

54th Session of the APO Governing Body
17–19 April 2012, Singapore

Tentative Daily Itinerary

Day 1:	Tuesday, 17 April 2012
08:30–	Registration
09:00–12:00	Preparatory Meeting (Meeting Room 203, Level 2, Suntec) <i>(Closed-door meeting among Heads of Delegation)</i>
12:00–12:10	<i>Group Photo for APO Directors only</i>
12:10–14:00	<i>Lunch (Meeting Room 306, Level 3, Suntec)</i>
14:00–15:00	Inaugural Session (Meeting Room 303-305, Level 3, Suntec) <ol style="list-style-type: none">1. Welcome Remarks by APO Director for Singapore Png Cheong Boon2. Opening Address by APO Chair Somdy Inmyxai3. Inaugural Address by Minister of State Lee Yi Shyan, Ministry of Trade and Industry and Ministry of National Development4. Introduction of Heads of Delegations by the APO Secretary-General
15:00–15:30	<i>Group Photo & Coffee Break</i>
15:30–17:00	Plenary Session I (Meeting Room 303-305, Level 3, Suntec) <ol style="list-style-type: none">5. Election of APO Chair and Vice Chairs for 2012/20136. Approval of Agenda (Docs. No. 1 & 1-A)7. Annual Report of the Secretary-General (Doc. No. 2)8. Financial Report for the Year 2011 (Doc. No. 3)9. Appointment of Auditors for 2012 (Ref. No. 1)10. Report of the 52nd Workshop Meeting of Heads of NPOs to the Governing Body (Doc. No. 4)11. Report on Options for the Relocation of the APO Secretariat Office (Ref. No. 2)12. Report on the Review of the APO Membership Contribution Formula by the Task Force (Ref. No. 3)13. Approval of the APO Preliminary Budget for the 2013–2014 Biennium (Doc. No. 5)
18:30–21:00	Welcome Dinner hosted by APO Chair (Meeting Room 301-302, Level 3, Suntec)

- Day 2: Wednesday, 18 April 2012**
- 08:30–10:00 **Plenary Session II (Meeting Room 303-305, Level 3, Suntec)**
14. Policy Directives—Statements by Directors
- 10:00–10:25 *Coffee Break*
- 10:25–11:35 14. Policy Directives—Statements by Directors (Continued)
 15. Any Other Business
- 11:45–13:45 *Lunch hosted by APO Director for Singapore (Meeting Room tbc, Suntec)*
- 14:00–17:00 16. Business Excellence (BE) Winners’ Sharing Conference
 (Ball Room 3, Level 2, Suntec)
- Day 3: Thursday, 19 April 2012**
- 09:30–11:00 **Closing Session (Meeting Room 303-305, Level 3, Suntec)**
17. Adoption of the Summary Record of Proceedings and Decisions
 18. Closing Statements
- 12:00–13:30 *Lunch (Meeting Room 306, Level 3, Suntec)*
- 14:00–17:00 Business Excellence (BE) Winners’ Sharing Conference
 (Ball Room 3, Level 2, Suntec)

(As of 16 March 2012)

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LIST OF DELEGATES

Bangladesh

APO Director Mr. K.H. Masud Siddiqui
Secretary
Ministry of Industries

APO Alternate Director Dr. Md. Nazrul Islam
Director
National Productivity Organisation
Ministry of Industries

Cambodia

APO Director Mr. Chea Sieng Hong
Secretary of State
Ministry of Industry Mines and Energy

APO Alternate Director Mr. Yea Bunna
Director
National Productivity Centre of Cambodia
Ministry of Industry, Mines and Energy

Republic of China

APO Alternate Director Dr. Ming-Ji Wu
Director General
Department of Industrial Technology
Ministry of Economic Affairs

Adviser Dr. Pao-Cheng Chang
President
China Productivity Center

Adviser Mr. Chao-Yang Hung
Technical Specialist
Department of Industrial Technology
Ministry of Economic Affairs

Adviser Mr. I-Ju Chen
Officer
Department of International Organizations
Ministry of Foreign Affairs

Adviser
Ms. Lihkuan Lee
Chief
APO Affairs Team
China Productivity Center

Adviser
Ms. Karen Hsueh
Project Manager
APO Affairs Team
China Productivity Center

