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## Malaysia hosts 52nd Governing Body Meeting

he 52nd Session of the APO Governing Body (GBM) took place in Kuala Lumpur, the Malaysian capital, 20–22 April 2010. The GBM brought together 50 delegates and advisers from 19 member countries as well as eight observers from the Colombo Plan, Pan African Productivity Association, Kenya, Nigeria, and Turkey.

This year's GBM took up important agenda items. They included determining the amount of total membership contributions for the 2011 and 2012 biennium, reviewing the Secretariat's proposed cost reductions, and electing a new APO Secretary-General who will assume the position from September this year.



APO Alternate Director Mohd. Razali Hussain delivers a welcoming address at the GBM in Kuala Lumpur 20 April 2010.

The meeting had a lively discussion on the APO preliminary budget for the 2011–2012 biennium. Due to the economic growth of member countries in 2006, 2007, and 2008, the apportionment of membership contributions had changed considerably. A number of countries saw their membership contributions increase by 20% to 30%, with a few experiencing a 40% increase. At the end, the meeting approved a 0% increase in the amount of total membership contributions for 2011 and 2012, and the contributions by member countries will continue to be calculated using the current contribution formula. The meeting also agreed to undertake a concurrent review of the membership calculation formula by a task force on a timetable to be decided by the Secretary-General.

In explaining the cost reduction proposals submitted by the Secretariat, which would entail drastic salary cuts for all Secretariat staff members, Secretary-General Shigeo Takenaka stressed that staff were the most important assets to the organization. Therefore, the reduction should be seen as an emergency measure. The meeting adopted the proposal with the condition that these measures would be reviewed within two years to ensure long-term sustainability of the organization and the morale of staff members.



APO Secretary-General Shigeo Takenaka (L) chats with Malaysian Minister of International Trade and Industry Yang Berbahagia Dato' Sri Mustapa Mohamad during a group photo session at the GBM 20 April 2010.

The Governing Body unanimously elected Ryuichiro Yamazaki to be the next APO Secretary-General. He has a long, distinguished career with the Ministry of Foreign Affairs of Japan, serving, among other posts, as Japan's Ambassador to Vietnam and the Philippines. Secretary-General designate Yamazaki will assume office from mid-September 2010.

The inauguration ceremony opened with a welcome address by Mohd. Razali Hussain, Director General of the Malaysia Productivity Corporation (MPC). After welcoming the delegates and guests, Razali Hussain praised the APO for its contribution to "the expansion of opportunities for cooperation and greater socioeconomic development of countries in the Asia-Pacific region." He also shared the MPC's progress in leading the productivity movement nationwide: "The MPC, an agency under the Ministry of International Trade and Industry, has made significant progress and advanced to become a full-fledged productivity, innovation, and competitiveness organization with international linkages." (Continued on page 5)

APO Alternative Director for Japan Kazuo Sunaga presented the opening address as the Acting Chair of the APO. Speaking on the current global economic situation, he mentioned a list of roles that the APO should play to address future challenges and difficulties. "I am confident that with its vibrant network of member countries, the APO will emerge from this challenging phase to become stronger and more effective than ever," stated Acting Chair Sunaga. The meeting was also graced by Malaysian Minister of International Trade and Industry Yang Berbahagia Dato' Sri Mustapa Mohamad, who delivered the keynote address. He introduced various efforts that the Malaysian government had made to support future growth as well as successful examples in other Asian countries. "Productivity will continue to be featured prominently to ensure that Asia remains productive, competitive, and innovative, which is even more compelling in the context of a highly competitive, globalized world such as today's," concluded Minister Mustapa Mohamad.

During the plenary session, APO Director for the Republic of Korea Dr. Dong Kyu Choi was elected APO Chair for 2010–2011, with APO Director for Lao PDR Somdy Inmyxai and APO Alternate Director for Malaysia Mohd. Razali Hussain assuming the position of First and Second Vice Chairs, respectively.

In his annual report to the meeting (see page 2 for a summary), Secretary-General Takenaka explained the backgrounds to the Secretariat's proposals being submitted

for decisions at the meeting. He also briefed the meeting on what had been achieved and what remained to be done during his two terms as head of the Secretariat in the areas of reforming the organization and its programs and activities.

GBM delegates also exchanged ideas and views on regional productivity issues. This year, Directors were invited to make presentations on the theme of the APO's thrust areas. This topic was chosen to enable the APO to remain relevant and effective in fulfilling its mission. A special presentation on Malaysia's New Economic Model by Tan Sri Dato' Dzulkifli bin Abdul Razak, Vice Chancellor, Universiti Sains Malaysia, and a member of the National Economic Advisory Council, offered more food for thought in the field of national innovation and competitiveness.

"The Secretariat will study these valuable inputs carefully in order to translate them into practical programs and activities," promised Secretary-General Takenaka in his closing statement. Referring to the difficulties that the meeting faced in major agenda items, he said, "If the APO remains relevant to the needs of the member countries and if the kind of cooperative spirit that has been displayed in this GBM is maintained, I am confident that our organization will be able to overcome any difficulty."

Japan will host the 53rd GBM in 2011, when the APO will celebrate its 50th anniversary.