



ASIAN PRODUCTIVITY ORGANIZATION

PROJECT IMPLEMENTATION PLAN

24 October 2016

- 1. Project Code** 16-AG-39-GE-NFP-C-06
- 2. Title** National Training Course on Lean Production Systems in Agribusiness to Improve the Productivity and Sustainability of SME Agribusinesses
- 3. Reference** Project Notification 15-AG-03-GE-TRC-B dated 27 March 2015;
16-AG-39-GE-NFP-C dated 3 February 2016
- 4. Timing and Duration** 31 December 2016 – 4 January 2017 (five days)
- 5. Venue** Tehran, IR Iran
- 6. Implementing Organizations**
National Iranian Productivity Organization (NIPO)
No. 16, Sepand St., Nejatollahi Ave.
Tehran, IR Iran 1598994911
Tel: +98 21 3327 6501

Institute of Technical & Vocational Higher Education of Ministry of Agriculture Jihad (ITVHE)
Azadi Avenue, Navvab Cross, Dr. Hesabi Building
Tehran, IR Iran, PO Box 1783-13145
Tel: +98 21 6659 4599
- 7. Number of Participants** Up to 50 participants
- 8. Objectives**
 - a. To familiarize participants with the concept of lean production systems (LPS) and introduce their application to agrifood businesses;
 - b. To acquaint participants with how applications of LPS can reduce resource inputs, remove unnecessary inventories in agrifood supply chains, and create added value in agricultural activities to reduce costs and increase the productivity of agribusinesses and food manufacturing systems;
 - c. To increase awareness of how agricultural firms can use LPS in line with leadership and human resources management by evaluating indicators that make LPS successful; and
 - d. To contribute to enhancing labor productivity in the agriculture and food sector.

9. Background

LPS are centered on creating more value and increasing long-term profitability with maximized resources. They are derived from the mass production system of Toyota called the Toyota Production System (TPS), which eliminates actions that do not create value. The TPS has evolved into lean production, which is known to halve the input of resources and reduce waste. LPS tools have been used to analyze and remove unnecessary inventories of raw

materials and finished products in supply chains. The potential for LPS application in agriculture is huge in every step of value creation. Agriculture and food products are perishable, requiring the highest level of just-in-time (JIT) production of all industries since the commercial value rises with greater freshness.

The technical solutions of LPS bring benefits, while lean management contributes to changing the organizational culture and making people active members of the production system. In some ways, the agriculture sector is a tougher environment in which to run a business than the automotive sector. The automobile industry entails extremely complicated technical steps, but fewer external factors actually affect entire systems and processes. However, agriculture is susceptible to numerous environmental variables and must react quickly to a broader range of unexpected events, figuring out appropriate remedies at every step of production. The productivity tools and techniques normally used in industry to create continuous improvement can be applied in processes in agriculture.

This training course will introduce the TPS/LPS, present emerging models and good practices, and inspire ideas for applications of LPS in agribusinesses and food manufacturing systems to cope with challenges in their own environment.

10. Scope and Methodology

The tentative topics to be covered are:

- a. Concept of lean production and LPS philosophy and culture;
- b. LPS preparation, operation process, and system assessment;
- c. LPS techniques and tools, including 7S, JIT, cellular systems, value stream mapping, set-up reduction methods, total productive maintenance, leveling, visual management, etc.;
- d. Employee involvement in the change process and team training;
- e. Sustaining improvement and follow-up actions for agribusinesses and the food industry; and
- f. Case studies and practical exercises in LPS applications.

The course will consist of paper presentations by international and local resource persons, discussion sessions, site visit for hands-on training, and written examination to assess the participants' learning.

The provisional program of activities is given below:

Date	Activity
31 Dec. 2016 (Sat.)	Opening session and presentations
1 Jan. 2017 (Sun.)	Presentations
2 Jan. 2017 (Mon.)	Presentations
3 Jan. 2017 (Tues.)	Site visit
4 Jan. 2017 (Wed.)	Summing-up session, program evaluation, closing session

11. Requirements of Participants

Participants will be government officials from agricultural production sectors; CEOs, owners, managers, and human resources and production officials of agribusinesses and rural enterprises, especially SMEs; and consultants and academics engaged in the development of agribusinesses and rural enterprises.

