

Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

1. Understanding of the present situation

(1) Why are “economic growth” and “decent work” necessary?

- A) **[Quantitative expansion and qualitative improvement of economic growth and employment]**: In 2015, the world's average GDP growth rate was 2.5%. Although the least developed countries (LDCs) need an economic growth rate of 7.0%, the average GDP growth rate was 4.4% in the LDCs (5.5% in the lower middle-income countries; 3.0% in the upper middle-income countries).¹ The world's average unemployment rate that year was 5.8% and the number of unemployed people increased to 201 million from 170 million in 2007.² That number is expected to increase by 8 million by 2019. It is necessary to create jobs for 470 million worldwide by 2030.³
- B) **[Regional characteristics]**: There are many LDCs and low-income countries (LICs) in Africa. The population of Africa increases by 2.7% every year.⁴ The secondary school attendance rate is only 33.7%. Because of this, it is necessary to expand the quantity of employment by promoting labor-intensive industries. In Asia, which includes many upper middle-income countries (UMICs), where the population slowly increases by 0.7% every year and many children attend secondary and higher schools (secondary school attendance rate is 77.1%), it is necessary to improve the quality of employment by shifting to knowledge-intensive high-value-added industries in order to continue economic growth. The degree of progress in industrial innovation is low in the Asian UMICs: Malaysia is in 32nd place; Thailand is in 55th place.⁵
- C) **[Employment and individuals' choice of occupation]**: For individuals, employment means getting a job with satisfactory rewards and status based on the freedom to choose an occupation, according to one's academic and technical level, and the cost paid to reach that level, etc. An occupation aims to create independent living and “self-actualization” through social and economic activities. The availability of decent work requires an environment to be established where the employed should be regarded not just as mere labor capital but as individuals who can choose their occupation according to their abilities and characteristics, and fully participate in economic activities.

¹ World Bank, 'World Development Indicator'
(<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>)

² ILO 'World Employment and Social Outlook Trend 2016'

³ UN News Center, "Sustainable Development Goals: Fact Sheet"

⁴ World Bank, 'World Development Indicator'
(<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>)

⁵ Cornell University, INSEAD, WIPO 'The Global Innovation Index 2015'

- D) **[Decent work and sound economic growth]**: The keys to decent work and comprehensive and sustainable economic growth are industrial development, job creation, and the improvement of occupational safety and health to a level that is suitable for people's level of education and technical capacity, etc.⁶ A high unemployment or underemployment causes social unrest that can be seen in an increase in the outflow of workers overseas and in events like the "Arab Spring." In low-income countries and lower middle-income countries, it is necessary to secure a suitable volume of employment and create sound domestic capital through encouraging foreign investment, etc. However, the ratio of people employed in the informal sector has been increasing.⁷ It is essential to improve both primary and lower secondary education qualitatively and quantitatively in order to prepare for the development stage in the future.⁸ In upper middle-income countries and semi-advanced countries, it is important to create an extensive middle class through the expansion of both upper secondary education and higher education, including technical and vocational education and training, and make efforts to develop a higher technical capacity, business management capacity, and innovation capacity through the promotion of higher education and corporate R&D.

(2) Japan's efforts

- A) The Official Development Assistance Charter of 2003 specified a policy to make industrial promotion efforts in order to achieve sustainable growth. To remove factors of instability, such as terrorism, the Charter aimed to reduce poverty by increasing the number of jobs. In TICAD V (2013), support to develop the human resources required for private investment and trade promotion was adopted as a priority. The development of 30,000 industrial human resources according to corporate needs, the establishment of base centers (25 target countries; 10 places) and about 1,000 overseas students in Japan through the ABE Initiative were committed.
- B) The Development Cooperation Charter of 2015 chose "quality growth" and poverty eradication through growth as priority issues to be addressed by the development of human resources focused on independent growth, the establishment of infrastructure, and the construction of a legal system. The policy was shifted to a public-private partnership emphasizing on the improvement of the abilities needed by industry: industrial growth, promotion of science, technology, innovation, R&D, vocational training, development of industrial human resources, and job creation. Specifically, at the ASEAN-Japan Summit (in November 2015), an industrial human resource development cooperation initiative in Asia was proposed and it was planned that 40,000 people would be committed for human resource development over three years. Efforts would be made to develop human resources in terms of four specific

⁶ <http://www.ilo.org/tokyo/areas-of-work/lang--ja/index.htm>

⁷ From 22.5% in the 1970s to 31.3% in the 1990s; OECD 'Promoting Pro-Poor Growth: Employment' (2009)

⁸ World Economic Forum, 'The Global Competitiveness Report 2015–2016'; the indicators for the ripeness of higher education and vocational training show that the foundations for human resource development have not been sufficiently established in countries where the income level is low.

abilities: “practical and technical, skills” “design and product development, skills” “innovation, capability” and “planning and management skills.”

