

**THE CONVENTION ON  
THE ASIAN PRODUCTIVITY ORGANIZATION**

## **PREAMBLE**

WHEREAS, the participants from the countries of Asia to the Asian Round Table Productivity Conference recognized the desirability and necessity of improving the living standards and conditions of their people;

WHEREAS, increased production of goods and services is prerequisite to increased consumption and the realization of improved standards of living;

WHEREAS, the participants from the countries of Asia to the Asian Round Table Productivity Conference determined that increased production can and shall be obtained through increased productivity;

WHEREAS, increased productivity depends essentially upon the adoption of new and progressive attitudes of mind and new productivity techniques;

WHEREAS, these new attitudes and techniques can best be obtained through a concerted productivity drive by the several Asian countries, cooperating on a multilateral basis to strengthen and improve their national productivity efforts; and

WHEREAS, such multilateral cooperation will foster mutual help and understanding in the countries of Asian region and thus promote the full utilization of expanded productive capacity;

The Governments Parties to this Convention hereby establish the Asian Productivity Organization (hereinafter referred to as "the Organization").

## **PART I Objective and General Character**

### **Article 1**

The objective of the Organization is, by mutual cooperation, to increase productivity in the countries of Asia.

### **Article 2**

The Organization, a productivity organization of Asian countries, shall be non-political, non-profit making, and non-discriminatory in character.

## **PART II Membership**

### **Article 3**

- 1) The Governments which have become the Parties to this Convention in accordance with Article 45 (1) shall be the first Members of the Organization.
- 2) Other Asian Governments may be admitted to membership by becoming the Parties to this Convention in accordance with Article 46.

### **Article 4**

Governments outside the Asian region may become Associate Members of the Organization subject to approval of two-thirds of the Directors of the Governing Body. Associate Members shall be entitled to participate in all meetings and activities of the Organization and its organs.

### **Article 5**

International and national organizations, governmental agencies and other organizations may be associated with the Organization in accordance with Article 38 and 39. The nature and extent of the rights and obligations of these organizations and agencies shall be determined by the Governing Body.

## **PART III Activities**

### **Article 6**

- 1) In the fulfillment of its objective the Organization may:
  - a) institute programs for the adequate development of productivity on the knowledge, experience and constitutions of other organizations and specialized agencies;
  - b) furnish, on application by a Member, information and advice without reserve for implementing productivity programs initiated or proposed by that Member;

- c) periodically survey and assess the progress made on the various productivity programs of Members and promote cooperative research and studies for solving the productivity problems of Members;
  - d) assist Members to establish, strengthen and constantly improve their respective national productivity programs; and
  - e) establish and maintain or assist to establish and maintain Regional Centers on specialized aspect on productivity as its budget will permit.
- 2) In its program of work and budget appropriations the Organization shall act impartially and accord to each of its Members fair and equal treatment.

#### **PART IV Organs**

##### **Article 7**

The Organization shall have a Governing Body, an Executive Board, and Secretariat.

#### **PART V Governing Body**

##### **Article 8**

The Governing Body shall be the supreme organ of the Organization, and be composed of such number of Directors as is provided in Article 9.

##### **Article 9**

1) Each Member shall duly designate and authorize one representative to serve as Director in the Organization, and each such Director shall be a member of the Governing Body. A Director may be replaced at any time by another Director designated and authorized by that Member.

2) Each Member shall be entitled to designate by name previously notified to the Secretary-General, an alternate Director as its representative with authority to exercise, in the absence of the Director to whom he is alternate, all the powers of that Director.

##### **Article 10**

The Governing Body shall elect a Chairman and two Vice-Chairmen. The Directors appointed as first Chairman and Vice-Chairmen shall hold office for two years, every subsequent appointment shall be for one year.

##### **Article 11**

The term of office of all the Directors shall be two years. A Director shall be eligible for redesignation by the Member concerned.

## **Article 12**

The Governing Body shall make decision on such matters as the program and budget of the Organization, finances, admission and withdrawal of Members, activities of the Secretary-General in the fulfillment of his duties, agreements which may be entered into between the Organization and other Governments, international organizations and private institutions, and any other matters within the limits of this Convention.

## **Article 13**

The Chairman, or in his absence, either of the two Vice-Chairmen, shall preside over the meetings of the Governing Body. In the event of the demise or total incapacity of the Chairman, one of the Vice-Chairmen designated by the Governing Body for this purpose shall exercise all powers of the Chairman during the remaining period of the team.

## **Article 14**

A majority of the Directors of the Organization shall constitute a quorum for meetings of the Governing Body.

