



ASIAN PRODUCTIVITY ORGANIZATION

## PROJECT NOTIFICATION

16 February 2015

1. **Project Code** 14-AG-29-LD-DON-C
2. **Title** Special Program for Capacity Building in the Food Industry in ASEAN Least Developed Countries: First Year
3. **Duration** February 2015 to January 2016
4. **Participating Countries** Cambodia, Lao PDR, and Myanmar
5. **Closing date for Applications** Dates for specific projects will be reported to individual member countries.

### 6. Objectives

To address productivity issues in agriculture and the food industry by supporting the capacity building of food-related agencies, NPOs, and food-processing and marketing enterprises in the ASEAN Least Developed Countries (LDCs) of Cambodia, Lao PDR, and Myanmar.

### 7. Background

Agriculture and the food industry play an important role in the economies of most APO member countries. The sector provides employment and main sources of income, especially for the rural population. Thus their development is indispensable for sustainable socioeconomic development.

To improve the performance of the sector and increase the incomes of the rural population, there is a need to promote more advanced food value chains based on private-sector investments and public-private partnerships. The development of advanced food value chains would provide opportunities for small farmers and entrepreneurs to be part of the value chain, resulting in greater benefits for all stakeholders. To achieve this, it is essential to support their capacity building.

This is a five-year program (ASEAN-LDCs) consisting of capacity-building projects on productivity enhancement in agriculture and the food industry for ASEAN least developed countries, in particular Cambodia, Lao PDR, and Myanmar. The program is funded by a special cash grant from the Ministry of Agriculture, Forestry and Fisheries of Japan.

### 8. Scope, Coverage, and Methodology

Under this program, specific projects will be organized in close consultation and coordination among participating countries and the APO.

## **Scope and Coverage**

The scope of projects under this program will cover the following provisional project topics:

- a. Food value chains including food production process management techniques;
- b. Integrated value adding from production to storage, processing, distribution, and consumption;
- c. Cold chains and logistics for agriculture and the food industry;
- d. Food production process management techniques including food safety management systems (FSMS) such as Good Manufacturing Practices (GMP), Hazard Analysis and Critical Control Point (HACCP), and ISO 22000;
- e. 5S and kaizen, total quality control (TQC), and other quality management techniques to improve productivity and quality;
- f. Good Agricultural Practices (GAP), postharvest management, traceability systems, and organic farming to improve the safety and quality of agricultural products;
- g. Management skills for food-processing SMEs; and
- h. Other topics that contribute to productivity, quality, safety, and marketing in agriculture and the food industry.

## **Methodology**

In the first year, an initial workshop will be held to discuss and draft national project plans to cover the program duration of five years in consultation with the participating countries. Once an annual project plan is prepared based on the national plans, the following projects addressing specific issues related to agriculture and the food industry will be organized:

- a. National workshops;
- b. National training courses; and
- c. Demonstration company projects.

## **9. Financial Arrangements**

### **1) Initial Workshop for the National Project Plans**

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

- a. All assignment costs of overseas resource persons.
- b. Round-trip economy-class international airfare by the most direct route between the international airport nearest to the participants' place of work and the project venue. As far as practicable, all participants should purchase discount tickets. Please note that the arrangements for the purchase of air tickets should follow the "Guide on Purchases of Air Tickets for APO Participants," which will be sent to the selected participants. It is also available on the APO website and from APO Liaison Officers in member countries.
- c. Appropriate per diem allowances and hotel accommodations for participants.
- d. All other local implementation costs.

### **To be borne by participants or participating countries**

- a. Participants' insurance premiums: All participants should be fully insured against accident and illness (including hospitalization and death) for a principal sum equivalent to US\$10,000.00 for the entire duration of the project and travel, and must submit to the APO Secretariat a copy of the comprehensive travel insurance certificate before participation. Such insurance should be valid in the host country. This insurance requirement is in addition to existing government insurance coverage in some member countries. If any participant is unable to insure himself/herself as stipulated above, he/she should secure this insurance in the host country at the commencement of the project and pay the premium himself/herself, if necessary, from the per diem allowance provided. Neither the APO nor the implementing organizations will be responsible for any eventuality arising from accident or illness.
- b. All expenses related to visa fees and airport taxes.
- c. Any expenses incurred by participants for stopovers on the way to and from the project venue as well as for extra stay at the project venue before and/or after the official project period because of early arrival or late departure, for example, due to either limited available flights or any other reason.

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

- a. All other expenses not covered by the APO.

## **2) National Workshops and Training Courses**

### **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.

## **3) Demonstration Company Projects**

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

- a. All assignment costs of APO resource persons, covering the honoraria, airfare, daily subsistence allowance, and overseas travel insurance.

- b. Transportation costs of resource persons and NPO/relevant organization in Myanmar staff when visiting demonstration companies near the capital areas.
- c. Transportation, hotel accommodations, and per diem allowances for NPO/relevant organization in Myanmar staff when they must travel to local areas to visit demonstration companies.

**To be borne by the requesting country and/or demonstration companies**

- a. Other expenses not covered by the APO.

**10. Procedures for National Project Implementation**

- a. The requesting country will prepare a project proposal (application forms are 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 beginning of the project.
- b. The details of the proposed project including financial arrangements will be approved by the APO after consultation with the requesting country.
- c. A Project Implementation Plan will be issued by the APO to the NPO/relevant organization in Myanmar 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/relevant organization in Myanmar concerned and APO within the initially agreed upon budget.



Mari Amano  
Secretary-General