

行政院及所屬各機關出國報告

(出國類別：參加國際會議)

出席「第四十四屆亞洲生產力組織 APO 國家生產力 機構工作主管會議」報告

服務機關：行政院農業委員會

出國人職稱及姓名：國際處國際組織科李簡任技正兼科長舟生

出國地區：斯里蘭卡

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主辦機關:

行政院農業委員會

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關鍵詞: 農業生產力

內容摘要: 亞洲生產力組織(APO)每年均由會員輪流舉辦各會員國家生產力機構之工作主管會議 檢討上年度計劃執行成果 並規劃未來工作計劃與概算 另亦將會議結論提報理事會會議討論確認 第四十四屆APO國家生產力機構工作主管會議於2004年二月十日至十二日在斯里蘭卡首府Colombo召開 行政院農委會派國際處國組科李科長舟生與會 提出農業部門之國家報告及參與會議討論

本文電子檔已上傳至出國報告資訊網

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出席「第四十四屆亞洲生產力組織 APO
國家生產力機構工作主管會議」報告

報告人：李舟生

一、前言

亞洲生產力組織(Asian Productivity Organization，簡稱 APO)於 1961 年成立，旨在透過各種研討會、研習會、訓練班、諮詢顧問及專家會診等方式與活動促進該組織會員之人力發展，提升會員之工業、服務業及農業部門之生產力及生活品質。該組織是我國以正式國名為會籍之國際組織之一，總部設於日本，目前有孟加拉、中華民國、斐濟、印度、印尼、伊朗、日本、韓國、馬來西亞、蒙古、尼泊爾、寮國、巴基斯坦、菲律賓、新加坡、斯里藍卡、泰國及越南等十八會員。該組織會員國多以國家生產力機構(NPO)為參與主體，負責協調工業與服務業計畫，農業相關計畫則由農業部門參與。我國之 NPO 為「中國生產力中心(CPC)」；本會負責農業相關計畫，每年除遴選適當人員參加 APO 主辦之農業相關活動外，亦

在台舉辦多項農業計畫。透過參與 APO 之活動及舉辦農業研討會，不僅可促進國際間農業技術交流，培訓國內人才，亦可將工業與服務業等之企業化經營理念引進農業部門，以提升農業生產力。

APO 每年均由會員輪流主辦各會員國家生產力機構之工作主管會議(Workshop Meeting of Heads of NPOs)，檢討上年度計畫執行成果與決算，並規劃未來工作計畫與概算，另亦將會議結論提報理事會會議(Meeting of Governing Body)討論及決議。「第四十四屆 APO 國家生產力機構工作主管會議」於本年二月十日至十二日在斯里蘭卡首府 Colombo 召開，我國由中國生產力中心(CPC)、經濟部及農委會共同派員與會，分別參加工業、服務業及農業議題之分組討論，本會由國際處承辦業務之國際組織科李簡任技正兼科長舟生代表與會，於本年二月九日至十三日出席該會議，提出農業部門之國家報告及參與會議討論。

二、 會議經過與內容重點

第四十四屆 NPO 工作主管會議於斯里蘭卡首府 Colombo 召開，計有來自 APO 十八個會員之代表；另有柬埔寨、

亞太農村發展中心(CIRDAP)、Colombo Plan、ILO、USAID 及 UNDP 等觀察員代表(如附件一)。

本次會議主要議程包括：(一)選舉會議主席與副主席；(二)提報並採認去(2003)年計畫執行成果評鑑報告；(三)檢討並採認本(2004)年計畫與預算；(四)討論並採認 2005 及 2006 年計畫與概算；(五)採認本屆會議報告並提報本年第四十六屆 APO 理事會討論與裁示。會中推舉斯里蘭卡勞動與就業部副部長 Mr. M.A.R.D. Jayatilake 為主席，印度國家生產力委員會秘書長 Dr. S. K. Pachauri, IAS 為副主席。另邀請斯國財政部長 Mr. Ratwatte 與宗教部長 Mr. John Amartunge 分別進行專題演講。會後另安排一天進行田間參訪。茲將會議經過與內容摘要如下：

(一) 開幕式

二月十日上午開幕式分別由斯里蘭卡勞動與就業部長兼該國生產力組織主席 Mr. Mahinda Gammanpila 與 APO 秘書長 Mr. Takashi Tajima 致詞，G 氏首先表示 APO 會員可藉此次會議相互就提升生產力之方式與策略交換意見，特別是藉如何藉由基本與正確之政策達到提高生產力之目標，APO 在此方面將扮演重要角色。APO 秘書長 T 氏致詞時表示，2003 年

於斐濟召開之理事會上討論的事項有三項最重要，且成為 APO 執行方針，即加強各會員競爭力之生產力活動、維護生產力與環境保護間的均衡及提高社會公平。這些都成為 APO 秘書處在研擬各項活動與計畫的準則。去年 APO 活動，特別強調知識管理(Knowledge Management, KM)在各會員國中小企業(SMEs)執行情形，T 氏認為 SMEs 必須尋求新的利基，並在新經濟中扮演重要角色，SMEs 之成功能改善技術管理能力，並與會員結為策略性聯盟。有關綠色生產力方面(Green Productivity, GM)有三個重要領域業已確認，即綠色供應鏈(Green Supply Chains)、資源與廢棄物管理及由 WSSD 提出之 Type II Partnership Initiatives。APO 秘書處也已設立綠色生產力委員會(GP 委員會)，其中並包括日本企業界，俾能對 APO 提供有關綠色供應鏈建議。有關農業方面，T 氏認為農業與食品部門仍是多數會員經濟與就業的重要部門，但內外市場與對環境關切的日漸強烈也對此部門造成嚴重的挑戰。去年 APO 曾就這些議題加以處理，就是要加強農業與農企業的競爭力，並能採取有利的環境措施與先進的資源管理來改善永續發展，這就有賴各國生產力機構與相關農業機關間的密切合作。有關 NPO 發展方面，T 氏認為相互間的合

作是使會員與 NPO 能密切合作的指導原則。為改善 APO 之計畫品質，T 氏建議針對某些計畫採取計畫後評估，並提議研擬與 NPO 討論的適當方法。有關 APO 亞太生產力資料與分析方面，T 氏認為這是非常重要的，要求 NPO 能繼續支持，並請所有 NPO 向其政府要求提供財務支援以配合計畫執行成本。有關策略夥伴方面，應逐步與國際及各國相關機構發展合作關係，以推動新的夥伴關係。另在準會員方面，已有若干來自亞洲以外地區的國家，如非洲等，探詢成為準會員(Associate Member)的可能性。T 氏建議就此訂定標準，明確規定其權利與義務，並認為擴大 APO 至亞太以外地區將可為會員在全球化的潮流中帶來新的利益，他將向理事會提出其建議。另與其他國際組織聯繫方面，他認為 APO 也獲得很多資源與利益，這些關係均需繼續維持，並感謝聯合國、國際勞工組織、聯合國環境計畫、FAO、亞洲開發銀行、亞太糧肥中心、OECD 等機構，並盼未來能更進一步加強這方面的關係與合作，為會員提供良好的生活品質。

(二) 斯里藍卡財政部長 Mr. Charitha Ratwatte 專題演講

該演講重點包括：(1)員工參與企業決策可提升生產力；(2)企業反省的重要性；(3)衡量知識基礎之產品服務需要總資源

生產力(TFP)，可透過加值分析法(EVA)與 benchmarking 兩種，前者是總生產因素生產力，後者是將某項表現與最佳表現方式相互比較；(4)全球化經濟無法脫離競爭，生存之道就是提升競爭力，此可透過反省本身所為、遵守、記錄與遵循最佳標竿，直到產生最佳的方式。

(三) 斯里藍卡宗教部長 Mr. John Amartunge 專題演講

演講重點包括：(1)斯國相關部門已就未來產業生產力成長比率訂定目標；(2)為達到生產力成長目標，將充分利用新的生產力資源，例如知識、資訊技術與人力資源；(3)加強公私部門的夥伴關係對促進成長甚為重要，一國生產力之主要目標應包括進一步發展公共部門之組織結構與管理專業，以與私部門共同合作；(4)人力資源在生產力提升過程中較之技術與資本為重要，另工作文化亦是主要因素。

(四) 2003 年計畫執行成果評鑑

由於 2003 年上半年亞洲發生 SARS 致該年多項計畫多有延誤，特別是 4、5、6 月之計畫，都延至下半年執行，基此，該項評鑑僅針對該年 11 月 30 日執行之計畫，總計計畫有 79 項，參與人數達 1,479 員。在這 79 項計畫中，有 62 項計畫接受評鑑，包括研討會、座談會、訓練課程等。根據所獲得

評鑑資料分析，2003 年 APO 計畫表現良好。整體而言，有 98% 之參加者滿意所參與之計畫，滿意水準均甚高，達到 95% 之滿意度。田間訪問是參與者最感興趣的項目，並盼未來 APO 計畫能多增加此項目。2% 參與者認為計畫未能達到他們的預期，不滿意的理由是田間訪問品質不佳，特別是時間過短，無法做深入的了解。時間不充裕則無法讓參與者進行深度的討論。另一項問題是，會員報名參加在時間上無法配合期限內辦理，如此將會延誤選拔工作，因而影響整個研討會的進行，盼所有會員今後能準時提送所有報名者之資料。最後秘書處要求會員今後每年能舉辦一到兩項研究工作，藉此利用機會學習。

泰國代表建議針對過去參與者就他們參加 APO 計畫之效能與影響進行評估，看是否能利用這些 APO 計畫資訊與知識。

(五) 檢討並採認 2004 年計畫與預算

本年度計畫已於前次工作主管會議及第 45 屆理事會通過，會中亦通過某些會員修正之計畫，餘均照案通過，共將舉辦 96 項計畫，我國將依據原承諾執行 7 項計畫，即四項工業與服務業計畫及三項農業計畫(農產品之現代化通路與行銷、永續水產養殖及永續之有機農業)。

(六) 2005 年與 2006 年 APO 計畫與財政估計

印度代表確認印度將主辦 2005 年之第四十五屆 APO 國家生產力機構工作主管會議；蒙古代表建議於蒙古召開 2006 年理事會，巴基斯坦代表建議於 2006 年召開第四十六屆 APO 國家生產力機構工作主管會議。泰國代表提出兩項建議，一是儘可能增加以 web-based 為主之計畫，以吸引多數參與者，其次是生產力的觀念應在 APO 計畫範圍內訂定適當的準則。印度代表建議可考量在未來 APO 計畫中增加有關爭端解決計畫，因為其與生產力水準有直接關係。

T 氏則一一回答代表之建議。

(七) 會員國代表進行國家報告

大會主席為節省時間，要求會員代表僅派一人說明各會員本身過去一年於生產力提升方面之經驗。我方 NPO 代表中國生產力中心白經理俊聖則概略介紹 SMEs 在經濟發展所扮演的功能，並提出可以利用 IT 來加強會員的能力與克服各項弱點，我生產力中心在經濟成長之創新方面扮演領導者角色，創新範圍甚為廣泛，包括文化、服務業教育與基礎建設。另盼 APO 能在這方面加強，制定一些新計畫與採取新的措施激發創新。最後強調會員應透過計畫交換、經驗分享與相互

合作加強會員間的結合。另我農方代表亦提出農業部門國家報告(附件三)。

(八) 策略性規劃委員會

這方面則採分組討論，農業分為兩組，第一組包括孟加拉、我國、斐濟、印度、印尼、伊朗、日本、韓國與寮國；第二組為馬來西亞、蒙古、尼波爾、巴基斯坦、菲律賓、新加坡、斯里蘭卡、泰國及越南。討論議題包括(1)現行 APO 活動與相關部長之關切與挑戰；(2)NPO 在改善農業部門生產力之角色；(3)現行 APO 在農產運銷與加工、永續農業及 ICD 方面之檢討；(4)2005-2006 年 APO 年度計畫之建議與計畫。有關第一項議題，會員首先討論全球化對小農的影響與挑戰，多數會員認為若一個國家不能正確、適度地因應全球化，全球化將會帶來負面影響。全球化之政治經濟層面雖然是由 WTO 決定，但 APO 可透過改善生產力、改善人力資源生產力以提升競爭力等，設計正確的政策與措施來回應全球化的市場，換言之，APO 之農業計畫必須依照其對小農與 SMEs 之利益來選擇(例如良好的農耕方式、有機農業、研究與推廣)；此外，NPO 與農業部門間關係脆弱仍是多數會員目前最為關切之議題，其實，這些年來已有多數會員透過顧問委員會成

功處理這些問題，鑑於會員本身之特殊環境，建議採取比較研究方式辦理。

。至於第二項議題，為改善農業部門之生產力，會員建議 NPO 應扮演以下角色：(1)就農業管理之 benchmarking network 制度加以建立；(2)為管理與技術訓練之能力建構執行示範計畫；(3)建立獎勵制度以改善農業部門生產力；(4)分配更多的資源藉以提升農業生產力。有關第三項議題，被視為農業活動最優先事項，最佳行銷方式應集中因應市場訊息，加工對提高附加價值甚為重要，但也必須處理加工產品之貿易障礙。有關第四項議題，日本首先表示將於今年主辦兩項有關稻米之研討會與一項座談會；伊朗將舉辦一項有關農業合作訓練課程。總體而言，會員均肯定未來之兩年計畫方向，但會員也提出幾項新計畫，2005 年，伊朗提議考量收穫後管理與食品衛生以改善行銷與加工計畫，新加坡提議葉菜類生產之良好措施；2006 年，印尼提議印度之 ICD 農業先驅計畫，伊朗提議因應知識管理調整研究與推廣計畫。最後採認 APO 兩年計畫方案。(附件四)

(九) 參訪首都附近農場

二月十二日上午進行分組參訪，農業組則參訪首都附近之果

園與蔬菜生產，由於該國近赤道，天氣炎熱，故均為熱帶蔬果，不過，其生產方式仍相當落後，特別是香蕉與鳳梨，果形均甚小，品質不佳，仍有極大的改善空間。由於該國與我國並無外交關係，若可能的話，我國應可對該國提供農業技術協助，以改善其農業生產，對該國經濟發展應有貢獻。

(十) 採認 2005-2006 年計畫規劃會議報告及本屆會議報告二月十二日下午參訪後，大會旋即復會，就 2005-2006 年計畫規劃會議報告及本屆會議報告進行檢討，並採認該等報告(詳如附件五)，將提報本年第四十六屆 APO 理事會討論。

三、 結語

第四十四屆 APO 國家生產力機構(NPO)工作主管會議如期順利於二月十二日下午閉幕，會中通過 2004 年計畫與預算、規劃並採認 2005-2006 年計畫方案。我方 NPO 代表與農業代表均於會中報告，與各國分享我國農工業面臨之發展問題及解決策略，並積極參與各項計畫之討論，反映我方立場，順利達成任務，並促進我與各 APO 會員之互動與交流。

經濟發展理論顯示，生產力之提升對一國之經濟發展有極大之影響，而生產力之提升仍有賴技術進步，而技術進步則有賴研究與發展，而觀念之推廣則須透過示範效果

(demonstration effect)顯現，而合作與交流則是體現示範效果之最佳方式。我國過去在農業發展領域已有極為豐富的經驗，應可協助 APO 中之開發中國家會員，這也是近年來我農委會積極在國內舉辦多項農業研討會、訓練班之目的，除可達到經驗與技術分享目的外，亦可促進我與相關會員之合作與交流，展現台灣之重要性。基此，今後我仍應持續積極參與 APO 各項活動。



WSM-04

1/29/2004

**The 44th Workshop Meeting of Heads of NPOs
10-12 February 2004, Colombo, Sri Lanka**

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WSM-04
Doc. No. 1

The 44th Workshop Meeting of Heads of NPOs 10-12 February 2004, Colombo, Sri Lanka

PROVISIONAL AGENDA (Revised)

1. Inaugural Address
2. Secretary-General's Statement
- 3-A. Keynote Address
- 3-B. Address by the Guest of Honor
4. Introduction of NPO Heads and Agriculture Delegates
5. Election of Chairman and Vice-Chairman
6. Adoption of Agenda (Doc. Nos. 1 and 1-A)
7. Presentation and Adoption of Evaluation of Project Implementation (Doc. No. 2)
8. Consideration and Adoption of APO Program and Financial Estimates for 2004 - A Review (Doc. No. 3)
9. Presentation of APO Two-Year Plan (Doc. No. 4); APO Program and Financial Estimates for 2005 (Doc. No. 5); and APO Program and Financial Estimates for 2006 - General Outline (Doc. No. 6)
10. Special Presentation by Mr. M. J. C. Amarasuriya, Chairman of Commercial Bank of Ceylon Ltd. and its subsidiaries on "Opportunities and Threats of a Globalised Economy for Developing Countries: A business Perspective."
-Question and Answer session
11. Country Presentation - Sharing of Views and Experiences among NPO Heads and Agriculture Delegates
12. Strategic Planning Committees
 - (1) Committee A: Industry and Service Sectors (including Interface Sector)

