

# Secretary-General's statement to Heads of NPOs

**A**PO Secretary-General Takashi Tajima's statement to the Heads of NPOs at the 44th Workshop Meeting highlighted major activities the APO conducted over the past year, with specific reference to the thrust areas.

Knowledge management (KM) leads the field of the five APO thrust areas. Knowledge has become a key driver of productivity and economic growth, said Mr. Tajima. Projects on KM implemented by the APO last year covered such subjects as intellectual property rights, learning organizations, and entrepreneurship and innovation. Resources were also deployed to support member countries' KM programs as well as to build the NPOs' capabilities in KM. Future KM activities will see a shift in focus from applications in large corporations to SMEs and from an IT to a non-IT environment.

The strengthening of SMEs was the next thrust area that the Secretary-General touched on. Mr. Tajima contended that for SMEs to be competitive, they must seek new market niches, improve their techno-managerial capacities, and establish cross-border strategic alliances. Current emphasis in the APO SME Program is on nurturing and strengthening the entrepreneurial spirit, he added. "Most SMEs lack the capability to build their own competencies in a rapidly changing business environment." In light of this, the APO will undertake additional activities to cater to the specific needs of SMEs. A good example is the ongoing survey on microfinancing.

On the Green Productivity (GP) thrust area, Mr. Tajima said that the APO continued to implement its successful GP Demonstration Projects (GPDP) Program. A new category B regional GPDP on energy efficiency and greenhouse gas-emission reduction was launched last year. In response to the APO 2nd World Conference on GP held in 2002, three core priority areas were designated: greening supply chains; resource and waste management; and World Summit on Sustainable Development Type II Initiatives on GP-Integrated Community Development (ICD) and Sustainable Investment Global Network for the Triple Bottom Line in Asia. The Secretary-General also reported on the formation of the GP Advisory Committee comprising Japanese business leaders to advise the APO on GP activities, especially greening supply chains.

Under the ICD thrust area, two approaches were

adopted to promote the involvement of local people in activities to reduce poverty and income disparities: 1) implementation of GPDP in communities; and 2) development of a core cadre to facilitate ICD activities through knowledge sharing and skill development. "The ICD Program will be further strengthened by learning from the wisdom of regional movements like the 'one village, one product' campaign," said Mr. Tajima.

"A nation's sustainable development cannot be ensured without the sound development of the agriculture sector," noted the Secretary-General. For this reason, an important aspect of both the GP and ICD thrust areas is the development of this sector. In 2003, issues addressed included marketing infrastructure, food certification systems, water resource management, and women entrepreneurs in business. He further said that major efforts will be made in two priority areas: 1) strengthening competitiveness in agriculture and agribusiness; and 2) promoting sustainable development. The Secretary-General reiterated his call to the NPOs to be more actively involved in the agriculture sector and to establish closer relations with agriculture-related authorities.

The thrust area of the Development of NPOs (DON) is to help enhance the capabilities of NPOs to play a pivotal role in leading the productivity movement at the national level. An integral part of DON is the mentoring assistance provided by more advanced NPOs to the other NPOs, especially in information sharing through expert deputation and attachment training. The Secretary-General cited a number of examples of such cooperation, including SPRING Singapore helping the Vietnam Productivity Center to develop in-house service quality capability and the memorandum of understanding on staff development signed between the National Productivity Council of India and National Productivity and Development Center of Mongolia.

Apart from the thrust areas, the Secretary-General also referred to the following:

1. The APO Secretariat has intensified the use of IT (intranet, APOnet, and Web site) to improve work productivity; ensure more efficient



*Mr. Tajima giving his statement*

sharing of information between the NPOs and the Secretariat; introduce e-books on the APO Web site; launch Web-based training programs; promote networking among APO participants; disseminate information; and reduce administrative costs, like savings in telephone and postal charges.

2. A biennial post-project evaluation exercise was proposed to present the achievements of APO projects in a more tangible manner so as to solicit more financial and other support from member countries, national and international agencies, and the public. The methodology will be worked out in consultation with the NPOs.
3. The annual *APO Asia-Pacific Productivity Data and Analysis* publication represents an important core competence of the APO. However, the quality of the publication is largely dependent on the competency of the national experts, who were recommended by the NPOs, to collect the data and prepare the analysis reports. The NPO heads should evaluate their work and, if necessary, replace them with others more competent.
4. In the APO Two-Year Plan for 2005 and 2006, the number of Category B and C projects will increase substantially. Budget-wise, they will constitute 48% and 54% for 2005 and 2006, respectively.
5. Among the cost-saving measures undertaken in 2003 were the use of discount air tickets by staff members, participants, and resource persons, and the implementation of e-learning pro-

jects. NPOs were requested to ask their governments for financial support to meet all local implementation costs when hosting APO projects.

6. Although the APO has established working relationships with numerous national and international agencies, further efforts will be made to develop new partnerships. Grateful appreciation was extended to all the organizations that had collaborated with the APO in organizing projects over the past year.
7. As there were many inquiries from countries outside the Asia-Pacific region interested in joining the APO as associate members, the APO Convention does not spell out the duties and obligations of associate members, and expansion of the APO network would likely bring new benefits to member countries, the following draft provisions for APO associate membership were submitted for consultation to the delegates before proposing them to the next Governing Body for consideration:
  - The associate member should be a government.
  - It should bear a certain amount of membership contribution.
  - It should meet travel expenses, including airfare and subsistence allowances, and local implementation costs when taking part in APO projects.
  - It has no voting rights at Governing Body Meetings.
8. The delegates were reminded of the spirit of mutual cooperation and friendship that has helped the NPOs to build up their capacities and capabilities and contributed to the economic development of the region. The recent national productivity roundtable conferences in Indonesia and Laos were important milestones for both countries because of the cooperation and readiness of other member countries to share with them their rich experiences.
9. A development gap exists among member countries and measures to alleviate it should include understanding their diversifying needs, designing country-specific strategies, and designating priority projects. Many countries in Asia are working toward better economic cooperation through free trade agreements or economic partnership agreements. Although the APO has been concerned primarily with micro issues, there is also a need to take into account emerging economic scenarios at the macro level.
10. The Lao People's Democratic Republic joined the APO in 2003. Cambodia has unofficially expressed a desire to become a member as well. These are clear manifestations of the appreciation of the APO by countries in the region. It also means the APO must shoulder greater responsibility. The NPOs and the Secretariat should strengthen their ties and cooperation further to provide a better quality of life for all people through productivity enhancement. 🌀