Fiji

APO Director
Mr. Taito Waqa
Permanent Secretary
Labour Industrial Relations & Employment
Ministry of Labour, Industrial Relations and Employment

APO Alternate Director
Mr. Kamlesh Shashi Prakash
Director
National Training & Productivity Centre
Fiji National University

India

Acting APO Director
Dr. Shishir Kumar Chakravorty
Deputy Director General
National Productivity Council

Indonesia

APO Director
Mr. Abdul Wahab Bangkona
Director General
Training and Productivity Development
Ministry of Manpower and Transmigration

Adviser
Mr. Muhammad Arief Priowahono
Staff for the Contribution and Candidature
Secretariat of Directorate General for Multilateral Affairs
Ministry of Foreign Affairs

Adviser
Mr. Kunjung Masehat
Director
Competency Standards and Training Program
Directorate General of Training and Productivity Development
Ministry of Manpower and Transmigration

Adviser
Mr. Suhandu
Head
Cooperation Productivity and Entrepreneurship Development
Section
Directorate of Productivity and Entrepreneurship
Directorate General of Training and Productivity Development,
Ministry of Manpower and Transmigration

Islamic Republic of Iran

APO Director
Dr. Ali Rezaian
Head
National Iranian Productivity Organization

APO Alternate Director
Dr. Mahmood Ghanizadeh
Director
National Iranian Productivity Organization

Japan

APO Alternate Director
Mr. Mitsuhiro Wada
Deputy Director-General
International Cooperation Bureau
Ministry of Foreign Affairs

Adviser
Ms. Chie Sugino
Official
Country Assistance Planning Division I
International Cooperation Bureau
Ministry of Foreign Affairs

Adviser
Mr. Masayoshi Matsukawa
President
Japan Productivity Center

Adviser
Mr. Manabu Fujii
Director
International Cooperation Department
Japan Productivity Center

Adviser
Ms. Sayaka Harada
Senior Project Officer
International Cooperation Department
Japan Productivity Center

Republic of Korea

APO Director

Mr. Hong Jin
Chairman & CEO
Korea Productivity Center

Adviser

Mr. Jun-Ho Kim
Director
International Cooperation Department
Korea Productivity Center

Adviser

Mr. Taiho Kang
Senior Project Manager
International Cooperation Department
Korea Productivity Center

Lao PDR

APO Director

Mr. Somdy Inmyxai
Director General
Small and Medium Enterprise Promotion and
Development Office
Lao National Productivity Organization

Malaysia

APO Director

Mr. Azman Hashim
Chairman
Malaysia Productivity Corporation

APO Alternate Director

Mr. Mohd. Razali Hussain
Director General
Malaysia Productivity Corporation

Adviser

Mr. Khidzir Ahmad
Consultant
Malaysia Productivity Corporation

Mongolia

APO Director

Mr. Yamaaranz Erkhembayar
Chairman of the Board of Directors
Mongolia Productivity Organization

Nepal

Acting APO Director

Mr. Narendra Raj Baral
Officiating Director General
Department of Cottage and Small Industries
Ministry of Industry

Pakistan

Acting APO Director

Mr. Khawaja Muhammad Yousuf
Chief Executive Officer
National Productivity Organization

Philippines

APO Director

Ms. Margarita R. Songco
Deputy Director General
National Economic and Development Authority

Adviser

Mr. Carlos A. Sayco, Jr.
Vice President
Development Academy of the Philippines

Singapore

APO Director

Mr. Png Cheong Boon
Chief Executive
SPRING Singapore

APO Alternate Director

Dr. Woon Kin Chung
Executive Director
Productivity Programme Office and Corporate Services
SPRING Singapore

Adviser

Mr. Rajeshpal Sandhu Singh
Manager
Productivity Programme Office
SPRING Singapore

Sri Lanka

APO Director

Mr. Lalith Kannangara
Secretary
Ministry of Productivity Promotion

Thailand

APO Director

Dr. Witoon Simachokedee
Permanent Secretary
Ministry of Industry

APO Alternate Director

Dr. Phanit Laosirirat
Executive Director
Thailand Productivity Institute

Adviser

Mrs. Tassaneeya Trakoonsatjawat
International Relations Department Manager
Thailand Productivity Institute

