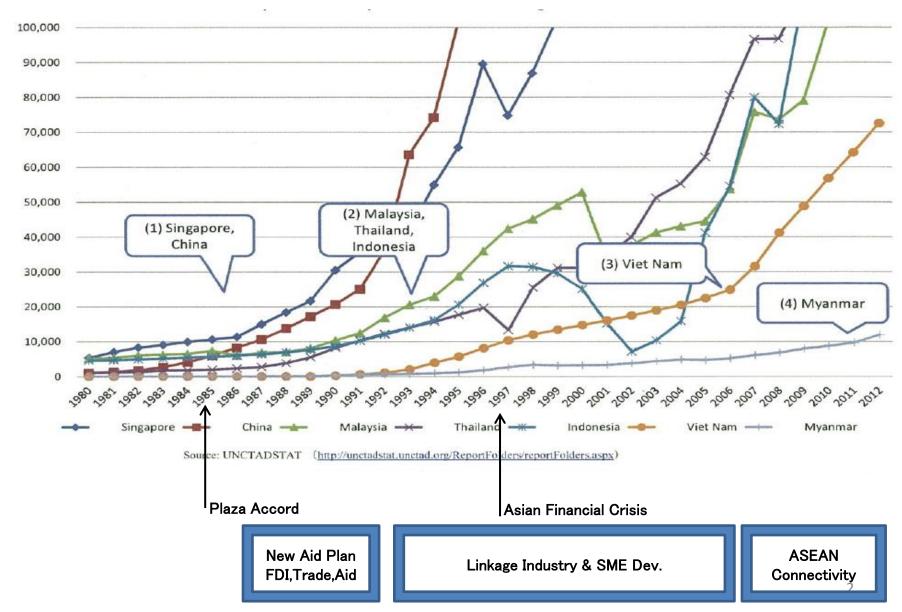
JICA's Approach on Private Sector and Development (East Asian Experience and Future Challenges)



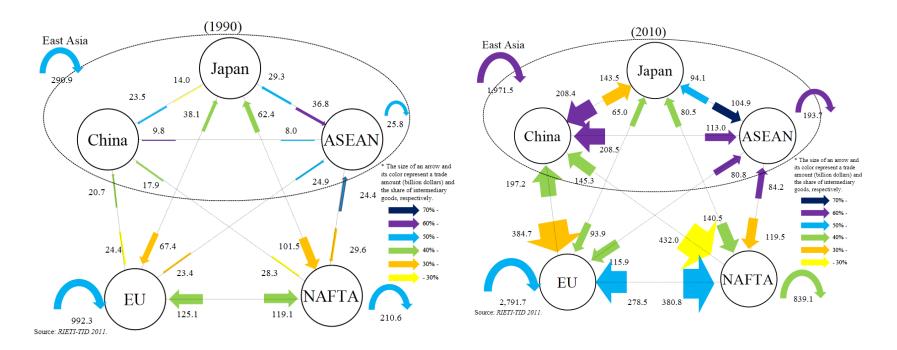
FDI Stock in Asian Economies

(USD at current prices and current exchange rate in millions)



International Trade (1)

- ✓ Within East Asia, volume of trade expanded significantly and "Intermediary Goods" became the major trade goods → East Asia is becoming "one factory"
 - ✓ Size of arrow: Trade volume
 - ✓ Color of arrow: Share of intermediary goods. (Darker the higher)



Flow of Trade Between Major Regions (unit: billion USD)



Impact on Major Sectors (1)

Transport

84.76% 75.78% 61.72% Airport Passengers (Number/Day) Thailand Malaysia Vietnam 51.15% 22.05% 36.41% Railroad Railroad (km) Philippines Thailand Indonesia 72.84% 48.29% 21.61% Port and Harbor Container Freight (TEU/Day) Cambodia Indonesia Thailand 40.32% 37.32% 39.28% Cargo Handling (t/Day)



Suvarnabhumi International Airport in Thailand



The Jakarta Fishing Port in Indonesia



JABODETABEK Urban Transportation in Indonesia

Source: JICA, base data 1970-2009

Note: The percentages shown in the pie charts indicate JICA's contribution in the selected sector.

