

TRAINING AND DIALOGUE PROGRAMS



GENERAL INFORMATION ON

**Financial and Technological Support for Small and Medium
Enterprises Promotion (B)**

集団研修

「中小企業振興のための金融・技術支援(B)」

JFY 2012

<Type: Solution Creation / 類型 : 課題解決促進型>

NO. J12-00926/ ID. 1280107

From August 2012 to May 2013

Phases in Japan: From Oct.8 2012 to Nov.10, 2012

This information pertains to one of the Training and Dialogue Programs of the Japan International Cooperation Agency (JICA), which shall be implemented as part of the Official Development Assistance of the Government of Japan based on bilateral agreement between both Governments.

I. Concept

Background

Development and promotion of SMEs is recognized as the vital approach to promote economic growth and poverty reduction in developing countries. For many decades, SMEs have made a great contribution to the economic growth in Japan. SMEs occupy more than 99 percent of all the private enterprises and create 60 to 95 percent (depending on the type of industry) of employment opportunities in Japan today. “Financial and Technological¹ Support for Small and Medium Enterprises Promotion” is designed for those in charge of developing and promoting small and medium-sized enterprises (including micro-enterprises) to learn the concept and implementation of financial and technological support for SMEs by examining Japanese SMEs promotion cases through visiting government offices, public organizations and SMEs, discussion, lectures and presentation.

For what?

This course is designed to enhance the participants’ capacity of making and implementing SMEs promotion plans with focus on financial and technological support by learning Japanese cases.

For whom?

This program is offered to the officials working in government ministry, local government and public agency in charge of SMEs promotion in such area as financial and technical support, preferably for manufacturing sector.

- Policy makers and implementing officers can participate in this course
- It is recommended to participate from same organization and department for three (3) years (2010-2012).

How?

This program intends participants to learn theory and practical measures of SMEs promotion by the lectures, discussions, visits to public and private organizations and presentations. Participants are expected to clarify their country’s situation and issues of SMEs development policies (financial and technological support), by comparing their situation with Japan and other participants’. This program is offered in cooperation with Japanese government, public organizations, SMEs and academic resources.

¹ “technological” in this document mainly is about issues on management. It can be replaced by “technical”.

II. Description

1. Title (J-No.): Financial and Technological Support for Small and Medium Enterprises Promotion (B) (J12-00926)

2. Period of program

Duration of whole program:	August 2012 to May 2013
Preliminary Phase: (in a participant's home country)	August 2012 to September 2012
Core Phase in Japan:	October 8th to November 10th, 2012
Finalization Phase: (in a participant's home country)	December 2012 to May 2013

3. Target Regions or Countries

Albania, Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia, Georgia, Tunisia

4. Eligible / Target Organization

Preferably, fix the target organization for three years (2010-2012).

Government ministry, local government and public implementing agency of SME promotion. See III-2.Nominee Qualification for details.

5. Total Number of Participants

10 participants

6. Language to be used in this program

English

7. Program Objective:

[Goal for three (3) years]

To plan the SMEs development policy (especially on financial and technological support) by the officials working in government ministry, local government and public agency implementing SME promotion, 3years framework

1st year : The plan for SMEs development policy especially for financial and technological support will be made

2nd year : The plan that was made in 1st year will be developed

3rd year : Final action plan will be made based on the plan that was developed in 2nd year.

8. Overall Goal

In government ministry, local government and public agency implementing SME promotion, the capacity of making and implementing for financial and technological support for SME promotion will be improved.

Expected Module Output and Contents:

This program consists of the following components. Details on each component are given below:

(1) Preliminary Phase in a participant's home country (August-September 2012) <i>Participating organizations make required preparation for the Program in the respective country.</i>	
Expected Module Output	Activities
Participants will be able to explain current problem about SMEs and SME development policy by Inception Report and Pre-study Report.	<p>1) Inception Report (with Application Form) All applicants are required to fill in the annexed inception report and submit it with Application Form. *Inception report is used for supplemental source of information to select participants. *This report must be type written in English in less than 3 pages. (12-point font, double-spaced on A4 size paper)</p> <p>2) Pre-study Report (for successful applicants only) Applicants who are selected as participants are required to fill in and submit the annexed pre-study report. *It is aimed participants do some preparation study about Japanese situation by making pre-study report *Pre-study and Inception reports will be used as discussion material in this course. *This report must be type written in English in less than 3 pages. (12-point font, double-spaced, A4 size paper) *You are required to contact with participants who joined the same seminar in 2010 or 2011 to obtain more information about the seminar. Reference information *It is recommendable to check the below website before departure. This website is of Japanese Small and Medium Enterprises Agency, which explains about general picture of Japan's SME policies and their practical exercises. URL: http://www.chusho.meti.go.jp/sme_english/index.html</p>

(2) Core Phase in Japan (October 8th to November 10th, 2012) <i>Participants dispatched by the organizations attend the Program implemented in Japan.</i>		
Expected Module Output	Subjects/Agendas	Methodology
(1) Participants will be able to explain current situation and problems about SMEs and SME development policies	Inception Report and Pre-study report presentation	1)Presentation 2)Discussion
(2) Participants will be able to analyze the role of SME development policies especially for financial and technological support based on Japanese cases	(1) System of SME development policy (2) Structure of central and local government (3) SME support (4) Start-ups and venture support (5) Financial and technological support, etc.	1)Lectures 2)Field trip 3)Discussion
(3) Participants will be able to analyze the current situation and problems of SME promotion measures and the role of implementing organization in Japan	(1) Measures taken by implementing organization of central government (2) Measures taken by implementing organization of local government (3) Role of chamber of commerce and industry / Society of commerce and industry. (4) Practice of financial support (5) Discussion about technological support (6) Supported SMEs, local industries, etc.	1)Lectures 2)Field trip 3)Discussion
(4) Participants will be able to make tentative action plan for SME development policies especially for financial and technological support	(1) Comparative discussion about each country's situation (2) Discussion among participants (3) Preparation and presentation of tentative action plan	Discussion

(3) Finalization Phase in a participant's home country

Participating organizations produce final outputs by making use of results brought back by participants. This phase marks the end of the Program.

Expected Module Output	Activities
Participants will be able to consider concretely how to implement SMEs development policy especially for financial and technological support.	Application, implementation of the Action plan back in the participant's country. 1) Submission of tentative action plan which was made during the core phase in Japan to participant's organization and department, and get approval for implementation. 2) Submission of revised action plan and its progress-by, May 2013 to respective country's JICA office or Embassy of Japan in your country

9. Follow-up Cooperation by JICA

In this program, JICA might extend follow-up support to participating organizations that intend to develop the result of the project further. Please note that the support shall be extended selectively based on proposals from the participating organizations.

Further Information: URL <http://www.jica.go.jp/english/operations/schemes/tech/follow/>

III. Conditions and Procedures for Application

1. Expectations for the Participating Organizations:

- (1) This program is designed primarily for organizations that intend to address specific issues or problems identified in their operation. Participating organizations are expected to use the program for those specific purposes.
- (2) The contents and facilitation schemes of this program is specially developed in collaboration with prominent Japanese organizations in the topic area of the program. These special features enable the program to meet specific requirements of applying organizations and effectively facilitate them to solve their issues and problems.
- (3) As this program is designed to facilitate organizations to come up with concrete solutions for their issues, participating organizations are expected to make due preparation before dispatching their participants to Japan by carrying out the activities of the Preliminary Phase described in section II-9 .
- (4) Participating organizations are also expected to make the best use of the learnings of their participants in Japan by carrying out the activities of the Finalization Phase described in section II-9.

2. Nominee Qualifications:

Applying Organizations are expected to select nominees who meet the following qualifications.

(1) Essential Qualifications:

- 1) Current Duties: be an official/manager working in the Government or public agency implementing SME promotion.
- 2) Experience in the relevant field: have at least three (3) years' experience working for SMEs promotion or development.
- 3) Nomination: be nominated by their government in accordance with the procedures mentioned in "4. Procedure for Application and Selection" below.
- 4) Language: have a competent command of spoken and written English which is equal to TOEFL CBT 250 or more. Please attach an official certificate for English

ability such as TOEFL, TOEIC etc, if possible). **Participants should be able to discuss and make reports in English. English listening, speaking and reporting skills are essential for this "open discussion" centered curriculum.**

5) Health: must be in good health, both physically and mentally, to participate in the Program in Japan.

