

— The Secretary-General's Statement —

APO Secretary-General Shigeo Takenaka's annual statement to the Workshop Meeting of the Heads of NPOs (WSM) was composed of two parts: one dealing with program activities and the other relating to policies and strategies in response to the directives of the 2004 Governing Body Meeting (GBM). After thanking the meeting organizers, he extended heartfelt sympathy to the countries and people that were severely affected by the recent tsunami and hoped that the APO could support, in one form or another, those suffering its aftereffects.

With regard to the latest achievements and future planning of program activities, his statement focused on the prevailing thrust areas of the APO. Under the SME thrust area, the Secretary-General pointed out that projects were being made more cost-effective through collaborative organization with regional partners such as the ASEAN Foundation, Osaka prefectural government, and business corporations. Furthermore, a memorandum of understanding was signed between the APO and UN Volunteers in 2004. Upcoming projects under the knowledge management thrust area will examine the relevance of the concept in the unique Asian setting, specifically in a non-IT environment. National experts and KM practitioners from member companies will be invited to devise a common KM framework to measure the extent of successful implementation.

Under the Green Productivity Program, greening supply chains and resource and waste management continued to be the two main focus areas. The most prominent event commemorating the Year of GP was the Eco-products International Fair held in Kuala Lumpur in September 2004. The APO published the *Eco-products Directory 2004* covering some 750 eco-products from Japan. Future projects in this area will help NPOs to design new services for their clients in the environmental field, Takenaka said.

Integrated community development (ICD) and agriculture-related projects in 2004 addressed issues involving small agro-industries, water resource management, use of ICT, and the sustainability of Asian rice-based society in recognition of the UN Year of Rice. The ICD Program in future will focus on the application of productivity and management tools and participatory problem-solving methods. Past achievements will be consolidated to ensure the sustainability of the program.



(L-R) Secretary Jha, Minister Elangovan, Takenaka, and NPC Director-General Basant

Finally, in summarizing the achievements and future direction of the Development of NPOs (DON) thrust area, the Secretary-General pointed out that stepped-up efforts had been made to narrow the productivity divide, and that the DON Program would be allowed more flexibility in the use of its budget to encourage advanced member countries to accept requests from the less advanced.

In IT-related activities, Takenaka referred to a variety of Web-based projects, including e-conferences, distance-learning courses, e-forums, etc., which have gained momentum since 2003.

In speaking on the APO's policies and strategies, he highlighted, among others, the diminishing financial resources that have made downward adjustment of the APO program and financial estimates imperative for 2005 onward. The Secretariat must pay strict attention to increasing the cost-effectiveness of project and administrative operations. As a short-term measure, Secretary-General Takenaka referred to the Secretariat's efforts to save administrative costs, including a voluntary three percent staff salary reduction. From a longer-term perspective, he emphasized the adoption of a "selection and concentration" strategy to concentrate the APO's limited resources on its major core competence. He hoped that the Secretariat could devise specific proposals for administrative efficiency, including Secretariat restructuring, in close consultation with member countries at the coming GBM.

Takenaka reported that future APO programs will

show a clear trend of increasing the ratio of Category B and C projects in proportion to a relative decline in Category A projects. While the previous GBM set the target ratio at approximately 40-40-20, the ratio of 2006 and 2007 projects under the APO Two-Year Plan will be 44-29-27 and 37-33-30, respectively. He also referred to external evaluation conducted in the field of agricultural activities. The report of the ongoing evaluation will be presented to the next GBM. He emphasized the need to set up an evaluation system in a more organized manner so that APO activities can be continuously improved in all stages of the project cycle.

The Secretary-General explained the background of the designation of a biennial theme as well as that of the APO organizational excellence award and the Secretariat's position. The previous GBM chose GP as the special theme for 2004 and 2005, but he thought it crucial to gain the strong support and commitment of member countries to make the designated biennial themes successful, and suggested that the decision on whether the focused activities on a special theme should be continued could be deferred pending the evaluation of GP-related special activities conducted during 2004 and 2005. Takenaka noted that many member countries had suggested a cautious approach to institutionalizing a new APO award that could overlap with national quality or productivity awards in place in a majority of member countries. He therefore requested the WSM to deliberate on these two issues and present its recommendations to the next GBM. 🌐