Cambodia

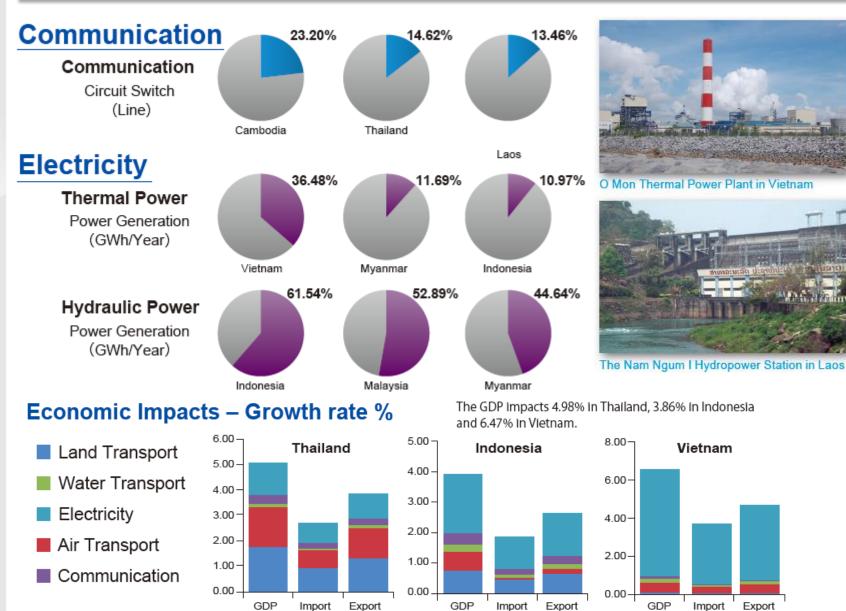
Vietnam

Indonesia

Photo: Thailand (Yasuhiko OKUNO), Indonesia (Shinichi KUNO)



Impact on Major Sectors (2)



Private Sector Development for JICA's Vision

JICA's Vision

Inclusive and Dynamic Development

Economic Development

Social Development

Private Sector Development

Create employment, revitalize region, generate income & wealth increase savings & investment, develop human resources, provide suitable goods & services and strengthen industrial competitiveness

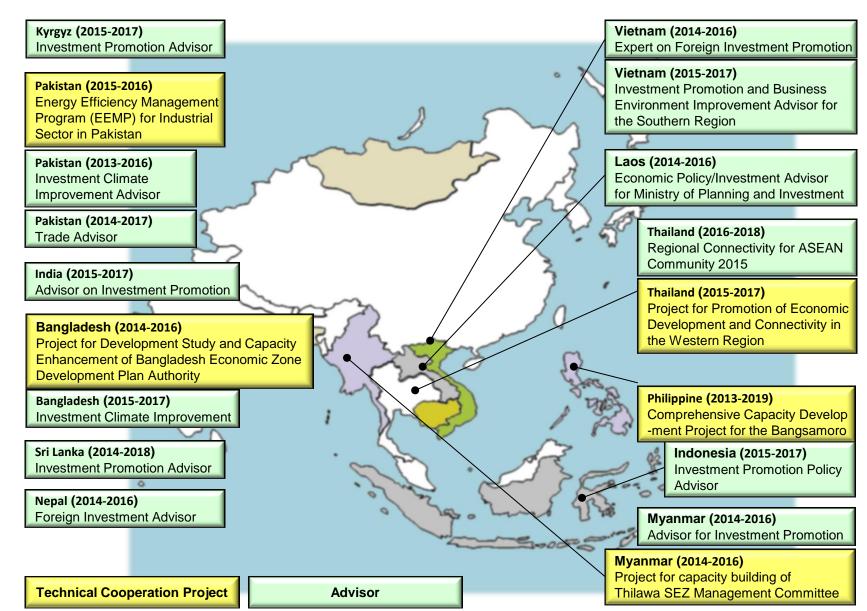
Trade and Investment

Small and Medium Enterprises (SMEs)