6) Must not be serving any form of military service.

(2) Recommendable Qualifications:

Applicants meeting the following conditions are preferred.

1) Work Experience: have experiences in financial and technological support

2) Age: be under age of forty (40)

3. Required Documents for Application:

(1) Application Form: The Application Form is available at the respective country's JICA office or the Embassy of Japan.

*Pregnancy

Pregnant participants are strictly requested to attach the following documents in order to minimize the risk for their health:

1. letter of the participant's consent to bear economic and physical risks,
2. letter of consent from the participant's supervisor, and
3. Doctor's letter with agreement of her training participation.

Please ask National Staffs in JICA office for the details.

(2) Nominee's English Score Sheet: to be submitted with the Application Form. If you have any official documentation of English ability (e.g., TOEFL, TOEIC, IELTS), please attach it (or a copy) to the Application Form.

(3) Inception Report: to be submitted with the Application Form. Fill in ANNEX this General Information, and submit it along with the Application Form.

4. Procedure for Application and Selection :

(1) Submitting the Application Documents:

Closing date for application to the JICA Center in JAPAN: **August 3rd, 2012**

Note: Please confirm the closing date set by the respective country's JICA office or Embassy of Japan of your country to meet the final date in Japan.

(2) Selection:

After receiving the document(s) through due administrative procedures in the respective Government, the respective country's JICA office (or Embassy of Japan) shall conduct screenings, and send the documents to the JICA Center in charge in Japan, which organizes this program. Selection shall be made by the JICA Center, according to qualifications in consultation with the organizations concerned in Japan, based on submitted documents. *The organization with intention to utilize the opportunity of this program will be highly valued in the selection.*

(3) Notice of Acceptance

Notification of results shall be made by the respective country's JICA office (or Embassy of Japan) to the respective government by **not later than August 30th, 2012.**

5. Document(s) to be submitted by accepted participants:

Before coming to Japan, only accepted participants are required to prepare a **Pre-study Report** (detailed information is provided in the ANNEX.)

The Report should be sent to JICA Kansai International Center by **September 14th, 2012**, preferably by e-mail to Konishi-Yoko.2@jica.go.jp and jicaksic-unit@jica.go.jp.

6. Conditions for Attendance:

- (1)** to follow the schedule of the program,
- (2)** not to change the program subjects or extend the period of stay in Japan,
- (3)** not to bring any members of their family,

- (4) to return to their home countries at the end of the program in Japan according to the travel schedule designated by JICA,
- (5) to refrain from engaging in political activities, or any form of employment for profit or gain,
- (6) to observe Japanese laws and ordinances. If there is any violation of said laws and ordinances, participants may be required to return part or all of the training expenditure depending on the severity of said violation,
- (7) to observe the rules and regulations of their place of accommodation and not to change the accommodation designated by JICA, and
- (8) to participate the whole program including a preparatory phase prior to the program in Japan. Applying organizations, after receiving the notice of acceptance for their nominees, are expected to carry out the actions in the Sections II-9 and III-5 in this General Information.

IV. Administrative Arrangements

1. Organizer:

Name: JICA Kansai International Center (JICA Kansai)

Contact: Ms. Yoko Konishi (Konishi-Yoko.2@jica.go.jp and jicaksic-unit@jica.go.jp)

2. Implementing Partner:

(1)Name: Pacific Resource Exchange Center

(2)Contact: International Department (prexmail@prex-hrd.or.jp)

(3)URL:http://www.prex-hrd.or.jp/index_e.html

(4)Remark: The Pacific Resource Exchange Center (visit PREX at:http://www.prex-hrd.or.jp/index_e.html) was established in April 1990 in response to a proposal adopted at the general assembly of the Pacific Economic Cooperation Council (visit PECC at: <http://www.pecc.org/>). Since its inception, PREX has been contributing to promote international exchanges through human-resource development projects and their related activities in developing countries.

