

DRAFT TERMS OF REFERENCE (TOR)

Project Title	ASEAN Labor Productivity Index
Countries	ASEAN Member States
Technical field	Productivity
Technical backstopping unit	ASEAN Secretariat
Place of Work	Home-based
Duration	July - December 2024 (six months)

I. Introduction

ASEAN as a community is thriving in realising the ASEAN Vision 2025 and the region has been experiencing steady and robust growth. ASEAN economic growth is projected to reach 4.7 per cent in 2024 and the region is projected to be the fourth largest economy by 2050¹. While maintaining this momentum, ASEAN also remains committed to uplifting the quality of life of the ASEAN people to bring economic growth and prosperity to all.

The region's economic growth is supported by the growing labour productivity of its workers. As recorded, labour productivity in the region grew by 2.96 percent, on average, annually from 1971-2018.² Against the background of the changing world of work, digitalisation of economies, globalization, and aging populations, ASEAN needs effective strategies to improve the labour productivity, employment, and well-being of its workers in the future. Acknowledging the importance of labour productivity in ensuring a sustainable economy, a regional database is pivotal in tracking how far labour productivity in the ASEAN region has progressed. The ASEAN Labour Productivity Index was then developed to support the improvement of ASEAN competitiveness as envisioned in the ASEAN Labour Ministers' Meeting Work Programme 2021-2025 and the ASEAN Socio-Cultural Community (ASCC) Blueprint. The Index is also expected to support the promotion of foreign investment and the competitiveness of industries as called for in the ASEAN Economic Community (AEC) Blueprint.

The ASEAN Labour Productivity Index (ALPI) is a follow-up to the Regional Study on Labour Productivity in ASEAN, which was endorsed by the Senior Labour Officials Meeting (SLOM) in December 2020. The Study Report analysed the trends in the labour productivity of ASEAN and explored the development of a holistic framework for the management of human capital productivity. The Study Report recommended the development of a regional productivity index for ASEAN, and proposed how such an index may be structured by adopting input and output variables and aggregating those into a single measure of performance. The index supports policy makers and policy development in the region as it can yield insights on the capacities and performances of ASEAN Member States in improving or sustaining productivity of their

¹ ASEAN Economic Integration Brief Vol. 14, December 2023, accessible at: https://asean.org/wp-content/uploads/2023/12/AEIB_No.14_DRAFT-v3-28Dec2023.pdf

² Asian Productivity Organization (APO), Asian Economy and Productivity Map, as cited in the Regional Study on Labour Productivity in ASEAN.

human resources. Those insights could not be comprehensively measured as such by other composite indices such as GCI, WEF, HDI or GII.

Several activities have been conducted to help ASEAN sustain the index. The statistical software “STATA” application was used to calculate the ASEAN labour productivity index for the 2015-2020 data. A Workshop involving SLOM-WG and ASEAN Community Statistical System (ACSS) Committee was held on 5-6 December 2022 to discuss the concept, measurement, drivers and strategies in sustaining and improving the ALPI. Subsequently, a capacity building workshop was conducted on 8-9 December 2022 for Chairs and Vice-Chairs of SLOM-WG and ACSS Committee, co-lead countries of the LMIS Project and ASEAN Secretariat to learn how to calculate the data and index for 2020. Since then, the updated data for 2015-2020 and its narratives had been developed and consulted with SLOM. The following documents were produced to supplement the Index: 1. Concept Note of the ALPI; 2. Regional Study on Labour Productivity; 3. Frequently Asked Questions about the ALPI; and the Metadata of the ALPI. The remaining activities in 2024 are planned with the support of a consultant with expertise in the field.

Through this project, it is hoped that the ALPI can be sustained and continuously improved as an effective tool to support evidence-based policies and programmes of AMS pertaining to labour productivity.

The Project will be administered by the ASEAN Secretariat (ASEC) with the support of a consultant within a period of six months until December 2024. The Project is financially supported by the ASEAN Development Fund. The project outputs shall be consulted with SLOM for their endorsement and the ASEAN Community Statistical System (ACSS) Committee for their input.