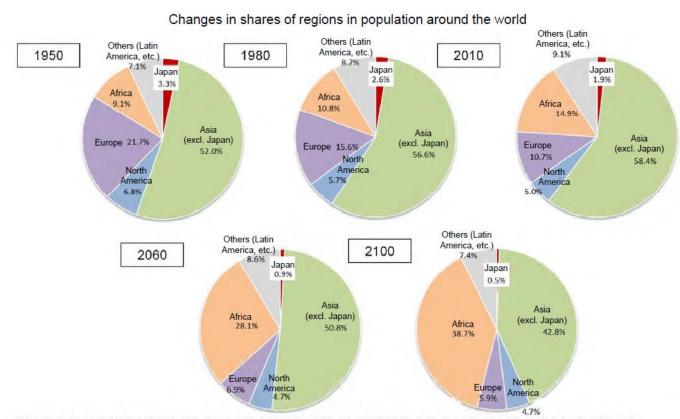
Local Industries and Economies

JICA's On-going Projects in Trade/Investment in Asia (*including

Investment Promotion Advisors)



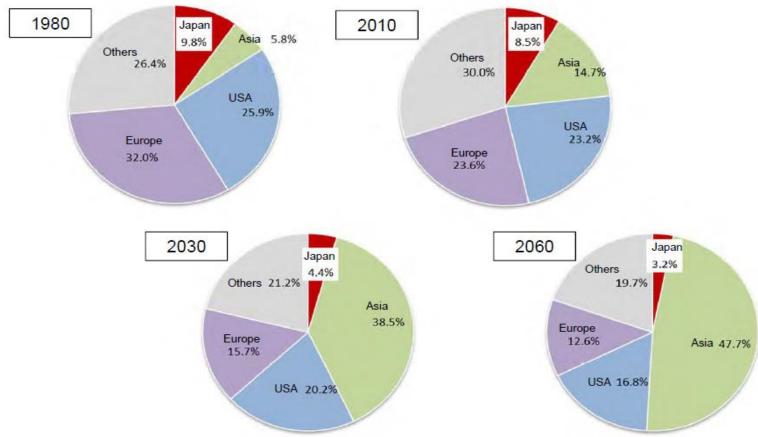
Trade and Investment Promotion



(Note) Adapted from United Nations "World Population Prospects: The 2012 Revision (Medium Variant)," MIAC "Population Census Report" and "Annual Report on Current Population Estimates," and the National Institute of Population and Social Security Research "Population Projection for Japan (January 2012)" (medium projection)

(Source: Cabinet Office of Japan, Nov. 14, 2014)

Changes in shares of countries and regions in the world economy (GDP)



(Note) Adapted from IMF "World Economic Outlook Database, October 2014" and OECD "Economic Outlook (May 2014)"

(Source: Cabinet Office of Japan, Nov. 14, 2014)

^{*} Asia includes four countries below: South Korea, China, India, and Indonesia.

^{*} Europe includes 15 countries below: Ireland, United Kingdom, Italy, Austria, the Netherlands, Greece, Sweden, Spain, Denmark, Germany, Finland, France, Belgium, Portugal, and Luxembourg.

The Way Forward

For "The Asian Century" (ADB, Asia 2050)

Industrial Human Resource Development

Regional Cooperation

Beyond East Asia: South Asia and Africa

"Kaizen" and Africa Business Education Initiative for Youth (ABE Initiative)

Investment & Trade Promotion

Private Sector Partnership Scheme

Industrial Human Resource Development Cooperation Initiative (Support Plan)

Through public-private-academia collaboration, Japan will support the cultivation of industrial human resources that contributes to sustainable growth by meeting the needs of each country through dialogues.