(2) Committee B: Agriculture Sector (including Interface Sector)

13. Presentation and Adoption of the Strategic Planning Committee Reports
14. Adoption of APO Two-Year Plan (Doc. No. 4); APO Program and Financial Estimates for 2005 (Doc. No. 5); and APO Program and Financial Estimates for 2006 - General Outline (Doc. No. 6)
15. Adoption of the Report of the Workshop Meeting to the 46th Session of the Governing Body
16. Any Other Business and Observers' Statements
17. Closing Statements

2/8/04

The 44th Workshop Meeting of Heads of NPOs
10-12 February 2004, Colombo, Sri Lanka

Country Paper on Agricultural Sector

Republic of China

The 44th Workshop Meeting of Heads of NPOs
10-12 February 2003, Colombo, Sri Lanka

Country Paper on Agricultural Sector

By

Joe-san Lee

Senior Specialist & Division Chief
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I. Current concerns of, and challenges to, Taiwan's agriculture

Taiwan has its roots in agriculture. In the past 50 years, agricultural development has made agricultural, fishery, and livestock products abundant to enhance the people's level of health. In addition, farming villages, with their broad green landscapes and rich natural resources, provide the people of Taiwan with a salubrious living environment. Agriculture has undergone a unique process of agricultural development, which also established a solid foundation for Taiwan's economic development. Measures to increase competitiveness in agricultural production have made massive export of agricultural and processed products possible. This fostered industrial development, which in turn spurred on Taiwan's economy to take off. The economic successes achieved by this small-farm system have already become a model for the developing countries. However, most of the Taiwan farming lands have been operated by farm families. These family-run operations tend to be small, with an average of 1.1 ha per farming household, and the percentage of full-time farmers is low (13%). Along with the rapid changes in our economy, the costs of agricultural production have risen substantially in the past decades. As a result, agricultural production value dropped from U.S.\$12 billion in 1996 to US\$10 billion in 2002, a decrease of 15%. In the 1950s, agriculture used to account for 67% of Taiwan's total export value and 33% of its total import value. In 2002, however, these shares dropped to 2.4% (US\$3.15 billion) and 6.3% (US\$7.08 billion), respectively, with an agricultural trade deficit of US\$3.93 billion. Therefore, Taiwan now is a net importer of agricultural products. In terms of calories, its food self-sufficiency has been declining over recent years, from a ratio of 45.7% in 1989 down to 35.4% in 2002. This is the result of our diminishing comparative advantage in producing some of the land-based commodities such as grains and the sharp increase in agricultural imports, along with the huge concessions we made in order to join the WTO. In order to implement our commitments to the WTO, we have to open up our market and reduce farm subsidies. Those commitments have been forcing Taiwan's agriculture production to face strong and severe competition from foreign countries.

Some farmers are struggling to survive. In response to these bad conditions, the agricultural sector must develop some feasible measures and strategies to make necessary adjustment for agricultural structure.

As we are aware, agriculture has always been the backbone of our economy that drives the economic growth. Agriculture safeguards our food security. Agriculture helps to protect our environment. Agriculture fosters our rural development. Food security, environment protection and rural development are called non-trade concerns in the agricultural negotiations at the WTO forum. Trade liberalization has been bringing immense benefits to the society. However, agriculture is vulnerable when it comes to trade liberalization. The reason is largely because many of the functions and values of the agricultural sector, the non-trade concerns, in particular, cannot be adequately reflected through free market mechanism. The real problems and challenges we are facing are how to maintain a healthy agricultural sector in line with these non-trade concerns while we move full speed ahead on the highway of further trade liberalization.

II The role of Council of Agriculture in improving productivity in agriculture sector

Research papers show that the following factors are considered as the most important sources of productivity changes in agriculture: rapid development of non-agricultural sectors, research and extension, agricultural policy, and institutional factors.

1. Rapid development of non-agricultural sectors

The rapid growth of non-agricultural sectors has affected agricultural productivity growth not only by absorbing labor from agriculture but also by providing modern inputs, such as fertilizers, pesticides, feed, equipment and machinery at lower prices. In addition, the increasing demand for land by the non-agricultural sectors has pushed land prices upward. Thus economic development has resulted in significant substitution from labor and land to current inputs and fixed capital in agriculture.

2. *Agricultural policy*

In response to the structural changes in agriculture and the needs for balanced economic development, the government adjusted agricultural policy to give greater emphasis to the support of farmers based on the Agricultural Development Statue promulgated in 1973. As agricultural trade liberalization moved at a higher speed in the 1980s and 1990s, agricultural policy has been adjusted to emphasize productivity growth by modifying the agricultural production structure according to the changing demand, enlarging the scale of farming operations, improving public facilities, improving agricultural marketing, and strengthening agricultural research and extension. Meanwhile, price supports are maintained to guarantee farm income. It is believed that the adjusting measures has contributed positively to the productivity growth in agriculture, while the price support has been criticized for distorting agricultural resources. Among the support program, rice policy has been the most significant one.

3. *Research and extension*

Agricultural research is the basic source of agricultural technological progress. There are a number of agricultural research institutes in Taiwan including the Botanical Institute of the Academia Sinica, Agricultural Research Institute and research institutes for tobacco, sugar, tea, forestry, fisheries, livestock, bananas, and food processing. In addition, there are six district agricultural improvement stations responsible for regional adaptive experiments. New technologies are disseminated and put to use in actual farming through agricultural extension services provided by the district agricultural improvement stations and by the extension network of the farmers' associations. Investment in agricultural research in Taiwan has increased. Expenditure for agricultural research as percentage of agricultural gross domestic production increased to the level above four percent in the 1990s. Although it is difficult to measure the effect of expenditure for agricultural research on agricultural productivity, it is believed that the increasing investment in agricultural R&D will significantly affect the productivity

growth in agriculture.

4. *Farm mechanization program*

The labor saving technology was of the most concern in the last two decades, as labor had become a scarce input in Taiwan's agriculture. To promote farm mechanization, an Agricultural Mechanization Loan Fund was set up in 1979. Loans were provided to farmers to buy agricultural machines. Considerable progress in farm mechanization was achieved in the past two decades, particularly in rice farming. In 1991, the government initiated a ten-year project called 'Automation of Agriculture' combining computer controlled technology and agricultural mechanization through optimization process. With the technological improvement, farm labor requirements can be reduced significantly, and enlarging farming scale became feasible particularly for intensive livestock raising and green house farming.

III **Review of the present thrust areas of APO**

1. Looking at the recent subject areas and projects of APO, it can be seen that these proposals are ideally supportive to the improvement of interactive communication between the whole scope of agricultural stakeholders. An information system may be viewed as an aid, either electronic or manual or both, to decision making for the APO members, so that the members' objectives may be accomplished.
2. The past outputs are described as follows:

- a. *Domestic and international markets for agricultural products*

The pressure from the farmers and producers for strengthening the domestic and overseas promotion activities is increasing tremendously. The farmers' organizations and related associations or interested groups have been pleading the assistance from government in exploring or developing the overseas market opportunities. How to efficiently promote agricultural products to the overseas market has become one of the top issues. In addition, cooperation with retail chain stores in the target markets for promotion has been vigorously engaged by farmers and related groups.

b. *Development of women entrepreneurs*

After joining the World Trade Organization (WTO), agriculture sector in Taiwan is facing more difficulties because of the imports of cheap agricultural products from foreign countries. How to cope with the problems becomes a big challenge for people engaged in the agricultural business. We feel that rural women should play a more important role in revitalizing farm operation. Rural women today receive more training in the fields of food production, rural development as well as the ways of how to be successful entrepreneurs. As the result of these measures, more and more women have become successful entrepreneurs today. However, the cases of successful women's enterprise are far from satisfaction in the agricultural field.

c. *Improving the contents of the agricultural information system*

Information such as quantity, grade, and packaging of agricultural products sold at selected terminal or wholesale markets is very important. In line with the rapid development of information technology and the emergence of internet, the government is exploiting this new tool to speed up the exchange of agricultural information and create a technology-based information system. This system links the entire agricultural chain and it will improve production and processing, and inspire the development of new products, new services, and new outlets, all contributing to adding extra values to agriculture output.

d. *The development of feeding system for better livestock productivity*

High wage of labor, high price of feedstuffs and livestock products importation have affected the livestock industry in Taiwan. Several things should be done for promoting the competitive ability of livestock business, such as establishing special zones for livestock production, establishing brand names of meat and milk products for small-scale farms, utilizing,

slope and marginal land for grass production and establishing grass-supplying center in local area.

e. *Rural life improvement for community development*

The current agricultural policy should focus on creating a more advanced agricultural industry to increase the product competitiveness in the world market as well as enhancing the well-being of the farmers and preserving the natural environment. Agricultural development, rural village renovation, and services to farmers have always been the major objectives of the agricultural policies in Taiwan. Through the adoption of the right strategies and proper legal scheme, it is our hope that farmers would receive benefits from trade liberalization and take advantage of global market. We believe that rural village will be more prosperous and beautiful.

To be better informed, we need to communicate with instructors and other participants. "Education is the best way to reduce rural poverty and the second best way to increase agricultural growth" (IFPRI, 2001).

IV Proposals of new subject areas and projects to be considered under the APO Two-Year Plan for 2005 and 2006

With a view to sustainable agricultural development in the long run, enhancing agricultural productivity and improving rural welfare have been the policy objectives of the COA for years. When it comes to trade liberalization and globalization, APO member countries have to face rapid farm structural changes and strong competition. The importance of APO member countries' efforts in addressing efficiency improvement for greater competitiveness of agriculture can never be over emphasized. More and equal attention should be paid to agricultural production and environmental protection in order to conserve the resources base for future generations. Taiwan thus fully agrees that the thrust areas of APO projects for 2005-2006 in relation to agriculture should be focused on the following:

1. Agricultural processing/marketing: strengthening competitiveness of agribusiness; and ensuring food quality and safety.
2. Sustainable development in agriculture, emphasizing: optimization of resource use and production through improved management; recycling of residues and waste management; and strengthening human resources development for sustainable agricultural development.
3. Integrated community development: conducting relevant projects with a view to contributing to ameliorating the unbalanced development of rural and urban communities, alleviating poverty, generating employment opportunities, and upgrading the socio-economic status and role of women by involving all stakeholders and through mobilizing the resources of public and private sectors.

Considering those areas mentioned above, the COA will conduct the following workshops in 2004:

1. Modernized marketing system and channel for agricultural products;
2. Sustainable aquaculture;
3. Sustainable organic farming.

In 2005 and 2006, the following topics will be considered:

1. Agricultural processing;
2. Integrated community development;
3. Application of animal biotechnology or plant biotechnology.



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The 44th Workshop Meeting of Heads of NPOs
10-12 February 2004, Colombo, Sri Lanka

APO TWO-YEAR PLAN FOR 2005 AND 2006

Asian Productivity Organization

APO TWO-YEAR PLAN FOR 2005 AND 2006

INTRODUCTION

1. This document on APO Two-Year Plan covering the period 2005 and 2006 is an extension and revision of the previous plan which was approved by the 45th Session of the Governing Body (GB) held in Fiji in 2003. As the Plan has been developed on a rolling two-year basis, the year 2004 was dropped and the year 2006 has been newly added. The Plan contains projects to be undertaken in 2005 and 2006, with the following notes:

- Programs for 2005: 2005 projects contain revisions of the list submitted last year, which have undergone refinements and modifications in accordance with the directives and suggestions provided by the GBM and WSM and in consultations with member countries.
- Programs for 2006: all projects for the year 2006 are newly listed for consideration and advice by member countries.

PROGRAM DEVELOPMENT AND FORMULATION

2. The Two-Year Plan is presented in six parts, namely, I. Industry and Service, II. Interface, III. Agriculture, IV. Individual Country Program, V. Information Program, and VI. Organization and Coordination Program.

3. The first three parts of Program Descriptions in Section III in this document—Industry and Service, Interface, and Agriculture—constitute primary areas of engagement of the APO. APO projects are classified into three categories, namely, Category A intended for participation by all member countries, Category B offered for participation by a limited number of countries with specialized common requirements and interests, and Category C to meet specific needs and requirements of individual member countries.

4. As per the directives of the last GBM, increasing focus has been placed on projects under Categories B and C. Table 1 in page 2 shows, among others, the budgetary allocation in each category.

5. The Individual Country Programs are directed to meet the specific needs of member countries through specially tailored projects, which are prepared on request basis and administered under such programs as TES, DON, OSM, and BCBN. The Information Programs are designed to facilitate communication between APO Secretariat and the NPOs as well as the dissemination of results of APO activities and findings through such media like APOnet, publications and audio-visual training materials. The Organization and Coordination Program captures policy formulation

and program planning processes and activities of the APO which take the form of annual Governing Body and Workshop Meetings. Plans for specific activities under the above three programs have been incorporated in the Two-Year Plan so as to provide a full perspective of the APO's overall program in the coming two years.

6. Table 1 gives the project breakdown in the Plan in terms of the number of projects and programs under each category and the budgetary allocation.

Table 1: Project/Program Breakdown

Year	2005				2006			
	Number of Projects/ Programs	New Projects/ Programs (%)	Amount	%	Number of Projects/ Programs	New Projects/ Programs (%)	Amount	%
Category A	76	59	\$3,620,840	52	61	45	\$3,171,000	46
Category B	26		\$1,236,200	18	32		\$1,515,400	22
Category C*	14		\$2,118,800	30	14		\$2,159,000	32

*** Category C**

- 1) GP-ICD Demonstration Program
- 2) Technical Information and Advisory Services
- 3) In-Country GP Training of GP Specialists/Consultants
- 4) Green Productivity Demonstration Program (GPDP)
- 5) GPDP Observational Study Missions
- 6) Demonstration Project for Integrated Community Development
- 7) Deputation of Experts for Integrated Community Development
- 8) Strengthening NPO Services
- 9) Bilateral Cooperation Between NPOs
- 10) Development of Demonstration Company
- 11) Member Country Support Program
- 12) APO Fellowship
- 13) Individual Country Study Missions
- 14) Technical Expert Services

7. The types of projects, i.e. SUV Basic Research/Survey, SYP Symposium, STM Study Meeting, TRC Training Course, SEM Seminar, WSP Workshop, WEB Web-Based Training Course, DON Development of NPOs, TES Technical Expert Services, OSM Observational Study Mission, DMP Demonstration Program, FEL Fellowship, and BCBN Bilateral Cooperation Between NPOs, have been indicated in each project to give a view of the nature of the project. The proposed venues have, likewise, been specified which are, needless to say, subject to the confirmation of member countries slated for hosting. This exercise has been done with a view to having a perspective on the sharing of responsibility for implementing multi-country projects among member countries.

8. The number of multi-country projects under Categories A and B for 2005 and 2006 has been tentatively summarized, hosting country-wise, again subject to confirmation by member countries, in Table 2.

**Table 2: Number of Multi-Country Projects (Categories A and B)
to be Hosted by Member Countries***

	2005		2006	
	A	B	A	B
Bangladesh	0	2	1	1
Republic of China	2	3	4	5
Fiji	2	0	3	1
India	8	0	4	3
Indonesia	6	0	3	1
Islamic Republic of Iran	4	1	3	0
Japan	10**	1	8	2
Republic of Korea	8***	2	3	2
Lao PDR	1	2	1	1
Malaysia	5	3	6	1
Mongolia	1	1	3	0
Nepal	2	1	2	2
Pakistan	2	2	1	2
Philippines	4	0	3	2
Singapore	5	2	4	3
Sri Lanka	5	1	2	0
Thailand	6	1	3	2
Vietnam	3	1	2	2
To be decided	0	2	0	1
Total	74	25	56	31

* Projects which are not hosted by member countries:

2005: France–Cat B: 1, Hawaii–Cat A: 1,
Secretariat–Cat A: 3 (incl. web-based)

2006: France–Cat A: 1, Cat B: 1, Hawaii–Cat A: 1,
Secretariat–Cat A: 3 (web-based)

** Includes WSM05

*** Includes GBM05

9. Under the APO's vision, namely, Strengthening of Competitiveness, Harmony between Productivity and the Environment, and Response to Social Fairness, five thrust areas have been evolved in the present Plan: Strengthening of Small and

Medium Enterprises (SMEs); Knowledge Management (KM), Green Productivity (GP); Integrated Community Development (ICD); and Development of NPOs (DON).

10. The projects under these thrust areas in turn reflect the APO core programs. In addition to these, there are other important subject areas that the APO covers to address the over-encompassing issues related to productivity and competitiveness. Presently, the total number of these other subject areas is 6. Combined together with the thrust areas, there are therefore 11 subject areas being pursued by the APO, and they cut across the three sectors of Industry and Service, Interface and Agriculture Sectors. Projects and programs under these subject areas undergo continuous reviews and refinements so as to ensure their relevance to the needs and requirements of member countries. Subsequent paragraphs in the next section provide details of these programs and the refinements made therein.