II. Objective of the Consultancy

The objectives of the consultancy are the following:

- a) Collect set of data for the Index in 2021-2023 for consideration and endorsement of SLOM.
- b) Develop the narrative of those data set and index for 2021-2023.
- c) Support the capacities of ASEAN Member States and the ASEAN Secretariat to implement and sustain the ASEAN Labour Productivity Index.
- d) Train ASEC on the use of STATA for data collection and computation.

III. Expected Deliverables

The following deliverables are expected from the consultant within the timeline agreed by SLOM:

- (i) Data collected³ and computed by using STATA application for the Index in 2021-2023;
- (ii) Narrative of the computed data and index for the period of 2021-2023;

³ Data will be taken from international sources accepted by ASEAN Member States for the 2015-2020 data and index.

- (iii) Answers and guidance to queries and inputs from ASEAN Member States on the terminologies and methodology used for the Index;
- (iv) Capacity Building Workshop on the Index for ASEC and ASEAN Member States in Q3/Q4 2024 is designed and facilitated including the agenda and presentation materials; and
- (v) Second Workshop on the Index's concept and measurements in Q3/Q4 2024 is designed and facilitated including the agenda, presentation materials and summary record of the Workshop.

IV. Timeline of Implementation

Data collection and computation for the ASEAN Labour Productivity Index	
- Data collection and computation for the index using STATA application and based on various international databases used for the previous set of data - Development of the narrative of the data set and index for 2021-2023	July-August 2024
Submission of the initial set of data and draft narrative to ASEC for comment and validation	1 September 2024
Consultation of the initial set of data and draft narrative with SLOM for endorsement (to be facilitated by ASEC)	September 2024
Training and Workshop	
Preparation of the Capacity Building Workshop and Second Workshop (e.g. agendas and presentation materials)	September – October 2024
Capacity Building Workshop for ASEC and AMS on data computation for the Index	November 2024
Second Workshop to build the capacities of AMS and ASEAN Secretariat on the technical details of the index's concept and measurements	November 2024
Preparation and submission of the draft summary record of the Second Workshop	November - December 2024

Note: Timelines may be changed due to consultation and coordination with ASEAN Member States at no additional fees.

V. Qualifications and Skills

Candidates should possess a solid educational background in relevant fields, significant professional experience in data analysis and labor productivity, proficiency in STATA, and excellent communication and training skills, as follows:

- A master's degree or higher in economics, statistics, data science, labour, public policy, or a related field;
- Proficiency in the usage of STATA as the ALPI use STATA as its main software. Additional proficiency in other statistical software is an advantage;
- At least 5 years of experience in data collection, computation, analysis, interpretation and management, particularly those involving large and complex data sets.
- Professional experience related to labour productivity or economic indicators is desirable;
- Strong understanding of labour productivity concepts, including methodologies for calculating productivity indices;
- Familiarity with the socio-economic context and labour market dynamics within ASEAN Member States and ASEAN as a region. Please refer to the Regional Study on Labour Productivity in ASEAN on this link: <https://asean.org/regional-study-on-labour-productivity-in-asean/> for information;
- Excellent written and verbal communication skills in English to explain labour productivity concepts and data computation to diverse stakeholders and to develop data narratives;
- Experience in conducting capacity building, particularly in a form of workshop and training session;
- Proven experience working with or in ASEAN Member States and/or ASEAN as a region involving multiple stakeholders is highly desirable.

VI. Management Arrangement

Technical backstopping for the study is provided by the ASEAN Secretariat. The project is financially supported by the ASEAN Development Fund (ADF).

The project and its deliverables shall be consulted with SLOM and ACSS for consideration and input. Those consultations will be facilitated by the ASEAN Secretariat.

VII. Submitting Application

Please send following required documents:

- Cover letter indicating the application;
- A Financial Offer specifying the costs (daily rate) that will be incurred throughout the consultancy;
- A copy of most up to date curriculum vitae (CV);
- Two or three samples of previous work related to the assessment or similar functionalities (if applicable).

The application shall be submitted by following the requirement mention in the Invitation Letter. Incomplete applications will not be considered. Only shortlisted candidates will be notified.