Design and Practical Technical Skills **Innovation Capability** Management and Planning Skills **Product Development Skills** Experienced technical experts Engineers Human resources for Middle management personnel and skilled workers as an as a drive for infrastructure research and development as a proactive actor for the development and product engine for manufacturing as a drive for innovation company's management design and development Japanese-style vocational and planning capacity building for human resources training programs (e.g.: expanding an education model of utilizing and improving "Japan for research and development at Promotion of the transfer of skill-KOSEN (colleges of technology) Center" to share Japanese-style colleges, universities, and graduate evaluation systems) capacity building for engineers at management skills schools ·capacity building courses for colleges, universities, and graduate training in Japan and target promoting science and technology educational training for technical schools countries (e.g.: sharing knowcooperation by establishing experts technology transfer for the how on quality infrastructure collaborative research institutes · Human resources and skills designing, operation, and operation and project Strengthening partnership among development in key industries in maintenance of quality universities, including promotion of management), etc. Japan or target countries, etc. infrastructure joint research and industry-academia training and study opportunities in cooperation (Example) training and study opportunities in Japan, etc. (Example) Japan (Example) ·human exchanges in the field of science and technology, etc. Project for Capacity Development (Example) of Business Persons through Project on Enhancement of Vietnam-Japan Human Resources Metalworking Capacity for Supporting AUN/SEED-Net Thai - Nichi Institute of Technology Cooperation Center Industries of Construction Machinery

Building foundation for human resources with basic academic ability Providing support for making timely and effective industrial policies Supporting industrial human resources through PPP

Improving basic education focusing on mathematics and science

(improving educational environment, educational materials, teachers' skills, etc.)

Improving government officials' capability to make industrial policies

(training and study opportunities in Japan, etc.)

Cooperation through PPP

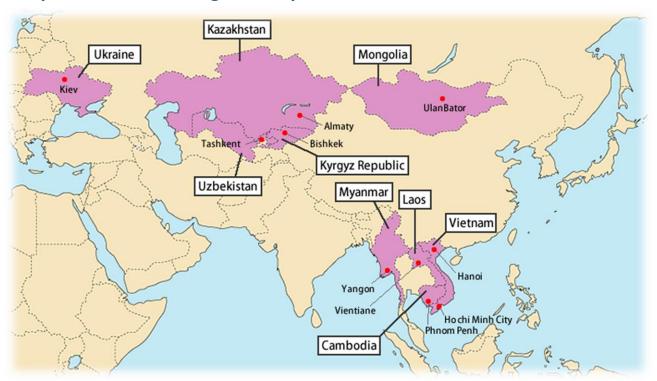
(designing curricula for universities, sending lecturers and accepting interns, etc.)

(Source: Ministry of Foreign Affairs of Japan, 2015)

JAPAN CENTER

Developing Human Resources and Promoting Exchanges with Japan

- Japan Center was conceived in 1998 as a means to highlight Japan's ODA activities and to serve as a base for developing human networks.
- 10 centers have been established in 9 countries on East, Central and Southeast Asia.
- Japan Centers implement 1) Development of Local Business Human Resources, 2) Formulation of human-based network between Japanese enterprises and management personnel.





JICA's Profile in Engineering Higher Education

India

Egypt

Kenya

 Indian Institute of Technology Hyderabad (IIT-H): Loan & TA

Afghanistan

(E-JUST): TA

Tech: TA

Rwanda

· Promotion and Enhancement of Afghan Capacity for Effective Development (scholarship): TA

• Establishment of Egypt-Japan

Pan Africa University – Science,

• Tumba Technical College: TA

Technology & Innovation (PAUSTI)

@ Jomo Kenyatta Univ. of Agr. &

University of Science and Technology

Mongolia

•National University of Mongolia & Mongolia University of Science & Technology: Loan

 Scholarship for governmental officials (JDS): Grant

Laos

- Scholarship for governmental officials (JDS): Grant
- Faculty of Management and Administration in Savannakhet Univ: TA

Cambodia

- •Institute of Technology of Cambodia: Grant & TA
- •Scholarship for governmental officials (JDS): Grant

Vietnam

- •Hanoi University of Technology and Science (IT field): Ioan &TA
- •Industrial University of Ho Chi Minh City (heavy-chemical sector): TA
- •Scholarship for governmental officials (JDS): Grant

