number of new programs/ projects • Number of refined/ new tools and techniques • Number of experts engaged
2.3 Train and reskill the workforce continually	• Introduce new digital learning platform • Add new modalities of e-learning courses on new and next-generation technologies and practices. • Work closely with NPOs to organize training courses relating to new skills and future of work through in-country programs	• Number of new delivery channels • Number of new digital learning modalities launched • Number of new courses • Number of participants completing the courses
Strategic Thrust 3: Contribute to a regulatory environment that stimulates innovation		
3.1 Enhance capacity building on good regulatory practices.	• Publish research studies on regulatory environment for innovation in member countries • Promote smart regulations under the APO Public Sector Productivity framework • Develop country-specific regulatory frameworks and assist implementation • Deliver training for member countries on innovation management standards (ISO 56000 family)	• Number of studies published • Number of smart regulations adopted • Number of country-specific frameworks developed • Number of training
3.2 Develop platforms for sharing good regulatory practices.	• Expand annual APO international conference on Public Sector Productivity • Develop new digital platform for sharing good regulatory practices for innovation • Cooperate with other international organizations	• Number of participants attending • Number of in-country implementation follow- up programs • Knowledge portal developed in APO website • Number of partnerships
Strategic Thrust 4: Intensify promotion and adoption of Green Productivity		
4.1 Enhance current programs on Green Productivity.	• Relaunch and rebrand Eco-Products International Fair (EPIF) • Increase Green Productivity specialists/ practitioners through	• EPIF organized biennially • Number of NPOs accredited as certification bodies

Strategic Thrusts	Program Plans	KPIs
	Green Productivity certification program • Introduce new business model for Centre of Excellence on Green Productivity • Develop program to certify and award organizations on Green Productivity	• Number of Green Productivity specialists/ practitioners certified • New business model under Centre of Excellence on Green Productivity introduced • Number of Green Productivity certified firms/ organizations
4.2 Expand scope of Green Productivity to take climate change into account.	• Developing new scope of Green Productivity • Explore new Green Productivity techniques to include climate-resilient technologies • Expand scope of application of Green Productivity beyond agriculture to other sectors including manufacturing, tourism and community development	• New scope of Green Productivity (GP 2.0) developed • Number of new Green Productivity techniques relating to climate resilience introduced • Number of new sectors applying Green Productivity
Strategic Thrust 5: Step up think tank and advisory services		
5.1 Reinforce the APO's status as the trusted reference on all productivity matters and statistics in the Asia-Pacific.	• Continue to improve the APO Productivity Databook • Publish APO Productivity Index • Publish studies with leading organizations • Produce sectoral/ regional productivity data and analysis • Develop interactive productivity data portal • Produce APO Productivity Outlook • Undertake promotion and marketing of APO publications and data	• Refine scope, revise methodology and expand coverage of databook • Number of citations of APO publications including databook • Number of joint publications with leading organizations • Number of sectors/ regions analyzed • Interactive data portal developed • APO Productivity Outlook produced annually • Number of promotional activities • Number of dissemination events • Number of citations of APO publications
5.2 Promote evidence-based policy advisory services	• Undertake and disseminate results of studies relating to key productivity issues • Dispatch experts to build capacity of NPOs to provide policy advisory services • Collaborate with member countries to develop and implement national productivity and innovation plans	• Number of studies undertaken • Number of dissemination events • Number of experts dispatched • Number of NPOs supported • Number of national productivity and innovation plans developed