Adviser

Mr. Tinnawat Kaewsawee
Environmentalist
Ministry of Industry

Vietnam

Acting APO Director

Dr. Vu Van Dien
Deputy General Director
The Directorate for Standards, Metrology and Quality

APO Alternate Director

Mr. Nguyen Anh Tuan
Managing Director
Vietnam Productivity Centre

Adviser

Mrs. Vu Thi Thuy Ha
Director
Organization and Personnel Department
The Directorate for Standards, Metrology and Quality

Observers

The Colombo Plan

Mr. Adam Maniku
Secretary-General
The Colombo Plan

Pan African Productivity Association (PAPA)

Ms. Purity Wachuka Kamau
Acting Director
Productivity Centre of Kenya
Kenya

Mr. Silas Muyela
Finance Officer
Ministry of Labour
Kenya

Ms. Mokgadi Mahlakgane
Manager
CEO's Office
Productivity SA
South Africa

Singapore Productivity Association (SPA)

Mr. Low Hock Meng
Executive Director

Ms. Low Lee Keng
Manager of Marketing, Membership & Business Development

Mr. Ashton Chionh
Assistant Manager

Ms. Yvonne Chan
Assistant Manager

Turkey

Mr. Anil Yilmaz
Director General for Productivity
Ministry of Science, Industry and Technology

Strategies for Growing the APO

The Republic of China

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1. Introduction

The 50th anniversary of the APO has marked a monumental milestone and turning point for the APO and its members. On the one hand, we together have achieved something to be proud of; on the other hand, there are daunting challenges ahead for all of us, especially referring to the development of globalization. To be specific, the current economic turbulence at the global scale has spotlighted an important issue of how to promote productivity growth in APO member countries in a sustained way for years to come, not to mention the growing pressure imposed by the global trend of sustainable development. Therefore, the APO and its members together need to set new agendas and goals to look beyond the medals for today.

2. Growth Bottlenecks of APO Members

The recent two global financial crises are unprecedented because they originated from the developed world. Their overwhelming impacts arguably can undermine the base on which APO members have grown their economies. To quite an extent, APO members as a whole used to benefit a great deal from taking due part in global value chains (GVCs), which link up design and production capabilities and capacities in the Asia-Pacific with product architecture and market demands in the developed world, via the vehicle of a few brand marketers and/or multinational corporations (MNCs). However, there are grounds to suggest that the rise of China has accelerated the pace of globalization and even posed “Chinese challenge”, in terms of Chinese firms’ flocking-in GVCs with cost advantages. In addition, there would be a reverse trend of offshoring activities by MNCs from the advanced countries, especially taking into account the fact that the United States has turned to the strategy of “re-industrialization”, which might pose challenges to the mainstream model of economic development in a few Asia-Pacific countries.

Moreover, the current global economic turmoil has resulted in the wane and wax of the global north and south, with the global economic center of gravity shifting towards Asia. The global economy and international export market may not soon recover, given the current economic downturn in the European Union and United States. It is therefore essential for the Asian countries to exploit intra-regional markets via unleashing own market potentials. In doing so, the emerging markets are faced with the limitations of traditional macro fiscal and liberalization policies, but

from the perspective of “good enough” innovation, they can overcome the situation through the creation of a massive market space, which used to be underserved or underexplored in the emerging markets and developing countries.

On balance, APO members together have to formulate new development models to come to terms with the following growth bottlenecks in the APO region. Firstly, productivity growth in the Asian-Pacific countries that have relatively advanced manufacturing capabilities has been on a trend of slowing down. This may bring about negative externalities to their neighboring peer countries in terms of economic growth. Secondly, it is important for APO members to enhance productivity growth via promoting the service sector, which however has been either subject to benign neglect or beset by lack of business model innovations in many of the member countries. Thirdly, the agriculture sector, which is still important to some of the APO members, has to deal with the problem of leveraging new appropriate technologies at a slow pace. Fourthly, soaring energy prices tend to undermine efforts to promote productivity growth. To deal with this issue involves both challenges and opportunities for economic and industrial development. Fifthly, it is generally perceived that many countries in the Asia-Pacific cannot be self-reliant in technology and lack experiences in intellectual property management in order to capitalize on cross-border knowledge flows and transfers.