Myanmar

- •Yangon Technological University & Mandalay Technological University: Grant &TA
- Scholarship for governmental officials (JDS): Grant

Malaysia

- •Scholarship for twinning programs (HELP III): loan
- •Malaysia Japan International Institute of Technology (MJIIT): Loan & TA

Africa [54 countries]

 African Business Education (ABE) Initiative for Youth: Master's Program & Internship Program: TA

Philippines

- •Senior High School Modeling in Selected Tech & Vocational High School: TA
- •Scholarship for governmental officials (JDS): Grant

Southeast Asia Region

•AUN/SEED-Net (ASEAN University Network/Southeast Asia Engineering Education Network) Phase-3: TA (26 ASEAN univ. & 14 Japanese univ.)

Timor Leste

•Capacity Development of the Faculty of Engineering, Science and Technology, the National University of Timor-Lorosa'e: TA & Grant

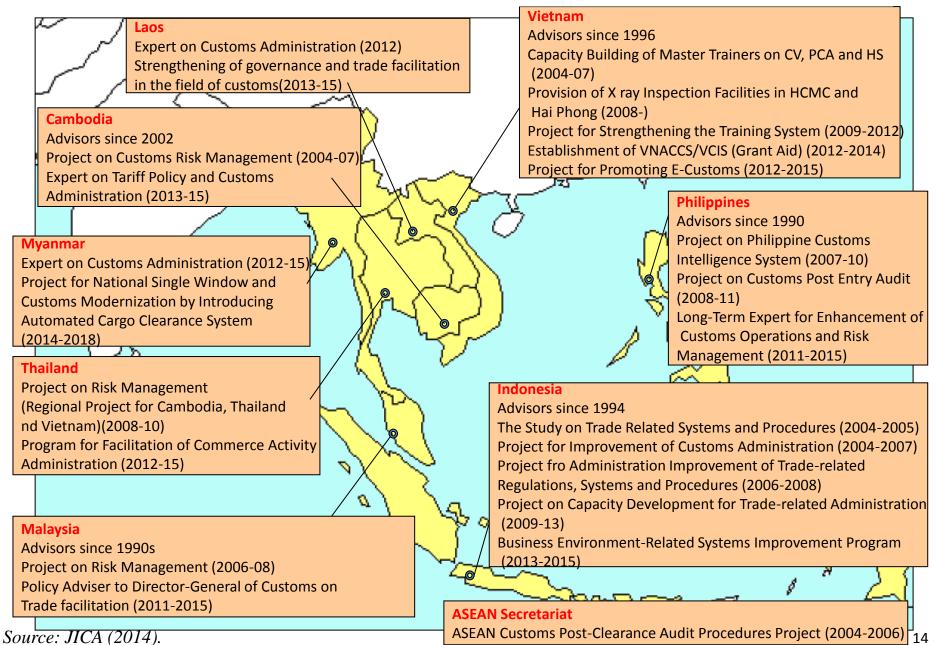
Indonesia

- •Institute of Technology Bandung: Loan
- •Indonesia University (health): Loan
- Hasanuddin University: Loan & TA
- •Scholarship for government officials (PHRDP III~V): Loan
- •Institute of Technology Surabaya: TA
- •Indonesia Accreditation Board on Engineering Education (IABEE): TA

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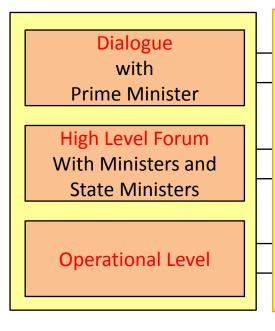
13

JICA's On-going Projects in Customs Administration in ASEAN (as of 2014)



- Policy Dialogue of Industrial Development in Ethiopia
- ✓ Fill the knowledge and experience gap of Ethiopia, and assist in the implementation of the Growth and Transformation Plan 2010/11-2014/15 (GTP) and the planning of the next 5 year plan (GTP2).

