

Asian Productivity Organization

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PROJECT NOTIFICATION

5 July 2012

1. **Project Code** 12-AG-13-GE-WSP-B
2. **Title** Workshop on Value Chain Management in Agribusiness
3. **Duration** 29 October–02 November 2012 (five days)
4. **Venue** Jakarta, Indonesia
5. **Implementing Organizations**
 - 1) Ministry of Agriculture, R.I.
Directorate General Processing and Marketing of Agriculture Products
Address: Jl. Harsono Room No. 3, Ragunan Pasar Minggu, Jakarta 12550, Indonesia
Phone: (62-21) 780 1189, 780 5205,
Fax: (62-21) 780 1189, 780 5205
 - 2) Ministry of Manpower and Transmigration, R.I.
Directorate General of Training and Productivity Development
Directorate of Productivity and Entrepreneurship (NPO Indonesia)
Address: Jl. Jend. Gatot Subroto Kav. 51, Floor 6-B
Jakarta 12950, Indonesia
Phone and Fax: (62-21) 52963356
6. **Number of Overseas Participants** Up to 18 qualified participants from Bangladesh, Republic of China, Fiji, India, Indonesia, IR Iran, Lao PDR, Malaysia, Mongolia, Nepal, Pakistan, Philippines, Sri Lanka, Thailand, and Vietnam
(See 12. Qualifications of Participants)
7. **Number of Local Participants** Up to six qualified participants
(See 12. Qualifications of Participants)
8. **Closing Date for Nominations** 14 September 2012

9. Objectives

- 1) To enhance participants' knowledge and understanding of the concepts, principles, and approaches in value chain management in agribusiness;
- 2) To assess the capacity-building needs of the agribusiness sector in member economies in order to enhance the productivity and sustainability of value chains and competitiveness of agribusiness SMEs; and
- 3) To identify successful models of value chains which can be promoted in member economies.

10. Background

Globalization and liberalization of trade in food and agricultural products have been reshaping the organization of markets. The traditional supply-driven, open marketing systems for agricultural and food products has increasingly been replaced by market-driven, closed, coordinated value chains. A value chain refers to the chain of activities which adds value to raw materials through various processes until the desired form of the product reaches the customer or final consumer. The value chain concept can be applied to an individual business unit and can be extended to the entire supply chain and distribution networks. The actors in a value chain have defined roles in the process of moving raw materials from production sites until they reach the final markets or end users. The various activities, which may include production, processing, packaging, and various logistics-related activities, must be well coordinated and managed so that the end product reaches the final market or consumers with the right specifications in terms of quality and safety and at the right time and right price. The basic objectives of value chain management in agribusiness are to increase cooperation between chain actors, achieve operational efficiency, and increase customer satisfaction. The success of value chains therefore depends on how the flow of inputs, products, information, and financial resources are effectively coordinated and managed among farmers, processors, distributors, retailers, and other relevant actors in the chain.

In view of the significant contribution of agribusiness to the growth of national economies of many developing countries and critical importance of the value chain approach as a business strategy in this era of globalization and an integrated market environment, this workshop is being organized to enhance the understanding of the concept of value chain management, examine the critical elements of successful models, and assess the weaknesses and capacity development needs of agribusinesses, especially among SMEs in developing member economies.

11. Scope and Methodology

The workshop will consist of resource paper presentations, case studies by resource persons and participants, group discussions, and visits to selected enterprises/companies that are part of a value chain in agribusiness. The tentative topics to be covered are:

- 1) Overview of global agribusiness trends;
- 2) Concept and principles of a value chain;
- 3) Advantages and relevance of value chains in the present business environment;
- 4) Process of value chain development;
- 5) Successful value chain models in agribusiness;

- 6) Selected examples and emerging models of financing in the value chain; and
- 7) Capacity development needs in value chain management in member economies.

12. Qualifications of Participants

The participants in this workshop are expected to possess the following qualifications:

- (a) Age: Preferably between 35 and 50 years.
- (b) Education: University degree or equivalent qualification from a recognized institution.
- (c) Present Position: Managers and officers of agribusinesses or agricultural financing institutions, officials of government and industry associations, NPO consultants, and academics involved in promoting agribusiness development.
- (d) Experience: At least three years of experience in the position described in (c) above.
- (e) Language: All proceedings of the workshop are conducted in English, and participants are frequently required to make oral and written presentations. They must therefore be proficient in spoken and written English. Those who are not proficient in English need not apply.
- (f) Health: Physically and mentally fit to attend an intensive workshop requiring participants to complete a number of individual and group activities and strenuous fieldwork (it is therefore recommended that member countries refrain from nominating candidates likely to suffer from physical and mental strain).
- (g) Attendance: Participants must attend all five days of the workshop to qualify for the certificate of attendance.