Strategic Thrusts	Program Plans	KPIs
5.3 Conduct comprehensive productivity need assessment in member countries.	• Conduct comprehensive productivity diagnosis • Provide country-specific policy implications based on APO Productivity Databook and APO Productivity Index • Dispatch technical advisors to disseminate findings to policy makers in member countries	• Number of white papers for member countries • Number of policy implication reports produced • Number of technical advisors dispatched • Number of member countries
Strategic Thrust 6: Widen networks of experts and deepen strategic partnerships		
6.1 Leverage organizations and individuals who have participated in APO programs.	• Encourage NPOs to organize and activate APO alumni to support productivity movement in the country • Encourage NPOs to form network of organizations/ companies to promote productivity in the country • Connect alumni networks across member countries • Identify success stories among alumni (individuals and organizations) as productivity champions in member countries	• Number of APO alumni/ associations established and engaged • Number of organizations/ companies joining the network • Number of networks connected • Number of success stories published
6.2 Expand networks of expertise.	• Leverage council of advisors/ panel of experts • Leverage APO alumni expertise to implement APO programs • Provide research grant for productivity studies on a competitive basis • Develop Productivity Challenge Competition for new talents to solve productivity issues	• Number of experts consulted • Number of experts leveraged • Research grant scheme developed • Productivity Challenge Competition activated
6.3 Foster strategic partnerships with leading institutions and key stakeholders.	• Expand partnerships with international and national organizations and other strategic partners to assist program implementation • Develop partnerships with the media and NGOs to promote the APO's visibility	• Number of collaborations in joint programs established • Number of partnerships
Strategic Thrust 7: Strengthen the APO Secretariat		
7.1 Establish clear measures of effectiveness for the APO Secretariat.	• Recruit best talent across APO member countries • Develop staff to be experts in specific productivity domains • Conduct competency mapping for future requirements	• Open recruitment system and competitive compensation package developed • Number of staff serving as resource persons • Number of programs on competency mapping

Strategic Thrusts	Program Plans	KPIs
	• Promote life-long learning for staff	• Number of new skills identified
		• Number of staff attending continuing education and training (CET) programs
	• Practise good governance and sound corporate management	• Standard Operating Procedures (SOPs) on transparency, accountability, and integrity developed
	• Leverage digital technology	• Enterprise Resource Planning (ERP) system enhanced
	• Benchmark with other international organizations	• Number of best practices of other organizations studied and adopted
7.2 Leverage expertise of competent individuals closely associated with the APO	• Invite experts/ resource persons to be on program councils of advisors	• Number of councils formed
	• Engage technical advisors for programs	• Number of experts assigned as technical advisors
	• Establish listing of experts	• Number of consultations
	• Strengthen links with productivity professionals/ practitioners	• Listing of experts in new areas established and existing database updated
	• Organize in-house sessions on topics relevant to the Secretariat	• Number of consultations
		• Number of in-house sessions conducted
	• Engage with embassies of member countries and diplomatic corps in Tokyo	• Number of sessions with embassies and diplomatic corps
7.3 Forge stronger links between the APO Secretariat and NPOs	• Invite NPOs' staff to be attached to the APO Secretariat	• Number of NPO staff attached
	• Explore common mobile app for Secretariat and all member countries	• Common mobile app launched
	• Organize discussion sessions between NPO Heads and Secretariat in conjunction with projects/ visits	• Number of sessions organized
	• Create online groups with APO Liaison Officers	• APO-NPO online groups created
	• Organize consultation forums with NPOs on project implementation matters	• Number of forums organized

How Vision 2025 Supports the UN 2030 Sustainable Development Goals

Figure A4.1 shows how Vision 2025 supports the UN 2030 SDGs. In some cases, the goals, KRAs, and strategic thrusts of Vision 2025 support the SDGs directly. In other cases, the linkages are indirect but nevertheless contribute to meeting the SDGs.

Figure A4.1. How Vision 2025 Supports the UN 2030 Sustainable Development Goals

SDG		Vision 2025
People		
1	End poverty in all its forms everywhere.	Goal 1 (sustained productivity growth) and Goal 3 (inclusive engagement and shared prosperity), together with the supporting strategic thrusts, contribute to a reduction of poverty.
2	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.	KRA 1.3 (smart transformation), supported by Strategic Thrust 2 (leverage and adopt new and next-generation technologies and practices) and Strategic Thrust 4 (intensify promotion and adoption of Green Productivity), contributes to agricultural transformation and food security.
3	Ensure healthy lives and promote well-being for all ages.	Goal 1 (sustained productivity growth) and Goal 3 (inclusive engagement and shared prosperity), together with the supporting strategic thrusts, help to promote well-being.
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Strategy 2.3 (train and reskill the workforce continually) helps to promote lifelong learning, covering both generic and job-specific skills and productivity knowledge.
5	Achieve gender equality and empower all women and girls.	KRA 3.3 (female labor force participation), together with the supporting strategic thrusts, enables more females to participate in productive economic activities.
6	Ensure availability and sustainable management of water and sanitation for all.	Strategic Thrust 4 (intensify promotion and adoption of Green Productivity) advocates water resource management programs as well as sustainable

