

The 44th Session of the APO Governing Body

The APO Governing Body, the supreme body of the organization, held its 44th Session in Kuala Lumpur, Malaysia, 18–20 June 2002. The National Productivity Corporation of Malaysia hosted the meeting on behalf of the Malaysian government. Forty-five delegates from 18 member countries attended, comprising APO directors and their advisers. There were two observers representing Myanmar and the Asian Development Bank. The occasion was graced by the Malaysian Minister of International Trade and Industry, Dato' Seri Rafidah Aziz, who delivered the inaugural address. At the meeting, Mr. Manu Leopaote, APO Director for Thailand, was elected the new APO Chairman. Mr. Bhanu Prasad Acharya, APO Director for Nepal, and Mr. Seyyed Ahmad Es-Hagh Husseini, APO Director for the Islamic Republic of Iran, were elected the First Vice Chairman and Second Vice Chairman, respectively.

In declaring the Governing Body Meeting (GBM) open, the outgoing APO Chairman, Mr. Lim Boon Heng, said that the productivity movement in the 21st century was primarily about strengthening competitiveness through innovation and value creation, and managing change effectively. "The APO is well placed to help its members make greater progress in the next decade." He offered the following suggestions for the APO to pave the way for a new cycle of growth and opportunities in the region: 1) ensure the relevance and feasibility of its thrust areas and programs; 2) work closely with the NPOs to raise productivity and the quality of life of the people; 3) build upon the knowledge and expertise gained over the last four decades; 4) take the lead in introducing new ideas and paradigms; and 5) collaborate with organizations and agencies in other parts of the world to accelerate productivity improvement in the region.

Mr. Lim expressed special thanks to Japan for the strong commitment and generous support it has given to the APO since its founding, and urged the Government of Japan to continue to support the APO. He announced that the national productivity

organizations of member countries, as a mark of appreciation, would like to present to the Japanese government a framed gold-plated stalk of the *Stamariaara* APO, an orchid named in honor of the APO on its 40th anniversary. He then made the presentation to Mr. Mitsuo Sato, APO Director for Japan, who accepted the memento on behalf of the Government of Japan.

In her inaugural address, Minister Rafidah Aziz said that the different levels of development and productivity among APO members suggested that there is a productivity divide among them. She called on the APO to draw up a long-term strategy — to chart out a roadmap — to bridge this divide. It will also have to monitor the progress of their productivity performance systematically, especially to assist the less-developed economies to move up the productivity ladder.

The outreach of APO programs, the Minister continued, should be wide enough to encompass the sectors of society and the economy that matter, such as SMEs, potential entrants into the workforce, and those within the education system. Such outreach would ensure that there is a gradual absorption of the culture of high productivity and excellence into the everyday life of the people. "Productivity should not just be a movement; it should become a way of life." Minister Rafidah Aziz made two other suggestions for the consideration of the APO: 1) to develop the capacities of its members to access information and communications technology (ICT) for productivity growth; and 2) to



Minister Rafidah Aziz

include in its various programs entities from the business and industrial communities so that APO initiatives can directly benefit those which contribute to a country's economic growth and development.

Turning her attention to Malaysia, which is striving to achieve developed-country status by 2020, Minister Rafidah Aziz commented that every effort to accelerate productivity growth is critical. She stated that a multi-pronged approach has been undertaken to improve productivity at both the sectoral and firm levels. These measures include: 1) nurturing a culture of innovation and creativity; 2) enhancing the utilization of ICT; 3) strengthening the nation's competitive edge in its core competencies and niches; 4) moving toward higher-end industrial production; 5) enhancing workforce skills to interface effectively with new processes and technology; and 6) inculcating the culture of excellence and a productive mindset in society.

In Malaysia, according to the Minister, total factor productivity (TFP) is increasingly becoming an important contributor to economic growth and development. For the decade 2001–2010, TFP is

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Mr. Lim presenting memento of appreciation to Mr. Sato (left). In the background is APO Secretary-General Tajima



(L-R): Mr. Seyyed Ahmad Es-Hagh Husseini, APO 2nd Vice Chairman; Mr. Bhanu Prasad Acharya, APO 1st Vice Chairman; Mr. Manu Leopairote, APO Chairman; and APO Secretary-General Takashi Tajima

CEO of PROTON, the national car manufacturer of Malaysia. The GBM delegates also devoted a substantial portion of their time to deliberating on ways to strengthen the institutional capacity and capability of NPOs further to cope with future challenges as the apex bodies of national productivity movements in member countries. 🌐

expected to contribute 42.5 percent of GDP growth, while labor will account for 20.9 percent and capital 36.6 percent.

One other highlight of the GBM was a special presentation on “Enhancing Competitiveness – the Malaysian Experience” by Mr. Tengku Mahaleel Tengku Ariff,