12. Resource Persons

The APO will assign one overseas resource person. Local resource persons from relevant agencies will be assigned by the implementing organization.

13. Financial Arrangements

To be borne by the APO

- a. All assignment costs of one overseas resource person.
- b. Implementation costs up to a maximum of JPY1,020,000 for making local arrangements. An itemized breakdown of the implementation costs is attached (Appendix 1).

To be borne by the host country (IR Iran)

- a. Implementation costs exceeding the APO share of JPY1,020,000.
- b. Project management fees and personnel costs of the implementing organizations in IR Iran.
- c. Any other local implementation costs not covered by the APO.

14. Roles and Responsibilities

The roles and responsibilities of the implementing organizations (as given in section 6 above) and APO are:

Implementing Organizations

- a. Inviting local participants and arranging mass media coverage;
- b. Assigning local resource persons;
- c. Making copies of the conference materials;
- d. Organizing a five-day training course program in Tehran, IR Iran; and
- e. Bearing part of the project cost in excess of JPY1,020,000.

APO

- a. Providing financial support for organizing the national training course as detailed in section 13;
- b. Assigning one overseas resource person for the national training course; and
- c. Coordinating with the overseas resource person and implementing organization.

15. Procedures for Project Implementation

This project is to be implemented by the ITVHE of the Ministry of Agriculture Jihad and NIPO in close collaboration with the APO Secretariat, referred to as the APO in this document.

- a. A temporary advance of up to 50% of the total APO share will be remitted to NIPO, if necessary.
- b. The proposed project will be carried out by the implementing organizations.

- c. NIPO will make the expenditures for the assigned items and settle the entire account by providing all necessary proof of payment, e.g., bills, payment records, and receipts issued by third parties, which must be submitted together at one time, written in clear English, and with a clear English translation of all documents not originally written in English. In general, internal evidence is not accepted as proof of payment and will not be reimbursed. The final payment will be made based on the actual expenditure after the implementing organizations submit the project completion report.
- d. NIPO will submit a comprehensive project completion report including a statement of expenses to the APO within one month of project completion. The report will provide details on how the project was carried out in the country; program activities; a registration list of participants and resource persons; statement of the expenses related to the APO's contribution to the project; number and type of participants; benefits and advantages to the local/national agribusiness and food sector, implementing organizations, and host country; recommendations and follow-up action plans; selected photos; and summary of the on-site evaluation of the program by the participants, resource persons, and implementing organizations along with the original evaluation forms completed by them. Other forms of documentation may also be submitted as a part of the comprehensive project completion report.

16. Final Project Output

Upon completion of the project, NIPO will undertake the following:

- a. Submit a project completion report on the national training course to the APO and disseminate the report on the proceedings of the training course to relevant government bodies such as the Ministry of Agriculture Jihad and other related organizations in IR Iran within one month after project completion.
- b. Submit a statement of expenses supported by third-party receipts/bills within one month after project completion.
- c. Submit documents and e-links relating to promotional material on the national program, e.g., newsletters, news articles, brochures, bulletins, and news clippings, written in English or the local language with an English translation of the main points.
- d. Disseminate the knowledge and experience gained to the public and private sectors through publications, consulting and training services, etc.



Santhi Kanoktanaporn
Secretary-General

Appendix 1

Project Code: 16-AG-39-GE-NFP-C-06

Estimated APO Share of Costs for the
APO National Training Course on Lean Production Systems in Agribusiness to Improve the
Productivity and Sustainability of SME Agribusinesses

(Tehran, IR Iran, 31 December 2016–4 January 2017)

No.	Item	Cost (JPY) (APO share)
1	Rental cost (function room, equipment)	561,000
2	Reproduction of conference materials	51,000
3	Conference kit (pens, stationery, etc.)	204,000
4	Interpretation/translation of English materials into the local language	102,000
5	Transportation (for site visit)	102,000
Total		1,020,000
Notes: 1. The APO will make a reimbursement based on the actual expenses with a maximum of up to JPY1,020,000. (currency rate: USD102=JPY100) 2. NIPO is required to submit to the APO receipts for all expenses incurred in implementing this national project.		