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**PROGRAMME PLANNING AND EVALUATION: REALIGNMENT OF THE
WORK OF REGIONAL INSTITUTIONS**

(Item 5 (d) of the provisional agenda)

**REPORT ON THE ASIAN AND PACIFIC CENTRE FOR
TRANSFER OF TECHNOLOGY**

SUMMARY

This report presents briefly the activities of the Asian and Pacific Centre for Transfer of Technology (APCTT) in 2003 and the recommendations of the Technical Advisory Committee and the Governing Board at their meetings held from 5 to 7 February 2004. The report also presents information on the evaluation of the Centre conducted in January 2003. The results of the evaluation were presented to the Governing Board of APCTT at its eighteenth session on 6 and 7 February 2004. (The substantive portions of that report are annexed to the present document.) The Board also proposed various measures for the implementation of the recommendations of the evaluation.

In 2003, the activities of the Centre were directed towards technology capacity-building, the promotion and management of innovation, as well as strengthening subregional and regional networking in selected sectors to enable small and medium-sized enterprises (SMEs) and intermediaries in the Asian and Pacific region to respond to the challenges posed through the integration of trade and the globalization of the economy. APCTT used diverse channels to promote technology exchange among SMEs, intermediaries and technology transfer agencies. The specific methodologies adopted were technology information and transfer networks, technology transfer events (seminars, workshops, expositions, expert group meetings, business meetings and direct contacts with entrepreneurs and selected demonstration projects), technical periodicals and publications and partnerships with technology transfer intermediaries worldwide.

The Governing Board endorsed the appointment of Mr. Se-Jun Yoon as the new Director of APCTT.

The Government of India announced at the nineteenth meeting of the Technical Advisory Committee on 5 February 2004 that it had increased its annual contribution to the Centre from US\$ 100,000 to US\$ 200,000. However, for the Centre to sustain a core group of Professional staff and a core set of activities, a minimum of US \$ 550,000 was required as institutional support. Hence, member countries were urged to contribute at the minimum prescribed levels for developing countries (US\$ 20,000) and least developed countries (US\$ 5,000) so that APCTT could deliver its valuable technological capacity-building services to the member countries in a more effective, regular and sustainable manner. The Government of the Republic of Korea had become a major donor to the Centre.

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I. ACTIVITIES OF THE ASIAN AND PACIFIC CENTRE FOR TRANSFER OF TECHNOLOGY

1. The Asian and Pacific Centre for Transfer of Technology (APCTT) has been promoting technology transfer, development, adaptation and application in the Asian and Pacific region, with emphasis on the promotion and transfer of environmentally sound technologies to small and medium-sized enterprises (SMEs), since its inception in 1977 in fulfilment of its mandate.

2. In 2001, ESCAP embarked on a substantial restructuring of its programme of work as well as the conference and secretariat structures to sharpen its focus on selected issues in order to be more relevant to the needs of the region. The restructured programme of work focused on three themes, namely, poverty reduction, managing globalization and emerging social issues.

3. In view of this restructuring, the Executive Secretary of ESCAP decided to conduct an evaluation of its regional institutions by an external evaluator. The evaluation of APCTT was conducted in January 2003 to review the operational, institutional and programming needs of APCTT in its provision of best services to members. The main issues examined were the relevance of APCTT in terms of membership representation, delivery of assistance, programme orientation and relationship to ESCAP thematic priorities, its performance and its sustainability.

4. The evaluation found that the members were interested in programmes that (a) developed their technology capacity; (b) provided market opportunities; (c) involved knowledge-based technology; (d) promoted regional cooperation; and (e) enabled their full participation.

5. It had been pointed out in the evaluation that, since the Centre relied heavily on external donors, its activities were donor-driven rather than need-driven. Further, much of the work of the Centre was focused on low technology, which was more relevant to the least developed countries than other countries. In addition, it was observed that leaving programme development to the host country resulted in fragmented and specific programmes with no coherence.

6. The high professional qualities of the staff and its networking were identified as the core strengths of APCTT. However, the evaluation pointed out that financial sustainability was the Centre's major weakness. In addition, it lacked an overall development plan, which should include a long-term vision, strategies and a coherent approach to programme planning. The evaluation proposed that the organization possibly be re-engineered.