<u>Three layers of Dialogue</u> with Ethiopia

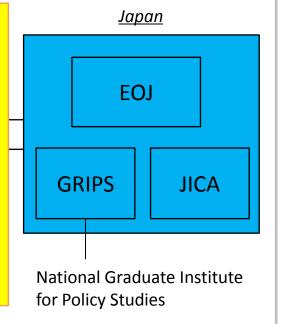


Policy Dialogue

1. Policy Visions

Democratic Developmentalism, Agriculture Development-led Industrialization (ADLI)

- **2. Five Year Development Plans**PASDEP (05/06-09/10), GTP (10/11-14/15)
- 3. Sector Policies/Strategies
- 4. Cros-cutting Issues
- MSE Development Strategy
- Policy Making Process and Organizations
- National Movement of Productivity
- Export Promotion and Investment promotion



Productivity Improvement (KAIZEN) Project in Africa





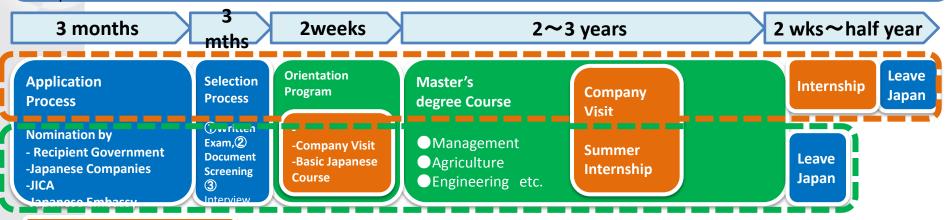
Africa Business Education Initiative for the Youth (ABE Initiative) Master's Degree and Internship Program Implementation Image

Target Countries

FY2014~2017 54 African Countries (10 large batch countries)

Target Participants

- 1 Private Sector Personnel Persons who should play a guiding role to strengthen the tie between Japan and Africa 60%
- ② Government Official Young Officers who are in key positions for Industrial Development 30%
- 3 Academic Personnel Instructors of higher education institutions who contribute to the development of future industrial personnel 10%



Feature

- Combination of Master's course and Internship
- Development of African Industrial Personnel who have deep understanding on Japanese Society after the long stay in Japan
- Strengthening Network between African Industrial Personnel and Japanese Private Sector
- Possibility of Recruitment by Japanese Companies
- Capacity Development of African higher education Institutions developing Industrial Personnel

Contribution to Industrial
Development by making use of
the vitality of Japanese Private
Sector

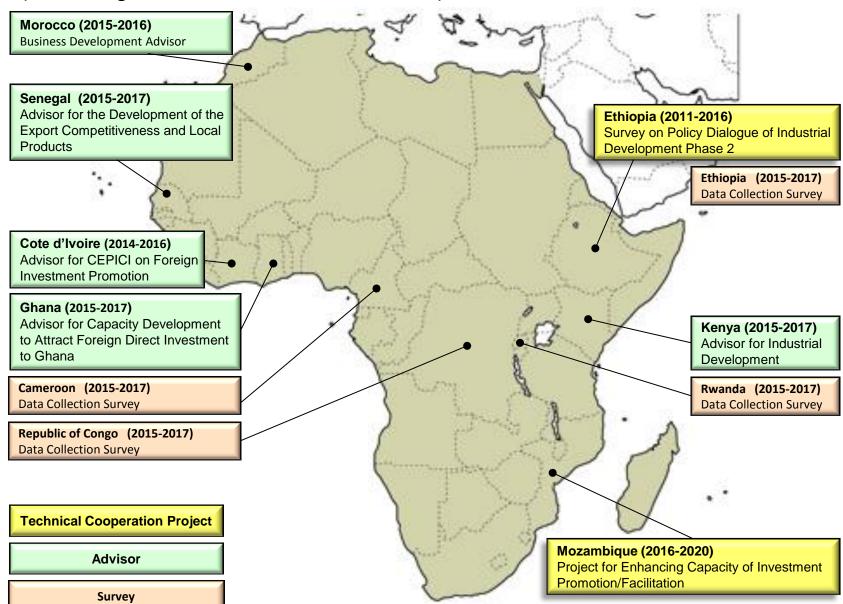
Implementation Structure

- 1. Advisory Committee (Tokyo Once a year) : MOFA, MEXT, METI, KEIDANREN, JICA
- 2. Steering Committee (each country): Japanese Embassy, JETRO, Japan Chamber of Commerce, Recipient Country, JICA
- 3. Secretariat : JICA
- 4. Support Organization: Support Organization (agency) will be recruited by JICA

