

**IMPLEMENTATION PROCEDURES FOR APO IN-COUNTRY
DEVELOPMENT OF DEMONSTRATION COMPANIES (DMP) PROJECT ON
ENHANCING PRODUCTIVITY FOR HALAL CERTIFICATION IN LAO PDR**

About DMP

The DMP Program aims to develop model companies/organizations that showcase good practices of productivity improvement with the support of resource persons and NPOs and the commitment of the target companies/organizations. Through capacity building on practical productivity knowledge and dissemination of the results, the program demonstrates good practices for other companies/organizations to embark on similar improvements.

An APO Demonstration Company is defined as a model company/organization established through APO DMP projects to showcase good practices of productivity improvement for companies/organizations in the implementing member and other APO economies to embark on similar improvements.

1. Scope

The project aims to assist the Lao National Productivity Organization (LNPO) in establishing demonstration companies leveraging productivity tools, methodologies, and technologies for halal certification, specifically for salt and coffee products in Lao PDR; showcasing the benefits of productivity in optimizing the certification process and improving business performance and product quality; and using the results as benchmarks for other APO members to adopt similar productivity practices.

2. Methodology

- a. DMP projects are conducted through collaboration with a team of individual or institutional resource persons from outside the recipient country. Interested parties should submit proposals to the APO Secretariat by the deadline.
- b. Project implementation stages comprise the assessment of production processes, premises, and capacity; training in halal principles, food sanitation, controlling halal critical points, and setting preventive measures; consultancy on productivity tools for certification; consultation on halal standards and certification; auditing and evaluation of compliance; and recommendations for sustainability and replication.
- c. The project is carried out through site surveys, training and consultancy, assessment and auditing, and dissemination and other relevant activities on the deliverables and methodology agreed on by the APO Secretariat and LNPO. The activities may be conducted in any modality deemed most feasible and appropriate, with priority given to face-to-face arrangements.
- d. The deliverables will be completed by the agreed deadline. Improvements may be required until acceptance by the APO Secretariat, LNPO, and demonstration companies comprising BanBoe Salt Factory, Somxay Chalern Sonserm Karnkased Sole Co., Ltd., and Veunkham Salt Company.

3. Resource Persons

Tasks

- a. Preparing and proposing project methodology, approach, scope, etc. through close consultation with the APO Secretariat, LNPO, and demonstration companies.
- b. Undertaking all necessary duties to achieve the intended output(s) as per the agreed arrangement.
- c. Monitoring and evaluating the performance and progress of the productivity enhancement activities of the demonstration companies.

- d. Assisting the LNPO in developing dissemination materials, organizing dissemination events, etc. as per the agreed methodology and project timeline.
- e. Submitting the report to the APO Secretariat by the deadline.
- f. Assisting the demonstration companies in acting as role models.
- g. Preparing a publication documenting the productivity journey of the demonstration companies.

Qualifications

- a. Educational Background
 - i. Minimum of a bachelor's degree in engineering, industrial management, food science, agriculture, or a related field.
 - ii. Advanced degrees (Master's or PhD) in relevant disciplines will be considered an advantage.
 - iii. Completion of specialized courses or certifications in halal standards, food safety, and quality management systems (e.g., ISO 9001, HACCP) is crucial.
- b. Professional Experience
 - i. At least 10 years of experience in the food manufacturing or agriculture industry, with a focus on productivity enhancement, food safety, and halal certification consultancy and training.
 - ii. Comprehensive knowledge of the halal certification process, including standards set by halal certification organizations and/or international halal certification bodies.
 - iii. Familiarity with halal compliance in food is essential, as well as experience in implementing halal standards in manufacturing processes.
 - iv. Experience working in ASEAN countries and understanding regional trade dynamics will be beneficial in navigating the halal market potential.
 - v. Experience in conducting training sessions for stakeholders, including business owners, production staff, and regulatory bodies, on halal practices and productivity enhancement techniques.
 - vi. Prior experience with demonstration projects or similar initiatives that promote best practices in productivity and sustainability.
- c. Technical Expertise
 - i. In-depth knowledge of productivity tools and methodologies, including but not limited to lean manufacturing, 5S, kaizen, total productive maintenance (TPM), and value stream mapping.
 - ii. Comprehensive knowledge of halal certification standards and procedures, with the ability to integrate productivity improvements in meeting compliance requirements.
 - iii. In-depth knowledge of food safety management systems, quality control, and sustainability practices in the food and agriculture sector.
- d. Project Management Skills
 - i. Demonstrated ability to manage multistakeholder projects, including planning, execution, monitoring, and reporting.
 - ii. Experience in developing and conducting training programs and workshops aimed at building capacity in productivity enhancement and halal certification.
 - iii. Strong analytical and problem-solving skills, with the ability to tailor solutions to specific industry challenges.
- e. Communication and Interpersonal Skills
 - i. Excellent verbal and written communication skills, with the ability to convey technical information in a clear, concise manner.
 - ii. Strong interpersonal skills to engage effectively with various stakeholders, including industry representatives, government officials, and team members.
 - iii. Proven ability to work in cross-cultural settings and adapt communication styles accordingly.

