Updates on JICA’s strategic directions and activities in Private Sector Development

DCED Annual Meeting 2019
Private Sector Development Group, Industrial Development and Public Policy Dept
• Place emphasis on enhancement of firm capabilities (③⑤), while promoting business linkages (④) including global value chain participation and improving access to finance (②), along with the support for development of policies and regulations (①) where necessary.

• Leverage existing knowledge and experiences, new technologies and know-how’s to promote innovative cooperation.

**Fundamental framework of Private Sector Development at JICA**

- **③ Firm Capability Enhancement**
  - Management capacity: Provision of BDS (Business Plan, Marketing, Accounting and Finance etc)
  - Technical capacity: Improvement of quality and productivity management

- **④ Business Linkage Promotion**
  - B to B
  - Support value chain development
  - Facilitate business matching
  - Utilise E-Commerce

- **② Improvement of access to finance**
  - Funding startups (e.g. Venture capitals)
  - Promoting innovation in financial service for SMEs

- **⑤ Facilitation of radical innovation**
  - Effective entrepreneur development programme
  - Development of new business (renovating business models)
  - Industry-government-academia partnership

- **① Reform of policies and regulations**
  - Industrial policy reform
  - SEZ development, investment promotion
  - Business Environment Reform
Investment promotion Example of a project in Bangladesh (2017-2022)

**Overall Supervision & Coordination**

Project Coordination Committee (PCC)
Chair, Principal Secretary / Secretary (PMO)
Member: BEZA, BIDA, MOI, and other Counterpart/ relevant organizations

**Component 1**

Improvement of business environment and investment promotion

Project Implementation Committee-1 (PIC-1)
Chair: Executive Member of BIDA (Bangladesh Investment Development Authority)

**Component 2**

Economic Zones management and operation (incl. est. and operation of OneStopService)

Project Implementation Committee-2 (PIC-2)
Chair: Executive Chairman of BEZA (Bangladesh Economic Zones Authority)

**Component 3**

Industrial Development (Policy formulation, pilot projects with local companies, CD of BDS institutions for dev. of manufacturing sector)

Project Implementation Committee-3 (PIC-3)
Chair: Senior Secretary of MoI (Ministry of Industry)

**Linkage**

Increased Foreign Direct Investment
Strengthed Local companies
New activities 1: Survey on Upgrading Manufacturing Industry using the Latest Technology

- **Objectives:**
  1. Analyse the impact of rapidly advancing new technologies*¹ in the field of industrial development
  2. Map out the current situation of “Industry 4.0” in selected (Asian) countries
  3. Assess and propose the plan for the cooperation program of JICA in this area (esp. manufacturing)

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- **By Apr. 2019**
- **May-Sep. 2019**
- **Jun.-Sep. 2019**
- **Sep. 2019-Dec. 2020**

(Note) *¹: new digital technologies such as IoT, AI, robotics
New activities 2: Survey on Startup/Entrepreneur Support

**Objectives:**
1) Collect and analyse information on the business environment surrounding startups and entrepreneurs, the entire picture and each measure of supports provided by both public and private organisations.
   1) Analyse the historical transition and success factors of mature ecosystem in selected advanced countries (e.g. Israel, Singapore, India (Bangalore), Estonia)
   2) Analyse the current situation of target countries (below)
   3) Draw up how the ecosystem of target countries should be
2) Consider and propose draft guidelines and action plans for JICA’s support

**Target countries:**
Asia: Singapore, India, Thailand, Vietnam, Laos
Africa: Kenya, Ghana, Zambia

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**By Apr. 2019**
- Inception report

**Jun.-Dec 2019**
- Desktop/Field survey

**May. 2020 - Jan. 2021**
- Progress report
- Plan and implement pilot activities to test support activities

**Dec. 2020 - Jan. 2021**
- Finalise JICA’s guideline and action plan
- Final report
Thanks for your attention!