# Information to Make a Difference in Productivity

APO news

# APO/ASEAN Foundation energy efficiency and renewable energy project for Mekong subregion SMEs

On 30 January the APO and ASEAN Foundation agreed to implement a project relating to energy efficiency and renewable energy for SMEs in the greater Mekong subregion of ASEAN, focusing on reusing biomass waste in industrial boilers for energy recovery, with a duration of one year. The project covers Cambodia, Lao PDR, Myanmar, Thailand, and Vietnam.



The mission at Thai Boiler K Co., Ltd.

MEs in all these countries play a vital role in the economy. Traditionally, SMEs are low-tech manufacturing enterprises. In the context of energy management, most SMEs are not sufficiently knowledgeable of the efficient operation and management of equipment such as pumps, motors, and industrial boilers. SMEs rely on industrial boilers for the supply of steam for production processes. Such boilers generally use nonrenewable fuel such as coal, diesel, fuel oil, etc. This represents a heavy cost to small manufacturers, particularly when oil prices on international markets are skyrocketing. At the same time, due to inefficient use of boilers SMEs face pollution problems. There is thus ample opportunity for improving energy efficiency in SMEs, which could result in monetary benefits while simultaneously reducing resource waste and environmental impact. Moreover, there are tremendous opportunities for using biomass waste (agro-waste such as rice husk, rice straw, etc.), which is an excellent source of energy. Reutilizing such waste solves two problems in one effort.

The APO has long promoted Green Productivity to address the need for environmental protection and energy efficiency. Similarly, the ASEAN Plan of Action for Energy Cooperation 2005–2009 emphasizes energy efficiency and conservation and new and renewable sources of energy as priority areas for regional cooperation. Therefore the APO and ASEAN decided to undertake this joint endeavor to train and build the capacity of NPOs and other stakeholders in energy efficiency and renewable energy for SMEs through regional workshops, training courses, and e-learning and to disseminate knowledge on those issues widely in the region through publications and a Web site.

The project will be in three phases. From 17 to 21 July, a one-week regional workshop will be held in Bangkok, Thailand, with five participants from each of the five Mekong countries, focusing on capacity building related to energy efficiency and biomass boilers. This regional workshop will be followed by a national awareness building seminar in each country. National seminars, conducted in local languages, will involve 50 participants representing all stakeholders. The final phase of the project will be the

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"Whenever you see a legend, you can be sure, if you go to the very bottom of things, that you will find history."

#### Vallet de Viriville

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# p-Watch—Europe

# **The Cyprus Productivity Centre**

country of some 800,000 inhabitants with a per capita GNI of US\$17,580, Cyprus is the wealthiest of the new members admitted to the EU in 2004. But it is also Europe's only country to be split along the middle following the Turkish invasion of 1974, barely a decade after the establishment of its productivity center.

The Cyprus Productivity Centre (CPC) is Europe's sole productivity center to have been jointly established by the government and the International Labour Organization (ILO), the UN body that has subsequently set up productivity centers around the world from Barbados to Malaysia to Mauritius. As an ILO offspring, it is not surprising to observe the preponderant role played in the CPC by the Cyprus Ministry of Labour. CPC staff are civil servants of the ministry, with all the advantages and disadvantages that this implies: public finances as reliable income, with clearly defined salaries, promotion scales, and procedures.

"...the CPC's focus has been training in the pursuit of its goal: 'to assist private and public organisations to utilise their human and capital resources in the best possible manner, with a view to increasing their productivity.""

From its inception, the CPC's focus has been training in the pursuit of its goal: "to assist private and public organisations to utilise their human and capital resources in the best possible manner, with a view to increasing their productivity." Today the CPC, with its annual US\$5 million budget, provides a significant proportion of Cyprus's adult vocational training, ranging from car mechanics to plumbers and electricians to air-conditioning engineers. This training function enabled the CPC to play a national salvation role in the decade following the 1974 crisis: vocational training provided the skills base which helped transform a national 40% rate of unemployment,



caused by the influx of essentially agricultural refugees, into a highly efficient manufacturing and service society one decade later.

