



Asia-Pacific  
Economic Cooperation

Advancing  
Free Trade for Asia-Pacific  
Prosperity

# Tracking Progress of RAASR: The Important Role of Indicators

## 2 Jun 2016 – Workshop on RAASR IAPs

---

Presented by  
Andre Wirjo  
APEC Policy Support Unit

# From RAASR to (Inclusive) Growth



Asia-Pacific  
Economic Cooperation

More open, well-functioning,  
transparent and competitive  
markets

Deeper participation by all  
segments of society,  
including MSMEs, women,  
youth, older workers, and  
people with disabilities

Sustainable social policies  
that promote the other  
pillars, enhance economic  
resilience, and are well-  
targeted, effective and non-  
discriminatory



Lower cost of doing business

Unlock significant  
productivity gains

Increase opportunities and  
prospects

Minimize negative impacts of  
open trade and investment

Increase labor pool /economically active  
population with diverse set of skills



(Inclusive) Growth

# Tracking progress of RAASR: A perspective from ANSSR



Asia-Pacific  
Economic Cooperation

“While the effort applied to ANSSR is evident, **the progress made is more difficult to identify**, mainly as a **consequence of the formats of reporting**, which is a mix of project descriptions and of qualitative measures and quantitative measures”



“**Revise the reporting of commitments** in each project in each economy, by adding a focus on policy indicators where possible **using quantitative measures including a set of baseline measures against which to measure progress**”

# RAASR Review Process



Asia-Pacific  
Economic Cooperation

Concrete Actions

Pillars

Individual economy level (IAPs)

APEC-wide level

1. Range of concrete actions developed by economies are likely to be very wide in spectrum
2. APEC-wide progress should be monitored and analyzed

# Identifying Baseline Indicators: The Critical Role of Economies



Asia-Pacific  
Economic Cooperation

Concrete Actions

Pillars

Individual economy level (IAPs)

1. Indicators likely to have the highest level of linkage with concrete actions themselves  
→ Economies know best what it intends to achieve
2. Relevant information pertaining to indicators  
→ Economies have information on availability, frequency, source, etc.
3. Wide range of specific reform actions  
→ Challenging to be listing down possible indicators for economies' consideration

# Tips for Identifying Baseline Indicators



Asia-Pacific  
Economic Cooperation

1. Formulate concrete actions that are S.M.A.R.T.
  - Specific
  - Measurable
  - Achievable
  - Results-focused
  - Time-bound
2. Involve colleagues from various relevant agencies
  - Planning agencies;
  - Statistical agencies; etc.

# Tips for Identifying Baseline Indicators

## 3. Ask if indicators have the following features:

- Relevance
  - Is it closely linked to the concrete action?
  - The closer, the better
- Regularity
  - Will it be updated and what is the update frequency?
  - More regular, the better
- Credibility
  - Can it be used by governments to promote policy reforms?
  - The more credible, the more interest from stakeholders
- Accountability
  - Can it be monitored and verified by third-parties?
  - More specific indicators, stronger accountability

# Tips for Identifying Baseline Indicators



Asia-Pacific  
Economic Cooperation

4. Include a mix of specific and broad indicators can complement one another

| Specific/micro   | Broad/macro   |
|--|---|
| <p>(+) Closely linked to a concrete action (implementation and extent)</p> <ul style="list-style-type: none"><li>➤ Allow formulation of more targeted action</li><li>➤ Provide strong basis for tweaking structural reform efforts</li></ul> | <p>(+) Can provide implications at the economy level</p>  |
| <p>(-) Inability to provide broader implications at the economy level</p>  | <p>(-) Attribution issues</p> <p>(-) Usually take time to respond and adjust to ongoing structural reform efforts</p> |

# An example on the utilization of both specific and broad indicators



Asia-Pacific  
Economic Cooperation

**Facilitate deeper youth participation in the labor market through the implementation of more technical vocational education training (TVET) programme targeted towards the youth from 2016 to 2020**