13. Financial Arrangements

a) To be borne by the APO:

- i) All assignment costs of overseas resource persons.
- ii) Round-trip economy-class international airfare by the most direct route between the international airport nearest to the participant's place of work and Jakarta. As far as practicable, all participants should purchase discounted tickets. Please note that the arrangements for the purchase of air tickets should be in accordance with the "Guide on Purchases of Air Tickets for APO Participants," which will be sent to the selected participants and is available on the APO website and from APO Liaison Officers in member countries.

b) To be borne by participants or participating countries:

For all participants

- 1) *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 Indonesia. 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.

- 2) All expenses related to visa fees and airport taxes.
- 3) 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 on account of early arrival or late departure, for example, due to either limited available flights or any other reason whatsoever.

c) To be borne by the host country (Indonesia):

- i) Per diem allowances and hotel accommodation for up to 18 overseas participants for up to six days at the rate to be specified later.
- ii) All local implementation costs.

14. Actions by Member Countries

Nominations

- (a) Each selected country is requested to nominate **two or more candidates** for selection in the order of preference. Please ensure that candidates nominated meet the qualifications specified above.
- (b) Please note that when a candidate is nominated it does not follow that he/she is considered selected. Selection is at the discretion of the Screening Committee. A basic criterion for selection is the homogeneity of the participants in terms of qualifications and work experience. Nonselection therefore does not mean that the candidates concerned are not competent enough. Sometimes candidates are not selected because they are overqualified for the given project.
- (c) APO Liaison Officers/NPOs are reminded to make clear in their search for the most appropriate participants that only the APO Liaison Officer/NPO in their country may send nominations to the APO Secretariat. This should eliminate the mistake of various government/public institutions making nominations directly to the APO Secretariat.

Required Documents

- (d) Each nomination should be accompanied by the documents listed below. A nomination lacking any of these documents may not be considered:
 - i) Two copies of the candidate's biodata on the **APO biodata form** together with passport-sized photograph. The biodata form can be downloaded from the APO website. Downloading information is also available from www.apo-tokyo.org. We encourage submitting the biodata form to the APO Secretariat in electronic form as an attachment to a cover e-mail message from the APO Director, Alternate Director, or Liaison Officer. The nomination documents should be sent to the **Agriculture Department**, APO Secretariat (e-mail: agr@apo-tokyo.org, fax: 81-3-5226-3954).
 - ii) **The APO Medical and Insurance Declaration/Certification Form.** Every candidate must complete and submit a copy of the APO Medical and Insurance Declaration/Certification Form with his/her biodata at the time of nomination. Please note that self-declaration is sufficient for candidates without any of health conditions or illnesses enumerated on the reverse side of the medical form. However, for all others, medical certification by a recognized physician on the reverse side of the medical form is required.
- (e) For reasons of expediency or because of time constraints due to approaching nomination deadlines, participating countries sometimes send their candidates' biodata forms and medical certificates by fax to the APO Secretariat. While this action is very much appreciated, participating countries are requested to mail the originals of the documents to the APO Secretariat as well. They are needed for making clear, clean copies for the host country, especially with regard to the candidates' photos. If the documents are submitted electronically as mentioned in d)-i), there is no need to send the original by postal mail. If a digital photograph of a nominee is not attached to the electronic biodata form, a hard-copy photograph should be sent to the APO Secretariat by postal mail. Please specify the candidate's name and the project code on the reverse side of the photograph.

Nomination Deadline

- (f) Member countries are requested to abide by the ***nomination deadline of 14 September 2012***. The APO Secretariat may not consider late nominations as they have in the past resulted in considerable difficulties to the implementing organization in its preparatory work for the project.
- (g) For member countries where nominations are required to be approved by higher government authorities and hence require a longer time, the APO Liaison Officers/ NPOs are urged to send the names of nominees on or before the deadline, indicating that government approval will follow.