Notes:

The detailed scope of work is provided in the Request for Proposals (RFP), which can be found at the following link: <https://www.apo-tokyo.org/procurement-notice/>.

The selection of the participating individual or institutional resource person(s) will be made by the APO Secretariat based on its selection criteria. The APO Secretariat will in no case be responsible or liable for any costs involved in proposal submission, regardless of the conduct or outcome of the selection process.

4. Duration

The maximum project duration is six months for stage 1, which may be followed, if necessary, by stage 2 for three months, with both implemented in the virtual and/or face-to-face modality. Stage 2 should start with a gap of up to six months after completion of stage 1.

5. Implementation

Based on the approved proposal and consultation with applying member economies, a project Implementation plan (PIP) will be developed as the main reference for the project. The APO Secretariat will issue a certificate of completion to the demonstration companies upon completion of stage 1 and upon completion of stage 2. The project may be conducted in the following two stages.

Stage 1. Implementation (up to six months)

- a. The resource person(s) analyzes the challenges and opportunities related to productivity through a diagnostic survey of the demonstration companies.
- b. The resource person(s) proposes an improvement plan and obtains a consensus on a mutually agreeable action plan and number, modality, and duration of consultations.
- c. The resource person(s) assists the demonstration companies in implementing the approved improvement plan, such as capacity building, modification of existing practices, development of new processes, and applications of new technologies, management tools, and productivity improvement methods.
- d. If financial support from the APO is required to implement the improvement plan, a letter of commitment or contract signed by the demonstration companies and LNPO to ensure proper use of the funds to achieve the intended objectives will be issued based on the approved improvement plan.
- e. The resource person(s), LNPO, and APO Secretariat communicate to review the diagnosis and progress and recommend ways to resolve problems or administrative bottlenecks faced.
- f. The resource person(s), LNPO, and APO Secretariat review and evaluate the results of the project to determine whether the objectives have been achieved.
- g. The LNPO takes the lead in planning, preparing, and conducting dissemination activities, ensuring multiplier effects of the project in Lao PDR. The results and process of the project are disseminated through a locally organized event(s) and materials derived from the project, such as the final report, practical manual, and a multimedia record in a local language (if possible, with an English version or English translation).
- h. The LNPO submits the final project outputs to the APO Secretariat in consultation with the demonstration companies before the completion of this stage.
- i. A report is written by the resource person(s) and uploaded to the APO website as a learning tool to replicate the success of the project.

Stage 2. Follow-up (up to three months, implemented six months after completion of stage 1)

- i. The resource person(s) provides advice for follow-up implementation activities with emphasis on strengthening results/successes and widening dissemination.
- ii. The LNPO submits an annual report to the APO Secretariat in consultation with the demonstration companies before the completion of this stage.
- iii. Stage 2 can be implemented up to two years after the completion of stage 1.