1

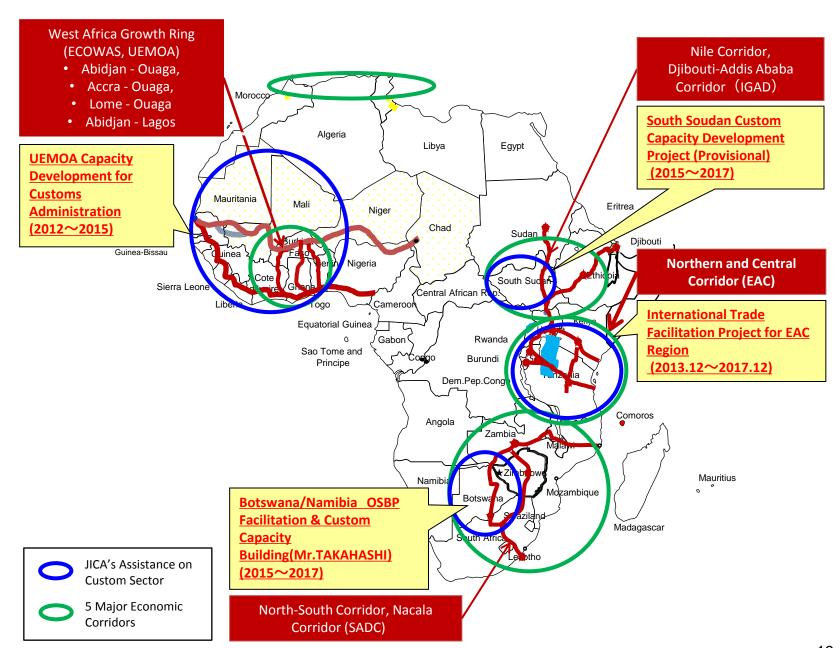
JICA's On-going Projects in Trade/Investment in Africa

(*including Investment Promotion Advisors)



Trade and Investment Promotion

One Stop Border Post (OSBP) in Africa



JICA's Schemes based on proposals by Private Sector

Information Collection/Study



<u>SME Partnership Promotion Survey</u>

- ➤ To support Japanese SMEs that seeks to conduct new business which responding to development challenges .
- ➤ Up to 8.5 mil JPY

Feasibility Study with the Private Sector for Utilizing Japanese Technologies in ODA Project

- To examine the potential use of Japanese companies' products and technologies for Japanese ODA projects.
- > Up to 30 mil JPY or 50 mil JPY

<u>Preparatory Survey for BOP</u> Business Promotion

- To promote private sector BOP business (inclusive business) which responding to development challenges.
- ➤ Up to 50 mil JPY

<u>Preparatory Survey for PPP</u> <u>Infrastructure Projects</u>

- ➤ To support companies that seek to conduct PPP infrastructure projects in developing countries.
- Up to 150 mil JPY

JICA's Schemes based on proposals by Private Sector

Verification/Promotion of Product

<u>Verification Survey with the Private Sector</u> <u>for Disseminating Japanese Technologies</u>

- To verify the usefulness of selected Japanese products and technologies through actual installation and operation of products.
- Up to 1 mil JPY

<u>Collaboration Program with the Private</u> <u>Sector for Disseminating Japanese</u> <u>Technology</u>

- ➤ To introduce products, techniques, know-hows and systems of the Japanese private sector through inviting relevant officials to Japan and holding workshops/seminars in developing countries for the future adaptation
- Up to 20 mil JPY