7. To enable the Centre to cater better for the needs of the member countries, the evaluation recommended that APCTT:

- Pursue a programme strategy that balances the subregions, the developed countries and those with economies in transition, while keeping in mind the interests of all members

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- Implement more regional projects that are open to all members regardless of their capacity or financial contribution in order to encourage more regional cooperation
- Receive guidance and direction from ESCAP
- Conduct an intensive review of its programmes in order to improve their attractiveness and usefulness to member countries
- Review periodically its thrust areas to keep abreast of changing needs and priorities and to reflect the thematic priorities of ESCAP
- Seek private sector participation in order to tap its expertise
- Consider the increased use of information and communication technology (ICT) to improve communication with members and networks of institutions on all activities and the equal delivery of services
- Plan projects on the latest “hot” topics, in particular, projects that would narrow the digital divide, develop e-commerce for SMEs and e-technology transfer and provide business e-coaching services for technology
- Consider creating a specific non-voting membership category for the private sector and technology institutes and invite such members to meetings of the Governing Board
- Consider renaming the Centre in the light of the relevance of the word “transfer” in its name

8. The results of the evaluation were presented to the Governing Board of APCTT at its eighteenth session held at Manila on 6 and 7 February 2004. To implement the recommendations of the evaluation, the Board proposed that APCTT should:

- Develop a programme strategy in consultation with ESCAP
- Hold a stakeholders’ meeting to reorient its programmes and to set its long-term vision, plan and strategies
- Develop projects in response to global changes
- Study the new membership category and prepare a report analysing contributions, benefits and fee structures for its services
- Review the ICT structure of APCTT and the technical capacity of its staff

9. The substantive portions of the report of that session of the Governing Board are contained in the annex to the present document.

10. In 2003, the activities of APCTT, which is a regional centre of ESCAP, were directed towards technology capacity-building, promotion and the management of innovation as well as subregional and regional networking to support countries and areas in the region to respond effectively to the challenges posed through integration with the new global economy. Programmes were organized

based on the requirements of member countries in the thrust areas of the APCTT programme of work: technology information and transfer; environmentally sound technologies; emerging technologies; technology management; and women's entrepreneurship development. The activities, encompassing a pragmatic range of programmes of immediate relevance to the region using modern ICT, were accomplished through various channels such as technology information and transfer networks, partnerships with technology transfer intermediaries worldwide, technology transfer events, direct contacts with entrepreneurs, technical periodicals and publications, and the Internet.

11. In the area of environmentally sound technologies, the focus was on technologies and techniques available in the Asian and Pacific region and affordable to SMEs. The Centre continuously worked towards intensifying environmentally sound technology transfer partnerships and networks among technology transfer institutions in order to enhance intraregional and interregional cooperation. Through a project financed by Environment Canada, APCTT has been working to establish and operate a subregional training centre for the countries belonging to the South Asian Association for Regional Cooperation on technologies for the treatment and disposal of hazardous waste.

12. Through its periodicals and publications, the Centre endeavoured to keep SMEs and policy makers up to date on the latest technological developments on the transfer and acquisition of technologies. The publications have also served as a tool to bring together providers and seekers of technology. The *Asia Pacific Tech Monitor*, the Centre's prime periodical, with 1,000 subscribers in 70 countries, was published on a bimonthly basis. The five bimonthly periodicals under its Value Added Technology Information Service (VATIS), namely, *Non-Conventional Energy*, *Waste Technology*, *Biotechnology*, *Food Processing* and *Ozone Layer Protection*, have 4,000 subscribers in 40 countries. The Centre brought out a new periodical entitled *Asia-Pacific Ventures & Opportunities*, which is meant to serve as a guide to the rapidly changing global economy. APCTT has introduced electronic access to its periodicals through its web site <<http://www.techmonitor.net>>. Use of the Internet for this purpose started in September 2003. The average number of electronic "pages" downloaded daily has increased from more than 600 pages in September to almost 1,300 pages in February 2004.

13. APCTT has been increasingly applying information technology (IT) solutions for its technology transfer services. To assist entrepreneurs and business managers, APCTT has designed a business portal for technology-led SMEs in Asia and the Pacific in cooperation with other partner institutions in the region as a comprehensive online Internet-based business service. The web portal <<http://www.technology4sme.com>> provides free online e-coaching services for SMEs on the following topics: tech-entrepreneurship development, innovation management, technology transfer and "green" productivity. The business e-coaching service is also available in CD-ROM version. This portal facilitates effective and focused communication and interaction among entrepreneurs,

investors, technologists, business development experts and policy makers. It also incorporates information on business, technology and investment opportunities. The Chinese version of the portal <<http://www.technology4sme.com.cn>> was officially launched on 7 November 2003 by the Shanghai Technical Transfer Exchange. APCTT also organized training programmes in China, India, Malaysia, the Russian Federation and Thailand on portal development and the business e-coaching service. In 2003, several training programmes based on that service were conducted in least developed countries and countries in transition, namely, Cambodia, the Lao People's Democratic Republic, Myanmar, Nepal and Viet Nam. These training programmes were sponsored by Japan and implemented by ESCAP in cooperation with APCTT.