As times change, so does the CPC's training role. In cooperation with the national Human Resource Development Authority, the CPC now also provides accelerated basic vocational training to unskilled persons in industrial trades for which there are pressing needs in industry, contributing to holding the rate of unemployment to less than 5%. Through these programs, virtually all participants secure immediate employment in industry. This modification and others indicate that, despite obviously meeting national needs, there has been a continuing review of the evolving requirements for the vocational training role of the CPC. A similar questioning of the nature of the CPC's role has also developed in the area of management training.

The CPC's management training component provides a wide range of functional and general management courses for public administration. It was supplemented in 1976 with the creation of the Mediterranean Institute of Management (MIM). This provides a one-year international, and (for Cypriots) corporate-sponsored national, MBA-equivalent course that has provided the country and region with more than 400 much-appreciated graduates. With the establishment of two national universities in the past decades, the MIM's function has had to be periodically readjusted to ensure complementarity with academia. Remaining in close touch with the more immediate needs of business is its touchstone. The CPC also provides management consultancy and research. In theory, businesses can call on the CPC for one-day, free-of-charge consultancy that can then be extended at normal market rates. However, with 16 of the total staff positions of 45 unfilled (due to a government economy drive in its own services, which inevitably includes the CPC) consultancy is underprovided at present. However, over the years the CPC has acquired considerable experience in working on projects with third parties. Thus in 1995 it operated a productivity year campaign with publicsector trade unions to create awareness among civil servants of the importance of productivity, the need to maximize the effectiveness of their work, and the need to become customer oriented. This was followed by a national campaign in which 78 companies participated through focused projects, not simply exhortations.

"...despite obviously meeting national needs, there has been a continuing review of the evolving requirements for the vocational training role of the CPC."

On the other hand, the CPC's research activities are being increased. Current CPC projects focus on understanding the impact of education/training and technology on productivity (a key issue in the national strategy), developing training materials in energy saving, and exploring the possibilities of flexible forms of work organization to alleviate labor market shortages. The CPC's plans also include the development of a portal for business and the strengthening of the training infrastructure through e-learning.

The CPC has been particularly adept, perhaps too adept given its productivity focus and understaffing, at performing ad hoc functions rapidly at the behest of government. The most prominent has been its management role of EU action programs, particularly for joint learning with other EU member countries. Furthermore, the MIM organizes international

## by Anthony C. Hubert

seminars in cooperation with the ILO for high-level government employees and representatives of labor and employers' associations from the new EU members on such topics as labor administration, labor inspection, and pension reform. Currently, the CPC is launching a US\$2 million government grant scheme to encourage building contractors to upgrade their equipment to improve employees' health and safety, and hence productivity.

Despite its ILO parentage, the CPC has, as an integral part of government, not so far been able to develop into a truly tripartite body. However, a moribund attempt two decades ago to establish a joint productivity council consisting of representatives of trade unions and employers' bodies as well as government has now been relaunched with government authorization. The mission of the new tripartite Productivity Council is to formulate a national productivity strategy and program that can be implemented through projects and policy instruments. Back-up will be provided by a technical committee and ad hoc groups. Already a joint core concern is reforming apprenticeships, both in terms of reducing dropout rates and meeting the needs of the labor market in skilled personnel. The government has

already recognized the CPC as the competent authority for the apprenticeship system. Flexible working hours are another major productivity issue that can only be tackled by tripartite cooperation.

Thus, for four decades the CPC has played and continues to play a substantive, albeit continuously changing, national role in enhancing continuous learning and adaptation in an economy that has hauled itself to within striking distance of Europe's average wealth level by consistently achieving a much higher than average productivity growth rate. (2)

Anthony C. Hubert is President of EuroJobs, an organization he established to promote efforts to raise the quality of working life and productivity in Europe. He was formerly Secretary-General of the European Association of National Productivity Organizations. He writes regularly for this column.

# p-TIPS

Most SMEs start out staffed by the owner-entrepreneur's friends and families. But what happens when an enterprise grows toward "medium," specialized technicians are needed, or an employee leaves? Everyone has horror stories of how a botched hiring process resulted in workplace disharmony, lowered productivity, offended customers, or worse. The budget may not be in place for headhunting, but Pamela M. Belyn (http://www.allbusiness. com/articles/EmploymentHR/3880-33-1834.html?tipnews-12\_2) has sensible ideas for minimizing the chances of a disastrous hire.