The above-mentioned structural shift in international economy has indeed come to our attention among local political and opinion leaders in the Republic of China, calling for new policy thrusts in order to come to terms with the changing ground realities. That is why the Taipei meeting in celebration of the 50th anniversary of the APO was entitled “Sustainable Socioeconomic Development of the Asia-Pacific Region by Enhancing Productivity and Promoting Innovation”. I would like to take this opportunity, on behalf of my country, to thank all of those who had attended the ceremony in Taipei.

3. Recommendations for “Strategies for Growing the APO”

The agenda for the APO meeting this year is “Strategies for Growing the APO”. Along with this line, the APO proposes to “expand its activities throughout the Asia-Pacific and increase its membership base at the same time”. The Republic of China welcomes the APO taking the initiative in this move, and would like to emphasize the importance for the APO to enhance its value to its members and the global society as a whole. The time is also ripe for the APO to do so, given the fact that the economic

malaise in the EU and the US has made the Asia-Pacific an important actor in stabilizing the global economy and gathering momentum for the revitalization of the global economy. Committed to this role, the Republic of China would like to invite joint force with the other members to contribute to the following strategic directions.

Strategy 1: To promote economic and social development by capitalizing on cloud computing

Surging on the horizon are cloud computing technologies and applications, which may have profound impacts on many spheres of the economy and society. Many segments of business opportunities, not confined to the geographical boundaries, will arise around the introduction of cloud computing, including IaaS (Infrastructure as a Service), PaaS (Platform as a Service) and SaaS (Software as a Service). A typical example at issue is Apple's iTunes and App Store, which have helped the Finnish creators of Angry Birds to revitalize their business. Also, migration to digital services and cloud computing has prompted some, if not many, of Taiwanese ICT (Information and Communication Technologies) players to embark on the servitization of manufacturing, in the form of either "mixed offer" of both goods and services or "total offering". This entails a substantial change in their innovation mindsets and business models. For example, in the firm's strategic move towards cloud computing, HTC, a Taiwanese leading brand in mobile device, has to change its product strategy "from hardware innovation to hardware, software and experience holistic innovation". It is therefore essential for APO members to keep abreast of the development of cloud computing with appropriate means of mutual sharing and learning under the APO coordination.

Strategy 2: To promote green productivity for sustainable development

Mounting pressures of environmental concerns and global climate change have brought about policy alert for all of us not to ignore the importance of green productivity. For one thing, the Asia-Pacific is an important part of GVCs for many industrial sectors. It is therefore essential for industrial players in the region to work along with other players involved elsewhere to forge green value chains. For another, sustainable development requires substantial changes in the way that the economy and society function in an environment-friendly manner. Green energy, products, and even lifestyle, to name just a few, are important elements of these changes. Best practices and recipes that can effectively foster green productivity need to be

collected and shared among APO members. Against this backdrop, the China Productivity Center (CPC) in the Republic of China feels obliged to launch a Center of Excellence (COE) project for green productivity for the term 2013-2015, hopefully with the other NPOs' full support under the APO coordination.

Strategy 3: To foster ICT-enabled productivity growth

It has been well-documented that ICT applications are essential to productivity growth. The Asia-Pacific has been an important part of GVCs, led by a few brand marketers in ICT hardware and software, involving such countries as the Republic of China, the Republic of Korea, Malaysia, Thailand, China, India and the Philippines, but many of the APO members are in the middle of stepping up their efforts in ICT applications in order to overcome "ICT productivity paradox". In the ICT manufacturing sector, which has taken lead in ICT-enabled productivity growth, inter-organizational and cross-border production networks in the "bricks and mortar" world have indeed been transformed into virtual supply networks and collaborative communities. However, much remains to be done for the service and agriculture sectors to get involved in ICT-enabled productivity growth. In our experiences, convenience chain stores, like 7-Eleven and Family Mart, which have occupied numerous street corners and hot spots in major cities in Taiwan, have become outposts of numerous public and private services, thanks to ICT applications and changes in business models. For another, e-healthcare services catering to the healthcare and wellbeing need of the elderly and/or people with chronic diseases are actively promoted, with my department's sponsorship. In the agriculture sector, ICT applications have proven useful in expanding market access, improving production planning and quality assurance, and so on.