		productivity improvement activities that do not pollute and contaminate water resources.
7	Ensure access to affordable, reliable, sustainable, and modern energy for all.	Strategic Thrust 4 (intensify promotion and adoption of Green Productivity) advocates energy management programs as well as technology that boosts energy supply and efficiency and clean energy.
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Prosperity		
8	Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.	Goal 1 (sustained productivity growth), Goal 2 (robust innovation system), and Goal 3 (inclusive engagement and shared prosperity), together with the supporting strategic thrusts, lead to sustained, inclusive, sustainable economic growth as well as productive employment.
9	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.	Goal 1 (sustained productivity growth), Goal 2 (robust innovation system), and Goal 3 (inclusive engagement and shared prosperity) advocate resilient infrastructure, sustainable and inclusive industrialization, and a robust innovation ecosystem. Strategic Thrust 2 (leverage and adopt new and next-generation technologies and practices) helps to drive industrialization and innovation. Strategic Thrust 3 (contribute to a regulatory environment that stimulates innovation) helps to foster innovation.
10	Reduce inequality within and among countries.	Goal 1 (sustained productivity growth) and Goal 3 (inclusive engagement and shared prosperity), together with the supporting strategic thrusts, contribute to a reduction of inequality.
11	Make cities and human settlements inclusive, safe, resilient, and sustainable.	Goal 3 (inclusive engagement and shared prosperity), together with the supporting strategic thrusts, promotes inclusive engagement of all segments of the population and all regions in the country in productivity improvement activities.

12	Ensure sustainable consumption and production patterns.	Strategic Thrust 4 (intensify promotion and adoption of Green Productivity) places equal emphasis on productivity improvement and environmental protection to ensure balanced, sustainable development.

Planet

13	Take urgent action to combat climate change and its impacts.	Strategy 4.2 (expand the scope of Green Productivity to take climate change into account) places equal emphasis on productivity improvement and environmental protection to ensure balanced, sustainable development and advocates integration of climate change measures into national productivity policies.
14	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.	Strategic Thrust 4 (intensify promotion and adoption of Green Productivity) places equal emphasis on productivity improvement and environmental protection to ensure balanced, sustainable development and advocates fishery management programs that ensure long-term sustainability of fisheries.
15	Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	Strategic Thrust 4 (intensify promotion and adoption of Green Productivity) places equal emphasis on productivity improvement and environmental protection to ensure balanced, sustainable development and advocates land and forest management programs that ensure the long-term sustainability of terrestrial ecosystems.

Peace

16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels.	Strategic Thrust 1 (expand capacity building and promote best practices) strengthens and builds up the productive capacities of key institutions, including the public sector, so that they are able to drive the country's productivity improvement efforts effectively.

	Partnership	
17	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.	Strategic Thrust 5 (step up think tank and advisory services) elevates the role of the APO to that of a policy influencer rather than just a program partner. Strategic Thrust 6 (widen networks of experts and deepen strategic partnerships) and Strategic Thrust 7 (strengthen the APO Secretariat) strengthen and expand the APO's capacity to drive various productivity improvement programs.

Progress of Vision 2020 & Comparison with Vision 2025

Progress of Vision 2020

The APO Vision 2020 was approved by the 58ᵗʰ Governing Body Meeting (GBM) held in April 2016. It serves as the organization's 5-year strategic plan to guide the APO's activities for the period of 2016-2020 and the expected achievements by December 2020.

Vision 2020 is ongoing at the time of reporting. A key development that took place during the last phase of the implementation of Vision 2020 was the escalation of COVID-19 into a pandemic in March 2020. This development is expected to cause adverse effect on the targeted overall achievements.

A summary of the main components of Vision 2020 and the achievements to date are shown in Table 1.