PROGRAM DESCRIPTIONS

I. Industry and Service

(1) Socio-Economic Progress

Projects under this category visualize productivity as an integrated and dynamic concept and intend to bring out its implications on the overall socio-economic development. Thus, emphasis has been given to such broader issues as productivity awareness for public sector, regional industrialization and development, water management, and community caring for the aged and the handicapped. Increasing focus has been placed to strengthen productivity at the public sector, both at central and local levels.

(2) Strengthening of SMEs

Projects under this category largely focus on the upgradation of capabilities of small and medium enterprises in technology, management, finance and information. In particular, emphasis has been placed on strengthening alliances and networking among SMEs and with large scale enterprises (LSEs), and also development of creativity and innovative capacity of small entrepreneurs, so that they can become more innovative and competitive in markets. Venture Business and Outsourcing Strategies, Supply Chain Management, and Creative Entrepreneurship are some of the illustrations.

(3) Knowledge Management (KM)

In the light of increasing attention paid to Knowledge Management (KM), which is a key to higher productivity and competitiveness, this subject was designated as a new thrust area of the APO at the GBM 2001. A vital factor in the current business organizations is moving from tangible to intangible assets such as corporate culture, ideas on the development of new products and processes, well-trained workers, flexible organizational structure, and well management R&D activities. Nurturing intangible assets within an organization and sharing them among workers at all levels is the essence of KM.

There are two main missions the APO aims to achieve through the thrust area in Knowledge Management. First, a wider dissemination and sharing of the concept, methodology, and practice of Knowledge Management based upon empirical experience accumulated among knowledge firms. Second, strengthening of and upgrading of the capabilities of NPOs as learning and knowledge-based organizations so that they can become lead agencies to promote KM in their respective countries. Projects classified under the first mission include, for example, Social Capital, KM and Work Culture, ICT and KM for Public Sector, KM in Craft and Community-Based Industries, and Brand Management, whereas those related to the second mission are also classified under the Development of NPOs such as Best Practice Network and Benchmarking.

(4) General Management

Projects under this classification aim at upgrading and strengthening managerial and marketing capabilities of top and middle management of business corporations. Project emphasis has gradually shifted from technique-oriented to corporate strategy-oriented. For this reason, the APO's series of forum for top executives, e.g. Top Management Forum and the Forum on Labor-Management Cooperation, will continue to be among the major features of this program area. Meanwhile, marketing-related projects aim at exposing specialists to the current status and emerging trends in regional and global markets, as well as logistic management. Retail Store Management and Marketing Strategy for Tourism Industries are cases in point.

Another long-run and well-appreciated topic under this subject area is Productivity Measurement and Analysis, which has been a continuing exercise over a couple of decades. Projects have been offered to develop and sharpen expertise at, among others, NPOs in measuring productivity and analyzing the results obtained which can be used for policy making and strategy formulation.

New projects have also been added to meet the emerging needs of member countries and they include, for example, Business Continuity Management, Project Management, Micro-Financing, Intellectual Property Rights, and Commercial Dispute Processing.

(5) Total Quality Management (TQM)

In their pursuit of TQM, a majority of member countries have already institutionalized National Quality Awards (NQA). The Secretariat has initiated since 2001 a series of projects focusing on this subject area to further improve existing NQA schemes and pushing them into higher standards and wider recognition. Further, increasing emphasis has been laid on productivity and quality at the public sector.

(6) Technology, IT and Innovation

Broadly speaking this subject area aims for bringing about innovations through advanced technologies in general and IT in particular. Technology, being a generic concept, is intended to reflect and capture the wider area of technological developments such as latest trends in advanced manufacturing systems, bio-technology, chemical engineering, and the like. The inclusion of such advanced technologies and innovations in the APO projects is considered important in order to

allow member countries to see where and how the future direction may evolve, and the prospects and opportunities that lay ahead for them.

On the other hand, IT aims more specifically at finding ways to further empower member countries by tapping the new opportunities and breakthroughs that are made available by the revolutionary progress in the internet and cyber-world connectivity including multimedia applications. In this sense, IT is regarded essentially as a tool that serves to enhance one's inter-connectivity. It is through this enhanced inter-connectivity that one gains the opportunity to improve productivity and competitiveness in whatever fields of engagement it may be, e.g. large corporations, SMEs, public service, SOHO, and on individual basis. Continued emphasis has been placed on e-based projects in the form of training and conference which were launched in 2002. The APO's IT-related projects cover and cut across wide areas of applications beyond the industry and service sector, and it is also being actively pursued and implemented in the projects of the agriculture sector, community development programs, and green productivity-related activities.

II. Interface

(7) Green Productivity

Projects under this classification include the Special Program for the Environment (SPE) with the special contribution provided by the Government of Japan. It aims to achieve sustainable development into the region by strengthening NPO's consulting capabilities on the environment, and establishing an international network of cooperation with universities, R&D institutes, industries, and other relevant organizations. To achieve the objective, activities, under SPE include, among others APO's Green Productivity Promotion Mission (GPPM), Green Productivity Demonstration Program (GPDP), and Green Productivity Dissemination Assistance (GPDA). Programs planned for implementation in this subject area relate to GP application in industry, service sector and agriculture. The focus areas include green supply chain, water management, energy, solid waste management, sustainable investment, in addition to the traditional environmental management related topics such as hazardous waste management, occupational environmental health and safety, GP measurement, and benchmarking.

(8) Integrated Community Development

Projects have been implemented under the Program for Integrated Community Development (ICD), largely with the special fund provided by the Government of Japan. The ICD program aims at contributing to sustainable and well-balanced national development in member countries by promoting viable community development. Through the mobilization of APO-NPO network, the program has been designed to work on a common platform of community development by enhancing the capacity and capability of government organizations, non-government organizations, and civil societies to undertake deliberate roles in participatory approach. A series of projects focusing on various aspects of integrated community development, such as participatory planning, facilitation methods, and rural life "kaizen" movement, has been planned, while ICD-demonstration project has also been undertaken. Eventually, this integrated approach will contribute to ameliorating the unbalanced development of

rural and urban communities, alleviate poverty, generate employment opportunities, and upgrade role of women in society.

(9) Development of NPOs

This program aims at catalyzing the productivity movement in order to strengthen, among others, less-advanced NPOs and to create interest and obtain commitment of policy makers and opinion leaders for promotion of the productivity movement at the macro and micro levels. The Workshops on the Development of Productivity Specialists, both introductory and advanced courses are annual activities. The scope of the project on Strengthening NPO Services has been expanded to promote strategic alliances between NPOs while the Workshops on Best Practice Network and Enhancing NPO's Core Competence have become regular features. The Forum on the Development of NPOs is also meant for the strengthening of network among NPOs by way of sharing and exchanging productivity strategies and programs. The APO Liaison Officers' Meeting has become a regular event organized every few years.

III. Agriculture

(10) Agricultural Marketing/Processing

The task of enhancing agricultural productivity and improving rural welfare has been, to a large extent, influenced by globalization and trade liberalization that have been occurring in recent decades. Projects under this subject area are focused on the measures to cope with these changes. In particular, special attention is given to the efforts to improve efficiency and international competitiveness of agriculture and to meet changing consumers demand. The subject area covers a broad range of development issues including agricultural policies and agro-processing and marketing. Projects attempt to address, inter alia, two key concerns that has been increasingly important: strengthening competitiveness of agrobusiness, especially of SMEs; and ensuring food quality and safety.

(11) Sustainable Development in Agriculture

To derive maximum outputs in the long-run, agricultural resources such as water, land, soil and biodiversity, need to be utilized by farmers and fishermen in an efficient but sustainable manner. This is critical not only for agricultural productivity but also for all sectors of the economy because those resources have to be commonly utilized in all sectors. Projects in this category highlight: i) optimization of resource use and production through improved management; ii) recycling of resources and waste management, and iii) human resources development for sustainable agricultural development. Overall policy issues for sustainable agricultural development are also dealt with.

IV. Individual Country Program

In order to respond to the specific requirements and needs of member countries provisions are made for Technical Expert Services (TES), Individual Country Study Missions (OSM), Bilateral Cooperation Between NPOs (BCBN), Strengthening NPO Services under DON, and Fellowship. TES is intended to provide expertise according to the individual needs of member countries. OSM is to provide managers/leaders of individual member countries with opportunities of short duration observational study in specific areas by visiting other member country(ies,) observing the recent developments in the relevant fields, meeting their counterparts, and discussing mutual problems and solutions. BCBN is to encourage and support bilateral cooperation between NPOs for enhancing productivity. This project has been expanded to encourage policy-makers, opinion-leaders, and high officials to visit other member countries to learn from their experience on productivity improvement. And Strengthening NPO Services aims at the improvement of the quality of NPO's existing services or the development of new areas through the provision of long-term, integrated assistance. The Fellowship was launched from 2004 to strengthen knowledge and skills of, among others, NPO staff, relating to productivity and quality.

V. Information Program

The APO further spreads productivity knowledge and movement through an extensive information program that includes regular publications, development of audio-visual materials, publicity promotion, and an internet web site including the APOnet. The APO produces two categories of publications on a regular basis: i) reports based on projects such as basic research, conferences, seminars, and study missions that are distributed to member countries free of charge; and ii) priced-publications of original works or English translation of Japanese works on management and technology. Since 2001 the *Asia-Pacific Productivity Data and Analysis* has been published annually to provide productivity data and analysis of all member countries to policy makers and planners at the national and corporate levels.

Under APO's Audio-Visual Training Materials Program, a number of training videos are produced annually to assist NPOs in their activities. The subjects are coordinated with APO projects and NPOs' areas of interest. News and information of APO activities are also provided via internet at the APO's web site: <http://www.apo-tokyo.org>.

VI. Organization and Coordination Program

This classification consists of the annual meeting of the Directors of the Governing Body to decide on APO programs, finance, membership and other policy matters and the annual meeting of the Heads of NPOs and persons in charge of agriculture productivity in member countries to discuss and plan APO program activities.

POINTS FOR CONSIDERATION

1. This Workshop Meeting, both at Plenary and Committee Sessions, is requested to review planned projects in terms of: a) relevance and importance to the needs and priorities of member countries, b) individual member countries' interest to

participate in each of the planned projects, and c) tentative hosting countries under each subject classification to ensure the comprehensiveness and soundness of this new Two-Year Plan for 2005 and 2006. The classification of projects into Categories A, B, and C, which have tentatively been proposed by the Secretariat, will be decided based upon the needs and interests of member countries indicating their desire to participate.

2. Suggestions for the improvement of future planning of APO programs will also be helpful in making APO strategic planning more dynamic and flexible.

APO TWO-YEAR PLAN FOR 2005 AND 2006 (1)

2005				2006			
I. INDUSTRY AND SERVICE							
1. Socio-Economic Progress							
WEB	A	Web-based Training Course on Social Accountability	APO Secretariat	WEB	A	Web-based Training Course on Social Accountability	APO Secretariat
TRC	B	Training Course on Social Accountability 8000	Bangladesh	TRC	B	Training Course on Social Accountability SA-8000	Bangladesh
TRC	B	Basic Research XIII	Bangladesh	OSM	A	Multi-country Observational Study Mission on Government-NGO Relationship	Bangladesh
STM	A	Study Meeting on Regional Industrialization and Development	Japan	STM	A	Study Meeting on Regional Industrialization and Development	Japan
SEM	B	Seminar on Productivity Awareness for Public Sector	Laos	SEM	A	Seminar on Productivity Awareness for Public Sector	Laos
SUV	B	Survey on Water Management	Malaysia	SYP	A	Symposium on Water Management	Nepal
OSM	A	Multi-country Observational Study Mission on Media and Productivity, with Emphasis on Environment	Singapore	SEM	B	Seminar on Strategic Management for Civil Sector Organizations	Nepal
OSM	A	Multi-country Observational Study Mission on Community Caring for the Aged and the Physically challenged	Hawaii		A	Multi-country Observational Study Mission on Media and Productivity, with Emphasis on Environment	Singapore
					A	Basic Research XIII	Thailand
2. Strengthening of SMEs							
STM	B	Study Meeting on Creative Entrepreneurship	China, Rep. of	OSM	B	Study Meeting on Creative Entrepreneurship	China, Rep. of
TRC	B	Training Course on Web Development for SMEs	Iran	SUV	A	Multi-country Observational Study Mission on Venture Business Development	Japan
SYP	A	Asian Forum on Venture Business	Japan	STM	A	Venture 2006: Asian Forum on Venture Business	Japan
OSM	A	Multi-country Observational Study Mission on Venture Business Development	Japan	OSM	B	Symposium on Supply Chain Management in SMEs	Pakistan
WSP	A	Workshop on Performance Audit for Small Entrepreneurs	Korea, Rep. of				
SEM	A	Seminar on Outsourcing Strategies for SMEs	Korea, Rep. of				
SYP	A	Symposium on Core Competence Management of SMEs - Creating Needs for Consumers	Philippines				
SEM	A	Seminar on Niche Market Development	Thailand				
3. Knowledge Management							
TRC	A	Training Course on Balanced Score Card	China, Rep. of	SYP	B	Symposium on Brand Management	China, Rep. of
STM	A	Study Meeting on Strengthening Knowledge Assets: Corporate Strategies in Non-IT Environment	Indonesia	SYP	B	Symposium on Social Capital	Korea, Rep. of

APO TWO-YEAR PLAN FOR 2005 AND 2006 (2)

2005				2006			
SYP	B	Symposium on Role of Knowledge Technologists	Korea, Rep. of	STM	B	Study Meeting on Measuring KM Implementation	Philippines
STM	B	Study Meeting on Innovation and Value Creation for Higher Growth	Singapore	STM	B	Study Meeting on Innovation and Value Creation for Higher Growth	Singapore
SYP	A	Symposium on Knowledge Management and Work Culture	Singapore	SEM	B	Seminar on ICT and KM in the Public Sector	Vietnam
STM	A	Study Meeting on the Application of Knowledge Management in SMEs	Thailand				
TRC	A	Training Course on Implementing Knowledge Management for NPOs	Vietnam				
SYP	A	Symposium on Creating and Sharing Innovative Knowledge in Craft and Community-based Industries	Vietnam				
4. General Management							
WEB	A	Web-based Training Course on Occupational Health and Safety Management System-OHSAS18000	APO Secretariat	WEB	A	Web-based Training Course on Occupational Health and Safety Management System - OHSAS18000	APO Secretariat
OSM	A	Multi-country Observational Study Mission on Marketing Strategy for Tourism Industries	Fiji	TRC	A	Training Course on Balanced Score Card	China, Rep. of
SEM	A	Seminar on Corporate Governance	India	TRC	A	Training Course on Occupational Health and Safety Management System-OHSAS18000	Fiji
SYP	A	Forum on Labor-Management Cooperation: Employability and Job Creation	India	SEM	A	Seminar on Corporate Governance	India
SEM	A	Seminar on Commercial Dispute Processing	Indonesia	TRC	A	Training Course on Total Productive Maintenance	India
TRC	A	Training Course on Value Engineering	Iran	SYP	B	Symposium on Intellectual Property Rights	Indonesia
				SYP	A	Forum on Labor-Management Cooperation	Indonesia
SEM	A	Seminar on Political Leadership for Global Competitiveness	Japan	TRC	A	Training Course on Value Engineering	Iran
TRC	A	Training Course on Management Consultancy for Productivity Improvement	Japan	TRC	A	Training Course on Management Consultancy for Productivity Improvement	Japan
SYP	A	Top Management Forum	Japan	SEM	B	Seminar on Brand Management	Japan
SEM	A	Seminar on Relationship Marketing	Korea, Rep. of	OSM	A	Multi-country Observational Study Mission on New Public Management of Local Government	Japan

APO TWO-YEAR PLAN FOR 2005 AND 2006 (3)