14. APCTT is also facilitating the establishment of networks of technology transfer intermediaries in the region to promote cross-border business cooperation among SMEs. Institutions in China, India, Malaysia, the Philippines, the Republic of Korea, the Russian Federation and Thailand have already established portals. The network members will also be assisted in developing partnerships with various stakeholders providing comprehensive technology transfer services (information, studies, finance, incentives) internationally. These networks and partnerships will expand their geographical coverage of activities in the Asian and Pacific region and make possible the provision of complete technology transfer service packages to a much larger group of SMEs in a self-sustainable way. A self-sustainable regional SME-oriented IT-powered technology transfer network will be established. The Centre will coordinate the overall strategies and activities for the network and continuously upgrade it in response to the rapidly changing economic environment in Asia and the Pacific over the long term. This work will be carried out in continuous IT-enabled consultation with network members and external partners.

15. APCTT's technology management programme for SMEs has been strengthened through various capacity-building measures. Several technical cooperation among developing countries programmes were organized in IT-related fields and in the areas of food processing, herbal medicine and bamboo. With a view to promoting entrepreneurship development in IT-related areas, the Centre has evolved a curriculum on venture management and pilot tested short training courses for selected countries, such as China and the Republic of Korea. A curriculum is being designed for countries of the Indo-China region (Cambodia, the Lao People's Democratic Republic and Viet Nam) to enhance the capabilities of SMEs and institutions in the field of new venture management in cooperation with relevant technology management institutions in these countries. The Centre has also been organizing training-of-trainer programmes in specialized areas relating to technology management to promote capacity-building and the sharing of experiences in technology assessment and knowledge management. The Centre is also organizing a workshop on Sino-India cooperation in the IT-field to facilitate technology incubation and training programmes for Chinese enterprises.

16. Based on the workshops and training activities carried out in selected fields, the Centre has evolved specific model technology demonstration programmes for upgrading traditional sectors in rural areas such as bamboo, fruit and vegetable processing as well as herbal and traditional medicines. This would enhance the competitiveness of SMEs and promote subregional, regional and interregional cooperation at both the institutional and enterprises levels. The International Workshop on Bamboo Resources Utilization was held at Yiyang, China to promote networking at the institutional and enterprises levels.

17. The Centre has also been actively engaged in evolving a project to enhance the export competitiveness of tropical fruits in selected Asian countries. That project involves setting up demonstration centres in India, Thailand and Sri Lanka which focus on SMEs, farmers, intermediaries and processors. The project has been approved by the Common Fund for Commodities and negotiations between the Common Fund and ESCAP are under way in order to finalize the project agreement.

18. In view of the interest and importance of technologies for herbal medicine in countries of the region, APCTT is establishing the Asia-Pacific Network for Traditional and Herbal Medicines in close cooperation with the Hubei Provincial Science and Technology Department and the Chinese Ministry of Science and Technology with the participation of institutions from other member countries. The Network seeks to become an information exchange centre for traditional medical and herbal medicinal technology in the Asian and Pacific region and an e-business centre for the production and commercialization of traditional herbal medicine. At the expert group meeting held at Wuhan, China in September 2003, 12 member countries signed a memorandum of understanding for the establishment of a nodal station and linkage with the main Centre. An executive council has been set up, with a representative of China as the chairperson and a representative of India as the vice-chairperson to follow up regional initiatives aimed at promoting capacity-building on biodiversity conservation, protecting traditional knowledge, improving quality control and standardization and strengthening the network.

19. UNDP funded a programme on nurturing technological entrepreneurship through science and technology entrepreneur parks and technology business incubators. Under this programme the Centre has been implementing various activities in cooperation with India's Department of Science and Technology. The objective of the project is to create institutional mechanisms for the promotion of knowledge-based businesses through appropriate linkages with research and development (R&D) institutions and industries for two first-ever technology business incubators in India. The implementation strategy focuses on evolving and developing suitable mechanisms to stimulate the growth of innovative enterprises through the use of indigenous and foreign technologies. In the long run, the project has the potential to develop technology management capabilities and create an environment for innovation-based, knowledge-intensive enterprises. It will enhance the capability of

entrepreneurs in terms of their product and process development, technology consultancy for problem-solving, continuing education, patent registration and technology acquisition. Sharing experience with other developing countries is a part of the implementation strategy. APCTT has organized and co-sponsored a number of events to promote technological entrepreneurship development services in Asia and the Pacific.