Table 1 – Summary of Vision 2020 and Achievements

Vision	To be the leading international organization on productivity enhancement, enabling APO economies to be more productive and competitive.		
Mission	Contribute to the sustainable socioeconomic development of Asia and the Pacific through enhancing productivity.		
Goals	**Targets**		**Achievements**
1. Productivity increased.	3.7% p.a. labor productivity growth for 2017-2020.		2.8% p.a. (projected).
2. Competitiveness improved.	5-point increase in average ranking on Global Competitiveness Index (GCI) in 2020 compared with 2014-2015. No quantitative target.		3.3-point increase from 2015 to 2017. Unable to have comparable assessment of the progress thereafter because of change in the methodology used. Positive feedback from participants of capacity-building programs; partnerships established with reputable international organizations; greater outreach to non-members; and higher visibility.
3. APO recognized as the leading international organization on productivity.			

Strategies	Targets	Achievements
A. Operational		
1. Expand capacity building of human resources and institutions.	100,000 persons trained by 2020.	41,385 persons trained from 2016 to 2018, about 42% of the target. Achievement by 2020 likely to fall short of the target.
2. Strengthen policy advisory services.	No quantitative target.	At least 4,800 beneficiaries from projects under TES, DON, DMP and SNP.
B. Institutional		
1. Increase organizational efficiency and effectiveness.	No quantitative target.	Certain measures adopted to increase operational efficiency and effectiveness (e.g. result-based framework for monitoring and evaluation of programs).
2. Expand cooperation with global and regional organizations.	No quantitative target. No quantitative target.	Cooperation with certain regional and global organizations established (e.g. Korea Development Institute, Republic of Korea's Science and Technology Policy Institute).
3. Activate APO alumni for networking and knowledge sharing.	No quantitative target.	Efforts made to maintain APO alumni networks (e.g. workshops for alumni networks).
4. Sustain the campaign for new membership.		Representatives of non-APO member countries invited to participate in APO activities, and APO representatives sent to attend the activities in those countries.

Observations on the Progress of Vision 2020

On the first goal of "productivity increased," the projected labor productivity growth for 2017 – 2020 is 2.8% p.a., lower than the target of 3.7% p.a. This can be attributed to the downward trend in global economic growth in general and of APO member countries in particular as a result of rising trade barriers, increasing geopolitical tensions and the COVID-19 pandemic.

On the second goal of "improved competitiveness," the average ranking of the APO member countries on the GCI by the World Economic Forum increased by 3.3 points from 2015 to 2017. The progress was good compared with the target of a 5-point increase from 2014 – 2015 to 2020. However, any assessment thereafter is not comparable because of a change in the GCI methodology.

On the third goal of "APO recognized as the leading international organization on productivity, no quantitative target was set. Proxy indicators of progress include positive feedback from participants of capacity-building programs; partnerships established with reputable international organizations; greater outreach to non-members; and higher visibility of the APO.

On the first operational strategy of "expand capacity building of human resources and institutions," 41,385 persons were trained from 2016 to 2018, which was about 42% of the target. The achievement by 2020 is projected to fall short of the target.

No quantitative target was set for the second operational strategy of "strengthen policy advisory services." The services were executed mainly through the in-country programs, namely, Technical Expert Services (TES), Development of NPOs (DON), Demonstration Companies Project (DMP) and Specific National Program (SNP). These programs benefited at least 4,800 beneficiaries during 2016 – 2018.

There were also no quantitative targets set for the four institutional strategies. For the first strategy of "increase organizational efficiency and effectiveness," certain measures were adopted. These included adopting a result-based framework for monitoring and evaluation of programs; and linking staff performance closely to achievement of organizational objectives.

For the second strategy of "expand cooperation with global and regional organizations," MOUs were signed with several organizations, including the Korea Development Institute and the Republic of Korea's Science and Technology Policy Institute.

For the third strategy of "activate APO alumni for networking and knowledge sharing," efforts were made to maintain APO alumni networks. These included conducting workshops for them and maintaining connections with them through social media platforms.

For the fourth strategy of "sustain the campaign for new membership, the outreach activities included inviting non-APO member countries to participate in APO activities, and sending APO representatives to attend the activities in those countries. A result of this

was the APO Governing Body's formal approval of Turkey's ascension to the APO in 2018.

Overall, Vision 2020 falls short of the target set. The main reason for this was the downward trend in global economic growth caused by unavoidable, powerful external factors such factors as rising trade barriers, increasing geopolitical tensions and, most recently, the COVID-19 pandemic.

Specifically on the pandemic, while COVID-19 disrupted the implementation of various programs, it also accelerated the use of digital technologies as a viable alternative to delivering programs. This included the use of videoconferencing for meetings, public outreach (e.g. Productivity-Talk series) and engagement with the NPOs through the APO digital platform.