2005				2006			
SYP	A	Forum on APO Capital City: Productivity Management and Promotion of The Tokyo Metropolitan City Administration	Korea, Rep. of	SYP	A	Top Management Forum	Japan
OSM	A	Multi-country Observational Study Mission on E-governance	Korea, Rep. of	OSM	A	Multi-country Observational Study Mission on In-company Training Program	Korea, Rep. of
SYP	A	Symposium on Micro-Financing	Laos	SYP	A	Forum on APO Capital City: Productivity Management and Promotion of Metropolitan City Administration	Malaysia
TRC	B	Training Course on 5S and Kaizen for Government	Laos	SYP	A	Symposium on Social Dimensions of Productivity	Malaysia
TRC	A	Training Course on Income Generating Business Opportunities for Women	Malaysia	OSM	A	Multi-country Observational Study Mission on Privatized Public Sector Undertakings	Mongolia
OSM	A	Multi-country Observational Study Mission on Productivity Strategy in Hospital Management	Malaysia	SEM	B	Seminar on Productivity and Quality Improvement in Public Enterprises	Pakistan
OSM	A	Multi-country Observational Study Mission on Privatized Public Sector Undertakings	Malaysia	TRC	A	Training Course on Executive Development Program for the Public Sector	Philippines
TRC	A	Training Course on Total Productivity Management	Mongolia	SEM	A	Seminar on Business Continuity	Singapore
SEM	B	Seminar on Strategic Management for Civil Sector Organizations	Nepal	TRC	A	Training Course on Productivity Measurement in the Service Sector	Sri Lanka
TRC	A	Training Course on Investment Policy and	Pakistan	SYP	B	Symposium on Management of Change	Vietnam
TRC	A	Training Course on Productivity Improvement through Team Building	Philippines				
OSM	A	Multi-country Observational Study Mission on Retail Store Management	Singapore				
SYP	A	Symposium on Project Management for Efficient Supply Chain	Singapore				
TRC	A	Training Course on Productivity Measurement in the Service Sector	Sri Lanka				
DMP	C	Development of Demonstration Company	MCs				
5. Total Quality Management							
STM	B	Study Meeting on Customer Satisfaction in Competitive Market	China, Rep. of	TRC	B	Training Course on Productivity Improvement in Public Sector through Quality Award System	India

APO TWO-YEAR PLAN FOR 2005 AND 2006 (4)

2005				2006			
TRC	B	Training Course on ISO 9001:2000 Series for Auditors/Lead Auditors	Malaysia	TRC	A	Training Course on ISO 9001:2000 Series for Auditors/Lead Auditors	Malaysia
SYP	A	Symposium on Six Sigma Corporation	Pakistan	TRC	A	Training Course on Integrated Management System	Malaysia
SEM	B	Seminar on Productivity and Quality Improvement in Public Enterprises	Pakistan	STM	B	Study Meeting on Customer Satisfaction in Competitive Markets	Philippines
TRC	B	Training Course for Assessors of Quality Awards	Singapore	TRC	B	Training Course for Assessors of Quality Awards	Singapore
SEM	A	Seminar on TQM for Public Administration	Sri Lanka	OSM	A	Multi-country Observational Study Mission on Business Excellence: Learning from the Best to be the Best	Singapore
6. Technology, IT and Innovation							
SEM	A	Seminar on Intellectual Property Rights	India	WEB	A	Web-based Training Course CAD	APO Secretariat
STM	B	Study Meeting on Advanced Manufacturing Technologies and Systems	Korea, Rep. of	STM	A	Study Meeting on Strategic Industries in Member Countries: Electronic Industry	China, Rep. of
STM	A	Study Meeting on Strategic Industries in Member Countries - Machinery Industry	Thailand	OSM	B	Multi-country Observational Study Mission on Concurrent Engineering	China, Rep. of
				STM	A	Study Meeting on Advanced Manufacturing Technologies and Systems	Korea, Rep. of
II. Interface							
7. Green Productivity							
WSP	A	Workshop on Green Productivity for Hazardous Waste Management	China, Rep. of	WSP	A	Workshop on Green Productivity and Eco-design	China, Rep. of
WSP	A	Workshop on Green Productivity and Occupational Health and Safety	Fiji	WSP	A	Workshop on Green Productivity	Fiji
WSP	A	Workshop on Green Productivity and Appropriate Technology	India	WSP	A	Workshop on Green Productivity and Renewable Energy	India
WSP	A	Workshop on Green Productivity for Green and Productive Tourism	Indonesia	WSP	A	Workshop on Green Productivity for Occupational Health and Safety	Indonesia
WSP	A	Workshop on Green Productivity for Petrochemical Industry	Iran	WSP	A	Workshop on Green Productivity for Curriculum Developer	Iran
WSP	A	Workshop on Green Productivity and Agro-based Eco-business Development	Korea, Rep. of	WSP	A	Workshop on Green Productivity and Eco-business Area Development	Korea, Rep. of
WSP	A	Practicum Workshop on Green Productivity	Malaysia	WSP	A	Practicum Workshop on Green Productivity	Malaysia
WSP	A	Workshop on Green Productivity for Cottage Industry	Nepal	WSP	A	Workshop on Green Productivity	Mongolia

APO TWO-YEAR PLAN FOR 2005 AND 2006 (5)

2005				2006			
WSP	A	Workshop on Green Productivity and Industrial Ecology	Philippines	WSP	A	Workshop on Green Productivity for Cottage Industry	Nepal
WSP	A	Workshop on GP and Urban Environmental Management	Singapore	WSP	A	Workshop on Green Productivity and Industrial Ecology	Philippines
WSP	A	Workshop on Green Productivity	Sri Lanka	WSP	A	Workshop on GP and Urban Environmental Management	Singapore
WSP	A	Workshop on Green Productivity and International Trade and Competitiveness	Thailand	WSP	A	Workshop on Green Productivity for Food Processing Industry	Thailand
WSP	A	Workshop on Green Productivity for Mass Media	Vietnam	WSP	A	Workshop on Green Productivity	Vietnam
DMP	C	GREEN PRODUCTIVITY DEMONSTRATION PROGRAM (GPDP)	MCs	DMP	C	GREEN PRODUCTIVITY DEMONSTRATION PROGRAM (GPDP)	MCs
DMP	C	GPDP Observational Study Missions	MCs	DMP	C	GP-ICD Demonstration Program (In line with APO WSSD Partnership Initiative)	MCs
DMP	C	GP-ICD Demonstration Program (In line with APO WSSD Partnership Initiative)	MCs	TIA	C	Technical Information & Advisory Services	MCs
TIA	C	Technical Information & Advisory Services	MCs	DMP	C	GPDP Observational Study Missions	MCs
WSP	C	In-Country GP Training of GP Specialists/Consultants	MCs	WSP	C	In-Country GP Training of GP Specialists/Consultants	MCs
INT	B	RIET/APO Cooperation on Green Productivity and Environmental Management	To be decided.				
STM	B	UBI France/APO Study Meeting on Environmental Management	France				
8. Integrated Community Development							
TRC	A	Training Course on Participatory Project Cycle Management for Community Development	India	TRC	A	Training of Trainers on Participatory Project Cycle Management	Fiji
TRC	A	Training Course on Facilitation for Community Development for Trainers	Iran	SEM	B	Seminar on Community Revitalization Tools	Korea, Rep. of
SYP	A	Symposium on Re-defining Integrated Community Development (Phase III)	Japan	OSM	B	Study Mission on Rural Life Improvement for Community Development	Laos
TRC	A	Training Course on Rural Life Improvement for Community Development	Nepal	DMP	C	Demonstration Project for Integrated Community Development	MCs
OSM	A	Multi-country Observational Study Mission on Integrated/Mixed Farming	Thailand	TES	C	Deputation of Experts for Integrated Community Development	MCs
TES	C	Deputation of Experts for Integrated Community Development	MCs				
DMP	C	Demonstration Project for Integrated Community Development	MCs				

APO TWO-YEAR PLAN FOR 2005 AND 2006 (6)

2005				2006			
9. Development of NPOs							
WSP	A	APO Liaison Officers Meeting	APO Secretariat	WSP	B	Workshop on Productivity Showcases and Demonstration Effects	Fiji
WSP	A	Workshop on Productivity Showcase and Demonstration Effects	India	WSP	B	Workshop on APO Best Practice Network	India
SYP	A	Forum on Development of NPOs: Think Tank Role	Indonesia	SYP	A	Forum on Development of NPOs	Mongolia
WSP	B	Workshop on Best Practice Network	Mongolia	WSP	B	Workshop on Enhancing NPO's Core Competence	Thailand
WSP	B	Workshop on Enhancing NPO's Core Competence	Sri Lanka	WSP	B	Development of Productivity Specialists	Thailand
WSP	B	Workshop on Best Practice Network	Thailand	WSP	B	Development of Productivity Specialists: Advanced Program	Malaysia
DON	C	Strengthening NPO Services	MCs	SNS	C	Strengthening NPO Services	MCs
WSP	B	Development of Productivity Specialists	To be decided.				
WSP	B	Development of Productivity Specialists: Advanced Program	Malaysia				
DON	C	Member Country Support Program	MCs				
III. AGRICULTURE							
10. Agricultural Marketing/Processing							
OSM	B	Multi-country Observational Study Mission on Business Potential for Agricultural Biotechnology Products	China, Rep. of	OSM	B	Multi-country Observational Study Mission on Agro-tourism for Enhancing Business Opportunities in Rural Areas	China, Rep. of
TRC	A	Training Course on SMEs in Agribusiness	Indonesia	TRC	A	Training Course on Productivity Management Tools for Women Entrepreneurs in	Indonesia
OSM	B	Multi-country Observational Study Mission on Timber Certification System for Sustainable Forest Development	Japan	OSM	A	Multi-country Observational Study Mission on Best Cases of Niche Agricultural Markets	Japan
OSM	A	Multi-country Study Mission on Greening the Supply Chain of Food for Enhanced Competitiveness and Sustainable Development	Japan	SEM	B	Seminar on Development of Effective Cold Chain for Agricultural Products	Japan
STM	A	Study Meeting on WTO Issues after Doha: Implications of New Round of Trade Negotiations for Agriculture	Korea, Rep. of	SEM	A	Seminar on Better Marketing and Safety of Marine Products	Japan
SEM	A	Seminar on Promoting Agricultural Niche Marketing for Enhancing Competitiveness	Malaysia	SEM	A	Seminar on Best Practices in Rural Entrepreneurship Development	Malaysia

APO TWO-YEAR PLAN FOR 2005 AND 2006 (7)

2005				2006			
TRC	B	Training Course on Promoting Quality Management for Food	Pakistan	SEM	A	Seminar on Postharvest Technologies for Fruits and Vegetables	Pakistan
OSM	A	Multi-country Observational Study Mission on Best Practices for Meeting Food Quality and Safety Standards	Philippines	TRC	A	Training Course on International Agricultural Marketing	Philippines
SEM	A	Seminar on Contract Farming: A Sustainable Approach to Increased Competitiveness	Sri Lanka	TRC	A	Training Course on Improving Managerial Efficiencies of Small and Medium Agro-Enterprises	Thailand
SEM	A	Seminar on Strengthening of Market Research for Development of Agricultural Export Markets	Thailand				
11. Sustainable Development in Agriculture							
STM	A	Study Meeting on Impact of Climatic Changes on Asian Agriculture	India	OSM	A	Multi-country Observational Study Mission on ICT Based Programs for Rural Development	China, Rep. of
OSM	A	Multi-country Observational Study Mission on Best Cases of Integrated Farming Systems for Enhanced Productivity and Environmental Sustainability	India	OSM	B	Multi-country Observational Study Mission on Plant Biotechnology for Better Food Security	China, Rep. of
SEM	A	Seminar on Promoting Integrated Pest Management for Eco-friendly and Effective Insect Pest Control	Indonesia	SEM	B	Seminar on Inland Fisheries for Sustainable Rural Development	India
SEM	A	Seminar on Developing Disaster Resilient Systems and Practices for Disaster Prone Areas	Iran	STM	A	Study Meeting on Sustainable Agro-Forestry in Less Favored Areas	India
SYP	A	Symposium on Comparative Study of Basic Agricultural Policies	Japan	STM	A	Study Meeting on Livestock Sector Development in Disadvantaged Areas	Iran
STM	A	Study Meeting on Conservation and Use of Water Resources for Sustainable Agriculture	Sri Lanka	SEM	B	Seminar on Sustainable Highland Agriculture	Nepal
SEM	B	Seminar on Recent Technologies for Sustainable Development of Agriculture	Vietnam	OSM	B	Multi-country Observational Study Mission on Agri-Biotech Parks	Singapore
				SEM	A	Seminar on Organic Farming for Sustainable Development	Sri Lanka
				STM	A	Study Meeting on Development of Sustainable Integrated Farming Systems	Vietnam
IV. INDIVIDUAL COUNTRY PROGRAM							
OSM	C	Individual-country Observational Study Missions	MCs	OSM	C	Individual-country Observational Study Missions	MCs
BCBN	C	Bilateral Cooperation Between NPOs	MCs	BCBN	C	Bilateral Cooperation Between NPOs	MCs

APO TWO-YEAR PLAN FOR 2005 AND 2006 (8)

2005				2006			
TES	C	Technical Expert Services	MCs	TES	C	Technical Expert Services	MCs
FEL	C	APO Fellowship	MCs	FEL	C	APO Fellowship	MCs
V. INFORMATION PROGRAM							
ALL SECTORS							
INF		Communication Support to Projects (Training Aids Development)		INF		Communication Support to Projects (Training Aids Development)	
INF		Publications		INF		Publications	
INF		Translations		INF		Translations	
INF		Public Relations, Exchange of Information and Publicity		INF		Public Relations, Exchange of Information and Publicity	
COORDINATION AND ORGANIZATION							
WSM	A	45th Workshop Meeting of Heads of NPOs	Japan	WSM	A	46th Workshop Meeting of Heads of NPOs	MCs
GBM	A	47th Session of the Governing Body	Korea, Rep. of	GBM	A	48th Session of the Governing Body	MCs

① award for green company, 2004/2.
10/20/2004

WSM-04
12/2/2004

The 44th Workshop Meeting of Heads of NPOs
10-12 February 2004, Colombo, Sri Lanka

SUMMARY RECORD OF PROCEEDINGS (Draft)

Agenda Item 1 – INAUGURAL/WELCOME ADDRESS

APO Director for Sri Lanka and Secretary, Ministry of Employment and Labour, Mr. Mahinda Gammanpila, delivered the welcome address at the inaugural session of the workshop meeting. He expressed gratitude to the APO and its member countries for having Sri Lanka host this important meeting, which brought together countries, large and small, developed and developing, representing a diverse range of socio-economic development and united by a common bond, for the enhancement of productivity. Each country would have to find its own approach and strategy in productivity improvement, he said, adding that there was much the member countries could learn from each other, especially in establishing right fundamentals and policies to achieve higher productivity, a key to development for most countries. In this context, the APO could play a pivotal role in facilitating the process.

He said that during the Workshop Meeting of Heads of NPOs and their agriculture colleagues and advisers would review the performance of the APO and prepare its work plan for 2005 and 2006. The final outcome would be presented to the next APO Governing Body for approval.

Mr. Gammanpila expressed gratitude to Hon. John Amaratunge, Minister for Christian Religious Affairs, Government of Sri Lanka, for inaugurating the Workshop Meeting as the Chief Guest and Mr. Charitha Ratwatte, Secretary, Ministry of Finance and Ministry of Policy Formulation, for delivering the keynote address. He also extended a warm welcome to all the distinguished guests attending the inaugural session.

Agenda Item 2 – SECRETARY-GENERAL'S STATEMENT

The APO Secretary-General, Mr. Takashi Tajima, extended warm welcome to all delegates. He expressed gratitude to the Government of Sri Lanka for the generous support in hosting this meeting and, particularly, to the National Productivity Secretariat under the leadership of Mr. Mahinda Gammampila for all the excellent arrangements made.

Mr. Tajima referred to the discussions at the 2003 Governing Body Meeting in Fiji and the resultant new key policies that would hitherto guide the APO's operations. He also referred to the three pillars for the productivity movement of strengthening national competitiveness; balancing productivity promotion with environmental protection; and, upholding social fairness. He informed that all these had been taken into account by the Secretariat in designing the APO activities for the coming years.

Mr. Tajima proceeded to present salient features of the APO activities in the past year. He started with the thrust area of Knowledge Management (KM) and informed that the APO had undertaken various multi- and in-country projects to support member countries to implement KM. So far, KM tended to focus on large corporations and organizations and it was being applied mainly through information technology (IT) platforms. To widen KM application

under the prevailing Asian setting, future projects would examine applications of KM in small and medium enterprises (SMEs) and in non-IT environments.

On the SME thrust area, he said that SMEs must seek new niches and play more dynamic roles in the new economy. He underlined that key success for SMEs lies in the ability to improve techno-managerial capabilities and to form strategic corporate alliances across national borders. The APO programs on SMEs had been tuned along this line, such as the Asian Venture Forum, which facilitated business-matching and alliances opportunities among Asian entrepreneurs.

On Green Productivity (GP), Mr. Tajima said that re-examination of the success and accomplishments of the past years had enabled readjustments on GP's course of action. Three core priority areas had been identified. They were: greening supply chains; resource and waste management; and, Type II Partnership Initiatives submitted to the WSSD. The APO Secretariat had also established a GP Advisory Committee comprising Japanese business leaders to advise the APO on greening supply chains. The committee chairman is Mr. Yoichi Morishita, Chairman of Matsushita Electric Industrial Co., Ltd., one of the leading business corporations in environmental management in the global market. As requested by the last GBM, a new Category B Regional GPDP on Energy Efficiency and Greenhouse Gas Emission Reduction had been launched. The same would be applied in other priority areas such as water resource and solid waste management.