|                   | Number of institutions currently providing TVET programme by industry sector   | Number of youths who attended and completed TVET programme by industry sector | Youth unemployment rate   |
|-------------------|--|---|---|
| Type of indicator | Specific/micro   | Specific/micro  | Broad/macro   |
| Strengths         | 1) Provide following information: <ul style="list-style-type: none"> <li>• What are the industry sectors that majority of existing TVET programmes cater to?</li> <li>• Which industry sectors are underserved?</li> <li>• Is the uptake of TVET programmes good?</li> </ul> 2) Allow tweaking of efforts: <ul style="list-style-type: none"> <li>• Focus on information dissemination on availability of such programmes?</li> <li>• Explore possibility of providing scholarships to students to increase uptake?</li> </ul> |   | Complement specific/micro indicator: <ul style="list-style-type: none"> <li>• Need to involve industry in curriculum formulation?</li> <li>• Need to upscale TVET programme?</li> </ul> |
| Limitations       | Unable to provide information on whether the implementation of more TVET programme for youth has led to increase in youth employment at economy level  |   | <ul style="list-style-type: none"> <li>• Challenging to identify exactly what have been done and what should be done (attribution issue)</li> <li>• Take time to adjust</li> </ul>      |

# Tips for Identifying Baseline Indicators

## 5. Note and use different types of indicators appropriately

- Quantitative vs. qualitative

| Quantitative   | Qualitative  |
|--|--|
| <ul style="list-style-type: none"><li>• Absolute values<ul style="list-style-type: none"><li>➤ Number of procedures to start a business</li><li>➤ Number of days to get electricity</li></ul></li></ul>        | <ul style="list-style-type: none"><li>➤ Has your economy ratified a specific law? At what stage of the process is it in (e.g. public consultation)?</li><li>➤ Has your economy implemented a national single window to facilitate customs procedures? At what stage of the process is it in (e.g. pilot)?</li><li>➤ How satisfied are visitors to the employment assistance agency? (e.g. very unsatisfied; somewhat satisfied; neutral; somewhat satisfied; very satisfied)</li></ul> |
| <ul style="list-style-type: none"><li>• Relative values<ul style="list-style-type: none"><li>➤ Employment to population ratio</li><li>➤ Share of youth unemployment</li></ul></li></ul>                        |  |
| <ul style="list-style-type: none"><li>• Changes over time<ul style="list-style-type: none"><li>➤ Change in no. of tertiary institutions</li><li>➤ Change in labor force participation rate</li></ul></li></ul> |  |

# Tips for Identifying Baseline Indicators

5. Note and use different types of indicators appropriately
  - Hard, soft or composite

| Hard data   | Soft data  |
|---|--|
| <ul style="list-style-type: none"><li>• Based on statistical facts<ul style="list-style-type: none"><li>➤ Time to process documents</li><li>➤ Tariff</li><li>➤ Pupil-teacher ratio</li><li>➤ Hospital beds per 1,000 people</li></ul></li></ul> | <ul style="list-style-type: none"><li>• Based on perceptions<ul style="list-style-type: none"><li>➤ In your economy, to what extent is pay related to employee productivity? (1= not at all; 7= to a great extent)</li></ul></li></ul> |
| Composite index   |  |
| <ul style="list-style-type: none"><li>• Based on both statistical facts and perceptions<ul style="list-style-type: none"><li>➤ Domestic LPI (logistics performance index)</li></ul></li></ul>   |  |

# Tips for Identifying Baseline Indicators

## 5. Note and use different types of indicators appropriately

- Policy vs. outcome indicators
  - Policy indicators are generally within control of policymakers
  - Outcome indicators may be beyond control of policymakers

| Policy indicators   | Outcome indicators   |
|---|--|
| <ul style="list-style-type: none"><li>• By law/de-jure<ul style="list-style-type: none"><li>➢ Are there any restrictions on issuance of working visa for foreign nationals?</li></ul></li></ul> | <ul style="list-style-type: none"><li>• Direct government influence is usually hard to determine<ul style="list-style-type: none"><li>➢ Share of youth unemployment</li><li>➢ Employment to population ratio</li><li>➢ Total FDI flows</li></ul></li></ul> |
| <ul style="list-style-type: none"><li>• By facts/de-facto<ul style="list-style-type: none"><li>➢ What are the number of working visa issued by the immigration authorities?</li></ul></li></ul> |  |

# Tips for Identifying Baseline Indicators



Asia-Pacific  
Economic Cooperation

## 6. Identify “good” number of indicators

- No hard and fast rule
- Many indicators: (+) More information  
(-) Unwieldy to collect and monitor

# Key Takeaways



Asia-Pacific  
Economic Cooperation

1. Importance of developing S.M.A.R.T IAPs.
2. Baseline indicators are among the crucial element in shedding more lights on progress under RAASR.
3. Economies have critical role in identifying these indicators.