20. APCTT has procured the necessary equipment and software for selected science and technology entrepreneurship parks in India to enable their integration into the regional web-based tech-entrepreneurship development service that is being developed by APCTT <<http://www.technology4sme.com>>. APCTT assisted the newly established biotechnology incubator at Anna University, Chennai, India to develop its business plan and procure the core process equipment required for biotechnology start-up companies. It also provided advisory services to the newly established agro-technology business incubators at Pune, India, regarding the development of its business plan and feasibility study. The Centre is now actively engaged in strengthening technology business incubators and technology parks through its participation in advisory boards of the committees concerned.

21. APCTT has strengthened its efforts to empower women. In 2003, it worked towards stimulating the entrepreneurial efforts of women's groups at the grass-roots level and those of individual entrepreneurs at the micro, small and medium levels of production. For those purposes, various activities were carried out, including the facilitation of technical training and exposure programmes, technology exchange among women's organizations and the dissemination of technical information material. Some of the highlights were providing hands-on technical training in biowaste management, manual block-printing using natural dyes, the preparation of a manual on gender and technology and a technology book-cum-business guide for technology-minded women entrepreneurs. The International Workshop on Awareness in Technology Management Issues for Women was held in the Islamic Republic of Iran in early 2003. In cooperation with United Nations agencies and non-governmental organizations, the Centre has been working to establish and make sustainable IT projects for socially and economically disadvantaged women. As mentioned previously, the business e-coaching module on female entrepreneurship in India has been produced in CD-ROM format.

22. The Governing Board of APCTT at its eighteenth session, held at Manila on 6 and 7 February 2004, endorsed the appointment of the new director of the Centre.

23. The Technical Advisory Committee at its nineteenth meeting, held at Manila on 5 February 2004, was informed that the Government of India would increase its contribution to the Centre from US\$ 100,000 to US\$ 200,000. Also, in providing the salary of the director, the Republic of Korea had become a major donor of the Centre.

24. The Centre has taken some new initiatives to secure financial support for its activities. In 2004, it will receive programme support for the following projects in the pipeline:

- Promotion of the Technology Transfer Network for Small and Medium-sized Enterprises in the Asian and Pacific Region, funded by the Government of Germany with a financial contribution of EUR 430,000 for a two-year period starting in February 2004;
- Quality assurance and enhancing the export competitiveness of tropical fruits in the Asian and Pacific region, the estimated cost of which is US\$ 3.2 million; the contribution from the Common Fund for Commodities for this project is almost US\$ 1.8 million. The project proposal was approved by the Fund's Board and APCTT was informed of this decision in October 2002. ESCAP is currently finalizing the agreement with the Fund.

25. With regard to the financial resources of the Centre, approximately US\$ 550,000 is required annually to maintain a core group of three Professional staff, including the director. Fortunately, with the institutional and programme support received from the Government of the Republic of Korea, the services of the director will be met for a period of two years. With the enhanced contribution of the Government of India, the Centre should be able to secure the services of an additional expert. However, for the delivery of services on a sustainable basis, it is imperative for the Centre to have among its staff a core group of at least two Professional staff. The Commission may therefore wish to consider the following measures to enhance and sustain institutional and programme funding support on a long-term basis.

(a) *Institutional support resources.* The total amount pledged by member countries has been decreasing since 1997. Several traditional donor members did not pledge any contributions at the fifty-ninth session of the Commission and a few countries have reduced their contributions in recent years. Member countries are urged to provide institutional support at the indicative levels or above, i.e., an annual contribution of US\$ 20,000 for developing countries and US\$ 5,000 for least developed countries, to enable the Centre to deliver the necessary services to member countries on a sustainable basis.

(b) *Programme support resources.* As indicated previously, the Centre has a few projects in the pipeline that could help it to carry out the activities in the next two years. In view of the core competencies of the Centre, donor countries may wish to consider providing funding support to the Centre for the implementation of specific projects.

(c) *Assignment and secondment of national experts and senior personnel.* Member countries are requested to assign experts and senior personnel in the field of technology transfer to work at APCTT. This arrangement would enable the experts to benefit from their work experience at APCTT on return to their home countries and it would foster future cooperation with APCTT and other member countries. Such a measure would assuage the already stretched personnel situation of the Centre.