- Write a realistic job description. Make a detailed list of tasks involved in the vacancy position, prioritize, and list the top three in an advertisement or the initial contact. If the job entails weekly post office runs, say so.
- Solicit referrals. Ask likely sources if they know of anyone suitable. They
  may have been contacted recently by a talented applicant when no openings
  were available.
- 3) Read resumes with a critical eye. Are there unexplained gaps in educational and job history? Does the candidate share any personal interests with you or others on your staff?
- Check references. Previous employers may only confirm dates, last rate of pay, and position, but this is still useful.

5) Perform background checks. These can be formal or informal, but a professional check may be a good idea if the candidate is to handle sensitive functions like payrolls.

Moving to hire ground

(Making a great hire)

- 6) Conduct personality testing. Such tests now give realistic results, and many consultants offer reasonably priced testing.
- Screen over the phone. Ten to 15 minutes' conversation can demonstrate speaking ability, grasp of phone etiquette, and interest in the job, saving interview time later.
- 8) Be a tough interviewer. Stick to open-ended questions when ascertaining how a potential hire would respond to a specific work situation.
- 9) Be flexible. If the position is full time but the perfect candidate wants part time, try job sharing or reducing the hours. Considering employees' quality of life opens up the human resources pool you can tap.
- Consider "temp to perm." Using a temporary agency takes some of the hassle out of the search for employees, but read the service contract carefully.



# **New APO publication**



# SOCIAL CAPITAL IN ASIA: An Exploratory Study

APO 159 pp April 2006 ISBN 92-833-2364-5 (hard copy) ISBN 92-833-7048-1 (e-edition)

Social capital, "roughly understood to be the features of the structure of social relations that facilitate action" according to the chief expert of this research, has been found to make a critical difference in the economic and social development of nations. In 2003, the APO started a basic research project to understand the role of social capital in Asia and to investigate the importance of social capital for productivity improvement. The intention in the first phase of this research was to examine the concept of social capital as it applies in Asia, define its framework, attempt to measure it, and study its linkages with productivity and economic growth.

Chief Expert/National Expert Heon Deok Yoon, Department of Entrepreneurship and Small Business, Soongsil University, Seoul, Republic of Korea; Ji-Ren Lee, Department and Graduate Institute of International Business, College of Management, National Taiwan University, Taipei, Republic of China; R.C. Monga, Consultant, New Delhi, India; Yoji Inaba, College of Law, Nihon University, Tokyo, Japan; and Wee-Liang Tan, Lee Kong Chian School of Business, Singapore Management University, Singapore, examined social capital and productivity in their investigations of the dimensions and sources of social capital, its benefits and costs, and its impact on productivity.

The team of experts learned that: 1) social capital has proven impacts on productivity improvement; 2) the impact of social capital on productivity improvement is only "speculative," although there was a consensus that a high level of social capital would be linked to high productivity; 3) income, education level, firm size, and stage of growth affect the level of social capital; and 4) different stages of economic and social development result in different levels of social capital. Adverse effects of social capital were also found. For example, strong group bonds can exclude outsiders, and strong group norms and sanctions may also stifle individual expression and initiative.

This publication also includes a special report titled "Social Capital in Firms, Alliances, and Clusters: Why It Is Important for Productivity and Competitiveness; and How to Build It" by Emily Sims, Specialist, Enterprise Development, International Labour Office.

The contents of this publication should provide useful information on the role of social capital in Asia to readers working in diverse fields. This volume is a compilation of the reports from the first phase of the basic research project, and findings are preliminary as the project is continuing in 2006 in its second phase. The publication is available in both hard copy and e-edition on the APO's Web site (www.apo-tokyo.org).

For order and inquiry on APO publications and videos, please contact the Information and Public Relations Department, Asian Productivity Organization, Hirakawa-cho Dai-ichi Seimei Bldg. 2F, 1-2-10 Hirakawa-cho, Chiyodaku, Tokyo 102-0093, Japan. Phone number: (81-3) 5226-3927, Fax: (81-3) 5226-3957, e-Mail: ipr@apo-tokyo.org

# COMMON SENSE TALK

"It's not just the poor who like to save money."

Ian Green

"Small business is the best and most able to adapt to new ideas or technology."

Thomas O'Malia

"If I have three people to choose from, and they all have the skills, which one will represent our company best and who do other people enjoy working with best? All of a sudden it's those personal skills that come to the top."