6. Roles and Responsibilities

Implementing organization(s): LNPO

- a. Identify the most appropriate company(ies) or organization(s) as a venue for demonstration projects.
- b. Assign a team in the LNPO to be fully involved in the project and trained as local subject-matter experts.
- c. Coordinate the overall schedule for implementation of the project.
- d. Provide, in addition to a coordinator(s), local resource persons to work as counterparts to the overseas resource person(s), if necessary.
- e. Arrange all logistic requirements relating to the project (e.g., local transportation, meeting room, interpretation, etc.) for the resource person(s).
- f. Guide and assist the demonstration companies in planning, coordinating, implementing, monitoring, and documenting project activities in consultation with the resource person(s) and APO Secretariat and monitor the process of implementation, particularly the key performance areas.
- g. Coordinate and supervise the preparation of dissemination materials, such as a practical manual and multimedia record.
- h. Conduct a dissemination event(s) such as a workshop, seminar, and industrial visit(s).
- i. Within one month after completion of stage 1, submit the final project outputs, including a final report to the APO Secretariat documenting the entire process of the project; analyzing the results and impact as well as contributions to productivity improvement; and suggesting recommendations for replication in the member utilizing domestic talent, networks, and resources.
- j. Within one month after completion of stage 2, submit the annual project report to the APO Secretariat.

Demonstration companies: BanBoe Salt Factory, Somxay Chalern Sonserm Karnkased Sole Co., Ltd., Veunkham Salt Company

- a. Assign a team and coordinator to work on the project.
- b. Accept and facilitate the training and consultancy services conducted by the resource person(s).
- c. Provide all necessary inputs and information required for the project and extend all necessary local support to the resource person(s), LNPO, and APO Secretariat.
- d. Implement suggestions and recommendations of the resource person(s) based on feasibility and document the results and outcomes of the improvement plans.
- e. Collaborate with the LNPO in preparing dissemination materials.

- f. Present the project activities and results during a dissemination event(s) for the benefit of other company(ies)/organization(s).
- g. Collaborate with the LNPO in preparing a final report for submission to the APO Secretariat.
- h. Announce, publicize, and prominently display the APO's presence and involvement in the demonstration companies throughout the duration of the project.
- i. Showcase good practices of productivity improvement for other companies/organizations in Lao PDR and other APO members to embark on similar improvements.
- j. Provide information required by the resource person(s) for publication documenting the productivity journey of the demonstration companies.

APO Secretariat

- a. Assign a resource person(s) on productivity tools and techniques and, if necessary, a technical resource person with expertise in the topic of the project.
- b. Coordinate communication among the resource person(s), LNPO, and demonstration companies to ensure smooth implementation of the project.
- c. Monitor the progress of project implementation in consultation with the resource person(s) and LNPO.
- d. Advise the LNPO and demonstration companies in planning and organizing follow-up activities such as developing dissemination materials and/or organizing a dissemination event(s) for local participants.

7. Final Project Outputs

Stage 1 of the demonstration company project will be completed with submission of the following:

- a. Adoption of halal standards in the production processes of the demonstration companies.
- b. A set of training materials on halal certification, food safety, and related productivity tools and recommendations for further adoption in the demonstration companies and a publication documenting the productivity improvement of the demonstration companies by the resource person(s).
- c. A dissemination event to showcase good practices of productivity improvement and disseminate the results of the project to relevant stakeholders in Lao PDR and other APO members.
- d. A final report prepared by the LNPO in consultation with the demonstration companies and endorsed by the APO Secretariat.
- e. A practical manual for replication (in soft copies and/or printed hard copies) prepared by the LNPO.
- f. A multimedia record such as a video/DVD of the experiences of the demonstration companies prepared by the LNPO and demonstration companies.
- g. The final report may detail the justification and plan for the implementation of stage 2.

Stage 2 of the demonstration company project will be completed with submission of the following:

- a. Annual project report prepared by the LNPO in consultation with the demonstration companies and endorsed by the resource person(s).

- b. Any other relevant materials documenting the success stories or dissemination of the stories as well as other follow-up activities.

8. Financial Arrangements

The following financial arrangements are applicable for both virtual and face-to-face modalities.