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(d) *Paid technology transfer services.* In its drive towards self-sustainability, the technology transfer services of the Centre are provided for a fee. These services, which include the following, could be enhanced:

- Developing, accessing and utilizing the Internet portal to assist SMEs in the region in acquiring suitable technologies and to enhance their technological capabilities
- Searching for and matching technology information leading to cooperation agreements
- Conducting workshops and training programmes
- Providing assistance in market studies, technology assessment, project financing and marketing

(e) *Self-sustaining publications.* Efforts are being made to secure donor support, subscription fees and advertisements to finance the cost of editing, printing and disseminating APCTT's periodicals in order to make them self-sustainable.

(f) *Endowment fund.* To strengthen and secure the financial viability of the Centre, the Commission, at its successive sessions from 1989, has recommended the floating of an endowment fund valued at around US\$ 5 million. However, despite winning oral acclaim, such a fund could not yet be created. At its thirteenth session, the APCTT Governing Board proposed that member countries each provide annually over a period of five years US\$ 5,000 for least developed countries and US\$ 20,000 for developing countries to establish the endowment fund as an interest-free loan to the Centre. Instalment contributions would alleviate the difficulty some member countries might face in making a one-time contribution of a sizeable amount.

II. ISSUES FOR CONSIDERATION

26. The Commission may also wish to consider the following recommendations made by the Governing Board:

- A periodic review of the thrust areas and core competencies of the Centre should be undertaken to reflect the changing needs and thematic priorities of ESCAP.
- A stakeholders' planning workshop should be held in early April 2004 to set a long-term vision for the Centre and plan future strategies. The stakeholders could include, besides the government focal points, the representatives of professional associations, the private sector and chambers of commerce. The Republic of Korea would review the possibility of sponsoring this workshop, which could be held at the ESCAP secretariat in Bangkok, taking into account the availability of the ESCAP staff concerned in the Programme Management Division and that of the backstopping officers. After the workshop, a one-

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day special session of the Governing Board could be convened so that the outcome of the session could be endorsed by the Board for possible subsequent endorsement by the Commission.

- The Centre's activities should be showcased among potential beneficiaries in the member countries to improve its attractiveness and usefulness.
- To attract financial support for the Centre's activities, a specific membership category should be created for private sector and technology-related institutions so that their representatives could participate in the annual Board Meetings as non-voting members.
- While reiterating the important role played by APCTT in promoting the technological development of member countries and regional cooperation in science and technology, the participating countries should consider increasing their contributions to the Centre.
- A review of the operational costs of the Centre should be undertaken to make the Centre financially viable and operations more cost-effective. In this context, increased use should be made of ICT and an evaluation of the Centre's publications in terms of their usefulness and cost-effectiveness should be conducted.
- Member countries should assign experts in the field of technology transfer to work at APCTT based on project requirements. This arrangement would enable the experts to benefit from their work experience at APCTT on return to their home countries and foster future cooperation with APCTT and other member countries.
- Member countries and ESCAP should support the Centre in increasing awareness of the services and activities of APCTT among policy makers in the region and the diplomatic community in Bangkok.

27. The Commission may also wish to consider and endorse the substantive portions of the report of the Governing Board on its eighteenth session, which is attached as an annex to the present report, and provide guidance on the work of APCTT, particularly with regard to its recommendations and the realignment of its work programme.

Annex

**REPORT ON THE PROCEEDINGS OF THE GOVERNING BOARD OF THE
ASIAN AND PACIFIC CENTRE FOR TRANSFER OF TECHNOLOGY
ON ITS EIGHTEENTH SESSION**

Manila, 6 and 7 February 2004

**I. RECOMMENDATIONS FOR CONSIDERATION AND ADOPTION
BY THE COMMISSION**

1. The report of the nineteenth meeting of the Technical Advisory Committee was endorsed by the Governing Board at its eighteenth session, held at Manila on 6 and 7 February 2004. The Board commended the Centre's activities in its thrust areas, namely, technology transfer support services for small and medium-sized enterprises (SMEs), technology management and innovation, environmentally sound technologies, emerging technologies and women's entrepreneurship development. The following recommendations were made by the Board:

- A periodic review of the thrust areas and core competencies of the Centre should be undertaken to reflect the changing needs and thematic priorities of ESCAP.
- A stakeholders' planning workshop should be held in early April 2004 to set a long-term vision for the Centre and plan future strategies. The stakeholders could include, besides the government focal points, the representatives of professional associations, the private sector and chambers of commerce. The Republic of Korea would review the possibility of sponsoring this workshop, which could be held at the ESCAP secretariat in Bangkok, taking into account the availability of the ESCAP staff concerned in the Programme Management Division and that of the backstopping officers. After the workshop, a one-day special session of the Governing Board could be convened so that the outcome of the session could be endorsed by the Board for possible subsequent endorsement by the Commission.
- The Centre's activities should be showcased among potential beneficiaries in the member countries to improve its attractiveness and usefulness.
- To attract financial support for the Centre's activities, a specific membership category should be created for private sector and technology-related institutions so that their representatives could participate in the annual Board Meetings as non-voting members.
- While reiterating the important role played by APCTT in promoting the technological development of member countries and regional cooperation in science and technology, the participating countries should consider increasing their contributions to the Centre.
- A review of the operational costs of the Centre should be undertaken to make the Centre financially viable and operations more cost-effective. In this context, increased use

should be made of ICT and an evaluation of the Centre's publications in terms of their usefulness and cost-effectiveness should be conducted.

II. SUMMARY OF THE DELIBERATIONS

2. Following the adoption of the agenda, the Board endorsed the appointment of Mr. Se-Jun Yoon as the Director of APCTT; the Board wished him success in his new assignment and offered him its support.

3. The Board had before it a report on the activities of APCTT during the period from December 2002 to December 2003, including the status of financial resources in 2003, the report of the Technical Advisory Committee on its nineteenth meeting and a report on an evaluation of APCTT.

A. Report on the activities of APCTT during the period from December 2002 to December 2003 and presentation of the programme of work

(Item 4 of the agenda)

4. The Officer-in-Charge, a.i., mentioned that the document, "Report on the activities of the Centre, December 2002 to December 2003", provided a general overview of APCTT's main programme initiatives, including specific activities in 2003.

5. He outlined major projects and activities implemented by APCTT and informed the Board of the results and impacts achieved. He described the Centre's approach to promoting technology transfer in the region in APCTT's main thrust areas.

6. He reported to the Board on the administration and the financial status of the Centre, in particular, its infrastructure and cooperation arrangements, its financial base and human resources. He emphasized that consideration of APCTT's financial issues was not about the Centre's survival, but about what APCTT could do for its member countries. He presented a report on the funds received and expended by APCTT during the reporting period. With the contribution of the Government of India having been increased to US\$ 200,000 annually, the combined country contributions totalled US\$ 275,000, thus easing somewhat the Centre's financial position. However, to sustain a core group of Professional staff and a core set of activities, the Centre required a minimum of US \$ 550,000 annually as institutional support. Compared with other regional centres of ESCAP, APCTT was receiving the lowest financial contributions from the member countries. The amounts were inadequate in view of the fast-growing role technology played in the economic development of countries. Therefore, urged the member countries to contribute the minimum prescribed contributions for developing countries (US\$ 20,000) and least developed countries (US\$ 5,000) so that APCTT could deliver its valuable technological capacity-building services to member countries in a more effective, regular and sustainable manner.

B. Report of the Technical Advisory Committee on its nineteenth meeting

(Item 5 of the agenda)

7. The Chairman of the nineteenth meeting of the Technical Advisory Committee introduced the report of the meeting. He informed the Board that the meeting had been held at Manila on 5 February 2004 and had been attended by representatives of 11 countries, namely, Bangladesh, China, India, Indonesia, Mongolia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand and Viet Nam, and by representatives of ESCAP.

8. The Committee had recommended that APCTT reorient its activities in line with the thematic priorities of ESCAP. Thus, it proposed that a strategic planning workshop be held to define APCTT's core activity areas of common interest to the Centre's member countries, aligning them with national needs.

9. The Committee proposed the following focus areas for regional cooperation to be facilitated by APCTT:

- Public-private partnerships in R&D
- Low-cost housing
- Traditional knowledge
- Grassroots innovation
- Utilization of expired patents
- Quality management
- Renewable energy systems
- Post-harvest technologies
- e-governance technologies
- Technology business incubators
- Eco-friendly sustainable agriculture

10. In addition, the Committee made the following specific requests for technical cooperation:

- With regard to facilitating information exchange and providing guidance to the member countries in the field of technology commercialization, in particular, R&D cooperation, technology commercialization through start-ups and technology business incubator development, APCTT should focus its catalytic support activities on such "soft" technology development and cooperation areas as venture management, venture financing, technology management, knowledge management, building strategic partnerships, exchanging technology information and strategic innovation road-mapping
- Provide assistance in securing international participation in a seminar on ecological construction and strategies for soil and water conservation for sustainable agricultural development, which will be held in China in June and July 2004