Peter Post

"Whenever you see a legend, you can be sure, if you go to the very bottom of things, that you will find history."

Vallet de Viriville

"People feel better about working in a company that actively works to do good. Turns out that philanthropy is a good recruitment tool."

Marc Benioff

"Some cause happiness wherever they go; others whenever they go."

Oscar Wilde

"The most powerful catalyst for change, sociologists will tell you, is when people learn what they already know."

Ellen Goodman

"I don't believe in 'good design.' Good design is based on a set of rules. Great design shapes a moment in time."

Karim Rashid

"Companies that devote resources to their human capital have a competitive advantage as a result of the high trust relationships between employees and management. This advantage manifests itself in higher levels of cooperation, greater commitment, lower employee turnover, and improved customer support."

Ann Watson

# Workshop on GP and greenhouse gas emission reduction

he Kyoto Protocol is a legally binding agreement that evolved from the United Nations Framework Convention on Climate Change to address reductions in greenhouse gas emissions. As of February 2006, 162 countries had ratified the protocol, including all APO member countries except for the Republic of China, and therefore it is essential for them to reduce greenhouse gas emissions. Japan is listed among the Annex II countries, which represent developed countries that will pay for greenhouse gas reduction projects in nonannex countries.

The APO organized a workshop on Green Productivity and Greenhouse Gas Emission Reduction, 6-10 March, in New Delhi, India. The workshop was attended by 17 participants from 15 member countries. The workshop experts were deputed from the National Productivity Council, Ministry of Non-conventional Energy, and Bureau of Energy Efficiency, all of India, and the German Technical Corporation to elaborate on various energy efficiency measures, the potential for nonconventional energy in member countries, and benefits of greenhouse gas reduction projects through the clean development mechanism (CDM). During the deliberations, it was pointed out that energy efficiency is important, since otherwise CDM cannot result in money saving. CDM will be an added advantage to energy efficiency projects. The significance of renewable energy and energy from biomass was also underlined. APO member countries have a high potential to utilize both.

The Republic of Korea has a few projects on wind and tidal energy requested for registration under the Kyoto Protocol and aims to reduce methane by reducing/diverting waste to landfills. Bangladesh is focusing on cleaner fuels like compressed natural gas and recently drafted an energy policy emphasizing energy for sustainable growth. In Fiji, initiatives have been taken to improve demand- and supply-side management through energy conservation measures and the promotion of renewable energy. Malaysia is emphasizing energy from landfill gas and palm oil industry waste to reduce methane emissions. In Sri Lanka, biothermal energy is being promoted to meet increasing energy demands, and wind energy and minihydro projects are being planned for greener investment. With so many activities taking place in different countries, the discussions at the workshop were complex and participants had ample opportunities to learn from experiences in other member countries.

The expert from the Bureau of Energy Efficiency explained the Energy Conservation Act notified in 2001 in India. The act is comprehensive and mandates energy managers and energy auditors in industries. Another expert from the NGO the Gaushala Society spoke on innovative ways of using animal power to generate

## APO/ASEAN Foundation (Continued from page 1)

development of a Web-based e-learning portal as part of the continuing capacitybuilding exercise to ensure wide dissemination and long-lasting impact beyond the project duration.

To kick off the project, the APO dispatched two fact-finding teams, 26-31 March, to the five countries. They met with representatives of government agencies, SMEs, NGOs, boiler manufacturers, and NPOs. The meetings were organized and coordinated by NPOs except in non-APO member Myanmar, where it was coordinated by the embassy of Myanmar in Japan. The teams also visited SMEs and boiler manufacturers to obtain firsthand impressions of the potential for the use of biomass-based boilers.



Participants examining organic household products made using renewable energy

energy, particularly in rural areas, with examples of water pumping and even electricity generation. He displayed various products made utilizing organic materials and cow dung, including flame-retardant tiles.

The participants visited a vermicomposting site in Agra where organic waste is converted by earthworms into biofertilizer. This prevents methane generation, which is a greenhouse gas. Problems in the calculation of CO2 emissions when using different fuels in a boiler were solved by the participants under expert guidance, illustrating how switching to cleaner fuels can reduce greenhouse gas emissions.