Comparison with Vision 2025

Some of the areas of emphases in Vision 2020 will continue in the next five years. Considering the current developments and needs of the member countries, some changes and new emphases were added. A comparison of Vision 2025 with Vision 2020 is given in Table 2.

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Table 2 – Comparison of Vision 2025 with Vision 2020

	Vision 2025	**Vision 2020**
Mission	Contribute to the sustainable socioeconomic development of Asia and the Pacific through enhancing productivity.	Contribute to the sustainable socioeconomic development of Asia and the Pacific through enhancing productivity.
Vision	More inclusive, innovation-led productivity growth in the Asia-Pacific.	To be the leading international organization on productivity enhancement, enabling APO economies to be more productive and competitive.
Goals	1. Sustained productivity growth. 2. Robust innovation ecosystem. 3. Inclusive engagement and shared prosperity.	1. Productivity increased. 2. Competitiveness improved. 3. APO recognized as the leading international organization on productivity.
Strategic Thrusts	**A. Operational** 1. Expand capacity building and promote best practices. 2. Leverage and adopt new and next-generation technologies and practices.	**A. Operational** 1. Expand the capacity building of human resources and institutions. 2. Strengthen policy advisory services.

	3. Contribute to a regulatory environment that stimulates innovation. 4. Intensify promotion and adoption of Green Productivity. 5. Step up think tank and advisory services. 6. Widen network of experts and deepen strategic partnerships. **B. Institutional** 7. Strengthen the APO Secretariat.		**B. Institutional** 3. Increase organizational efficiency and effectiveness. 4. Expand cooperation with global and regional organizations. 5. Activate APO alumni for networking and knowledge sharing. 6. Sustain the campaign for new membership.

Mission

The mission of the APO is to "contribute to the sustainable socioeconomic development of Asia and the Pacific through enhancing productivity." As the organizational purpose of the APO is still relevant, the mission statement remains unchanged in Vision 2025.

Vision

The vision for Vision 2025 is "more inclusive, innovation-led productivity growth in the Asia-Pacific". This contrasts with the vision for Vision 2020, which is "to be the leading international organization on productivity enhancement, enabling APO economies to be more productive and competitive." Since the intent of the vision is to state the impact of the APO's work, the part on "to be the leading international organization on productivity enhancement" in Vision 2020, an internal aspiration, has been excluded from Vision 2025. The aspiration of enabling APO economies to be competitive in Vision 2020 has also been excluded since competitiveness is determined by not only productivity but many other factors as well. This leaves the part "enabling APO economies to be more productive", which is elaborated in the vision for APO 2025. The two key parts of the vision for Vision 2025 are "more inclusive" and "innovation-led" to underline the desired nature of productivity growth to be achieved in the Asia-Pacific.

Goals

There are three specific goals to realize the vision in Vision 2025. These are sustained productivity growth, robust innovation system, and inclusive engagement and shared prosperity. The first goal is similar to that in Vision 2020, while the second and third goals correspond to the "innovation-led" and "more inclusive" parts of the vision. The goals on competitiveness and recognition of APO in Vision 2020 have been excluded in view of the new vision for Vision 2025.

Strategic Thrusts

There are seven strategic thrusts to achieve the three goals in Vision 2025. Each of the thrusts contributes to the achievement of more than one goal. Six of these are operational in nature, and one is institutional. Compared with Vision 2020, there are three new strategic thrusts, namely, leverage and adopt new and next-generation technologies and practices; contribute to a regulatory environment that stimulates innovation; and intensify promotion and adoption of Green Productivity. The first two reflect their criticality for innovation-led productivity; while the third takes cognizance of the increasing importance of sustainable development and climate change issues. Strategic Thrusts 1, 5, 6 and 7 in Vision 2025 correspond with Strategic Thrusts 1, 2, 4 and 3 respectively. Strategic Thrusts 5 and 6 in Vision 2020 are in fact specific programmes of Strategic Thrusts 6 and 7 respectively in Vision 2025.

Final Report of Vision 2020
The Secretariat will continue to monitor implementation of Vision 2020 and the current progress report will be updated when all the pertinent data relating to the indicators and measures of Vision 2020's achievements are available and/or issued by the relevant parties.