The Integrated Community Development (ICD) continued to promote initiatives and actions by the local people as primary means for reduction of poverty and income disparity. Two major approaches were being adopted to realize this. One was GPDP at community level, as demonstrated and successfully replicated in Vietnam. The other approach was to develop a core cadre of ICD facilitators through knowledge sharing and skill development.

Referring to Agriculture sector, Mr. Tajima said that agriculture and food sector continued to be significant for the national economy and employment of many member countries. He stated strong internal and external market forces and growing environmental concerns posed serious challenges to this sector. In 2003, the APO addressed topics pertaining to these issues. The efforts would be accelerated through two major priority areas: strengthening the competitiveness of agriculture and agri-business; and, promoting sustainable development with environmentally friendly practices and advanced resource management. He reiterated the importance of strong relations between NPOs and agriculture-related authorities.

On the Development of NPOs (DON) thrust area, Mr. Tajima explained that the guiding principle was the spirit of mutual cooperation that closely binds member countries and NPOs together. Advanced NPOs and other willing NPOs had provided mentoring assistance in various modes. The Vietnam Productivity Center, the Training and Productivity Authority of Fiji, and the NPDC of Mongolia, among others, have been the beneficiaries of the technical assistance from the SPRING Singapore, ROC's China Productivity Center, and the National Productivity Council, India, respectively. Mr. Tajima said that all these efforts formed an integral part of the NPOs' institutional development processes.

Explaining about IT utilization, Mr. Tajima reported that APO intranet, APONet and APO Web site were all firmly in place and they tremendously helped the sharing of information among all. The APO Web site enjoyed a five-fold increase in visitors from 4,000 to more than 21,000 per month. Innovative IT-based projects had also been launched. More projects

would be organized as a platform for a network among APO participants over the Internet. He further reported that the utilization of IT had helped the Secretariat to make significant savings on telephone and postal charges and more importantly qualitative benefits which cannot be quantified. The APO would continue exploring and using emerging IT technologies for the efficient and effective utilization of available resources.

Mr. Tajima referred to project evaluation and he reiterated that the APO had undertaken both internal and external evaluations on a regular basis. In order to further improve the quality of projects, he suggested launching post-project evaluation for selected projects as a biennial exercise. He proposed to work out the appropriate method in consultation with NPOs.

Mr. Tajima referred to the *APO Asia-Pacific Productivity Data and Analysis*. He said that the publication reflected a core competence of the APO and it could be instrumental for NPOs to obtain financial and other support from their governments. He requested the NPOs' continued support to increase the level of confidence in it as well as its authoritative status by recommending competent national experts.

Mr. Tajima elaborated on the actions by the Secretariat in response to the requests from the previous GBM. On the request to shift from Category A to B and C, the Two-Year Plan 2005 and 2006 showed a big increase for Categories B and C projects, with budget allocations of 48% for 2005 and 54% for 2006. On cost-effectiveness of APO operations, discount air tickets were being widely used and some projects were already implemented through the highly cost-effective e-learning mode. The result of improvement would be reported to the next Governing Body Meeting. Mr. Tajima requested again all NPOs to ask their governments to provide financial support to meet local implementation costs. On strategic partnerships, working relationships with a variety of international and national agencies would be further stepped up so as to develop new partnerships.

The Secretary-General informed that the Secretariat had received a few inquiries from countries outside the region, such as from Africa, on the possibility of associate membership. He proposed to set guidelines for associate membership acceptance, stipulating clearly their rights and obligations. He was in the view that expansion of the APO network beyond the Asia-Pacific region would bring new benefits to members in the globalized world. The matter would be further referred to the Governing Body for consideration.

Mr. Tajima referred to the APO networks, with the NPOs in the member countries as well as with other international organizations. He said that the synergy derived from the network of resources and capabilities had been mutually beneficial and must be sustained. He expressed his appreciation to the United Nations, International Labour Organization, United Nations Environment Programme, Food and Agriculture Organization, Asian Development Bank, Food and Fertilizer Technology Center for the Asia and Pacific Region, Organisation for Economic Co-operation and Development, Colombo Plan Secretariat, UBIFRANCE, State of Hawaii, Regional Institute of Environmental Technology (Singapore), Asian and Pacific Development Centre, and European Partners for the Environment. He looked forward to cementing further the relationships and forming new collaborative programs in the future.

Mr. Tajima reiterated the spirit of mutual cooperation and friendship as foundations of the APO's operations. The united support for productivity improvement has been clearly demonstrated by a number of achievements the APO could take special pride. He referred to National Productivity Roundtable Conferences, in Indonesia and Lao, both of which drew the

responsibility being shouldered by the APO in light of admission of new members and their expectations therein. He called on the NPOs to strengthen their linkage and cooperation so as to form a united strength to provide a better quality of life for all.

Mr. Tajima closed his statement by once again thanking the Government of Sri Lanka and the National Productivity Secretariat for hosting the meeting.

Agenda Item 3-A – KEYNOTE ADDRESS

Mr. Charitha Ratwatte, Secretary, Minister of Finance, delivered the keynote address. He first said that he was honored to be invited as a guest speaker, and referred briefly to the role and thrust areas of the APO. He also congratulated Sri Lanka's Ministry of Employment and Labour and its National Productivity Secretariat, the nation's NPO, for their good work in recent years.

Mr. Ratwatte then started the main part of his speech by saying that "today, we are interested and obsessed with increasing productivity," and spoke on compensation systems to improve productivity in recent economy. He stated that increasing productivity requires managers to compensate workers according to individual worker's contribution, and said that most companies that have participated in gain sharing programs reported productivity improvements because of increased involvement of workers in decision making, financial incentive, and greater perceived equity within firms. He stated that, to improve corporate productivity, firms must have a reward system that supports individual performance through merit pay, business unit performance through profit sharing bonuses, and corporate performance through ownership proxies such as stock options.

Mr. Ratwatte then quoted a dictum from Frederick Winslow Taylor: "observe, measure and record" to determine the one best way to handle a task. Mr. Ratwatte stated that the three concepts can be captured in one word: "reflect" – reflect upon what you have done or on what you are about to undertake. He also quoted Gautama the Buddha: "...before you say or do anything, reflect, reflect if this thought, speech or action would be beneficial to others and yourself, if when you reflect you feel that it is not beneficial to others or yourself then refrain from doing it. If however on reflection you feel that it is not harmful to others and yourself, but beneficial, then and only then should you perform that act." Mr. Ratwatte said that the fundamental point made by both the Gautama the Buddha and Frederick Winslow Taylor, a couple of thousands of years apart in time though, is one which will hold true as long as human society lasts.

Mr. Ratwatte went on to say that in this era, one also have to question because of the current consumerism: "Are you making the right thing? Could you create more value by undertaking broader missions?"

Mr. Ratwatte then introduced the concept of Peter Drucker's measurement of knowledge-based products and services require total factor productivity. He said that there are two tools useful to measure TFP. One is the economic value-added analysis (EVA), which measures

the productivity of all factors of production. The other useful tool is benchmarking, which compares one's performance with the best performance in the world.

Mr. Ratwatte said that in today's globalized economy, one cannot wish away the competition. The only way forward is to take on and defeat the competition, by reflecting on the way you do things, by observing, measuring, recording, and following the best practice, until a better process is developed and then benchmark yourself against that new process.

Agenda Item 3-B - ADDRESS BY GUEST OF HONOR

Hon. John Amartunge, Minister of Christian Affairs, Government of Sri Lanka, graced the Workshop with his presence as the Guest of Honor. He said that the Workshop was an important occasion for all member countries to review and decide on the work programs for the current and coming years. He observed that since its inception in 1961, the APO had progressed rapidly and it had also strengthened its organizational structures to effectively deal with various issues. In this way, the APO had managed to fulfill its mission for the benefit of the Asian region.

He informed that Sri Lanka too was moving ahead in its productivity movement. The subject of productivity improvement was transferred to Ministry of Labour and Employment in 2001. Under the dynamic leadership of the Labour and Employment Minister, a National Productivity Policy was drafted through close coordination with relevant stakeholders in the key sectors. Under the policy, Minister Amartunge explained that the expectation was to achieve an average of 5% annual productivity growth for the period of five years. The public sector organizations were expected to assume the lead role, with a target of 8% productivity growth in each organization.

In meeting the above objectives, Minister Amartunge informed that Sri Lanka was looking into the utilizations of new productivity resources, such as knowledge, information technology and human intelligence. He said that the availability of these resources provided new opportunities for innovative approaches.

The Minister underlined that enhanced partnership between the public and private sector would be vital to accelerate growth. In this context, one of the major objectives of the national productivity movement should include further development of the public sector's organizational structures and management professionalism so as to enable them to take the initiative to work closer with the private sector.

He stressed that productivity was more about people and less about capital and technology and that past experiences showed that neither capital nor technology had by itself generated higher productivity as they were becoming more as tools of production. As exemplified in Japan, Korea or Singapore, the main factors behind their productivity drive were work culture and to work smarter. For this reason, Sri Lanka had therefore adopted people-centered strategies in its new productivity movement.

Minister Amartunge fervently hoped that the country would be successful in its productivity endeavors and expressed his hope that the international community would lend its support to Sri Lanka. Specifically on the APO, he placed high expectations that it would stand by to assist Sri Lanka in this journey. He expressed deep appreciation for the strong leadership and full attention given by Mr. Takashi Tajima, the APO Secretary-General, for Sri Lanka's productivity cause.

The Minister concluded his address by wishing all the participants a productive Workshop Meeting and a pleasant stay in Colombo.

Agenda Item 4 – INTRODUCTION OF HEADS OF DELEGATIONS

The Secretary-General introduced the NPO delegates and the Agriculture delegates.

Agenda Item 5 – ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

The following officers were unanimously elected:

Chairman: Mr. M. A. R. D. Jayatilake
Additional Secretary
Ministry of Employment and Labour
Sri Lanka

Proposed by Mr. Yasuo Sawama, NPO delegate from Japan and seconded by Mr. Loh Khum Yean, NPO delegate from Singapore.

Vice-Chairman: Dr. S. K. Pachauri, IAS
Director General
National Productivity Council
India

Proposed by Mr. Jae Hyun Kim, NPO delegate from the Rep. of Korea, and seconded by Dr. Md. Nazrul Islam, from Bangladesh.

On taking the chair, Mr. Jayatilake thanked the delegates for electing him as the Chairman of the 44th Workshop Meeting.

Upon his election as the Vice-Chairman of the meeting, Dr. Pachauri thanked the delegates for confidence placed on him.

Agenda Item 6 - ADOPTION OF AGENDA

The chairman introduced Doc. No. 1 Provisional Agenda and Doc. No. 1-A Annotated Provisional Agenda, which were unanimously adopted.

Agenda Item 7 - PRESENTATION AND ADOPTION OF EVALUATION OF PROJECT IMPLEMENTATION

The APO Secretariat presented Doc. No. 2: Evaluation of Project Implementation. It was mentioned that the SARS outbreak affected the projects scheduled in the beginning of 2003. As a result of this, the Secretariat in consultation with the member countries had postponed all projects during the months of April, May and June. As a consequence of this, most projects were either conducted in the later part of 2003 or deferred to 2004. Thus, by 30 November 2003, which was the cut-off date for the evaluations, the Secretariat had implemented 79 multi-country projects, which were attended by 1,479 participants.

Out of these 79 projects, evaluations were carried out for 62 projects comprising Seminars, Workshops, Symposia, Study Meetings, Training Courses, and Multi-Country Study Missions. It was noted that on basis of the evaluations received, 2003 was another good year for APO projects, and that were it not for SARS than all projects would have been implemented as scheduled.

Overall, 98 percent of the participants were satisfied with the projects they attended in 2003. Their level of satisfaction was also very high for the APO resource persons engaged (98%) as well as for the program content, methodology used, and physical arrangements, all earning a 95 percentage satisfaction rate. Like the previous year, participants evaluated the observational field visits undertaken during the projects as one of the strongest points of the APO projects, and requested that more of such visits be included in future projects.

Overall, about 2 percent of the participants evaluated the project falling short of their expectations. Some of the reasons mentioned for their dissatisfaction were related to the inadequacy or the quality or relevance of the field/company visits, and the short duration of the projects such that some of the topics received less time and depth of treatment than desired by the participants. The shorter duration also meant that insufficient time was available for detailed discussions amongst participants.

Another issue that called for special attention of the meeting was the recurring problem of late submission of participant nominations for selection. Last year, only 28 percent of nominations, with full bio-data were received on time (compared to 32 percent in 2002). In other words, 72% of the nominations with full biodata were received after the nomination deadline. The Secretariat emphasized that late receipt of candidate biodata delayed the selection of participants and issuance of Letters of Acceptance, which in turn left less time for the acquisition of necessary visa by the participants and similarly did not leave sufficient time for preparation of country papers, and to do other preparations. All member countries were requested to cooperate in sending the nominations with full biodata on time.

Finally, the Secretariat mentioned that for the Individual-Country Observational Study Missions, the number of member countries willing to host the OSMs was small as compared to the number of requests received for deputing the observational study missions. The Secretariat requested all member countries to consider hosting at least one or two missions a year, so as to provide greater opportunities for learning and experience sharing among all member countries. In conclusion the Secretariat thanked the member countries for their generous support and cooperation extended in 2003.

Mr. Dhawatchai, NPO delegate from Thailand, congratulated the Secretariat for the satisfactory evaluation, and suggested to conduct an evaluation on the effectiveness and impact of the APO projects, to find out whether the past participants were able to use and exchange the knowledge and information gained from the APO projects. He further added that going by the number of participants trained by the APO against the monies spent, then it appeared that the cost per head trained last year, though the year being an unusual one, seemed high. He suggested increasing the number of participants through IT, e-learning or teleconferencing type projects.

Dr. Ghanizadeh, the NPO delegate from Iran mentioned that evaluation should consider the output, outcome and impact of learning.

In the absence of any other comments from the delegates, Doc. No. 2 was adopted by the meeting.

Agenda Item 8 - CONSIDERATION AND ADOPTION OF APO PROGRAM AND FINANCIAL ESTIMATES FOR 2004 – A REVIEW

Doc. No. 3 on APO Program and Financial estimates for 2004 – A Review was presented by the Secretariat. It was noted that the document was previously endorsed by the last Workshop Meeting of the Heads of NPOs and later by the last session of the Governing Body both held in 2003. The additional modified and postponed projects were summarized and presented on the first three pages of the document.

Ms. Yukiko Kikuchi, the Agriculture delegate from Japan indicated that the focus of the agricultural programs would shift to rice related projects as 2004 was declared as International Year of Rice by the United Nations, hence the change in focus.

Specifically she mentioned that, in place of 04-AG-GE-STM-03-A Study Meeting on Response of Small and Medium Enterprises in Food Industry to Trade Liberalization and Globalization and 04-AG-GE-TRC-02-A Training Course on Basic Management Tools for Ensuring Food Quality and Safety, Japan would host the Seminar on Multifunctionality of Paddy Field-Challenges to Develop Sustainable Rice Based System. She also indicated modifications in the titles of two other projects, viz., 04-AG-GE-SEM-17-A to Seminar on Prospects and Regulatory Framework of Biotechnology (from Seminar on Use and Regulation of GMOs) and 04-AG-GE-OSM-02-A to Symposium on Water and Ecosystem in Paddy Field (from Multi-Country Study Mission on Enhancing Water Productivity for Sustainable Agriculture).

Mr. Monga from NPO India informed that India would implement 4 to 5 projects in 2004 for which own funding was to be used. He added that India was happy to discuss the funding arrangements with the Secretariat for the sixth program.

Dr. Shurchuluu from Mongolia informed that Mongolia would host the Workshop on Enhancing NPOs Core Competencies and the seminar on KM in serving industry in the first and last week of August, respectively.

Mr. Loh Khum Yean, the NPO delegate from Singapore informed that Singapore would host 3 Category A projects and 2 Category B projects, with minor modifications in the titles, the details of which were to be submitted to the Secretariat, adding that Singapore would avail one seat for each member country to attend the International Exposition of Innovation and Quality Circles to be held later in 2004.

Ms. Hang the NPO delegate from Vietnam said that Vietnam would host 3 workshops, plus a workshop on IT additionally. There were some minor modification on financial arrangements about which the Secretariat was to be informed later.

Mr. Frank Pai, the NPO delegate from the Rep. of China, confirmed implementation of all projects slated for the country. Mr. Joe Lee said that the sustainable aquaculture project would be from 18-23 October, while the Organic Farming would be from 20-25 September.

Mr. Woo, Agriculture delegate from Korea informed that Korea would host 4 Category A projects and one Category B project in 2004.