(3) JICA’s strength

Based on experience during Japan’s own high-growth era, JICA has supported the development of human resources in developing countries across the whole field of education, including basic education, vocational education (training), and higher education (engineering education in particular), as well as in the fields of occupational safety and health and “5S/Kaizen” method, etc. Especially in Southeast Asia, JICA has built foundations to promote industry and contributed to the popularization of decent work. Some agencies, such as the National Productivity Board of Singapore, have continued to develop because of JICA’s support. JICA’s strength is that it can use the following experience of Japan to carry out definite projects:

- A) **[Standardization of knowledge and skills]** Japan has promoted the standardization of industrial knowledge and skills through industry-academia-government cooperation. Since the establishment of the Japan Productivity Center as a result of the Cabinet’s decision in 1955, the “Kaizen” method became standard practice for many companies in the field of quality control and productivity improvement. For elemental technology, such as casting, forging, and plastic molding, a skills test system for national certification was established in 1959 and covered 114 types of jobs which helped standardize the practical skills of workers. The skills test system is an effective way to prove the ability of skilled workers and can be used as a standard for employment at companies.
- B) **[Achievement of consistent, universal, basic education and expansion of technical and higher education]** In Japan, the popularizing and the quality improvement of basic education and secondary education began long ago. During the high-growth era, Japan had many manufacturing workers that all had a consistent level of skills. In fact, expanding higher education and technical education (training) at the level of upper secondary education, promoted the development of human resources with “practical skills” and “design and development skills.”
- C) **[Productive labor-management relations, and decent and safe workplaces]** The relations between labor and management within a Japanese company are cooperative. As seen in the “Kaizen” method, managers and workers cooperate to improve quality control/productivity, and to promote occupational safety and health, effectively and efficiently. As a result, relationships of trust between the two parties are firmly formed and workplaces became productive, decent, and safe.

2. Priority targets

Given Japan’s policy and JICA’s strength, JICA has prioritized Targets 8.1, 8.2, 8.3, 8.5, 8.6, 8.8, and 8.9.

[1. Achieve higher levels of economic productivity through technological upgrading and innovation (Target 8.2)]

- Support the development of industrial human resources who support the high-value-added and labor-intensive sectors according to each country's stage of economic growth (technical and vocational education and training, higher education) (related to Target 4.3 of Goal 4)
- Support to improve economic productivity in the target sectors through the Japanese method of quality control and productivity improvement (Kaizen)

[2. Promote development-oriented industrial policies (sustaining economic growth (higher economic growth for least developed countries); promoting productive activities; growing micro-, small- and medium-sized enterprises and entrepreneurship; upgrading technologies and creating jobs) (Targets 8.1, 8.3, 8.9)]

- Support the promotion of investments through policy dialogs and policy advisors, etc. and support the promotion of foreign investment and the promotion of industries through developing industrial policies and an associated system
- Support the promotion of job creation and economic activities by securing domestic capital through promoting small- and medium-sized companies and entrepreneurship
- Support the development of quality and resilient infrastructure (including industrial complexes) which serves as the basis for economic activities and support the appropriate O&M (related to Targets 9.1 and 9.2 of Goal 9)

[3. Create and promote decent work; improve working environments, and protect labor rights (Targets 8.5, 8.6, 8.8)]

- Mindset reform of internal labor-management relations by introducing "Kaizen" and improving the working environments including occupational safety and health
- Support to develop the skills of the socially vulnerable, including women and those with disabilities through providing technical and vocational education and training (related to Target 4.4 of Goal 4)
- * Target 8.4 is tackled in JICA's Policy for Efforts to Achieve Goal 12 (sustainable consumption and production patterns).
- * Targets 8.7 and 8.8 (excluding occupational safety and health) are tackled in JICA's Policy for Efforts to Achieve Goal 5 (gender equality) and Goal 10 (inequality reduction).

3. Priority efforts to achieve the goals

- A) Development of human resources at each layer that contributes to the promotion of industry by continuous support for education ranging from basic education to vocational education (training) and higher education; and the promotion of decent work by the creation of jobs according to the level of human resources, and improvement of the working environment**

- **Capacity building related to individuals' choice of occupation**: promotion of occupational choice according to individuals' needs and eagerness through the implementation of "continuous learning" from basic education centered on science and mathematics, through nonformal education to acquire literacy and life skills, to vocational education and training, to higher education
- **Job creation according to each country's level of economy and human resources**: support to create jobs according to each country's economic stage and capacity (education) level of human resources through support for industrial policies, including the promotion of foreign investments and domestic industry
- **Promotion of safe and reliable working environment**: improvement of the systems and administrative capabilities for occupational safety and health; practical workplace safety guidance through presenting best practices at workplaces related to financial assistance

B) Strengthening the linkage between human resource development that meets the needs of Japan's private sector, and private sector activities

[1. ASEAN and other Asian regions]

- **Human resource development for advanced science and technology**: Emphasis on human resource development for advanced science and technology that promotes business human resources and innovation which contributes to the promotion of investments by Japan's private sector; strengthening of engineering universities' research capacities, promoting industry-university cooperation, and promoting the creation of new business opportunities within ASEAN as a result of cooperation between industries and universities through the construction of a network of human resources owned by the Japan Center and AUN/SEED-Net
- **Utilization of the Japan Center**: Consideration will be given to the utilization of the Japan Center as human resource platform and the development of business human resources and scientific engineers who will either become the business partners of Japanese companies or regular employees after studying in Japan as human resources for industry

[2. Africa and other regions]

- **New business development through the use of proposal-type projects, etc.**: developing enterprises (entrepreneurs) that will become business partners of the Japanese private-sector; support for Japanese companies' business development and the creation of new regional business opportunities through JICA's partnership with the Japanese private-sector (BOP business promotion; support for small- and medium-sized enterprises), etc.
- **Regional expansion of "Kaizen"**: support to promote decent employment through the mindset reform of both labor and management in the workplace (production sites) (Kaizen project/ABE initiative); popularizing and expansion of "Kaizen"
- **Developing skilled workers and engineers**: support for the development of human resources (development of skilled workers and engineers) through

high-quality vocational education and technical education that meet the needs of the private sector and are provided in cooperation with other stakeholders