3. Travel to Japan:

(1) Air Ticket: The cost of a round-trip ticket between an international airport designated by JICA and Japan will be borne by JICA.

(2) Travel Insurance: Term of Insurance: From arrival to departure in Japan. The traveling time outside Japan shall not be covered.

4. Accommodation in Japan:

JICA will arrange accommodations for the participants in Japan: If there is no vacancy at JICA Kansai,

JICA Kansai

Address: 1-5-2, Wakino-hama-kaigandori, Chuo-ku, Kobe, Hyogo 651-0073, Japan

TEL: 81-78-261-0397 FAX: 81-78-261-0465

(where "81" is the country code for Japan, and "78" is the local area code)

JICA will arrange alternative accommodations for the participants. Please refer to

facility guide of JICA Kansai at its URL, <http://www.jica.go.jp/kansai/index.html>

5. Expenses:

The following expenses will be provided for the participants by JICA:

- (1) Allowances for accommodation, living expenses, outfit, and shipping,
- (2) Expenses for study tours (basically in the form of train tickets.),
- (3) Free medical care for participants who become ill after arriving in Japan (costs related to pre-existing illness, pregnancy, or dental treatment are not included), and
- (4) Expenses for program implementation, including materials.

For more details, please see p. 8-16 of the brochure for participants titled "KENSU-IN GUIDE BOOK," which will be given to the selected participants before (or at the time of) the pre-departure orientation.

6. Pre-departure Orientation:

A pre-departure orientation will be held at the respective country's JICA office (or Embassy of Japan), to provide participants with details on travel to Japan, conditions of the participation in the Program, and other matters.

V. Other Information

1. Participants who have successfully completed the program will be awarded a certificate by JICA.
2. For the promotion of mutual friendship, JICA Kansai encourages international exchange between JICA participants and local communities, including school and university students as a part of development education program. JICA participants are expected to contribute by attending such activities and will possibly be asked to make presentations on the society, economy and culture of their home country.
3. Participants are recommended to bring laptop computers for your convenience, if possible. During the program, participants are required to work on the computers, including preparation of Action Plans, etc. Most of the accommodations have internet access. Also, there is a computer room in JICA KANSAI where sixteen desk-top computers have the internet access.
4. Allowances, such as for accommodation, living, clothing, and shipping, will be deposited to your temporary bank account in Japan after 2 to 5 days after your arrival to Japan. It is

highly advised to bring some cash / traveler's check in order to spend necessary money for the first 2 to 5 days stays after your arrival.

5. It is very important that your currency must be exchanged to Japanese Yen at any transit airport or Kansai International Airport (KIX) in Osaka, Japan soon after your arrival. It is quite difficult to exchange money after that, due to no facility or time during the training program.

6. Participants may face some difficulties of finding Halal food in Japan outside JICA facilities. It is recommended to bring enough Halal food if necessary.

7. The short trip out of main accommodation will be prepared in this course. Participants are recommended to bring small bag and walkable shoes.

VI. ANNEX:

1) Inception Report (with Application Form)

All applicants are required to fill in the annexed Inception Report and submit it with Application Form.

*Inception Report is used for supplemental source of information to select participants.

*This report must be type written in English in less than 3 pages. (12-point font, double-spaced, A4 size paper)

2) Pre-study Report (for final participants only)

Applicants who are selected as participants are required to fill in and submit the annexed pre-study report before coming to Japan.

*The pre-study report is aimed for participants to do some preparation study about situation of their country.

*Pre-study and Inception reports will be used as discussion material in this course.

*This report must be typewritten in English in less than 3 pages. (12-point font, double-spaced on A4 sized paper)

*You are required to contact with participants who joined the same seminar in 2010 or 2011 to obtain more information about the seminar.

*It is recommendable to check the website below before your departure. This website is about Japanese Small and Medium Enterprises Agency, which explains about general picture of Japan's SME policies and their practical exercises.