## **PART VI Executive Board**

### **Article 15**

The Executive Board shall be formed by decision of the Governing Body when required. The Executive Board shall consist of five Directors. The Chairman and Vice-Chairmen of the Governing Body shall also be Chairman and Vice-Chairmen respectively of the Executive Board. The remaining two members shall be elected from among the Governing Body. The Executive Board shall exercise on behalf of the Organization such powers as are delegated to it by the Governing Body.

### **Article 16**

Three Directors shall constitute a quorum for meetings of the Executive Board.

### **Article 17**

The term of office of all the Directors of the first Executive Board shall be two years and thereafter the Directors of the Executive Board except the Chairman and Vice-Chairmen shall be elected annually. The Member, through its Director, shall be eligible for one re-election.

## **PART VII Secretariat**

### **Article 18**

The Secretary-General shall be appointed by the Governing Body, on such terms and conditions as it may determine.

### **Article 19**

The Secretariat shall be composed of the Secretary-General and the Secretariat staff as is deemed necessary to execute the annual program approved by the Governing Body.

### **Article 20**

The appointment and duties of the Secretariat staff, and the conditions of their employment, shall be the responsibility of the Secretary-General.

### **Article 21**

In recruiting the Secretariat staff, Secretary-General shall endeavor to obtain persons of the highest possible level of efficiency, ability, and integrity, and in appointing the staff from the Member countries of the region shall give appropriate consideration to the desirability of recruitment on as broad a basis as practicable.

### **Article 22**

The Secretary-General shall:

- 1) direct and supervise the work of the Secretariat staff and shall faithfully and impartially discharge his duties;
- 2) convene the regular and special sessions of the Governing Body and the Executive Board;
- 3) prepare the Organization's program and budget and submit them to the Governing Body for approval. He shall also provide annual reports on the activities of the Organization;
- 4) submit information and necessary documentation relating to the agenda of the regular and special sessions of the Governing Body and the Executive Board and, when necessary, make observations on matters under deliberation at the meetings;
- 5) be responsible for making all necessary arrangements for the regular and special sessions of the Governing Body, the Executive Board, and Committee meetings; and
- 6) perform any other duties set forth in this Convention.

### **Article 23**

In the performance of their duties, the Secretary-General and the Secretariat staff shall maintain complete political neutrality and, in particular, neither ask for nor act upon any direction from any government, organization or persons except the Organization, to whom their allegiance shall be exclusive.

## **PART VIII Subsidiary Organs**

### **Article 24**

One or more Committees may be constituted by the Governing Body or the Executive Board to assist the Secretary-General in discharging his functions and responsibilities, and to carry out other purposes of the Governing Body. Rules relating to the functions of Committees shall be prepared by the Secretary-General and approved by the Governing Body.

### **Article 25**

Ad-hoc groups or qualified specialists may temporarily be called by the Secretary-General to obtain information and advice on preparing and implementing specific projects and programs as required.

## **PART IX Advisory Board**

### **Article 26**

The Governing Body may establish an Advisory Board consisting of representatives drawn from the Members as well as representatives of international, governmental, and non-governmental organizations.

### **Article 27**

The Advisory Board shall evaluate the work of the Organization and make suggestions and recommendations to the Governing Body on ways and means to promote Asian cooperation in the regional productivity programs and any other matters which will be helpful to the Organization.

## **PART X Sessions**

### **Article 28**

- 1) The Governing Body shall have one regular session each year at the time and place determined by it. If needed, one or more special sessions may be convened each year by the Secretary-General in consultation with the Chairman of the Governing Body.
- 2) Decisions at any session shall be made by a majority of Directors present and voting, except that in matters relating to admission of Members and Associate Members and the amendments of this Convention a two-thirds majority shall be required.
- 3) Each Member may send additional representatives to assist the Director at all sessions including meetings of the Committees of the Organization.
- 4) Associate Members and organizations associated in accordance with Article 5 may participate in the sessions but are not eligible to vote.

### **Article 29**

- 1) The Executive Board when established by the Governing Body shall meet at least once each year.
- 2) Except as otherwise instructed by the Governing Body, decisions of the Executive Board will be made by a majority of the Members present and voting.

### **Article 30**

- 1) Each Committee meeting shall be convened by the Secretary-General, in consultation with the Chairman of the Committee after its establishment.
- 2) Directors, other than those appointed to serve on the Committee shall be entitled to participate in all meetings of that Committee but with no right to vote thereon.

### **Article 31**

The Secretary-General, in consultation with the Chairman of the Advisory Board when established by the Governing Body, shall have authority to call a session of the Advisory Board.

### **Article 32**

The procedure at all sessions shall be carried out on rules to be prescribed by the Governing Body.