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Glossary

Best practice: A method or technique that has generally been accepted as superior to any alternatives.

Business dynamism: The extent of economic vibrancy and entrepreneurial activity in an economy, as reflected by the rate of creation and growth as well as closing and exit of businesses, and the willingness to take risks and embrace new ideas.

Centrality of productivity: Institutionalization of productivity at the national level so that productivity takes center stage in the national development planning agenda and is in the driver's seat to propel socioeconomic progress.

Composite index: A weighted aggregate of relevant subindices to represent an overall ranking or performance of an economy, sector, or factors that are important for a certain purpose.

Digital adoption: A situation in which digital tools are being used as intended and to their fullest extent in the economy, including use by individuals, businesses, and the government.

Evidence-based policy: Policy formulation and decision based on facts and figures that can be objectively assessed.

Good regulatory practices: Processes, systems, methods, and procedures that make regulations transparent, efficient, and effective from the perspective of businesses.

Green Productivity: An APO concept for enhancing productivity while reducing the environmental impact of economic activities through the application of appropriate tools, techniques, and technologies.

In-country initiatives: APO programs conducted in an individual member country to meet its unique needs and expectations; examples are the Specific National Program, Observational Study Missions, Technical Expert Services, Development of Demonstration Companies/Organizations, Bilateral Cooperation Between NPOs, and Institutional Strengthening of NPOs.

Inclusive engagement: Involvement of all economic sectors and all segments of society in the national productivity drive.

Industry 4.0: A term used synonymously with the Fourth Industrial Revolution and

associated with digital and other technologies including artificial intelligence, advanced robotics, cyberphysical systems, the Internet of Things, additive manufacturing, augmented reality, blockchain technology, and big data analytics.

Informal sector: The part of the economy that comprises all legal economic transactions that are not captured in the national accounts, not taxed, and not regulated by any government policy.

Innovation: Creation of new products, processes, and business models or improvements to existing ones that increase value added for enterprises and the economy.

Innovation capability: A country's ability to produce and exploit new products, services, systems, and processes over extended periods of time and which rests on a strong innovation value chain from idea generation to R&D and commercialization.

Key result areas: Specific aspects of a goal that are vital and hence must be given focused attention to achieve the expected outcome of the goal.

Multicountry programs: APO programs for the industry, service, agriculture, and public sectors to meet the common needs of member countries; examples are research, conferences, forums, observational study missions, workshops, and training courses.

Next-generation technologies: Emerging technologies that lead to disruptive quantum improvements in business processes and higher productivity.

Persons with disabilities: People who have long-term physical, mental, intellectual or sensory impairments which, when combined with various barriers, may hinder their full, effective participation in society on an equal basis.

Productivity: A measure of the quantity or value of output generated in relation to the quantity of resources or inputs used to produce them; the most common measure is labor productivity, or value added per hour worked.

Productivity gainsharing: The distribution of wealth generated between enterprises and employees as a result of productivity improvement based on a predetermined formula.

Quality of the workforce: The productive capacity of the workforce, which is dependent on its educational level, skills, knowledge, and competencies.

Robust innovation ecosystem: An environment where both the factors determining the innovation capability of the country and the enabling conditions supporting innovation are strong, resulting in a state where innovation thrives.

Shared prosperity: A desired situation where the gains from higher productivity or wealth generated are distributed equitably to all segments of society.

Smart transformation: The degree to which the economy is transformed by digital and other technologies associated with Industry 4.0 and which creates opportunities for increased productivity in all sectors and enterprises of different sizes.

Strategic partnerships: Collaborations between organizations with common objectives, which can take different degrees of formality ranging from memoranda of understanding to joint research to other cooperative undertakings.

Strategic thrust: Broad statement of high-level action that guides the formulation of specific strategies and links them to achieve the overall goals of an organization.

Sustainable development goals: High-level goals that go beyond maximizing economic growth to cover the entire range of socioeconomic objectives in a development endeavor, including eradicating poverty, improving education, promoting equality, and minimizing environmental impacts of economic activities.

Sustained productivity growth: Overall positive productivity growth over time which results from quantitative increases in capital investments per worker and qualitative improvements in production processes, supported by robust socioeconomic development policies.