

Partnership with Japanese Private Sector

Support for Japanese Small and Medium Enterprises (SMEs) Overseas Business Development to Address Various Development Issues in Developing Countries

Japanese government revised the Framework for Supporting Japanese SMEs in Overseas Business in March 2012 where JICA became a member of the all-Japan support system for overseas business development of SMEs. Since then, as of March 2017 JICA had received an aggregated total of 2,116 proposals from SMEs and selected 535 of them. In the Development Cooperation Charter approved by Japan's Cabinet in February 2015, activities by the Japanese private sector, including SMEs, are considered one of the major driving forces to promote the economic growth of developing countries. With the understanding that ODA is expected to play the catalytic role in tackling various challenges in developing countries and in accelerating business activities of private sectors, JICA continues its cooperation with SMEs.

● JICA's Overall Support for Japanese SMEs Overseas Business Development

In fiscal 2016, JICA built partnerships with new types of entities: the Consortium for a New Export Nation¹ and regional financial institutions. JICA also worked to strengthen relations with Japanese SMEs that have excellent technologies or products that can help developing countries address their development issues. As part of such efforts, JICA provided information and consultation services that were fine-tuned to the needs of regional private businesses.

Support structures for SMEs' overseas development have been strengthened at JICA's 14 domestic offices. Approximately 2,400 meetings were held and more than 270 seminars for over 12,000 participants were held across the nation during the year.

More effective use of overseas offices has also been considered, and JICA will actively provide such information as the needs from developing countries.

● Promotion Survey and Project Feasibility Survey

In fiscal 2016, JICA made two advertisements for SME Partnership Promotion Survey (called the Promotion Surveys) and Project Feasibility Survey.

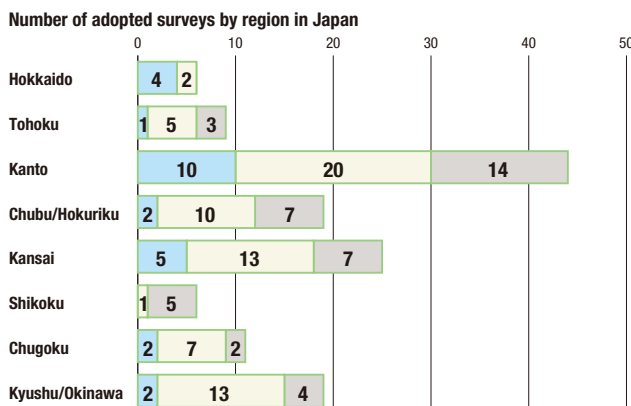
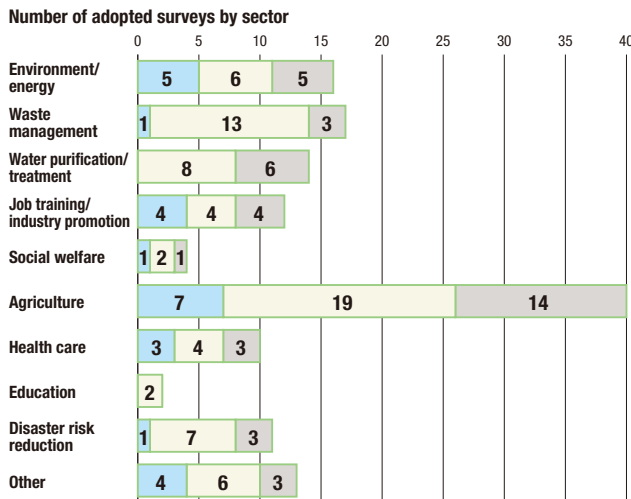
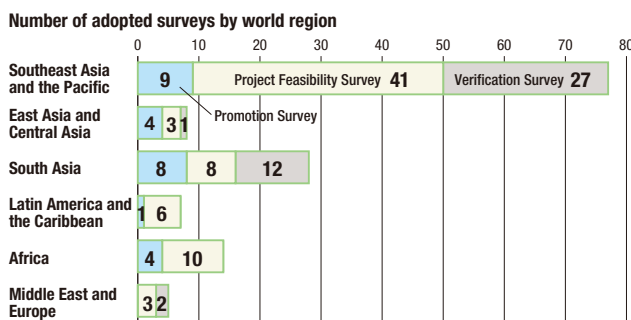
In a Promotion Survey, which started in 2012 and of which 88 have been selected so far, basic information is collected and an overseas business plan is drafted in order to examine the possibility of solving development problems through a Japanese company's overseas business development and the possibility for the company to collaborate in related ODA projects. In fiscal 2016, there were 26 surveys selected.

In a Project Feasibility Survey, which started in 2012 and of which 279 have been selected so far, the feasibility of using the company's products and technologies for overcoming challenges in a developing country is analyzed, while information is gathered

and a network with the counterpart government agency is built, all of which are necessary to conduct an overseas development program. There were 71 surveys selected in fiscal 2016.

