



## PROJECT NOTIFICATION

25 October 2018

- |   |  |
|---|--|
| <b>1. Project Code</b>                  | 18-AG-55-SPP-DON-C   |
| <b>2. Title</b>                         | Special Program for Capacity Building of Sustainable Food Value Chains for Enhanced Food Safety and Quality in Asian Countries: First Year   |
| <b>3. Duration</b>                      | December 2018–August 2019  |
| <b>4. Venue</b>                         | Selected member countries  |
| <b>5. Implementing Organizations</b>    | NPOs and similar organizations   |
| <b>6. Participating Countries</b>       | APO member countries (to be selected)  |
| <b>7. Closing date for Applications</b> | Dates for specific projects will be prescribed in the Project Implementation Plans (PIPs) in consultation with the selected member countries |

### 8. Objectives

- a. To assist targeted APO member economies in developing food safety, quality, and innovation (FSQI) frameworks to modernize food value chains (FVCs);
- b. To establish demonstration model companies/organizations to showcase modern food safety and quality (FSQ) processes and results of improvements in a tangible, practical manner, while assisting NPOs and key institutions in building the capacity to provide consultancy and training services through their complete involvement in such projects;
- c. To provide key stakeholders with firsthand exposure to advanced knowledge and technology, best practices, and successful models of enhancing FSQI in FVCs; and
- d. To contribute to enhancing the productivity and competitiveness of agrifood sectors in targeted member countries through building reliable, safe, sustainable FVCs.

### 9. Background

An FVC is a network of stakeholders involved in growing, processing, and selling the food that consumers eat, from farm to fork. They include producers, processors, distributors, food service companies, consumers, and supporting groups such as shippers and suppliers as well as governments, NGOs, research groups, and regulators who monitor and regulate the entire FVC from producers to consumers.

Enhancing FVCs is a crucial global strategy to achieve food security by ensuring FSQ. FVCs also increase competitive advantage through collaboration in a venture that links all value chain stakeholders. In advanced FVCs, strategic partnerships are developed among interdependent businesses that collaborate in a sequence of value-adding stages, resulting in a collective competitive advantage. In an FVC, different business enterprises work together to produce and market products and services effectively and efficiently. FVCs allow agrifood businesses to respond to the marketplace by linking production, processing, transportation, storage, and marketing activities to consumer demand.

FVCs are receiving increasing attention because the focus in developing Asian countries has shifted from the eradication of hunger and poverty to better, safer food to respond to the increasing demand of the expanding middle class for higher quality. Consumers are also more concerned about whether their food is produced and handled along the value chain in environmentally friendly and socially acceptable ways.

Advanced technologies play a crucial role in building reliable, safe, sustainable FVCs. For example, digital technologies such as the cloud, Internet of Things (IoT), big data, and artificial intelligence (AI) can help in developing efficient, effective FVCs. Applications of blockchain technology to FVCs can help develop fool-proof, reliable food traceability systems.

This is a three-year program consisting of capacity-building projects on promoting FSQ in FVCs in Asian countries. The program is funded by a special cash grant from the Ministry of Agriculture, Forestry and Fisheries of Japan.

## **10. Scope and Methodology**

Specific projects will be organized in close consultation and coordination among participating member countries and the APO.

### **Scope**

Tentative topics to be covered in projects under this program are:

- a. Advanced Food Safety Management and Technology  
Innovative FSQ management systems, successful FSQI models, modern food traceability systems, etc.
- b. Advanced Farming Technologies  
Good Agricultural Practices, Good Aquaculture Practices, responsible fisheries, precision agriculture, organic agriculture, etc.
- c. Modern Food-manufacturing and -processing Technologies  
Food-processing facilities, quality control technologies, etc.
- d. Advanced, Convenient Distribution Systems  
High-end cold chains, temperature-controlled distribution centers, freshness-preserving technologies, consumer data management, etc.
- e. Applications of digital technologies for modernizing FVCs to enhance FSQ such as blockchains, the IoT, and AI with big data

## **Methodology**

The main activities of the program are national projects in selected APO member countries, which include workshops, training courses, and conferences. International experts selected by the APO will be assigned as resource persons for the projects.

In the first year, the following types of projects addressing specific issues related to FVCs will be organized in the targeted APO member countries:

- a. National conferences;
- b. National workshops;
- c. National training courses; and
- d. Consultancy services for developing national FSQI frameworks and establishing demonstration model companies / organizations.

## **11. Financial Arrangements**

### **To be borne by the APO**

- a. Appropriate per diem allowances to cover meals and incidental expenses of participants and hotel accommodations for participants from outside the project venue, if necessary.
- b. Local implementation costs such as conference rooms and honoraria for local resource persons, interpreters' fees, training material costs, local transportation costs for field visits, etc.
- c. All assignment costs of APO resource persons, if necessary.

### **To be borne by the requesting country**

- a. Other expenses not covered by the APO.

## **12. Procedures for National Project Implementation**

- a. The requesting country will prepare a project proposal on the application forms attached and submit it to the APO. The proposal with estimated expenses should reach the APO Secretariat at least three months prior to the proposed project timing.
- b. The details of the proposed project including financial arrangements will be approved by the APO after consultation with the requesting country.
- c. A PIP will be issued by the APO to the NPO of the requesting country.
- d. A temporary advance (50% of the total estimated cost) will be remitted to the requesting country, if necessary.
- e. The proposed project will be carried out.
- f. A project report summarizing the implementation of the project and a statement of expenses related to the project will be submitted to the APO.
- g. Receipts will be submitted and accounts settled.
- h. The project is then completed.

Further detailed implementation procedures and financial arrangements for each project other than those stated above will be decided after consultation between the NPO and APO within the initially agreed upon budget.

A handwritten signature in black ink, consisting of several stylized, overlapping loops and strokes.

Dr. Santhi Kanoktanaporn  
Secretary-General