To be met by the APO

- a. All assignment costs of the overseas resource person(s) including honoraria for the virtual and face-to-face modality as well as airfare and daily subsistence allowance for the face-to-face modality (stages 1 and 2).
- b. Honorarium for one local resource person (stages 1 and 2).
- c. A lump-sum honorarium of USD2,500 for the development of a publication documenting the productivity journey of the demonstration companies.
- d. Up to USD10,000.00 for dissemination-related activities (documentation, production of training manuals and dissemination materials, meeting package for dissemination events, interpretation and translation costs, etc.).
- e. If necessary, financial support for acquiring goods/services in implementing the improvement plan agreed upon by the resource person(s), LNPO, and APO (stage 1) will be provided at a maximum of 10% of the total cost or USD5,000.00, whichever is lower. The Secretariat will examine the appropriateness of the proposed goods/services for acquisition under the financial support of the APO prior to disbursement.

To be met by the LNPO

- a. Expenses for coordinating and implementing projects under the DMP.
- b. Expenses for dissemination-related activities not covered by the APO.

To be met by the demonstration companies

- a. Expenses for logistic arrangements, including local travel costs of resource persons and expenses for interpretation.
- b. Costs associated with the purchase, installation, operation, and maintenance of equipment, if any.
- c. All other expenses not covered by the APO and LNPO.

Expense reimbursement and project postponement/cancellation

- a. With regard to the local implementation costs for dissemination activities, 50% of the APO share can be advanced after the PIP is issued.
- b. With regard to the financial support for acquiring goods/services, 50% of the APO share can be advanced after agreement among the resource person(s), LNPO, and APO Secretariat on the improvement plan.
- c. Prior to the reimbursement of the financial support for acquiring goods/services, the Secretariat will assess the suitability of the proposed goods/services for acquisition specified in the improvement plan. Upon the assessment, the APO Secretariat will prepare the agreement or contract document explaining

the terms and conditions of the financial support to be signed by all parties involved. The specific processes and requirements will be outlined in the PIP.

- d. The remainder of both local implementation costs and financial support will be reimbursed after the completion and submission of the final project outputs together with the necessary supporting documents under the applicable APO rules and regulations for the disbursement of project expenses. The final reimbursement for financial support is also based on the assessment of the implementation of the improvement plan.
- e. The LNPO is requested to provide all necessary original copies of proof of payment to the APO Secretariat at one time no later than three months after the dissemination event(s) is conducted. The proof of payment, such as bills, payment records, and receipts, should be issued by third parties and written in clear English or with an English translation if not originally in English. An overall list of expenses categorized based on purpose for the production of dissemination materials or holding a dissemination event(s) should be also provided to the APO Secretariat (see Examples of Expense Categorization in the table below).
- f. The final payment will be made based on the actual expenditure after the LNPO submits all necessary documents. Internal evidence by the LNPO is not accepted as proof of payment and the expenses claimed by it will not be reimbursed.
- g. In case of a cancellation after the issuance of a Letter(s) of Assignment to a resource person(s), all costs associated with the cancellation should be met by the party responsible.

Examples of Expense Categorization*

Activity	Expense Category	Description
a. Manual development	Publication/photos/documentation	Expenses related to development and publication of a manual such as photography, printing services, editing, etc.
	Translation/interpretation	Translation and/or interpretation
b. Multimedia record	Publication/photos/documentation	Expenses related to development of a multimedia record such as videorecording, audio/video editing, etc.
	Translation/interpretation	Editing, subtitling, and translation of videos
c. Meeting and dissemination event	Equipment/conference room	Equipment/conference room rental
		Conference package (e.g., venue rental and basic refreshments such as mineral water, coffee, tea, and snacks, excluding meals and other food. Refreshment expenses should be included in the venue rental cost as part of the "meeting package." If the refreshments are billed as a separate item, it cannot be reimbursed by the APO)
	Publication/photos/documentation	Production of printed material such as brochures, flyers, etc.
	Stationery/supplies	Pens, notepads, etc.
	Translation/interpretation	Translation and/or interpretation
d. Implementation of the improvement plan	Acquiring goods/services and/or funding activities for the implementation of the agreed improvement plan	Expenses related to the implementation of the improvement plan

*Examples are provided for the reference of the LNPO. Please consult with the APO Secretariat if any item is

unclear or there are other questions about categorization.