The fact-finding teams confirmed that: 1) The demand for small boilers utilizing biomass is strong in the five target countries. 2) Recent rises in energy prices have made biomass fuel more attractive. 3) The technology to manufacture small boilers at reasonable prices is available. 4) The promotion of small biomass boiler use is appropriate and would be supported by SMEs. The mission then recommended a feasibility study by NPOs on the capacity of existing machine manufacturers to produce biomass-based boilers, promotion of supporting industries that provide SMEs with engineering, retrofitting, and/or boiler maintenance of boilers, and energy audits of SMEs. (9)

# **Knowledge management benchmarking**

he APO organized the first study mission to Japan on Knowledge Management Benchmarking, 17–21 April, with 21 participants from 14 member countries. This study mission was the result of the APO's first collaboration with the Knowledge Dynamics Initiative (KDI) of Fuji Xerox. Thanks to KDI's support, the participants were able to visit three world-class Japanese companies that have been implementing knowledge management: Eisai (a pharmaceutical company), Fukoku Life Insurance Co., and Nissan Motors. In addition, Prof. Ikujiro Nonaka of Hitotsubashi University, a worldrenowned authority on knowledge management, gave a special presentation on "Knowledge-based Management" to the participants.

The main objective of the study mission was to enable the participants to benchmark their knowledge management activities against those of the four Japanese companies. At the outset of the study mission, KDI Consultant Naoki Ogiwara explained the code of conduct for benchmarking and the participants engaged in a group discussion to fix their perspective on benchmarking. Then Prof. Nonaka set out the theoretical framework of knowledge management, elaborating on tacit knowledge, explicit knowledge, and the socialization, externalization, combination, and internalization model. He also described phronetic leadership in the context of knowledge management, referring to the examples of Honda Motors and Seven-Eleven Japan.

At Eisai, the participants were briefed on the company's "Knowledge Creation for Realizing Human Health Care Concept." The knowledge management focus of Fukoku Life Insurance is "Change Initiatives for Customer-centric Organization: Knowledge-based Revolution." The manager of the Sony Semiconductor Business Unit made a presentation at the workshop on



Participants in a problem identification exercise

"Knowledge Management in Semiconductor Designing." Finally, at Nissan Motors, the participants learned about the company's "Changing Global Marketing and Sales through Knowledge Management." All four presentations were followed by question-and-answer sessions.

After the company visits, intensive group discussion sessions, moderated by Ogiwara, were conducted on what participants had learned from the four different knowledge management models, key findings of the study mission, and how their newly acquired knowledge could be adapted to the home setting.

# **New officers at Secretariat**

Duangthip Chomprang is from Bangkok, Thailand, and was formerly an APO Liaison Officer before assuming her new role as Industry Department Program Officer as of 1 April. At the Thailand Productivity Institute, she was a productivity and business consultant in the areas of business reengineering, the Thailand Quality Award, organizational assessment, knowledge management, and Six Sigma. Before joining the FTPI, she spent 14 years in the private sector, mainly in the telecommunications and financial and banking sectors. Duangthip



is a Six Sigma Black Belt and Master Black Belt with more than 100 projects. Her passions are reading, horseback riding, chess, classic cars, and anything with cultural elements. She received a BA in finance and banking (Thailand) and a Master's in International Banking and Investment (UK). Fumihiro Kabuta joined the Secretariat as a Program Officer in the Agriculture Department starting 1 April. After graduating from the University of Tokyo with a BA in agricultural science, Kabuta spent five years working in various capacities in the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF). He then went to the UK, where he received a Master of Science of Agricultural Economics from Reading University, followed by a Master of Science in Environmental and Resource Economics from London University. His employment



with the MAFF then resumed, with his most recent position being Deputy Director of the Food Policy Planning Division. His special interest in the agricultural field is economic analysis of various food- and agriculturerelated issues and strengthening the collaborative relationships between agriculture and the food industry. Kabuta is married and has one daughter. In his off-the-job hours, he enjoys culinary tourism, especially eating locally produced food in the "slow food" spirit.

# p-Experts deputed by the APO

#### **CAMBODIA**

**Dr. Kenji Ishihara**, Professor, Graduate of Economics, Rikkyo Universtiy, Japan, was deputed as expert for the national seminar on Agro-industry Productivity Enhancement under the Special Program for Agricultural Productivity Enhancement in Asian Least Developed Countries, 21–23 March 2006.

