



TRAINING AND DIALOGUE PROGRAMS

GENERAL INFORMATION ON

Small and Medium Enterprise Development Policies(B)

集團研修「中小企業振興政策(B)」

JFY 2012

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

NO. J1200929/ ID.1280061

From January 2013 to September 2013

Phase in Japan: From February 18, 2013 to March 16, 2013

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

SME promotion is recognized as one of the key factors for economic and social development in developing countries. Promoting SME leads to creating employment and reducing poverty. Many countries put priority on SME development, however, they suffer from such problems as lack of SME support experts, inadequate financial resources and increasing needs to offer support programs to adapt SMEs to new technology.

SMEs have played an important role in Japanese economy since the beginning of industrial development. 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 addition, SMEs are the major promoter of technological innovation in Japan. Some Japanese SMEs have gained the No.1 global market share because of their advanced technology and excellent strategies. Japanese SME support policies and measures contributed to the SME development, and improved along with the development of Japanese economy, learning from successes and failures.

“Small and Medium Enterprise Development Policies (B)” is designed for those in charge of developing and promoting small and medium-sized enterprises (including micro-enterprises). Based on the case study SMEs promotion of Japan and other participants’ countries, participants are expected to examine the essence of successful SME support/promotion and figure out effective solution to improve SME support in their country.

For what?

This program intends to provide participants with the comprehensive knowledge about general theory of SMEs development policy and practical measures to enhance the participants’ capacity as an expert of SMEs support.

For whom?

This program is offered to officials working in government or implementing organizations for SMEs development.

How?

Participants learn from lectures by various SME experts, visits to SME organizations/SMEs, presentations and discussions. This program focuses on proactive and mutual learning of participants than memorizing textbook theories.

The feature of this program is that participants can learn the overall process and scope of SME support, from policy making by the government to implementation at local institution, by means of lectures and visiting actual sites of the support implementation, including meeting CEOs/managers of SMEs receiving the support.

II. Description

1. Title (J-No.):

**Small and Medium Enterprise Development Policies (B)
(J12-00929)**

2. Period of program:

- **Duration of whole program:** January 2013 to September 2013
- **Preliminary Phase:** January 2013 to February 2013
(in a participant's home country)
- **Core Phase in Japan:** February 18, 2013 to March 16, 2013
- **Finalization Phase:** March 2013 to September 2013

3. Target Regions or Countries:

1 person from Belize, Jamaica, Kosovo, Montenegro and Palestinian Authority,
2 persons from Bosnia and Herzegovina and Chile.

4. Eligible / Target Organization:

Governmental departments and public implementing organizations for SMEs development.

Fix the target organization for three years (2011-2013) preferably.

5. Total Number of Participants:

9 participants

6. Language to be used in this project:

English (including English translated from/to Japanese through interpreters)

7. Overall Goal:

Management capacity for the policy and measures for SMEs development will be enhanced in the organization of the participants.

8. Program Objective:

(Goal for three years)

An action plan to promote SMEs development will be formulated based on the learning obtained from the training by the participant's organization.

9. 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 [January 2013 to February 2013] <i>Participating organizations make required preparation for the Program in the respective country.</i>	
Expected Module Output	Activities
Participants will be able to explain the current situation and issues of their countries' SMEs and SMEs development/support policies.	1) Preparation of inception report (to be submitted with application form) 2) Preparation of Pre-Study Report (for accepted participants only) - talk with the ex-participants of the program. 3) Self-learning on Japanese SME check the following website on Japanese SME policies. http://www.chusho.meti.go.jp/sme_english/index.html