- Facilitate the mutual exploitation of traditional and rural technologies that are both economically and culturally sound
- Provide assistance in the further development of the Asia-Pacific Traditional Medicine Technology Network
- Follow up on approval of funding support for projects in the pipeline

C. Evaluation report of APCTT

(Item 6 of the agenda)

11. The Board had before it the document, “Evaluation of APCTT”, prepared by the ESCAP secretariat. In introducing the document, the Chief of the ICT Applications Section, Information, Communication and Space Technology Division of ESCAP stated that the evaluation had been carried out as part of ESCAP’s revitalization process to align the work of regional institutions with the ESCAP programme of work. In particular, the evaluation reviewed the operational, institutional and programming needs of APCTT in its provision of best services to members. The main issues examined were the relevance of APCTT in terms of membership representation, delivery of assistance, programme orientation and relationship to ESCAP thematic priorities, its performance and its sustainability.

12. The evaluation found that the members were interested in programmes that (a) developed their technology capacity; (b) provided market opportunities; (c) involved knowledge-based technology; (d) promoted regional cooperation; and (e) enabled their full participation.

13. It had been pointed out in the evaluation that, since the Centre relied heavily on external donors, its activities were donor-driven rather than need-driven. Also, much of the work of the Centre was focused on low technology, which was more relevant to the least developed countries than other countries. In addition, it was observed that leaving programme development to the host country resulted in fragmented and specific programmes with no coherence.

14. The high professional qualities of the staff and its networking were identified as the core strengths of APCTT. However, the evaluation pointed out that financial sustainability was the Centre’s major weakness. In addition, it lacked an overall development plan, which should include a long-term vision, strategies and a coherent approach to programme planning. The evaluation proposed that the organization possibly be re-engineered.

15. The evaluation recommended the following steps to enable the Centre to better cater for the needs of the member countries. The Centre should:

- Pursue a programme strategy that balances the subregions, the developed countries and those with economies in transition, while keeping in mind the interests of all members

- Implement more regional projects that are open to all members regardless of their capacity or financial contribution in order to encourage more regional cooperation
 - Receive guidance and direction from ESCAP
 - Conduct an intensive review of its programmes in order to improve their attractiveness and usefulness to member countries
 - Review periodically its thrust areas to keep abreast of changing needs and priorities and to reflect the thematic priorities of ESCAP
 - Seek private sector participation in order to tap its expertise
 - Consider the increased use of ICT to improve communication with members and networks of institutions on all activities and the equal delivery of services
 - Plan projects on the latest “hot” topics, in particular, projects that would narrow the digital divide, develop e-commerce for SMEs and e-technology transfer, and provide business e-coaching services for technology
 - Consider creating a specific non-voting membership category for the private sector and technology institutes and invite such members to meetings of the Governing Board
 - Consider renaming the Centre in the light of the relevance of the word “transfer” in its name
16. To implement the recommendations, the Board proposed that APCTT should:
- Develop a programme strategy in consultation with ESCAP
 - Hold a stakeholders’ meeting to reorient its programmes and to set its long-term vision, plan and strategies
 - Develop projects in response to global changes
 - Study the new membership category and prepare a report analysing contributions, benefits and fee structures for its services
 - Review the ICT structure of APCTT and the technical capacity of its staff

D. Date and venue of the nineteenth session of the Governing Board

(Item 7 of the agenda)

17. The Board expressed its appreciation of the offer of the representative of the Government of Bangladesh to host the twentieth meeting of the Technical Advisory Committee and nineteenth session of the Governing Board at Dhaka in December 2004. The Board also welcomed the offer of the representative of Pakistan to host meetings of the Board in Pakistan in 2005.

18. The representative of Pakistan requested that the status of his country be changed from that of an observer to full member.

E. Other matters

(Item 8 of the agenda)

19. The representative of the Government of Pakistan offered to provide host-country facilities for a workshop on community e-centres at Lahore in September 2004. He requested the Centre's assistance in securing international participation for the workshop.

20. The Board also expressed its deep gratitude and sincere appreciation to the host country, the Philippines, and particularly to Ms. Estrella Alabastro, Secretary, Department of Science and Technology, and Ms. Maripaz Perez, Assistant Secretary of the Department, for the excellent arrangements made, the host facilities provided and the hospitality accorded to all the members to ensure the smooth organization of the session at Manila.