Others

- (h) Should some candidates fail to qualify or be unable to participate after selection, or should some member countries fail to nominate any candidate, their slots may be filled by alternates from the same or another member country on a merit basis.

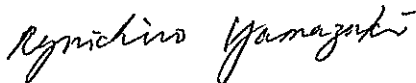
- (i) Member countries are requested to inform the selected participants that they are not to bring family members or to engage in any private business activities during the entire duration of the project. Further, if they become unable to attend the project, they should be requested to inform the APO promptly of their inability to participate and the reason for last-minute withdrawal through the APO Liaison Officer/NPOs in member countries.
- (j) Each selected candidate is required to arrive at the venue one day before the start of the official project. Also, all candidates are expected to return home upon completion of the official project because they are visiting the host country for the specific purpose of attending this APO workshop.

15. Country Paper Preparation

The participants are required to prepare a brief case study prior to departure for the project venue for presentation during the workshop. In preparing the case study, they are expected to follow the attached "Guidelines for Preparation of Country Case Studies."

16. Other Conditions

Other conditions for participation are given in the *APO Guide for Participants*, which is available from APO Liaison Officers/NPOs in member countries and on the APO homepage (URL: www.apo-tokyo.org) and will also be sent to the selected participants.



Ryuichiro Yamazaki
Secretary-General

Workshop on Value Chain Management in Agribusiness

Guidelines for Preparation of Country Case Studies

Each participant in the workshop is required to submit a **country case study**. The case study should be typewritten, single-spaced on standard A4-size bond paper, and be between 3 and 5 pages in length, excluding tables/figures. A copy of the paper should reach the APO Secretariat, Japan, and Ministry of Agriculture, R.I., no later than **15 October 2012**.

The case study may be written in the personal capacity of the participant but must be substantiated with reference to a specific agricultural product and its end products and specific enterprises/companies and their activities or roles in the value chain.

Participants are also required to prepare a **summary or abstract of their case study not exceeding 300 words**. It should contain only the salient points of the case study. Participants are strongly advised to use PowerPoint for the presentation of their papers.

The following topical outline is suggested as a guide. It is not meant to restrict the preparation of the case studies but rather to encourage the inclusion of the most relevant information to make them more substantial and meaningful.

TOPICAL OUTLINE

1. As an introduction, please identify the agricultural product/s and the final product that you use in the case study. Please identify the market focus or ultimate target market for the product. Please define the scope of your case study.
2. Please describe the flow of activities involved in the value chain of the product you have chosen. Please identify the actor/s in each stage of the value chain and define the specific value-adding activity each performs. Please specify the price of the product/material at each stage of the chain after value-adding activities were performed.
3. Please prepare a diagram showing the flow of the products and the actors in each stage of the value chain.
4. Please identify and describe the roles of value chain enablers in each stage. (Value chain enablers refers to institutions, organizations, or agencies that provide support to the actor in terms of training, financing, and other forms of technical assistance and support.)
5. Please explain how the information on consumer requirements for the final products are communicated in the value chain.
6. Please identify the major issues and challenges faced by each of the actors in each stage of the value chain and how these were overcome.

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PROJECT NOTIFICATION ADDENDUM

20 July 2012

1. **Project Code** 12-AG-13-GE-WSP-B
2. **Project Title** Workshop on Value Chain Management in Agribusiness
3. **Duration:** 29 October–2 November 2012 (five days)
4. **Venue:** Jakarta, Indonesia
5. **Addendum No.** 1
6. **Reference:** APO Project Notification 12-AG-13-GE-WSP-B dated 5 July 2012
7. **Subject:** New Venue

7-1 Change in Section 4. “Venue”

The project venue has been changed from Jakarta to **Bali, Indonesia.**

7-2 Change in Section 13. Financial Arrangements

Due to the change in the project venue, the first sentence of *Item ii) a) To be borne by the APO* should read “Round-trip economy-class international airfare by the most direct route between the international airport nearest to the participant’s place of work and **Denpasar, Indonesia.**” Denpasar is the nearest international airport to the venue of Bali, Indonesia.

Unless otherwise modified by the APO in writing, the provisions of the Project Notification dated 5 July 2012 pertaining to this workshop remain valid.

A handwritten signature in cursive script, reading 'Ryuichiro Yamazaki'.

Ryuichiro Yamazaki
Secretary-General