(2) Core Phase in Japan [February 18, 2013 to March 16, 2013] <i>Participants attend the Program implemented in Japan.</i>		
Expected Module Output	Subject/Agendas	Methodology
1) Participants will be able to explain the current situation and issues of SMEs of their countries, general theory of SME promotion policies and measures.	1) Presentation on the current situation of SMEs in participants' countries 2) Current situation of SMEs in Japan 3) Outline of SME development policies and measures	1) Presentation 2) Lectures 3) Discussions
2) Participants will be able to clarify the key factors on making and implementing SMEs promotion policies/measures, based on case-studies of Japanese examples.	To understand types of SMEs assistance from the following points of view. <ol style="list-style-type: none"> 1. Management assistance 2. Financial assistance 3. Technical assistance 4. Human Resource development 5. Globalization assistance 	1) Lectures 2) Site visits 3) Discussions
3) Participants will be able to assess own country's situation, identify the issues and make tentative action plan.	1) Comparative discussion about each country's SME policies 2) Preparation and presentation of tentative action plan	1) Discussions 2) Presentation

(3) Finalization Phase in a participant's home country (March 2013 to September 2013) <i>Participating organizations produce final outputs by making use of results brought back by participants. This phase marks the end of the Program.</i>	
The action plan will be shared and examined within the participant's organization.	1) To share the Action Plan with the members of the participants' organization. 2) To implement the Action Plan 3) To submit the progress report by August 2013 to respective country's JICA office or Embassy of Japan in your country.

Sample schedule of the program

The following is the schedule of the program of 2012. The schedule and lecture sites will be different in 2013 program.

Date		Subject	Lecture sites / Lecturer
1	MON	Arrival in Japan	
2-5	TUE-FRI	Briefing - Lecture on Japanese society and culture, Orientation	
6	SAT	Understanding Japanese Culture (Kobe)	
7	SUN	(No Official Programme)	
8	MON	Inception Report Presentation	Associate Professor, Faculty of Economics, Momoyama Gakuin University
9	TUE	Overview of Small and Medium Enterprise Promotion Policies in Japan	Associate Professor, Faculty of Economics, Momoyama Gakuin University
10	WED	Support for Business Management & Start-up	Business Innovation Center Osaka
		Discussion with Business Management & Start-up	management of several SMEs in Japan
11	THU	Technology Support	Hyogo Prefectural Institute of Technology
		Visit to Manufacturing Company	Manufacturing SME
12	FRI	Company Visit (Globalization)	Manufacturing SME
		Discussion: Case Analysis	
13	SAT	(No Official Programme)	
14	SUN	Move to Tokyo	
15	MON	Role of SME Support Organization and SME Policy	SME Agency
		Role of SME Promotion Policy Implementation Organization	Organization for Small and Medium Enterprises and Regional Innovation, Japan (SMRJ)
16	TUE	SME Financing Support by Public Institution	Japan Finance Corporation
		Company Visit (Human Resource Development & Utilization of Government Support Measures)	SME in textile manufacturing
17	WED	Company Visit (Start-up Support by Private Sector), move to Osaka	Representative Director, SME in Service industry
18	THU	Mid-term Review	Associate Professor, Faculty of Economics, Momoyama Gakuin University
19	FRI	SME Financing Support by Private Institution	Regional Credit association
		Industry-Academia Collaboration in SME Support	
20-21	SAT&SUN	(No Official Programme)	
22	MON	SME Management Consultant System	Head, Osaka Branch, Japan SME Management Consultants Association (J-SMECA)
		Company Visit (Value Added to Goods, Globalization)	SMEs of traditional culture industry
23	TUE	Opinion Exchange on Action Plan among Participants	Pacific Resource Exchange Center (PREX)
		Hyogo Association of Independent Small & Medium Enterprises	Secretary General, Hyogo Association of Independent Small & Medium Enterprises
24	WED	Preparation of Action Plan	
25	THU	Presentation of Action Plan	Associate Professor, Faculty of Economics, Momoyama Gakuin University
26	FRI	Closing Ceremony	
27	SAT	Departure from Japan	