## **PART XI Finances**

### **Article 33**

- 1) The Organization shall be financed by annual contributions by Members. The Organization may also receive, subject to acceptance by the Governing Body, such financial and other forms of assistance from Members and other sources, including international organizations, agencies and Governments as will help achieve the purpose of the Organization.
- 2) The Member in which the office of the Organization is located shall bear the cost as to movement of the office within the territory and rental fee which are determined through consultation between the Member and the Governing Body in addition to the contribution provided in the Schedule of this Convention.

### **Article 34**

The initial contribution of the Members shall be as specified in the Schedule I of this Convention.

### **Article 35**

The fiscal year of the Organization shall be calendar year, i. e. from January 1 through December 31 each year.

### **Article 36**

The Secretary-General shall be responsible for the administration of the finances of the Organization. The Secretary-General shall arrange for an annual audit of the funds and expenses of the Organization by a firm appointed by the Governing Body.

### **Article 37**

The Secretary-general shall prepare detailed financial rules for approval by the Governing Body.

## **PART XII Relationship with Other Organizations**

### **Article 38**

The Organization may establish such formal or informal relationships with the United Nations, its principal and subsidiary organs and the specialized agencies as may best facilitate collaboration in the achievement of their respective aims.

### **Article 39**

The Organization may also maintain relationships with other international and national organizations, governmental agencies and other organizations.

## **PART XIII Privileges and Immunities**

### **Article 40**

A Member shall extend within its territory to the Organization and its Secretariat staff such privileges, immunities and facilities as determined in separate agreements, if concluded between the Organization and its Members, as may be necessary for the exercise of the functions and fulfillment of the purposes of the organization.

## **PART XIV Withdrawal and Dissolution**

### **Article 41**

Any Member desirous of withdrawal from the Organization shall do so by giving three month's notice to that effect to the Secretary-General.

### **Article 42**

1) The Organization may be dissolved by the decision of three-fourths of the Directors of the Governing Body.

- 2) The net assets of the Organization remaining after dissolution shall be disposed of in such manner as the Governing Body shall determine.

## **PART XV Settlement of Disputes**

### **Article 43**

Any question or dispute concerning the interpretation or application of this Convention shall be referred for settlement to the Governing Body, or shall be settled in such other manners as the Governing Body or the Parties to the dispute agree.

## **PART XVI Final Provisions**

### **Article 44**

Texts of proposed amendments to the Convention shall be communicated by the Secretary-General to Members at least six months in advance of their consideration by the Governing Body. Amendments shall become effective by a two-thirds majority vote of the Governing Body, provided that those amendments which involve fundamental alterations in the objective and character of the Organization or create new obligations for the Members shall require subsequent acceptance on the part of two-thirds of the Members before that amendment shall enter into force.

### **Article 45**

- 1) This Convention shall be open for acceptance by the Governments of countries which were invited to the First Asian Round Table Productivity Conference held in Tokyo as given in Schedule II to this Convention not later than June 30, 1961, and shall come into force with effect from the date, five of those Governments shall have accepted this Convention.

- 2) Notice of acceptance of this Convention shall be furnished to the Secretary-General of the Asian Productivity Organization, and be accompanied by the name and address of the representative of that Member designated to serve as Director on the Governing Body.

### **Article 46**

- 1) This Convention shall be open for accession by any Asian Government which is a member of the Economic Commission for Asia and the Far East of the United Nations.

- 2) Accession shall be subject to the approval of two-thirds vote of the Directors of the Governing Body.

### **Article 47**

This Convention shall be kept in original with the Secretary-General, who shall send certified copies thereof to all the Governments entitled to become Parties to this Convention.

## **Article 48**

### **Interim Provisions**

Until such time as Secretary-General of the Organizations shall have been appointed, the Secretary-General of the Asian Productivity Conference shall be and is hereby constituted as the Secretary-General of the Organization, with an office temporarily located at Tokyo, Japan.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments for that purpose, have signed this Convention.

DONE at Manila, Philippines, the 14th day of April, 1961.

## **SCHEDULE I**

### **INITIAL CONTRIBUTION FORMULA\***

The annual contribution of each Member shall, for the first two years, be on the following basis:

1. A basic contribution in the sum of two thousand dollars (US\$2,000.00).
2. A supplementary contribution in addition to the basic contribution on the basis of fifteen hundred dollars (US\$1,500.00) for each unit, one unit to correspond to one billion dollars (US\$1,000,000,000.00) of gross national income or less, of that Member.

## **SCHEDULE II**

Countries eligible for the membership of the Asian Productivity Organization are as follows:

Kingdom of Afghanistan	Japan
Union of Burma	Kingdom of Laos
Kingdom of Cambodia	Federation of Malaya
Ceylon	Kingdom of Nepal
Republic of China	Republic of Pakistan
India	Republic of the Philippines
Republic of Indonesia	Kingdom of Thailand
Republic of Korea	Republic of Viet-Nam

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\* Amended by the Governing Body at the second meeting (1962).

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