URL: http://www.chusho.meti.go.jp/sme_english/

Pre-study report should be sent to JICA Kansai International Center by September 14th 2012, preferably by e-mail to Yoko Konishi (Konishi-Yoko.2@jica.go.jp and jicaksic-unit@jica.go.jp).

**Financial and Technological Support for SME Promotion (B)
Inception Report**

Country : _____

Name : _____

1. Answer following questions

(1) About Your duty

Q1	Your organization structure (If you have an organization chart, please attach it)		
Q2	Number of employees in your division (or department) and your organization.		
Q3	Are you (or have ever been) involved in financial support for SMEs?	Yes	No
Q4	If you are (or have ever been) involved in financial support for SMEs, write your duty. (Maximum three lines)		
Q5	Write one financial support which you put importance in your duty. (Maximum three lines)		
Q6	The highest priority financial support in your organization. (Maximum three lines)		
Q7	Are you (or have ever been) involved in technological support for SMEs?	Yes	No
Q8	If you are (or have ever been) involved in technological support for SMEs, write your duty. (Maximum three lines) *Example of Technological supports : Vocational training, product development, quality examination, and so on		
Q9	Write one technological support which you put importance in your duty. (Maximum three lines)		
Q10	The highest priority technological support in your organization. (Maximum three lines)		

(2) Financial and technological support for SME in your country

Q1	<p>The name of financial institutions specialized for SMEs. (Top main three institutions. Example: national/local/industry SME Bank etc.) If your country doesn't have any financial institutions specialized for SMEs, please write the name of divisions (or departments) which support (or intermediate) financing issues of SMEs.</p> <ul style="list-style-type: none"> • • •
Q2	<p>Pick up one policy which has been recently conducted by public financial institutions. (Policy name:) (Outline of the policy:)</p>
Q3	<p>Pick up one successful policy done by public financial institutions. (Policy name:) (Outline of the policy:)</p>
Q4	<p>If your country has Credit Guarantee System, please write the name of the implementing organization.</p>
Q5	<p>The name of organizations which deal with technological support for SMEs. (Top main three institutions. Example: national/local/industry technological support institution for SME etc). If your country doesn't have any organizations specialized in technological support for SMEs, please write the name of divisions (or departments) which deal with technological support for SMEs.</p> <ul style="list-style-type: none"> • • •
Q6	<p>Pick up one policy which has been recently conducted by organizations for technological support. (Policy name:) (Outline of the policy:)</p>
Q7	<p>Pick up one successful policy done by organizations for technological support. (Policy name:) (Outline of the policy:)</p>

2. Write your ideas about the following items. (Maximum one page of A4 size)

- (1) What is the impact of SMEs on your country's economy?
- (2) The issues and benefits of SME policy which is currently conducted in your country
- (3) What are the problems SMEs are facing currently in your country? What policies are needed in your view?

Financial and Technological Support for SME Promotion (B)
Pre-Study Report

Country : _____

Name : _____

1. Situation of SME and support system in your country

	Questions	Sample Answer
Q1	Three key industries in your country.	Manufacturing Industry (Automobile) Agriculture Industry (Rice cultivation) Manufacturing Industry (Electronics)
Q2	Pick up one strategic industry which your central or local government wants to develop.	Medical Industry
Q3	Definition of SME (Use US\$)	Manufacturing Industry : 1)Number of employee is 100 or less 2)Capital is 1.2million US\$ or less Retail Industry : 1)Number of employee is 50 or less 2)Capital is 0.6million US\$ or less
Q4	Are there any special laws (or SME basic law) which SME promotion policies are stipulated in?	Yes
Q5	Government organizations which set up national SME promotion policy	The Small and Medium Enterprise Agency
Q6	Major implementing organizations for SME support	1)Organization for Small & Medium Enterprises and 2)Regional Innovation, JAPAN (SMRJ) 3)Each local government
Q7	Major economic organizations which many SMEs belong to.	1)Chamber of Commerce and Industry 2)Society of Commerce and Industry
Q8	Three major ways when SMEs ask for loan	1)Public Financial Institution 2)Credit Association Relatives (Informal loan)
Q9	Kind of collaterals when financial institutions extend loans to SMEs. (In Japan, many financial institutions require land as collateral for loans)	Land, Buildings, Houses, Ships (Boats)
Q10	One case example which public institutions support R&D of SMEs	There is a support to promote technological advancement for SMEs related to automobile, information appliance, robot and fuel cell industries. If a project is approved, SMEs can get various supports from public institutions including low-interest loans from a public financial