10. 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 program 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) This program is enriched with contents and facilitation schemes specially developed in collaboration with relevant prominent organizations in Japan. These special features enable the program to meet specific requirements of applying organizations and effectively facilitate them toward solutions for the 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 results achieved by 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) This program is offered to officials working in government or implementing organizations for SMEs development, willing to acquire comprehensive knowledge about SMEs policy and promotion measures to become SME experts,
- 2) have at least two(2)year experience working for SMEs development,
- 3) be nominated by their government in accordance with the procedures mentioned in “4.Procedure for Application and Selection” below,
- 4) health: must be in good health, both physically and mentally, to participate in the Program in Japan,
- 5) must not be serving any form of military service,
- 6) be able to discuss and make reports in English. English listening, speaking and reporting skills are essential for the “open discussion” centered curriculum.

(2) Recommendable Qualifications:

Applicants meeting the following conditions are preferred.

- 1) Age: to 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 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 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, etc.), please attach it (or a copy) to the Application Form.

(3) Inception Report: to be submitted with the Application Form. Fill in Annex1 of 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: **December 21, 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 January 25, 2013**

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

Before coming to Japan, only the accepted participants are required to prepare a Pre-study Report. Please see the annex about the details.

- The report should be sent to JICA Kansai International center by **February 8, 2013** by e-mail to Konishi-Yoko.2@jica.go.jp and jicaksic-unit@jica.go.jp.
- The reports must be type written in English in less than 3 pages(12-point font, A4 sized paper)

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 in 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:

(1) **Name:** JICA Kansai International Center

(2) **Contact:** Ms. Yoko Konishi

Email : Konishi-Yoko.2@jica.go.jp and jicaksic-unit@jica.go.jp

2. Implementing Partners:

(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 in to departure from Japan. The traveling time outside Japan shall not be covered.

4. Accommodation in Japan:

JICA will arrange the following accommodations for the participants in Japan:

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

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

If there is no vacancy at JICA Kansai, JICA will arrange alternative accommodations for the participants. Please refer to facility guide of JICA Kansai at its URL, <http://www.jica.go.jp/english/contact/domestic/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, and

For more details, please see pages 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 Plan(AP), 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 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.

VI.ANNEX

Inception Report (submit with the Application Form)

Country: _____

Name: _____

1. Answer the following questions

Q1	Your organization structure and your position.(If you have an organization chart, please attach it)
Q2	Number of employees in your division (or department) and your organization.
Q3	What are the main problems that SMEs are currently facing in your country?
Q4	What are the issues and benefits of SME policy in your country?
Q5	In your opinion, what policies are needed to solve the problems of SMEs?
Q6	How does your organization especially your division(or department) support SMEs? What are the major difficulties your organization has in supporting SMEs?

Pre-Study Report (accepted participants only)

Please answer the following questions.

Due date: February 8, 2013

Country: _____

Name: _____

1. General information about SMEs 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\$) and indicate the source of the information	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	If your country has Credit Guarantee System, please write the name of the implementing organization.	
Q11	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 project is approved, SMEs can get various supports from public institutions including low-interest loans from a public financial institution, advices on research activities.
Q12	Is there SME Management Consultant system?	Yes
Q13	Is there SME Management Consultant system?	Yes
Q14	Is there an incubation center?	Yes
Q15	Is there an industrial park (an area zoned and planned for the purpose of industrial development)?	Yes

2. Visit to SMEs (The report should be made in PowerPoint)

Please visit SMEs (at least 3 companies) in your country, talk with the manager(s) and write a report including the following items.

- * Company name
- * Person you talked with
- * Type of business
- * Company size (capital, number of employees, sales amount, etc.)
- * Any business problems that company faces
- * Your opinion about what to do to solve their problems
- * Any support from government they are receiving/ expectation to government
- * Photos (company building/factory, product, etc.)

3. Meeting with ex-participants of 2012

(If there were no participants from your country in 2012, you do not need to write this section.)

- * Name and organization of the ex-participants
- * Progress of ex-participants' action plan (If there were no/little progress, please explain the reason)
- * Ex-participant's advice and requests for you on joining this year's program

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 and 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:

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