Dr. Mohammad Hossein Emadi, Agriculture Delegate from Iran, stated that Iran would be hosting a Training Course on ICT for Agricultural Cooperatives/Federation Managers in 2004 in place of 04-IN-IT/GE-TRC-07-A Training Course on SMEs and Internet in Service Industries.

In the absence of further comments the Doc. No. 3 was adopted for the approval of the Governing Body by circulation.

Agenda Item 9 - PRESENTATION OF APO TWO-YEAR PLAN FOR 2005 AND 2006, APO PROGRAM AND FINANCIAL ESTIMATES FOR 2005; AND APO PROGRAM AND FINANCIAL ESTIMATES FOR 2006 – GENERAL OUTLINE

The Secretariat presented Do. No. 4: APO Two-Year Plan; Doc. No. 5: APO Program and Financial Estimates for 2005; and Doc. No. 6: APO Program and Financial Estimates for 2006 – General Outline and invited the floor for comments and suggestions.

Dr. Pachauri, NPO delegate from India, confirmed the hosting of 2005 Workshop Meeting of Heads of NPOs.

Dr. Shurchuluu, NPO delegate from Mongolia, proposed to host the 2006 Governing Body Meeting while Mr. Mohyuddin, NPO delegate from Pakistan, proposed to host the 2006 Workshop Meeting.

Mr. Dhawatchai, NPO delegate from Thailand, made two suggestions to be considered in order to increase the cost-effectiveness of APO projects. First, with a view to catering to as many participants as possible, the number of web-based projects could be increased, as the sharing of experiences was not as important as in the case of symposiums and seminars. Second, although the concept of productivity was broad and far reaching, it may be appropriate to set guidelines on the coverage and depth of APO projects. For example, review may be necessary whether projects relating to the caring for the aged and handicapped, micro-financing, greenhouse gas emission, intellectual property rights, or commercial dispute processing were relevant to productivity promotion. These projects may be left to other specialized organizations to handle so that the APO can concentrate resources on priority areas.

Dr. Pachauri, the NPO delegate from India added that Alternative Dispute Resolution may also be considered in APO projects in future since it has a direct relation to productivity level.

Mr. Kimura, an adviser from Japan, referred to the Member Country Support Program which was implemented by the JPC-SED for the first time in 2002 as a country focused program. The program gave training to local middle management and trained NPO staff in consultancy. He added that as a result of the program two manuals were produced, one on 'Kaizen Consulting Manual; and the other 'Training Kit for Middle Management,' He also reported that the 2004 program will focus on NPO productivity promotion.

The Secretary General responded to various comments and suggestions made by delegates. On project orientation, he agreed to study whether it is feasible or not to accommodate more web-based training projects. IT-based training should be promoted which was demonstrated by the successful implementation of the APO-JICA Net Course on TQM which was held simultaneously in the Philippines, Indonesia and Malaysia while the lectures were delivered from Tokyo. Regarding the coverage of APO projects, he emphasized that all APO projects were planned and put into implementation in accordance with the needs and requirements of member countries, whilst linking to productivity and the mission of the APO, and considering the limitation of budget and human resources. Lastly Secretary General expressed his appreciation to India for hosting WSM in 2005, and Mongolia and Pakistan for the GBM and WSM in 2006, respectively. He also thanked NPO Japan for the efforts in assisting the less developed NPOs through the Member Country Support Programs.

Referring to 2005 programs, Mr. Mah Lok, NPO delegate from Malaysia mentioned that his country can host up to 4A and 2B projects during 2005 and these changes will be finalized in consultation with the Secretariat.

Mr. Sayco Jr., NPO delegate from the Philippines, referred to the productivity specialist program which has been hosted by the Philippines over the past years. As the 2005 program was not slated for the country, he needed consultation with the Secretariat later on.

Mr. Monga, the adviser from India, mentioned that the number of projects slated for hosting by India was too many to absorb and requested to reduce the number to 4 each in 2005 and 2006; 2 each for industry and agriculture unless additional projects are fully financed by the APO.

Mr. Mohyuddin, NPO delegate from Pakistan, mentioned that Pakistan is prepared to organize a roundtable conference in 2004, during which they would launch their tele-conferencing facility as well. He mentioned that Pakistan was willing to share their training programs with other member countries through the new tele-conferencing facilities.

Agenda Item 10 - SPECIAL PRESENTATION ON “OPPORTUNITIES AND THREATS OF A GLOBALISED ECONOMY FOR DEVELOPING COUNTRIES: A BUSINESS PERSPECTIVE” BY Mr. M. J. C. AMARASURIYA

Mr. M.J.C. Amarasuriya, Chairman of Commercial Bank of Ceylon Ltd. And its subsidiaries made a presentation on “Opportunities and Threats of a Globalised Economy for Developing Countries: A Business Perspective”.

He said that the process of globalization is not a new phenomenon, referring to the book titled “Wealth of the Nations” written by Adam Smith back in 1776. However, he noted that noteworthy changes such as the collapse of the Breton Wood System in the early 70’s and a dismantling of capital, propelled by GATT negotiations, made globalization take off once again, leading to the acceptance of liberalization of trade as a matter of policy by a large number of countries including Sri Lanka, which launched a package of open market reforms in November 1997.

He pointed out that the debate regarding the impact of globalization is never ending, and introduced various viewpoints by both proponents and opponents of globalization, quoting from an article of a business magazine on a study conducted to show how globalization has affected developing and developed countries.

Though he was supposed to make a presentation on the impact of globalization on developing countries as a whole, he confined it mainly to Sri Lanka due to lack of detailed information on other countries.

He pointed out some salient points with regard to opportunities and threats arising from globalization respectively. The first point he referred to as one of the opportunities was the foreign direct investment (FDI). According to him, FDI in Sri Lanka has peaked in 1997 due mainly to an ambitious privatization program that began in 1987. He said that a major share had been made through mergers and acquisitions. He noted that the other opportunity was for developing countries to become players in foreign investment themselves, taking examples of Sri Lankan companies venturing to other countries with investment, for example, in Dubai, Bahrain and Mauritius in the garment industry.

The second opportunity was an access to new markets with new products. He showed the example of garment industry, which contributed only 2 % to the country's exports in 1977 increased its contribution to 48% in 1992, and 51% in 2002, as a result of the WTO's implementation towards opening member country's market.

The third point he raised was the transfer of technology. He stressed that the transfer of technology is the crucial benefit which inward investment can bring. Final point he touched upon was the information communication technology (ICT), which has powerfully driven the process of globalization. He stressed that the revolution in ICT has promoted trade and commerce tremendously, especially enabling developing countries to providing necessary services to many customers in the developed world thereby earning substantial foreign exchange and providing employment to a large number of educated young people, taking the example of success stories of call centers operating in India.

Turning to the threats arising from globalization, he firstly referred to the death of the nation state. He introduced the article saying that in a borderless world, the national state had become an unnatural, even dysfunctional unit for organizing human activity and managing economic endeavor. He also said that in a world where the rules of international trade were being redefined, it was said that the states had to make a choice between prospects of free trade with associated costs or developing the conditions for managed trade, and many countries had sought to join a trade bloc.

The second is the threat to employment. He touched upon two casualties of globalization. Firstly low skilled workers in traditional manufacturing countries who see their jobs slipping away overseas or experience a slide in their wage rates, and secondly the whole countries and regions that are being sidelined by forces of international trade and investment instead of experiencing a growing involvement and benefiting from the global economy.

The third point he referred to was the agricultural economies. He told that the agriculture was a vital sector for many developing countries. Raising the agricultural issues in WTO negotiations between developing countries and developed ones, he revealed that the

withdrawal of all tariff barriers and subsidies on agricultural products might pose a serious threat to agricultural economies with continuous mass unemployment.

Turning to the fourth point of textile and apparel industry, he showed that, in 2002, this industry contributed 51% of the country's export earnings and 45% of its industrial production as a result of globalization. However, he noted that the apparel industry was expected to face many challenges with the phasing out of the multi-fiber agreement (MFA) at the end of 2004, and the possible threat to the industry post MFA had been subject to much discussion as the likelihood of a fall out of the bottom end of the industry.

As the fifth point, he raised the issues of small & medium enterprises (SME's). He said that despite of SME's constituting a very important segment of the industrial sector, the majority continued to operate in the domestic market without exporting their products into export markets, and hinted that rapidly expanding countries like China and India with their technological advantage and economies of scale had the ability of literally swallowing up the SME's of other developing countries.

Finally, he talked about the dumping issues. He said that in most developing countries, tariff barriers had been relaxed without any safeguards, and lack of anti dumping legislation might cause serious problems. In view of the ceramic industry in Sri Lanka being suffering from the inflow of cheap Chinese imitations, he stressed the need of appropriate anti dumping legislation.

In conclusion, he mentioned that the globalization and the revolution in ICT had made the world a global village, and that the implementation of WTO rules in a fair and just manner would undoubtedly result in dramatic growth in global trading opportunities.

He also concluded that while large developing countries like India, China and Brazil had succeeded in utilizing the phenomenon of globalization by managing it to their advantage, many smaller countries were under constant pressure to dismantle trade barriers, to deregulate and liberalize their market, and stressed that such countries would have to ensure that the required checks and balances were in place.

Dr. Pachauri, NPO delegate from India, referred to the Recent World Social Forum held in Mumbai which expressed the concern on the negative social impact of globalization and asked if globalization would lead to some sort of social development too.

Mr. Amarasuriya replied that globalization may give negative impact making the rich much richer and the poor much poorer if uncontrolled. Developing countries in particular small countries should be aware of serious consequence of globalization even though it gives more opportunities. Managing the impact of globalization is very important.

Dr. Pachauri also pointed out that globalization has a vast impact on the agriculture-oriented economies in South Asia and asked if it would help poverty reduction.

Mr. Amarasuriya mentioned that poverty as a whole reduced as a result of globalization. India saw that its foreign exchange increased drastically after trade liberalization. But impact on poverty alleviation is not clear. Impact on the poor may be more serious in Sri Lanka than India where almost every food is self-sufficient. It is important to hit right balance between market opening and restricting. Subsidies to the poor may have to be maintained until trickle

down would take effects. Globalization need to accompany improved access and technology transfer.

Mr. Noor Ahmad Nizamani, agriculture delegate from Pakistan mentioned that WTO poses big threat to developing countries because developed countries were providing huge subsidies to their farmers while shutting out access to their markets for example by imposing strict conditions on pesticide residues.

Mr. Amarasuriya said that developed countries should have made some concessions on agriculture. But in this unequal world, money is power and power often dismantles barriers as in the case of World Bank which opposes Sri Lanka provides subsidies.

Mr. Bharat Mani Gyawali, NPO delegate from Nepal asked if he can tell the experience of Sri Lanka on the impact of globalization on small enterprises especially on their international competitiveness.

In response, Mr. Amarasuriya suggested that for the small enterprises, benchmarking at global level was very important. Learning from best cases at international market as well as collaboration with foreign partners can help. Marketing branded products in niche market should be pursued. In short, differentiation, value addition and branded marketing are required as its strategy for garment industry.

Agenda Item 11 - COUNTRY PRESENTATION – SHARING OF VIEWS AND EXPERIENCES AMONG NPO HEADS AND AGRICULTURE DELEGATES

The Chairman invited the delegates to make their country presentations in an alphabetical order.

Bangladesh

Dr. Md. Nazrul Islam, NPO delegate from Bangladesh, briefed the meeting about the objectives and activities of the NPO. On this background, he highlighted the current concerns and challenges for the NPO activities as: a) Productivity research including productivity measurement and analysis, b) Limitations in capabilities and facilities for meeting the demands for training programs by the stakeholders (especially the middle management) c) Motivation program for productivity development and d) New approaches to the productivity movement in light of the current economic crisis at the global level. He further added that considering these issues, the future direction for the next five years for the NPO Bangladesh would include launching of productivity movement by the Honorable Prime Minister; launching of an action program for five years with the national productivity declaration; Productivity Year, Productivity Month, Productivity Week and Productivity Award to be launched by the Honorable Prime Minister; etc. He further added that though the NPO had been conducting productivity programs for some of the agro-based industries such as jute, textile, sugar etc., the agriculture sector per se was not included in the NPO activities as it was not an organized sector. However, recently NPO had taken the agriculture sector under its activities and had formed a productivity advisory committee for agriculture sector. Lastly, in the context of GP activities in Bangladesh, Mr. Islam informed the recent developments in his country with regard to the environmental protection, with special reference to the

government's ban on use of polythene bags and encouragement of the use of jute or other bags made from environment-friendly materials.

Republic of China

Mr. Frank J. S. Pai, NPO delegate from the Rep. of China, stated that SMEs had played and continued to play an important role in the economic development of many APO member countries. Policies should be devised to help such SMEs optimize their strengths and overcome weakness by using IT. He also mentioned that the Ministry of Foreign Affairs and Ministry of Economic Affairs had recently asked CPC to submit a proposal for the establishment of a National Competitiveness Benchmarking Center, of which database could be instrumental in assisting SMEs to develop business opportunities.

He also highlighted the CPC's role as the leader of a major national movement to promote innovation for economic growth as a whole. Innovation could be applied to a wide range of areas including culture, services, education and infrastructure policy. He then expressed his hope that the APO would be able to develop new programs for member countries that focus specifically on the development of innovation and measures needed to facilitate creative ways of thinking.

Finally, he emphasized the importance to strengthen the bonds between member countries through enhanced engagement in exchange programs, sharing experience and cooperating with each other.

Fiji

Mr. Jone Usamate, NPO delegate from Fiji, said that Fiji enjoyed positive economic growth for the past three years, hence it was even more critical that productivity growth was maintained to continue the momentum and to consolidate past achievements. In this regard, he said the Government of Fiji and the NPO continued to work together to encourage and facilitate productivity development in the country, whilst dealing with a number of challenges.

He said a key development in Fiji over the past year had been the enactment of legislation that formalized the role of the Training and Productivity Authority of Fiji (TPAF) as the National Productivity Organization for Fiji, and that a process of re-examining the role of the NPO was continuing. An important question that was being addressed as a result of this re-examination was the relationship between the NPO and the informal sector. The NPO had traditionally focused its activities on the formal sector, while the informal sector, as well as agriculture was traditionally addressed by other organizations.

He added that like many other developing NPOs, TPAF continued to grapple with the issues of financing activities, especially those that relate to non-revenue generating activities, such as productivity promotion. A major challenge that the Fiji NPO continued to face on an annual basis was the issue of brain drain, as many of the most experienced and best trained professionals migrated to other countries, thus the need for replenishing of skilled manpower within the NPO remained a critical challenge. Another issue was establishing networks within Fiji to carry out productivity promotion, especially in areas where the NPO was not a player, such as the informal sector and in agriculture.

Mr. Usamate added that the NPO in Fiji focused on promoting productivity through three different strategies, namely provision of training programs in productivity and other non-productivity areas; the provision of financial incentives for training and skill acquisition, and the promotion of productivity and the encouragement of improvement in Quality through the Productivity Awareness campaigns, the Fiji Quality Awards, Model Companies, Green Productivity Demonstration Project, Industrial Engineers Development project, Productivity Measurement, Quality in Schools initiative, and training courses in productivity techniques.

He added that half of Fiji's population lived in the rural sector, and that agriculture remained the nation's mainstay. He said added that Fiji's agriculture sector needed to refocus, diversify, be market driven and improve efficiency in its service delivery to realise its full potential. The restructuring of the sugar industry in 2004 was a step in this direction, while diversification into niche export and domestic market was necessary. He added that in 2004, priority would be given to facilitating private sector investment in the development of agribusinesses; capacity building of farmers to raise levels of production from subsistence to commercial levels, and institutional strengthening of Government and non-governmental stakeholders to develop the sector.

He stated that current APO thrust areas remained relevant for the member countries, and that in developing projects, attention needed to be paid to the stages of development of member countries. He further added that the decision by the GBM held in Fiji last year to place greater emphasis on Category B & Category C programs provided a means by which the unique needs of each member country might be addressed within the broader framework of the thrust areas. He said Fiji required more assistance in KM, and thanked the APO for the human resource development efforts that had been the hallmark of APO activities ever since its existence.

India

Dr. S. K. Pachauri, NPO delegate from India, stated that among the immediate concerns for NPOs was to prove their relevance in a fast-changing economic scenario. In the case of India, priorities were being placed on development of infrastructures to stimulate high growth rates and for attracting investments. The NPC India was being involved in a number of major national infrastructure developments and it contributed significantly by introducing the concept of productivity to these projects, which was critical considering the high cost involved and the strict requirements to quality.

The NPC India was also looking into the IT area, particularly, software developments. In addition to facilitating high growth rates in the service sector, IT would also contribute to ensuring transparency in administration through e-governance. Another target area was productivity education, namely inculcating productivity culture in young minds by including it in their school curricula. The creation of a strong sense of productivity would be expected to reduce the problem of unemployment.