#### **REPUBLIC OF CHINA**

**Dr. Howard Armitage**, Director/Professor, Centre for Business, Entrepreneurship and Technolgoy, University of Waterloo, Canada, and **Prof. Takeo Yoshikawa**, Department of Business Management Systems, International Graduate School of Social Sciences, Yokohama National University, Japan, were deputed as experts for the training course on The Balanced Scorecard, 27–31 March 2006.

#### FIJI

**Mr. Chumpol Jangprai**, Executive Chef, Blue Elephant Cooking School and Restaurant and Asst. Corporate Chef, Blue Elephant International Plc., Thailand, was deputed as technical expert for the training course on Thai Cuisine, 29–31 March 2006.

#### PAKISTAN

**Mr. Hiroshi Ito**, Researcher, University of Tokyo, Japan, was deputed as expert for the seminar on Tools, Dies, and Molds, 13–18 April 2006.

#### THAILAND

**Dr. Yasunari Matsuno**, Associate Professor, Department of Materials Engineering, University of Tokyo School of Engineering, Japan, was deputed as resource person for the workshop on Green Productivity and the 3Rs (Reduce, Reuse, and Recycle), 3–6 April 2006.

#### THAILAND, LAO PDR, AND CAMBODIA

**Mr. Shigeo Aoki**, General Manager, Technical Department, TechnoSoft Co., Ltd., Japan, and **Mr. Soo Tian Tiong**, General Manager, Construction Division, Loyal Environmental Engineering (M) Sdn. Bhd., Malaysia, were deputed as resource persons for the preparatory meetings: Energy Efficiency and Renewable Energy for Small and Medium Enterprises in the Greater Mekong Subregion of ASEAN: Reusing Biomass Waste in Industrial Boilers for Energy Recovery, 27–31 March 2006.

#### THAILAND, MYANMAR, AND VIETNAM

**Mr. Hiroshi Omori**, President, TechnoSoft Co., Ltd., Japan, and **Mr. Mah Soo**, Consultant, Trademall Dotcom, Malaysia, were deputed as resource persons for the preparatory meetings: Energy Efficiency and Renewable Energy for Small and Medium Enterprises in the Greater Mekong Subregion of ASEAN: Reusing Biomass Waste in Industrial Boilers for Energy Recovery, 27–31 March 2006.

# Program calendar

July

**Republic of China** Study Meeting on Creative Entrepreneurship: Technological Innovation, 11–14 July 2006. **Indonesia** Study Meeting on Labor Market Information,

3–6 July 2006.

Training Course on Productivity Management Tools for Women Entrepreneurs in Agribusiness, 3–12 July 2006.

#### Japan

Multi-country Study Mission on Management Quality Improvement in SMEs, 10–14 July 2006.

#### August

Vietnam Symposium on Management of Change, 7–10 August 2006.

#### September

India

Symposium on Intellectual Property Rights and Their Implications for Developing Countries, 26–29 September 2006. Japan

Training Course on Strategic Management Consultancy for Productivity Improvement, 4–15 September 2006.

Kindly contact your NPO for details of the above activities, including eligibility for participation. If you need the address of your NPO, it is available from the APO Web site at www.apo-tokyo.org.

## **APO/NPO update**

#### New Officers in APO Secretariat

Ms. Duangthip Chomprang and Mr. Fumihiro Kabuta joined the APO Secretariat as Program Officer (Industry) and Program Officer (Agriculture), respectively, w.e.f. 1 April 2006.

#### New Liaison Officer for Islamic Republic of Iran

Ms. Mahboubeh Najafi, Senior Officer, International Affairs, National Iranian Productivity Organization, was appointed the new APO Liaison Officer for the Islamic Republic of Iran, w.e.f. 20 March 2006.

#### New APO Alternate Director for Japan

Mr. Nobuki Sugita, Deputy Director General, Ministry of Foreign Affairs of

Japan, was appointed the new APO Alternate Director for Japan, w.e.f. 22 March 2006.

#### New APO Director for Lao PDR

Mr. Somdy Inmyxai, Director General, National Small and Medium Enterprise Promotion and Development Office, was appointed the new APO Director for Lao PDR, w.e.f. 23 March 2006.

