JICA’s Approach to Private Sector Development

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JICA
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
Area of JICA’s PSD

**Overall Policy**

**Formulation of Industrial Development Policies**
- Master plan for industrial development
- Policy Dialogue

**Improvement of Business Environment**
- Development of legal system and institutions for industries (laws, judicial system, intellectual property rights, industrial standards and conformity)
- Economic infrastructure (electric power, road, port, etc.)

**Global**
- International Competitiveness, Benefits from Global Market

**Local**
- Regional Gap Correction, Poverty Reduction

**Trade and Investment Promotion**
- Strengthening organizations of trade/Investment promotion
- Formulation of trade/investment policies and institutions

**SME Development**
- Improvement of quality and productivity
- Strengthening SME Development organizations
- Formulation of SME development policies

**Local Economy Development**
- Local enterprises/community development (One Village One Product movement, Cluster development)
- Tourism development (utilizing local resources)

**New Partnerships that Support Economic Growth**

**Public Private Partnership**
- Study for PPP Infrastructure Projects
- Study and Pilot Project for Disseminating SME's Technologies
- Study for BOP Business Promotion, SME Partnership Promotion Survey
Recent Highlights

**<Industrial Development Policies>**
1. Policy Dialogue of Industrial Development in Ethiopia
2. Industrial Policy Advisors

**<Improvement of Business Environment>**
3. OSBP in Africa
4. Intellectual Property Rights in Indonesia

**<Trade and Investment Promotion>**
5. Investment Promotion Advisors
6. SEZ Development in Myanmar and Kenya

**<SME Development>**
9. Productivity Improvement (KAIZEN) Project in Ethiopia and Africa
10. Automobile Industry in Mexico (Value Chain Development of FDI and Local SME)

**<Local Economy Development>**
10. One Village One Product Project in Kenya
11. Tourism Development Project in Dominica Republic
Policy Dialogue Themes

1. Policy Visions
   Democratic Developmentalism, Agriculture Dev.-led Industrialization (ADLI), Light Manufacturing

2. Five Year Development Plans
   GTP (10/11-14/15), GTP2 (15/16-19/20)

3. Sector Policies/Strategies
   - Basic Metal & Engineering Industry
   - Industrial Development Strategy

4. Thematic Issues (Phase 2)
   - Export Promotion / Champion Product Approach
   - FDI Promotion / FDI-linked Technology Transfer
   - Handholding (Enterprise support) Program

5. Cross-cutting Issues
   - MSE Development Strategy
   - Policy Making Process and Organizations
   - National Movement of Productivity

Business Environment
One Stop Border Post in Africa

- Eastern
  Kenya - Tanzania
  Rwanda - Tanzania

- Southern (new)
  Botswana - Namibia

- Western
  Togo – Burkina Faso
Project for Strengthening Intellectual Property Rights (IPR) Protection in Indonesia (2011.4-2015.4)

■ Project Purpose:
Intellectual Property Rights protection and utilization mainly by Directorate General of Intellectual Property Rights (DGIPR) is strengthened.

■ Outputs:
1. Function of the IPR enforcement in relevant institutions are strengthened.
   - Injunction at Border
   - IPR Investigation
   - Examination & Court Judgement of IPR Cases

2. Examination capacity of DGIPR is improved.

3. Utilization and dissemination of IPR at higher educational institutions is improved.

   Encouraging Creation
   Intellectual Property Management
   Intellectual Property Utilization
Series of Infrastructure Development in Cambodia

- Expansion of Electricity Supply Facilities in Siem Reap (GA: $ 21.31 mil. ’02)
- Improvement of National Road No. 6 (Siem Reap Section) (GA: $ 13.53 mil. ’00)
- Improvement of the Bridge On National Road No. 6A (GA: $ 13.59 mil. ’00)
- Rehabilitation of the National Road No. 6A (GA: $ 30.12 mil. ’93)
- Construction of a Bridge over the Mekong River (GA: $ 65.07 mil. ’97)
- Improvement of the National Road No.1 (GA: $ 55.32 mil. ’05)
- Improvement of the National Road No.2 (Takeo Section) (GA: $ 55.32 mil. ’05)
- Rehabilitation of Bridge along the Main Trunk Roads (GA: $ 9.96 mil. ’04)
- Improvement of Security Facilities & Equipment in Main International Port (GA: $ 9.27 mil. ’06)
- Sihanoukville Port SEZ Development Project (YL:$36.51mil.’08)
- Sihanoukville Port Urgent Rehabilitation (YL:$41.42mil.’99)
- Sihanoukville Port Urgent Expansion (YL:$43.13mil.’04)
- Sihanoukville Port SEZ Development (E/S) (YL:$3.18mil.’06)

GA : Grant Aid
YL: Yen Loan
TC: Technical Cooperation
SEZ, Strategic Development to Attract FDI


3. Development Vision of Mombasa SEZ

Mombasa SEZ
"The Economic and Industrial Core of East African Region"

MC-SEZ
"Industrial BASE to Maximize Utilization of National Resource”

DK-SEZ
"Logistics and Information HUB as Gateway of Northern African Corridor”

5. Implementation Scenario

Development Image in 2015

Class A Area
- Fast track setup and marketing
- High quality infrastructure
- International competitive manufacturers
  Automobile, Electronic Component, Office Appliance

Class B Area
- Key infrastructure setup (main road, flood control, drainage)
- Labor intensive industries
  Garment, Food, Wire Harness