On the NPC India's role in the agriculture sector, cross border farm trade was identified as a potential area of contribution. It was noted that while low labor costs and the resultant competitive prices gave advantage to developing member countries, gaps in quality might negate that advantage. The NPOs could help by introducing modern food quality concepts to enterprises and creating greater awareness regarding international agreements and standards. Having long standing relationship with its Ministry of Agriculture, the NPC India had a

strong presence in agriculture and it would be ready to share its expertise with other members.

Referring to the APO thrust areas, he suggested refocusing on SMEs and GP so as to adequately cover the agriculture and service sectors. Keeping in view the developments taking place globally and emerging needs of the member countries, Business Process Outsourcing (BPO) was suggested for consideration as a future thrust area. There was also a need for the APO to focus on quality issues in the food-processing sector.

In light of fast changing social, economic and technological scenario in the Asia-Pacific, it was proposed that the APO should consider some new initiatives. Among others, these included: identifying mechanism for integrating productivity dimensions at national-level policy formulation; facilitating greater sharing of knowledge and experiences on GP, particularly for and among countries in the SAARC region; examining topics such as intellectual property rights and arbitration; creating online repository of technical experts; and replacing print publications with downloadable e-copies over the APO net. He confirmed that the NPC India would be prepared to host four projects each in 2005 and 2006.

Indonesia

Mr. Sutanto, NPO delegate from Indonesia, stated that productivity movement had been implemented since 1968, but the result was not satisfactory yet, mainly because of low productivity awareness of most stake holders about importance of productivity. He then mentioned that productivity promotion as one of national priority programs in Indonesia was stated on the National Development Plan of the period 2000-2004, and for this purpose, productivity promotion was addressed to shift development paradigm from input driven policy to productivity driven strategy.

Regarding programs of the year 2004, he emphasized importance of (1) organizational capacity building, (2) development of SMEs, (3) strengthening cooperation at a national level, such as National Productivity Round Table Conference last year, and (4) strengthening international cooperation and networking, including collaboration between NPO Indonesia and APO, ILO and APO member countries.

With regard to the present thrust areas of APO, he stated that they were relevant to need of present and future development program in Indonesia, and requested APO to develop program and activities that could accommodate need of each of the member countries.

Islamic Republic of Iran

Dr. Mahmood Ghanizadeh, NPO delegate from Iran, reported the new trends being pursued at the NIPO and he informed that a series of fundamental changes were being applied simultaneously at different fronts. On the one side, from previously process-oriented activities, NIPO was now heading toward result-oriented approaches and activities. At the same time, it was also attempting to achieve greater balance between micro and macro policy approaches. Likewise, NIPO was moving toward adopting advanced productivity tools and techniques, such as Value Engineering and Six Sigma. Overall, NIPO was attempting to develop a new focus by emphasizing new solutions and action plans in its programs and activities.

In line with the organizational changes being made, NIPO was also aiming for better selection processes that would be applied on the resource persons; nominees; as well as paper and report writings. The exercise was being expected to bring better results in the outputs, outcomes and the follow-ups of its activities. It was further added that NIPO was expanding its network nationally, which included working together with the private sector. Related to this development, it was reported that NIPO was attempting establishment of an APO Alumni Association.

Dr. Ghanizadeh suggested the APO to look into the possibility of taking up topics pertaining to informational society and globalization as future thrust areas. For the APO's future activities, he also suggested strengthening the link with the UND; developing productivity games as one of the tools for promoting new productivity concepts and techniques to business managers; and designing the APO as an information gateway. Other activities that might be implemented included a new program to invite speakers for top universities and thin-tanks and to form an APO Resource Person Society.

Dr. Mohammad Hossein Emadi, the agriculture delegate, informed that a single coordinating committee had been established which would look into the programming and planning of agriculture development. This replaced the previous setup and arrangements whereby the responsibilities were divided among separate Ministries. The new committee had been active in the area of capacity building of the country's agriculture-related institutions. In the areas of future engagement, he identified agriculture marketing and processing and agriculture waste reduction. Food industry was also suggested as a new arena, with particular emphasis on SMEs. For 2005 and 2006 projects, he identified two new proposals, namely enhancement of ICT in agricultural sector and rural development; and development of local, national and regional agriculture information network.

Japan

The NPO Delegate from Japan raised two points, namely their action program for 2004 and their observation on the future strategy of the APO. He informed the meeting that the JPC-SED celebrate 50th anniversary in 2005, and they hope to make fresh start of Productivity Movement in Japan on this occasion. He also disclosed that JPC-SED plan to launch "New Concept of Productivity for 21st Century, which embrace new and emerging values of 21st Century, namely Globalization, Mega-Competition, Environment, and Information Technology, in taking into consideration of public feeling of increasing insecurity of modern society.

With regard to strategic direction for the APO, he singled out the need of Mid-Term Asian Socio-Economic Survey with NPO's and the third party expert's assistance in order to reflect market trends and customer needs. He also pointed out that the APO should establish even more close ties with industry and business than ever in order to implement programs that would assist industry more directly in such fields as 'business development', 'investment promotion', and 'human resources development'. He introduced that JPC-SED had been dispatching Productivity Mission since 2002 to Asian nations followed by Investment Mission headed by Japanese Industrial leaders as a result of practical collaboration between NPO and Industry, which Industry appreciated very much.

Ms. Kikuchi, agriculture delegate from Japan, disclosed that Ministry of Agriculture, Forestry and Fisheries of the Government of Japan was ready to provide new trust fund for a period of

five years starting from the latter half of the year 2004 in order to contribute to the poverty alleviation in least developed countries. She suggested that the fund could be utilized mainly for strengthening NPOs in agricultural sector. As a part of the project, implementation of field survey and study meeting and dispatching experts are currently being considered.

Mr. Eguchi, representing the Ministry of Foreign Affairs said the government of Japan recognized the importance of APO's programs, especially Green Productivity programs. He mentioned that the knowledge and techniques of Japan could make significant contribution on this regard.

Referring to the sluggish economic growth of Japan, he touched upon the government's financial constraints and explained that the government of Japan was in a position to clearly explain about the ODA and APO expenditures to the Japanese people, and asked that this situation be understood.

Mr. Kimura from JPC-SED added to what had been said by Mr. Sawama, President of JPC-SED. He especially stressed the importance of APO's visibility. He made two proposals in this regard, namely increasing the APO membership and considering of setting up of Regional APO Award.

Republic of Korea

Mr. Jae Hyun Kim, NPO delegate from the Rep. of Korea explained that the enforcement of five-day workweek is one of the main concerns for Korean industry in 2004. The new workweek system begins in July this year, and will lead to the reduction of working hours and inevitably impose a heavy burden on Korean companies, especially the small and medium enterprises (SMEs) due to the rise in labor costs.

He said that the Korean government subsidized Korea Productivity Center (KPC) to establish the 'Productivity Innovation Center (PIC) to be the expert organization supporting enterprises' productivity endeavors and government's policy making on strengthening entrepreneurial competitiveness. Major activities of the PIC include, 1) construction of an on-line consulting system on productivity matters, 2) training of CEOs of small and medium industries and 3) supporting government's policy making.

He mentioned that Korea had the highest number of high-speed Internet users and the highest Internet usage rate in the world. Taking advantage of this high-speed communication infrastructure, an on-line consulting system has been under construction, providing a high quality, low-cost and time-efficient on-line consultations for multiple customers at the same time. Those services he said were designed to support, particularly the SMEs, which could not afford the services from private consulting firms. Efficient low cost consulting services would lay the groundwork for SMEs' activities in enhancing competitiveness through business reform and cost reduction. He added that the online consulting was to be responsible for 1) dissemination of productivity information, data, and productivity tools & techniques; 2) productivity analysis service; 3) consultation on troubled areas; 4) training of key productivity personnel including productivity instructors and advisors of the enterprises; and 5) extension to off-line consultancy.

He further mentioned that special training programs for CEOs of SMEs had been funded by government. The training programs, in the form of interactive workshops and simulation

games, covered the subjects of Insight development into economy change, Paradigm shift, Leadership & human networking, and Business strategy, all aimed at maximizing the core competence of the CEO's. KPC he informed also developed region-specific productivity strategy to support industrial cluster development and regional industrialization in collaboration with local government and local research institutes and universities.

On KPC's role in improving productivity in agriculture sector, he reported that Korea Productivity Center as NPO for the Republic of Korea was under the Ministry of Commerce, Industry and Energy, so that the Charter of the KPC did not include activities relating to Agriculture. However, KPC has been hosting APO agriculture projects each and every year in collaboration with local agricultural institutes and universities. Korea also sent agriculture experts to member countries upon request under TES program as well.

On the review of the present thrust areas of APO, Mr. Kim mentioned that since the world economic environment kept changing so rapidly, a constant review of the APO's thrust areas was recommended. He said the task should be a separate agenda of the annual Workshop Meeting of the Heads of NPOs for proper attention and be subsequently endorsed by the Governing Body Meeting.

As to the current five thrust areas, he said although they all have been very much important and relevant to the roles of APO, a streamlining effort would be necessary as they seemed mixed up with subjects like KM, GP and beneficiaries such as SMEs, NPOs and community. He stated that KPC preferred a subject-wise selection of thrust areas, and additionally suggested: i) industrial relations, ii) technology management, iii) ICT application, iv) TQM, and v) Sustainable development of agriculture.

On the proposal of new subject areas and projects to be considered under the APO Two Year Plan for 2005 and 2006, in view of Korean industries' concerns, KPC proposed APO Secretariat to consider developing programs on the issues like Strategic human resource management; Entrepreneurship development for SMEs executives; ICT-led development of SMEs; SMEs best practices, Brand management manual for SMEs; Industrial clustering for SMEs; On-line consulting; and Measures for educated unemployment.

Lao People's Democratic Republic

The NPO delegate from Laos said that as a new member of APO, Lao PDR is still beginning to launch the productivity programs. He informed the meeting that the National Round Table Conference (RTC) on Productivity Movement in Lao PDR was held in Vientiane, Lao PDR from 12 to 13 January 2004 with the presence of the Prime Minister H.E. Boun Gngang VORACHITH which demonstrated the highest commitment towards productivity movement in Lao PDR in the future. A number of measures to support and promote the Productivity Movement in Lao PDR were declared by the APO Director, Dr. Nam VIYAKETH at the end of the conference. Therefore, the new challenge for the NPO was how to translate policy and strategy recommendations of the RTC into actions. He added that firstly, it was essential to form the National Productivity Council (NPC) to steer the productivity movement in Lao PDR by examining the productivity needs of Lao PDR. Secondly, NPO needed to formulate the plan of actions and activities for the new productivity drive in Lao PDR. Thirdly, the Lao NPO must be urgently strengthened with clear structure and functions and finally, Lao PDR still needed the full support from APO in undertaking its productivity activities through its annual programs and projects. Speaking about the productivity issues in agriculture sector, he

informed the meeting that the National Agriculture and Forestry Extension Service (NAFES) was assigned to be a focal point by the government in carrying out the productivity movement in agriculture sector and the NPO's role was to coordinate with NAFES in formulating plan of actions and activities on productivity promotion, training and consultation in agriculture sector. He further added that the present five thrust areas of the APO were quite relevant to Lao PDR and he did not have any proposals of new subject areas and projects to be considered under the APO Two-year Plan for 2005-2006.

Malaysia

The NPO Delegate from Malaysia referred to some of the current challenges for NPC, which included the sustenance of the competitiveness of businesses in a globalized market and intensified usage of ICT and advanced manufacturing technologies. He also mentioned about the NPC's initiatives such as continuous upgrading of local experts and expertise in the field of productivity and quality, and developing databases on productivity indicator and benchmarks as inputs for policy formulation and planning.

He also made some proposals of new subject areas and projects for 2005 and 2006 such as measuring and analyzing Total Factor Productivity at sectoral level and its determinants for policy formulation, and Green Productivity and Green Supply Chain Management.

He also introduced that the NPC would organize an Eco-Product Conference and International Fair from 2-4 September 2004 in Kuala Lumpur, and asked APO's support to invite two participants from each member countries to attend the program under BCBN scheme and to include the project funding in the 2004 budget.

Mongolia

The NPO Delegate from Mongolia outlined the economic development in 2003, attributing the growth to manufacturing industry, communications, transportation and services. He also mentioned about the local development initiatives fund that increased the investment for the development of local infrastructure and social services.

He touched upon the NPO's role in improving productivity in agriculture sector by saying that Ministry of Food and Agriculture (MOFA) had reviewed the Government policy on Agriculture Development in the age of changes in weather and environmental situation. He noted that the Government emphasized the importance of developing pasteurized and semi-pastured farms and plantation area with irrigation systems to meet all domestic consumption of agriculture based products.

He also mentioned about the National Productivity Campaign, which the NPDC had been undertaking. He stressed the importance of working well with the stakeholders who had different objectives in order to facilitate the monitoring of progress in implementation of national development policies.

He introduced five strategies such as upgrading technical skill and management knowledge and implementing National Productivity Award campaign by stressing the ultimate purpose of the NPDC was to cultivate people's awareness of the importance of productivity improvement as well as certain contributions to the socio-economic development.

Nepal

The NPO delegate from Nepal informed that new factors were at hand to create productivity mindset in the country. This was being accelerated by outward economic orientation compelling the country to be competitive as well as quality- and environmentally conscious. Political situation and insecurity, however, hindered the otherwise promising development.

He informed that Nepal was in its Tenth Plan of economic development. The emphases of the NPEDC were being closely aligned with objectives spelt out in the Tenth Plan. The broad areas of coverage of the NPEDC's programs included: sustaining momentum of productivity movement, particularly, for SMEs and the community; promoting linkages amongst the different sectors; serving as a think-tank in productivity policy; and establishing greater cooperation with educational institute as well as strengthening coordination with the Industry, Agriculture, Environment, Education and Local Development (Community Development) Ministries for furthering productivity movement in the respective sectors.

Overall, he felt that the productivity awareness campaign in the country was still limited and it had not lifted as a full-fledged national movement. Specifically, he identified three major constraints hindering the productivity movement in the country. These were: a) inadequate development of private sector, b) weak governance both in government and corporate sector, and c) mismatch between education system and requirements of quality work force in industry.

In light of the prevailing situation in Nepal, the followings were identified for inclusion and continuation in future APO programs: Strengthening of SMEs; Management; Information Technology; Strengthening of NPOs; Intellectual Property Rights; Experience Sharing among Member Countries; and ICD focusing on development of agro-based micro enterprises and agriculture productivity promotion targeted to the small farmers.

The Agriculture delegate added information regarding developments in the agriculture sector. He said that the country had undertaken a series of policy reforms toward a more market-oriented economic system. This led to major changes in the agriculture's fertilizer and irrigation sectors. The agriculture sector was also moving toward decentralization and following this it would be expected that responsibility for agricultural planning, extension and animal health would transfer from central to district level. Along this line, there would be increased participation and partnership between the public and other service providers, including NGOs.

Pakistan

The NPO delegate from Pakistan informed the meeting that the Government of Pakistan repositioned the NPO to launch an aggressive productivity movement, in the wake of WTO regime. He added that the major challenges faced by the NPO included lack of human resources and financial constraints. However, he informed that the NPO was trying hard in its efforts by networking in private sector, by providing consultancy services and also by establishing NPO cells in the 18 chambers of commerce in the country as partners in productivity. He further added that 500 schools were selected as innovation centers and productivity related chapters were introduced for grade 5-8 students' curricula. A memorandum of understanding was signed with UNIDO to implement productivity projects with cluster based approach. He also informed the meeting that the NPO was planning to

launch a presidential productivity award from December 2004 and the NPO was launching its video conferencing facilities from April 2004, which could be utilized by other NPOs. Speaking about the agriculture issues he informed that the meeting that the NPO had organized a number of training programs and was implementing organic farming cluster, jointly with UNIDO. He further agreed with the existing thrust areas and requested for additional courses under BCBN or Member Country Support program.

The Agriculture delegate from Pakistan suggested the following three areas of improvement in agriculture productivity: a) modernization of irrigation, drainage network and systems together with investment in water conservation and land rehabilitation; b) Access to competitive sources of finances and c) technology for higher production and value addition.

Philippines

The NPO delegate from the Philippines shared the current concerns and challenges for the NPO in the Philippines, which included: a) strengthening the institutional infrastructure for productivity; b) mainstreaming productivity and quality (P&Q) in national development plan; c) strengthening productivity movement in the various regions of the country; d) inadequate resource support and access for P&Q promotion. To address these challenges, a five-year action agenda was adopted in 2002. With regard to the agriculture issues, he informed the meeting about the NPO's role in improving productivity in agriculture; which included development/implementation of programs/projects in line with the national action agenda for the productivity in agriculture; Green Productivity dissemination program in livestock industry and promotion of agriculture productivity in the regions. He further emphasized on the need to review the thrust areas and made proposals for the new subject areas under the APO two-year plan for consideration of the meeting. These included: APO collaborative program on knowledge management, Asian forum on value added venture in agri-business, development of quality class program for local government units; certificate course on P&Q management.