#### New e-Mail Address for APO Liaison Officer for Singapore

The e-mail address for Mr. Wong Wai Meng, APO Liaison Officer for Singapore, was changed w.e.f. 1 April 2006 to: wong\_wai\_meng@spring.gov.sg

# South African Deputy President visits Secretariat

South African Deputy President Phumzile Mlambo-Ngcuka visited the APO Secretariat in Tokyo on 20 April with the nation's Minister of Minerals and Energy Lindiwe Benedicta Hendricks, Ambassador to Japan Baldwin Sipho Ngubane, and other senior government officials and met APO Secretary-General Shigeo Takenaka.

Deputy President Mlambo-Ngcuka said that South Africa was keen to receive the APO's support in the area of human resources development. In response, the Secretary-General said that the APO, in collaboration with other institutions, planned to organize a Roundtable Conference on the Productivity Movement in the South African capital of Johannesburg, 28–31 August, attended by representatives of seven African nations and APO experts. In addition, Takenaka said that a staff member of South Africa's National Productivity Institute (NPI), the country's NPO, was scheduled to attend the annual three-week workshop on Development of Productivity Specialists to be held in the Philippines in October.

Takenaka also emphasized the importance of NPOs, noting that they had played an important role in the development of currently advanced Asian nations, and added that governments needed to support their NPOs while allowing them autonomy.

Two NPI representatives attended the APO's Governing Body meeting as observers in June 2005 and South Africa's and Botswana's NPOs had one observer each at the annual Workshop Meeting of Heads of NPOs in February 2006. The APO sent a fact-finding mission to South Africa, Botswana, and Kenya in September 2005 to investigate the current status of their productivity movements.



Deputy President Mlambo-Ngcuka (L) and Secretary-General Takenaka (R)

# Secretary-General visits Jakarta

APO Secretary-General Shigeo Takenaka was on an official trip to Jakarta, Indonesia, 10–12 April. The Secretary-General attended the inauguration of the 62nd session of the UNESCAP Ministerial Meeting on 10 April, where President of Indonesia Bambang Susilo Yudhoyono inaugurated the meeting and gave a keynote address. On 11 April, he met with the APO Director for Indonesia and other senior officials of the NPO and those from other productivity-related ministries, following which he gave the keynote address at the inaugural session of the general meeting of the National Productivity Board, which is a new body established under presidential decree following the recommendations of the national Productivity Roundtable Conference in 2003.

On 12 April, Takenaka also paid courtesy visits to the ASEAN Secretariat and ASEAN Foundation while in Jakarta. He expressed his appreciation for the ASEAN Foundation's collaboration in APO projects, which commenced in 2001 with a single project; in 2006, four projects will be conducted jointly.

During his visit, the Secretary-General conveyed the message that the APO is seeking greater participation by the private sector in its projects, pointing out the Eco-products International Fairs as examples of the crucial role the sector can play. He underlined the need for Indonesia to reenergize its productivity movement and nationwide productivity and quality initiatives. For this purpose, he said that it would be essential to invite and encourage a greater role of the business community. Those suggestions were well received in Jakarta. Minister of Industry Fahmi Idris fully supported the idea and recommended that the APO establish contact with the Chamber of Commerce and Industry. Along the same lines, ASEAN Secretary-General Ong Keng Yong recognized the prominent role of Indonesia's Chamber of Commerce and Industry in the private sector. He held the same view that the chamber would make a strong partner in promoting the productivity movement in the country.

On its part, the NPO Indonesia was preparing to launch new initiatives to reach out to the private sector. Among them, the NPO plans to promote the establishment of a productivity association with prominent CEOs and corporate owners as members.

# **APO Governing Body to convene in Seoul**

The 48th session of the APO Governing Body will convene in Seoul, Republic of Korea, 13–15 June. APO Directors or Alternate Directors of member countries, along with their advisers, will meet at the Lotte Hotel for this annual event to hear the Secretary-General's annual report and the financial auditor's report. As the supreme organ of the APO, the Governing Body will also decide on policies, strategies, and directions; endorse the two-year rolling plan; give guidelines for the subsequent year's programs; discuss membership-related issues; and approve financial estimates and programs.

There has been a fairly long hiatus since the Republic of Korea played host to an APO event of this size and significance. It last hosted the Workshop Meeting of Heads of NPOs in 1989 and the Governing Body Meeting in 1997.