- The number of investors (occupancy rate) depends on market demand
- The SEZ’s attractiveness and competitiveness to be enhanced to accelerate the development
- Wide range of industries from the world to be invited
- Appropriate partners of the zone-developer to be considered
- The joint venture, the Government of the Republic of the Union of Myanmar and the Government of Japan take initiative

Note: The location of Class A area shall be fixed soon. Detailed plan to be developed by the joint venture.
Mongolia; Capacity Development for Promoting Foreign Direct Investment (2010-2013)

Pakistan; Advisor for Trade Policy II (2012-2014)

Bangladesh; Investment Climate Improvement (2012-2014)


Cambodia; Enhancing the Investment-related Service of Council for the Development of Cambodia (CDC) (2011-2014)

Cambodia; Advisor for Investment Promotion (2011-2013)

Technical Cooperation Project Advisor

Kazakhstan; Advisor for FDI Promotion (2014-)

Nepal; Foreign Investment Advisor (2013-2015)

Myanmar; Investment Promotion Advisor (2014-2016)

Laos; Advisor on Investment Promotion (2009-2012)

Viet Nam; Expert on Improving Business and Investment Environment (2012-2014)

Viet Nam; Advisor for Foreign Direct Investment (2012-2014)

Philippines; Investment Advisor (2012-2014)

Papua New Guinea; Investment Advisor (2013-2014)

East Timor; Advisor for Industrial Policy (2014-2015)

Indonesia; Investment Promotion Policy Advisor (2011-2015)

Indonesia; Industrial Development Advisor (2011-2015)

Nepal; Foreign Investment Advisor (2013-2015)

Laos; Advisor on Investment Promotion (2009-2012)

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Indonesia; Investment Promotion Policy Advisor (2011-2015)

Indonesia; Industrial Development Advisor (2011-2015)
Namibia (2012 - 2013)  
Advisor on Industrial Development

Tanzania (2008 - 2015)  
Advisor on Industrial Development

Cote d'Ivoire (2014-)  
Advisor for Foreign Investment Promotion

Mozambique (2013 - 2014)  
Investment Promotion Advisor

Sudan (2013-2014)  
Trade Promotion Advisor

Sudan (2013-2014)  
Trade Promotion Advisor

Morocco (2013-2014)  
Business Development Advisor

Cameroon (2010-2013)  
SME Promotion Policy Advisor

Kenya (2014-)  
Industrial Development Advisor

Ghana (2014-)  
Investment Promotion Advisor

Kenya (2014-)  
Industrial Development Advisor

Cote d'Ivoire (2014-)  
Advisor for Foreign Investment Promotion

Cameroon (2010-2013)  
SME Promotion Policy Advisor

Tanzania (2008-2015)  
Advisor on Industrial Development

Mozambique (2013-2014)  
Investment Promotion Advisor

Namibia (2012-2013)  
Advisor on Industrial Development

Kenya (2014-)  
Industrial Development Advisor

Ghana (2014-)  
Investment Promotion Advisor
Ethiopia KAIZEN Project

Sort, Set-in-order & Shine (3S) are implemented to standardize the inventory stock.

In-process stock is repositioned to avoid Muda of transportation.

Before Kaizen

After Kaizen
JICA’s KAIZEN Projects in Africa

- **Tunisia (2009-2013)**
  - Project on Quality/Productivity Improvement

- **Ghana (2012-2015)**
  - Project for Formulating a Model for KAIZEN through Strengthening BDS for MSEs

- **Cameroon**
  - KAIZEN Project

- **Ethiopia (2011-2014)**
  - KAIZEN Dissemination Project (Phase2)

- **Kenya (2012-2014)**
  - Project on Productivity Improvement

- **Tanzania (2012-2015)**
  - Project on Strengthening Manufacturing Enterprises through KAIZEN

  - The Project on Capacity Development for KAIZEN Generation on AU

- **Zambia (2014-2016)**
  - National KAIZEN Project

- **Egypt (2009-2013)**
  - Productivity and Quality Improvement Center

As of March 2014
Project for Automotive Supply Chain Development in Mexico

FDI

Local Industry

Guanajuato State

Model Japanese Suppliers (Tier-1)

Potential Local auto Parts Suppliers (Tier-2)

Queretaro State

Model Japanese Suppliers (Tier-1)

Potential Local auto Parts Suppliers (Tier-2)

Nuevo Leon State

Model Japanese Suppliers (Tier-1)

Potential Local auto Parts Suppliers (Tier-2)

6 Model Japanese Suppliers (Tier-1) and 30 Potential Local auto Parts Suppliers (Tier-2)
OVOP in Kenya

- Aloe products
- Nettle leaves herbal products
- Yogurt
- Banana chips
- Soapstone products
- Mushroom flour
- Flour & dried fruits
- Hone products

Japan International Cooperation Agency
Tourism Development in Dominica Republic

Map of Municipality Brands of Puerto Plata
Supporting women entrepreneurs

- Part of Japan’s Initiative regarding Women’s Empowerment and Gender Equality

- Japan-Africa Business Women Exchange Program (2013-)
  - A follow-up to Tokyo International Conference on African Development (TICAD V)

- Economic empowerment of rural women
  - Women-specific: Project on Gender Mainstreaming (Cambodia)
  - Smallholder Horticulture Empowerment and Promotion Unit Project (Kenya)
New Partnerships that Support Economic Growth

• Private Sector Investment Finance

• Preparatory Survey for PPP Infrastructure Projects

• Preparatory Surveys for BOP Business Promotion

• Small and Medium-Sized Enterprise Partnership Promotion Survey (F/S Assistance)

• Assisting Japanese SMEs’ Business Development Overseas Using ODA