		institution, advices on research activities.
Q11	If your country has a support system for collaboration projects among industrial sector, academia and government, please write one representative example.	A support organization was established under the initiative of A prefecture. They provide information of R&D support schemes and utilizing research outcome to put in practice. Through this organization, collaboration projects between research institutions like universities and private companies can be realized.
Q12	Is there SME Management Consultant system?	Yes
Q13	Is there an incubation center?	Yes
Q14	Is there an industrial park (an area zoned and planned for the purpose of industrial development)?	Yes

2. Visit to SMEs

You are requested to visit SMEs (at least 3 companies) in your country and make research before attending this course. Any kinds of industries/SMEs are accepted.

- * Company name
- * Type of business
- * Company size (capital, number of employees, sales amount, etc.)
- * Any problem that company faces
- * Any support from government / expectation to government
- * Other information
- * Photos (company building/factory, product, etc.)

3. Meeting with ex-participants of 2010 or 2011

- * Information you gained from ex-participants
- * Progress of ex-participants' action plan

For Your Reference

JICA and Capacity Development

The key concept underpinning JICA operations since its establishment in 1974 has been the conviction that “capacity development” is central to the socioeconomic development of any country, regardless of the specific operational scheme one may be undertaking, i.e. expert assignments, development projects, development study projects, training programs, JOCV programs, etc.

Within this wide range of programs, Training Programs have long occupied an important place in JICA operations. Conducted in Japan, they provide partner countries with opportunities to acquire practical knowledge accumulated in Japanese society. Participants dispatched by partner countries might find useful knowledge and re-create their own knowledge for enhancement of their own capacity or that of the organization and society to which they belong.

About 460 pre-organized programs cover a wide range of professional fields, ranging from education, health, infrastructure, energy, trade and finance, to agriculture, rural development, gender mainstreaming, and environmental protection. A variety of programs are being customized to address the specific needs of different target organizations, such as policy-making organizations, service provision organizations, as well as research and academic institutions. Some programs are organized to target a certain group of countries with similar developmental challenges.

Japanese Development Experience

Japan was the first non-Western country to successfully modernize its society and industrialize its economy. At the core of this process, which started more than 140 years ago, was the “*adopt and adapt*” concept by which a wide range of appropriate skills and knowledge have been imported from developed countries; these skills and knowledge have been adapted and/or improved using local skills, knowledge and initiatives. They finally became internalized in Japanese society to suit its local needs and conditions.

From engineering technology to production management methods, most of the know-how that has enabled Japan to become what it is today has emanated from this “*adoption and adaptation*” process, which, of course, has been accompanied by countless failures and errors behind the success stories. We presume that such experiences, both successful and unsuccessful, will be useful to our partners who are trying to address the challenges currently faced by developing countries.

However, it is rather challenging to share with our partners this whole body of Japan’s developmental experience. This difficulty has to do, in part, with the challenge of explaining a body of “tacit knowledge,” a type of knowledge that cannot fully be expressed in words or numbers. Adding to this difficulty are the social and cultural systems of Japan that vastly differ from those of other Western industrialized countries, and hence still remain unfamiliar to many partner countries. Simply stated, coming to Japan might be one way of overcoming such a cultural gap.

JICA, therefore, would like to invite as many leaders of partner countries as possible to come and visit us, to mingle with the Japanese people, and witness the advantages as well as the disadvantages of Japanese systems, so that integration of their findings might help them reach their developmental objectives.



CORRESPONDENCE

For enquiries and further information, please contact the JICA office or Embassy of Japan.
Further, address correspondence to:

JICA Kansai International Center (JICA KANSAI)

Address: 1-5-2, Wakinohama-kaigandori, Chuo-ku, Kobe, Hyogo 651-0073, Japan

TEL: +81-78-261-0397 FAX: +81-78-261-0465