The number of cases where private companies' products and technologies were used in ODA projects as a result of the surveys increased in fiscal 2016, including 13 cases of collaboration with technical cooperation projects, seven cases that contributed to usage in Finance and Investment Cooperation and Grants

Promotion Survey/Project Feasibility Survey/Verification Survey in Fiscal 2016



1. A framework to widely consolidate government agencies, local financial institutions, and other business support entities throughout Japan and provide comprehensive support for small and medium enterprises, etc., conducting overseas operations.

projects or development of new projects, and four cases that led to JICA Partnership Programs, private sector partnership volunteer programs, etc. Meanwhile, effects are also seen on the participating companies' side, as evidenced by securing overseas customers and the start of overseas production.

● Verification Survey with the Private Sector for Disseminating Japanese Technologies

The surveys are intended to verify the compatibility of Japanese SMEs' products and technologies to various socioeconomic conditions in developing countries, and possible dissemination

of these technologies and products. JICA initiated the surveys under fiscal 2012 supplementary budget, and 168 surveys have been started as of March 2017.

These Verification Surveys focus on the utilization of eco-friendly renewable energy, technologies for recycling industrial and municipal waste, and the development of agricultural products with more added value, among many other areas for disseminating excellent products and technologies in many parts of the world. Other areas in which Japanese SMEs take advantage of these surveys include disaster risk reduction (DRR), health care, and education.

Case Study

Nepal: Project Feasibility Survey for Introducing Small Hydrokinetic Power Generators to an Impoverished Himalayan Rural Area



Exploring the Possibility of Eliminating Power Shortages in Rural Communities in the Himalayas

Many communities in the world remain unelectrified or prone to power failures. The question is how to ensure stable power supply to community infrastructure. Nepal is one of the countries in the world that faces a severe power situation. Planned power cuts are frequent. The daily power cut in the wake of the April 2015 earthquake lasted more than a day at times. The problem is particularly serious in rural communities in mountainous areas, among other communities in Nepal.

This situation prompted Ibasei Ltd. to conduct a Project Feasibility Survey in the hope that Cappa, a small hydropower generator it has developed, will be of some help to secure power supply in such communities in the country.

Cappa has a number of advantages. First, it is so light that it can be carried by two adults. Easy installation even in inaccessible mountainous regions—no extensive civil engineering work required—makes the equipment perfect for rugged regions in Nepal. It can generate power in a flat flowing channel, unlike conventional generators that depend on a steep drop of the water.

After the survey was completed, this plan was adopted as a Verification Survey, paving the way for stable power supply to schools, which in turn will ensure the reliable use of building and security lighting as well as computer and other educational equipment and materials. The idea is to constantly encourage rural communities to improve their lives.



The small hydropower generator Cappa can be carried by two adults

Case Study

India: A Verification Survey Aimed at Distributing Potato Harvesters



A Hokkaido-based Manufacturer of Potato Harvesters Tackles Agricultural Problems in India

India ranks second in the world in terms of potato yield, yet potatoes in the country are generally harvested in an inefficient manner in which farmers dig them up with a bullock or a small tractor and collect them with their hands. Toyo Agricultural Machinery Manufacturing Co., Ltd. recently took advantage of the Partnership with the Japanese Private Sector program for a Project Feasibility Survey and Verification Survey to introduce its self-propelled potato harvester in India.

The Hokkaido-based company expects that this proprietary equipment will dramatically increase harvesting efficiency and potato quality in India. It is implementing this plan in cooperation with the Center for Seeds and Seedlings of the National Agriculture and Food Research Organization as well as the Center for Regional Collaboration in Research and Education of the Obihiro University of Agriculture and Veterinary Medicine.

Commenting on the findings of the preceding Project Feasibility Survey, Toyo officials said that they found many opportunities to capitalize on Japan's experiences nearly half a century ago when the country's agriculture began to be mechanized, as Indian farmers collect potatoes with their hands in the absence of organizations that promote farming machinery like Japan Agricultural Cooperatives. They also identified a major challenge. Indian potato growers need to better position their operations within a one-year cycle that include cultivation management from the spring and storage of the harvested potatoes.

Toyo is planning to organize seminars and other events aimed at inviting its peer companies in Hokkaido to join the plan. The idea is to explore the possibility of an "all-Hokkaido approach" involving many entities in the region. Toyo is already assessing the viability of a harvester it has modified to better suit the soil conditions in India. These are some of the activities the company is conducting with a view to doing business in India.



Toyo's self-propelled potato harvester in action

Activity Report

Initiatives and
Initiatives by RegionInitiatives and
Initiatives by IssueOther Activities and
Initiatives