It is therefore advisable for the APO to take the initiative to foster ICT-enabled productivity growth for mutual prosperity among the member countries, especially regarding the service and agriculture sectors. Based on our accumulated experiences and persistent efforts in promoting ICT applications, with a series of initiatives ranging from e-Taiwan, m-Taiwan, i-Taiwan to u-Taiwan over the last decade, the Republic of China is also in a due position to assist some of the APO members in this regard.

Strategy 4: To encourage the formulation of Green Deal in APO member countries

In spite of the fact that many of the APO members are latecomers on the ladder of

industrialization, all of us share common interest and shoulder the same responsibilities in environmental conservation and adaptation to global climate change and warming. The European Union has indeed put forward an ambitious plan to fight global warming, known as the "20-20-20" targets. These are: (1) a reduction in EU greenhouse gas emissions of at least 20% below 1990 levels; (2) 20% of EU energy consumption to come from renewable resources; and (3) a 20% reduction in primary energy use compared with projected levels, to be achieved by improving energy efficiency. In doing so, the European Union aims to not only transform its economy and society in an appropriate way but also explore emerging opportunities in renewable energy and related services, such as ESCO (Energy Service Company).

To catch up with this trend, it is advisable for the APO and its members to take the initiative to formulate a "Green Deal". Of note is the fact that some of the APO members took leading places in IMD's (International Lausanne Management Institute) World Green Technology Competitiveness rankings for 2010, including Japan (2nd), the Republic of China (6th), Singapore (14th) and the Republic of Korea (15th). By championing the idea of a "Green Deal" and with an appropriate mechanism for mutual learning, all of the APO members can jump on the bandwagon to live up to our responsibilities in the global society.

Strategy 5: To promote open innovation within the APO and beyond for mutually beneficial growth

It is well-known that innovation is vital to the prosperity of an entity on a variety of contours of the global society. However, as argued by John Seely Brown, the Director Emeritus, Xerox Palo Alto Research Center, "today we are faced with the extra problem that our ideas of innovation have gone stale. So we need to be innovative in the area of innovation itself". Professor Chesbrough hence champions the concept of open innovation, challenging the traditional innovation paradigm, in which there is one company, the owner of the innovation, in charge of the innovation process. The reason to promote open innovation is that many innovations intrinsically require collective efforts, involving different stakeholders to act cooperatively, to generate ideas and knowledge, and to collectively move toward a greater common goal. In our experiences, open innovation applies not only to the corporate and national levels, but also to the international scale.

Indeed while many countries in the Asia-Pacific cannot be self-reliant in technology, it is also equally true that globalization of technology has come to a stage that some

developing countries/regions have been transformed to become a source of R&D and innovation, not just a technology recipient and late-adopter as before. Following this, the developing players in the Asia-Pacific may serve as a partner of collective innovation, with their involvement at the early stage of the product life cycle. Such a view becomes evident in light of the fact that in Apple's strong fight back with iPhones, a few countries in East Asia together can be considered as the kingmaker. It is therefore essential for APO members to adopt the approach of open innovation to promote industrial and economic upgrades. This however requires due intellectual property management capabilities to effectively leverage appropriate technologies and expertise located elsewhere for mutually beneficial growth. By promoting mutual leaning and learning of the intellectual property management capabilities required, the APO obviously can play a catalytic role in forging an open innovation society for its members and beyond.

2. Conclusions

To "expand its activities throughout the Asia-Pacific and increase its membership base at the same time", it is advisable for the APO to take the initiative to approach similar international organizations for mutual learning and sharing. Even for the international organizations in the developed world, for example the European Union and OECD, our individual and collective experiences can be useful and insightful.

Finally but definitely not the least, the APO 50th Anniversary Special Publication, sponsored by the government of the Republic of China, is scheduled for its debut in this August. This publication, which is the APO's largest publication project to date, covers the key themes of innovation, productivity, and sustainability, contributed by more than 30 distinguished international and national experts in various disciplines. On behalf of our country, I would like to cordially invite the staff members of the APO and NPOs to join us in Taipei for this special event, which will capture the achievements of the APO and more importantly, map out its future role in the development of its members. My personal gratitude goes to you in advance for your participation.

