

GP, competitiveness, and sustainable development

The APO, in a consortium comprising the Federation of Malaysian Manufacturers (FMM), National Productivity Corporation (NPC) of Malaysia, Socio-Economic and Environmental Research Institute, and University Science of Malaysia, organized in Penang, Malaysia, the International Forum on Green Productivity (GP) to Enhance Competitiveness and Sustainability, 1–2 March 2004. The objective was to provide a forum for exchanging information on GP approaches and techniques; gaining commitment to balanced and sustainable productivity and environmental practices; and identifying new areas for GP expansion. The meeting was also supported by the National Institute of Public Administration of Malaysia and the Green Productivity Association of Malaysia. Among the attendees of the forum were 27 participants from 16 APO member countries who were in Penang at the same time to attend the APO 4th Practicum Workshop on GP, 1–26 March. The forum was officially inaugurated by FMM President Dato' Mustafa Mansur. Other speakers at the opening session were APO Secretary-General Takashi Tajima and NPC Director-General Mah Lok Abdullah.

APO Secretary-General Tajima, in his speech to the forum, said that productivity improvement must not be confined to the economic sphere alone but should also embrace environmental concerns. Such integration will enable productivity to contribute to competitiveness. "This is reflected in the fact that both ISO 9000 and 14000 certifications have become important corporate goals." On the APO GP Program, he said that it has shown substantial tangible results in less than a decade. The next phase of the program is to promote private-sector participation in its activities. Toward this

end, the APO has established a high-level GP Advisory Committee (GPAC) that comprises representatives from leading Japanese corporations. The Secretary-General added that the GPAC will be helping the APO to achieve its goal of greening supply chains in the region. He called for the formation of similar GPACs in other countries.



Dato' Mustafa Mansur

Dato' Mustafa Mansur highlighted the difficulties faced by small and medium industries (SMIs) in endeavoring to be environmentally active in their operations. He said that the contributions of SMIs to the economy and employment of a country could not be ignored. In Malaysia, SMIs comprise 92% of total establishments in the manufacturing sector, employ 33.3% of the workforce in the sector, and contribute 6% of GDP. "Clearly the production activities of such a large industry population would have a significant impact on the environment." Dato' Mustafa pointed out that

efforts to improve the SMIs' environmental performance encounter many barriers, including limited financial resources, lack of technological capacity and technical skills, little or no awareness of environmental protection issues, and poor understanding of environmental regulations. Despite these barriers, he added that "research has consistently shown that implementing certain basic environmental practices could bring about significant cost savings and less pollution." He expressed the hope that the SMIs would consider adopting the GP approach to achieve higher productivity and greater environmental protection.

The forum featured two keynote addresses by the two top leaders of the Future 500: Chairman Tachi Kiuchi who spoke on "Corporate Sustainability Challenges and Innovative Response" and President and CEO Dr. William Shireman who expounded on "Leading International Standards and Metrics: Their Impact on Global Competitiveness." Other presentations on the five themes of Global Challenges, Global Trends, Responses of Governments and Businesses to Global Challenges, Green Productivity in Practice, and Business Case for Sustainability dealt with the following: Trends relating to European environmental requirements for businesses; Global trends in green supply chains and green procurement and their impact on corporations; Green procurement in Malaysia: case of Konica Minolta Precision Engineering; Promoting GP activities in Malaysia; GP activities in the Asia-Pacific region; GP demonstration projects in Spindex Industries Singapore (precision tools) and Jona's International Philippines (food processing); and Malaysian case study: Master Pack Sdn. Bhd. 