F. Adoption of the report

(Item 9 of the agenda)

21. The Board adopted its report on 7 February 2004.

III. ORGANIZATION OF THE SESSION

A. Opening of the session

(Item 1 of the agenda)

22. The eighteenth session of the Governing Board of APCTT was attended by representatives of 13 countries as well as representatives of ESCAP, ILO and UNIDO.

23. The Executive Secretary of ESCAP welcomed the representatives attending the session. He expressed his deep gratitude to Ms. Estrella Alabastro for having kindly spared the time to inaugurate that crucial meeting and share her valuable insights. He also expressed gratitude to the Government of the Philippines for hosting the session.

24. He emphasized the importance of the Governing Board session since it would review and appraise the activities of the Centre and provide guidance for its programme direction and strategies. He informed the members about the restructuring of ESCAP's programme of work as well as the conference and secretariat structures that had been carried out to sharpen the focus on selected issues more relevant to the needs of the region. An evaluation of all regional institutions of ESCAP had been undertaken to reorient their work so that it would be in line with the priority themes of ESCAP. The Board would have to discuss the results of the evaluation so that they could be used as a guide in the formulation of the Centre's future work programmes.

25. The rapid development of new technologies, including information and communication technology, biotechnology and nanotechnology, posed a great challenge for the Centre in facilitating the transfer of those new technologies as well as utilizing them in its work to improve its efficiency.

26. He informed the Board that ESCAP had recruited the new director of the Centre in accordance with United Nations rules and procedures, as confirmed by the Office of Legal Affairs. He pointed out that the Director would face a challenging task in building up the Centre's technical cooperation activities and aligning them with ESCAP's programme of work. He wished him success in that regard.

27. He was very pleased to learn that the Government of India had announced at the recently concluded Technical Advisory Committee that his Government would increase its contribution to the Centre from US\$ 100,000 to US\$ 200,000. He thanked the Government of India for that generous gesture, which showed its strong support of and commitment to the Centre.

28. However, he expressed concern about the Centre's financial sustainability and invited all member countries to increase their contributions to the Centre. He urged the Board to assess the situation and provide guidance to the Centre on enhancing its financial resources.

29. He assured the Board of ESCAP's full commitment in support of developing the Centre's capacity and the planning, managing and monitoring of its work within the framework of the results-based planning and management approach that had recently been adopted by the United Nations. He also assured the Board that ESCAP would assist the Centre in redefining and realigning its programme of work with ESCAP's work programme.

30. In concluding, he thanked the Government of India for providing host facilities for the Centre. He also expressed his gratitude to major donor countries and agencies, including Germany, the Netherlands and UNDP. He noted with pleasure that the Republic of Korea had become a major donor country for the Centre.

31. In her opening address, Ms. Alabastro welcomed the participants to Manila. She acknowledged the relevance and contributions of APCTT not only to the Philippines but also to other developing countries in the Asian and Pacific region. She emphasized that, because the world was driven by innovation, both productivity and competitiveness had to be enhanced in order to assist SMEs in the global knowledge-driven economy. To accomplish that, organizations such as APCTT needed to continuously initiate activities that would enable countries to become more competitive through the development and application of scientific and technological advances. She expressed the hope, therefore, that the recommendations of the Technical Advisory Committee of APCTT would be thoroughly discussed and that a concrete course of action would be arrived at in order to ensure the sustainability of the various programmes of APCTT and to further enhance scientific collaboration among the different countries in the region.

B. Attendance

32. The session was attended by representatives of 11 member countries, namely, Bangladesh, China, India, Indonesia, Malaysia, Mongolia, Nepal, the Philippines, the Republic of Korea, Sri Lanka

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and Viet Nam, and two observers, Pakistan and Thailand. Representatives of ESCAP, ILO and UNIDO also participated.

C. Election of the Chairperson and the Vice-Chairperson

(Item 2 of the agenda)

33. The Board elected Mr. Mohd. Ariffin Hj. Aton (Malaysia) Chairperson; Mr. Lee Un Woo (Republic of Korea) Vice-Chairperson and Ms. Khadiza Begum (Bangladesh) Rapporteur.

D. Adoption of the agenda

(Item 3 of the agenda)

34. The Board adopted the following agenda:

1. Opening of the session.
2. Election of the Chairperson and the Vice-Chairperson.
3. Adoption of the agenda.
4. Report on the activities of APCTT during the period from December 2002 to December 2003 and presentation of the status of financial resources for 2003.
5. Report of the Technical Advisory Committee on its nineteenth meeting.
6. Evaluation report of APCTT.
7. Date and venue of the nineteenth session of the Governing Board.
8. Other matters.
9. Adoption of the report.

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