



Is APEC's Administrative Model Adequate?

**Preliminary Conference for APEC 2007
Australian APEC Study Centre**

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2006 APEC Leaders Statement

APEC Leaders' Statement, 19 November 2006:

- ***emphasized need to make APEC more efficient and results-oriented.***
- ***reaffirmed that reform is a high priority.***
- ***endorsed the 2006 reform package.***
- ***Instructed that APEC reform continue in 2007, including:***
 - ***allocation of greater resources***
 - ***further measures to streamline the organization***
 - ***strengthen and professionalize the Secretariat***



*Ha Noi Declaration
14th APEC Economic Leaders' Meeting
19 November 2006*



What Needs to be Fixed?

- **Long-term Strategic Direction**
- **More Professionalized Corporate Management**
- **Research/Analysis Capacity**
- **“Selling” APEC’s Message**
- **More Budget Resources**
- **Better Project Management**

- **Total approved budget USD 72 million since 1993**
- **2007 budget is USD 8.5 million**
- **Approximately, 100 projects each year**
- **Funding (to date)**
 - **Operational Fund (member contributions) – USD 26 million**
 - **TILF (Japan) – USD 45 million**
 - **APEC Support Fund:**
 - **Australia (AUD 3 million and AUD 4 million to the Avian & Pandemic Influenza activities)**
 - **Chinese Taipei (USD 1 million)**
 - **Korea (USD 2 million)**
 - **United States (USD 0.5 million initially, USD 3+ million p.a. expected)**
 - **China (USD 2 million)**

Key Elements

- **Appointment of Chief Operating Officer**
- **More resources for the Secretariat**
- **Professionalization of management**
- **Establish a research/analysis unit**
- **Prioritization of Secretariat's resources**
- **Consider a fixed term Executive Director**

- **No significant expansion of staff!**

Fixed Term Executive Director?

- **Pros**
 - ***Strategic leadership & vision***
 - ***All other international organizations have fixed term head***
 - ***Coherent management direction***
 - ***Recognized 'face' of APEC***

Fixed Term Executive Director?

- **Cons**
 - ***Would challenge authority of APEC Senior Officials***
 - ***Break nexus between host economy and the Executive Director***

Fixed Term Executive Director

- **An idea whose time has come?**