Singapore

The NPO delegate from Singapore highlighted the two challenges faced by SPRING Singapore: a) emerging importance for innovation driven productivity improvement and b) need to retool and reskill the workers for adapting to the changing business conditions. He further informed the five strategies to address these challenges as: Create the environment for Innovation and Entrepreneurship; Help the SMEs to get a greater access to finance; Culture of Service Excellence; Domestic Cluster Development and Standardisation for Productivity at factory / industry level. He added that the APO's five thrust areas had served the APO member countries well as the basis for program formulation and two areas, strengthening SMEs and DON, are especially relevant to Singapore. He proposed the following to be included in the plan: a) Innovation and Entrepreneurship; b) Access to Finance for SMEs; c) Expanding Economic Space for SMEs through Free Trade Agreements (FTAs) and d) Improving the Quality of the Business Environment.

Sri Lanka

Mr. Ananda Vimalaweera presented on behalf of Mr. Jayatilake, the NPO delegate from Sri Lanka and said the country was one of the longstanding members of the APO, and with the assistance provided by the Secretariat, Sri Lanka had been able to implement a number of

important programs for productivity improvement. He added that 2003 was a landmark for Sri Lanka as the Ministry of Employment and Labor, under whose purview the subject of productivity comes, had taken action to formulate a national policy on productivity in both the public and private sectors. He added that action had been taken to establish the National Productivity Secretariat.

He further added that there were a number of current concerns and challenges for the NPO, including shortage of funds, a lack of expertise in productivity improvement, a lack of commitment on the part of the top level bureaucracy, and a resistance to change. On the NPOs role in promoting agriculture, he added that agriculture constituted about 18 percent of the GDP, and a large percentage of the population lived on agriculture. He also informed that recurring droughts and floods affected Sri Lanka. As such, he said, agriculture was an important sector where productivity needed to be focused.

Thailand

The NPO delegate from Thailand said that in the wake of 1997 financial crisis, the Thai economy was getting back on track, however; the competitiveness ranking for Thailand was still low. He further added that globalization presented opportunities as well as threats. He also informed the meeting that the FTPI was preparing a master plan for enhancing competitiveness in the country and would focus on national, sectoral, farm and individual levels. To achieve the ultimate objective of competitiveness in global market, four missions had been identified – creating productivity movement, promoting productivity networks, building productivity database and knowledge creation; and integrating/facilitating and monitoring productivity improvement program. These missions would be supported by four strategies – creating nationwide awareness; upgrading skills and knowledge; conducting information and analysis and developing KM and aligning/integrating national productivity program. With regard to agriculture productivity, food safety and hygiene and commodity pricing were major challenges which Thailand needed to address for global competitiveness. He further commended the APO for making a shift to more category B and C projects in line with the recommendations by the GBM. He said that while the current five thrust areas remained valid, programs and projects could be redefined.

Vietnam

Ms. Nguyen Thi Bich Hang, the NPO delegate from Vietnam informed that the thrust areas for NPO Vietnam were identified as GP-ICD, Strengthening SMEs, and Knowledge Management. She said the GP-ICD projects had the objective of improving the living standards of people while protecting the environment, and added that over the last 5 years, 82 villages in Vietnam had embraced GP, and VPC was ready to transfer their learning and experiences to other member countries. On reflection she added that there was a need to change from small activities to national programs and developmental type projects which had wider coverage and effectiveness. She added that VPC remained to be the champion of the country's productivity movement.

On SMEs, she said the objective was to assist SMEs in improving productivity and quality thereby enhancing their competitiveness in the globalization process. On KM, Ms. Hang said the objective of VPC was to develop internal knowledge and strength and build a Center of Excellence in knowledge management. She added that VPC was keen on using KM as an approach to community development and share its software on KM and CRM with other

NPOs and member countries. She added that Vietnam was ready to assist new member countries like Laos which had similar background and problems like Vietnam. She mentioned that Vietnam still needed a lot of technical expertise especially from Japan, India, Singapore and Malaysia to enhance productivity in the country, and that VPC was also developing training and consultancy services and collaborating with other agencies as well.

On recommendations to the APO, she said there needed to be 1) more country specific projects, 2) development of a network for joint fund for development of APO member countries, i.e., SIGN3, and 3) Enhancing APO capacity in developing NPOs through application of IT and strengthening knowledge management.

Mr. Tajima expressed appreciation for all the country papers and remarks by NPO and agriculture delegates. He also expressed special appreciation to the offer from the Japanese Government on the Trust Fund for APO's agricultural program for the coming for the five years. The same special appreciation was expressed to the Malaysian delegate for hosting Eco-products Exhibition in September 2004.

Agenda Item 12 - STRATEGIC PLANNING COMMITTEES

Two Strategic Planning Committees were constituted, under which five groups, three for industry and service and two for agriculture, were formed for intensive discussion.

REPORT OF THE STRATEGIC PLANNING COMMITTEE ON INDUSTRY AND SERVICE SECTORS

Preamble

The Strategic Planning Committee of Industry and Service Sectors under the chairmanship of Mr. Jone Usamate, NPO delegate from Fiji, was divided into 3 groups. Group I comprised of India, Islamic Republic of Iran, Japan, Mongolia, Nepal, and Malaysia was chaired by Mr. Mah Lok Abudullah, NPO delegate from Malaysia. Group II comprised of Republic of China, Fiji, Indonesia, Republic of Korea, Sri Lanka, and Vietnam was chaired by Ms. Nguyen Thi Bich Hang, NPO delegate from Vietnam. Group III comprised of Bangladesh, Lao PDR, Philippines, Singapore, Thailand, and Pakistan was chaired by Mr. S. Mohyuddin, NPO delegate from Pakistan. The groups covered the following four topics for deliberations; 1) current concerns and challenges for the activities of the NPO, 2) NPO's role in improving productivity in the agriculture sector, 3) review of the present thrust areas of the APO, and 4) proposals for new subject areas and projects to be considered under the APO Two-Year Plan for 2005 and 2006.

I Current concerns and challenges for the activities of the NPOs

1. Effects and impacts brought about by globalization on member countries are enormous as it has not only accelerated competition across national borders but also the flight of trained manpower. Therefore all member countries expressed the need for human resources development in order to meet the continuous challenges and changes in business environment. The capacity and capability building of NPOs is called for. It was also suggested that NPOs should identify opportunities that globalization would bring to their respective countries.
2. The pervasive changes caused by globalization led to at least two major and immediate challenges for the NPOs. One was to come up with a new definition of the concept of productivity by taking into account the changing socio-economic realities and requirements. The other was to reposition productivity itself, namely to place it in the strategic position at the center stage of national development plans. This would constitute a big change compared to the current position of productivity being applied at the micro and operational level of firms and organizations.
3. The formation and expansion of networks and partners in productivity promotion posed another challenge to the NPOs as more often they were not funded by their governments for productivity promotion. External collaboration will help NPOs get recognition and elevate their status to the national level. The collaboration of this kind will also lead to greater visibility, higher multiplier effects, and better funding position. In this connection, outsourcing becomes an important strategy to overcome manpower and financial constraints.
4. In the light of the significant position of SMEs in the national economy and due to the fast changing business environment, development of the framework to promote innovation as well as programs for SME retooling for technical, marketing and finance assistance are considered as an important challenge.
5. The main challenge to the NPO was to shorten the process of development and leapfrog the productivity movement so as to make it a premier organization in productivity promotion. NPO's role should be that of coordinator and facilitator for various agencies working in different sectors and aligning them in the national productivity movement. It is important to recognize the different stage of development among member countries and different level of

development among NPOs which would affect the realization of APO's mission and objectives.

6. NPOs needed to be cost effective, innovative and result-oriented. They should take advantage of the new opportunities provided by the development of ICT in delivering their services and understand the applicability of knowledge management to further strengthen their operations, programs and services.

7. It was suggested that the NPOs should undertake a number of concrete actions that would help them stay tuned with the evolving developments. The suggested actions to strengthen capacity and capability of NPOs included productivity white paper, productivity road map which shows priority of future activity, productivity measurement including TFP, productivity education, awareness creation in public and private sectors, promotion and measurement of productivity in the public sector.

8. With regard to the issues pertaining to APO projects, the committee felt that the policy guidelines should be worked out in regard to the classification and percentage of projects under Category B and C. Further careful consideration should be given to the extent of depth while addressing specialized subject areas. Cost per participant in the APO program should always be kept in view and IT-based seminars and training courses should be considered for maximum number of participants. With a view to obtain continued support from decision makers in public and private sectors and to gauge the effectiveness of APO programs, it is crucial to measure the impact of the programs undertaken by APO and NPOs. ✓

II. NPO's role in improving productivity in the agricultural sector

1. It was pointed out that some NPOs do not have the mandate to undertake activities in agriculture, and those were covered by separate institutions. However, it was unanimously agreed that the NPOs should continue to build and nurture close coordination and cooperation with the respective Agriculture Ministry and other agriculture related institutions, since Agriculture sector continue to be significantly important for all member countries.

2. Under such circumstances, it was agreed that the focus of the activities of NPOs would be those such as entrepreneurship development in farms, cooperative farming, environment or GP, the agriculture productivity measurement, agro-industry, better marketing of Agriculture Products, IPR like in the case of herbs/traditional medicines and IT for Rural Development.

3. It was also pointed out that the APO should coordinate with other international agencies such as FAO, ADB and UNDP etc. to avoid duplication to ensure the synergy effect.

III. APO Thrust Areas

1. It was widely shared by the committee that the present thrust areas of the APO continue to be relevant and useful for member countries. Hence it was recommended that the APO continued with the existing 5 thrust areas of Knowledge Management, GP; SMEs, ICD and DON.

2. The committee strongly felt that clear and common definition of thrust areas and subject classifications were needed, and that a special task force could be constituted to undertake a separate and detailed exercise to review and streamline the thrust areas and its linkage to APO vision, mission based on three pillars, goals and objectives. It was mentioned that 2 thrust areas, namely SME and DON were the beneficiaries and recipients of services, while the others were more like subject areas, and it appeared somewhat confusing. Also, one opinion was expressed that the budget allocation for Green Productivity could now be reduced. As such, the issues of budget allocation vis-à-vis thrust areas need to be further reviewed and rationalized.

3. In addition, the committee suggested the following additional thrust areas for consideration.

a. Recognizing that importance of the governance of the subject of productivity, it was recommended that the APO should look into the possibility of adopting “Productivity Governance” as a new thrust area. The precise scope of the subject matter would need to be refined further. Toward that end, one of the practical approaches that might be considered by the APO was to include and expound on the topic in one of the coming projects.

b. Another priority subject area the APO should take up and promote was the productivity of the public sector. The Government constitutes a critically important partner of the NPOs. Efforts by the NPOs to identify the means and strategies to enhance the productivity of public organizations would therefore likely be a major contribution.

IV Proposals for new subject areas and projects to be considered under the APO Two-Year Plan for 2005 and 2006

1. Most member countries agreed that the current subject areas were appropriate for the time being. It was recommended, however, that the following new subject areas could be considered by the APO Secretariat: (1) Social fairness / poverty alleviation, (2) Good governance / public sector productivity, (3) Productivity measurements and analysis, (4) Capacity building on research and planning for NPOs, (5) Access to financing for SMEs, (6) Entrepreneurship development in public education, (7) KM specialist program, and (8) Development of capabilities on monitoring and evaluating productivity programs. It was especially expressed that the APO, as an international institution about productivity, should do more work on productivity measurement area and compile industry wide productivity indices. It was also suggested that the APO and NPOs should further extend productivity movement into the public sector.

2. Regarding the APO Two-Year Plan for 2005 and 2006, most member countries expressed their general concurrence and support to the Plan, together with the various specific comments expressed during the country paper presentation session. They also expressed, however, that most NPOs were negotiating with their governments for budget and details of actual projects to be hosted were to be communicated to the APO Secretariat later. Wherever necessary, therefore, the APO Secretariat was requested to make appropriate adjustments to reflect and accommodate the member countries' need and requirements.

3. Some member countries additionally requested that the APO should undertake projects relating to the following topics: (1) intellectual property rights, (2) alternate dispute arbitration methods, (3) demonstration projects for greater impact and multiplier effects, (4) more innovative projects, and (5) higher visibility projects

REPORT OF THE STRATEGIC PLANNING COMMITTEE ON AGRICULTURE SECTOR

The Agriculture Strategic Planning Committee met under the chairmanship of Mr. L.K. Hathurusinghe, Agriculture Delegate from Sri Lanka, to deliberate on the following topics:

- A) Concerns and challenges for the activities of NPOs/concerned Ministries
- B) NPO's role in improving productivity in the agriculture sector
- C) Review of the present thrust areas
- D) Proposals of new subject areas for consideration in the APO Two-Year Plan for 2005 and 2006

To achieve a more thorough discussion of the above topics the Committee was divided into the following two groups:

Group I Bangladesh, Rep. of China, Fiji, India, Indonesia, Iran, Japan, Rep. of Korea and Lao PDR

Moderator: Dr. Mohammad Hossein Emadi
Agriculture Delegate from Islamic Rep. of Iran

Rapporteur: Dr. Kaman Nainggolan
Agriculture Delegate from Indonesia

Group II Malaysia, Mongolia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand and Vietnam

Moderator: Ms. Rahimah Md. Said
Agriculture Delegate from Malaysia

Rapporteur: Mr. L.K. Hathurusinghe
Agriculture Delegate from Sri Lanka

A summary of the main observations and recommendations that ensued from the deliberations follows:

Topic A: Concerns and challenges for the activities of NPOs/concerned Ministries

Impact of globalization

A major challenge identified was the impact of globalization on farmers and SMEs. It was observed that globalization would have a negative impact if a country failed to respond correctly. Thus, while the economic and socio-political aspects of globalization were being discussed in various WTO forums, it was suggested that the APO could contribute by

introducing more practical measures aimed at improving productivity and competitiveness of its member countries through human resource development.

Strengthening NPO-Agriculture Sector Linkages

The weak linkage between the NPO and the agriculture sector had been identified as a continuing major concern by a number of member countries. In this regard, it was noted that over the years some countries had been able in fact to address this concern successfully through the establishment of advisory committees/councils or focal points in the Ministry of Agriculture. Such bodies had been instrumental in enhancing the impact of APO programs through better selection of candidates thus providing a better multiplier effect, and through more efficient organization/hosting of projects. Thus, in recognizing that each country had its own specific conditions and institutional set-up, it was suggested that a comparative study of the experiences of member countries be conducted in this regard with the view of adopting more effective mechanisms.

Topic B: NPO's role in improving productivity in the agriculture sector

To improve productivity in the agriculture sector, the Delegates suggested that NPO perform the following specific roles:

1. Facilitate the establishment of a benchmarking network on agricultural management and provide information on best agricultural practices
2. Conduct demonstration projects for capacity building in management and skills training
3. Set up an award/incentive systems to improve the productivity of the agriculture sector
4. Allocate more NPO resources for the enhancement of agricultural productivity

Topic C: Review of the present thrust areas

The Delegates all agreed that the current five thrust areas of the APO were still valid and thus should be fully supported. In this regard, however, they noted that agriculture should not be overlooked and that the thrust areas were as much relevant to agriculture as they were to the other sectors.

With regard to the three specific thrust areas for agriculture (namely, agricultural marketing/processing, sustainable development in agriculture and integrated community

development) the Delegates also found them to be appropriate as they were reflective of the priority needs of member countries. Information on best practices on marketing and processing, for instance, would be very useful to member countries in enhancing their competitiveness and promoting value addition and more market opportunities for processed products.

Topic D: Proposals of new subject areas for consideration in the APO Two-Year Plan for 2005 and 2006

The Delegates confirmed all the projects listed in the Two-Year Plan, subject to the final approval of respective governments.

The following new proposals were made:

For 2005:

SEM on Post-harvest Management and Food Safety for Improvement of Marketing and Processing (Iran)

OSM on Good Agronomic Practices (GAP) for Leafy Vegetable Production (Singapore)

Details of the programs would be made available to the APO Secretariat later.

For 2006:

Pilot Project on ICD in Agriculture (Indonesia)

Workshop on Adjusting Research and Extension System for Knowledge Management (Iran)

Agenda Item 14 - ADOPTION OF APO TWO-YEAR PLAN; APO PROGRAM AND FINANCIAL ESTIMATES FOR 2005 AND 2006

Agenda Item 15 - ADOPTION OF THE WORKSHOP REPORT TO THE 46TH SESSION OF THE GOVERNING BODY

Agenda Item 16 - ANY OTHER BUSINESS AND OBSERVERS' STATEMENTS

Agenda Item 17 - CLOSING STATEMENTS