



KAIZEN Newsletter

Quality and Productivity Improvement Project in Ethiopia



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The 1st Seminar on KAIZEN in Ethiopia



Ministry of Trade and Industry (MoTI) and Japan International Cooperation Agency (JICA) organized the 1st Kaizen seminar on November 4, 2009. This seminar was held as the kick-off meeting of the Quality and Productivity Improvement (Kaizen) Project which just started. The seminar was opened by opening remarks from H.E. Mr. Tadesse Haile, State Minister of MoTI, H.E. Mr. Kinichi Komano, Ambassador Extraordinary and Plenipotentiary of Japan to Ethiopia, and Mr. Go Shimada, Director of Trade, Investment and Tourism Division in Industrial Development Department of JICA. The seminar was chaired by Mr. Getahun Tadesse, head of Kaizen Unit in MoTI.

Subsequently, Professor Keijiro Otsuka of National Graduate Institute for Policy Studies (GRIPS) presented the origin of Kaizen concept, and Professor Tetsushi Sonobe of GRIPS presented examples of actual implementation of Kaizen in other countries.

Following the two presentations, Mr. Motokazu

Kanokogi, Head of the JICA consultant team presented schedule and overview of the project, including selection process and criteria of the Pilot Project. Then, the floor was opened for discussion, question and answer. There were active and intensive questions raised about details of the project and relationships between Kaizen and other quality or productivity maintenance or improvement methods, such as International Standard Organization (ISO) or Business Process Re-engineering (BRP). At the end of the seminar, Mr. Getahun Tadesse, Head of Kaizen Unit in MoTI gave closing remarks.

This event was attended by senior government officials, members of related organizations, members of donors and many owners and managers of about 140 manufacturing companies.



30 companies have been selected for the Pilot Project in Kaizen Project

Kaizen Project Team, comprised of JICA Kaizen Study Team and Kaizen Unit in MoTI, have chosen 30 companies to be included in the Pilot Project and signed Service Agreement with the selected companies on December 18, 2009. The Pilot Project is a component of Kaizen Project and the selected companies will receive consultation and guidance on Kaizen methods for productivity and quality improvement for four to five months each. Achievements attained in this process will later on scaled up through the National Plan for quality and productivity improvement to encompass other manufacturing industries.

In selection of the 30 companies, MoTI and JICA formulated selection criteria as below and chose 63 candidate companies accordingly. Teams of Japanese consultants and Kaizen Unit members visited the 63 companies for quick company diagnosis for Pilot Project. Based on the results, 30 companies have finally been chosen.

Selection Criteria

No	Selection Criteria	Reason / Explanation
1	Proximity to Addis Ababa (distance with less than 100 km)	Capacity of the Kaizen Team and transportation workload are considered.
2	Contribution towards export trade and/or import substitute	National strategy of Ethiopia to promote export and import substitution is considered.
3	Scale of capital	Companies with larger capital are highly evaluated, considering the degree of impact of Kaizen.
4	Size of number of employees	Companies with fewer employees compared to the scale of capital are highly evaluated, considering the degree of impact of Kaizen.
5	Diversity of products	This is to diversify the products which selected pilot project companies produce.
6	Avoidance of duplication by other donors	This is to increase the effectiveness of aid.
7	Operational consideration for the pilot project	Company managers, who are keen to learn Kaizen, are highly evaluated.
8	No direct and indirect links to military purposes, based on Principle of Japan's ODA Implementation	This is to observe the Principle as a base of Japan's ODA implementation rules.

The 30 companies were grouped into two and consultation for the first group will start in mid January 2010. The list of selected companies is shown in the following table.

List of 30 companies for Pilot Project

No	Name of Company	Sub-Sector	Grp
1	Akaki Spare Parts and Hand Tools Share Company	Metal	2 nd
2	Walia Steel Industry P.L.C.	Metal	1 st
3	Alem International Steels P.L.C.	Metal	1 st
4	Gelan Metal Industry P.L.C.	Metal	1 st
5	Maru Metal Industry P.L.C.	Metal	2 nd
6	Mesfin Industrial Engineering P.L.C.	Metal	2 nd
7	Gatepro P.L.C.	Metal	2 nd
8	Techtra Engineering P.L.C.	Metal	1 st
9	Sintec Ethiopia P.L.C.	Metal	1 st
10	Nehemiah Engineering P.L.C.	Metal	2 nd
11	Sebeta Agro Industry P.L.C.	Agro	1 st
12	Universal food Complex S.C.	Agro	1 st
13	Addis Mojo Edible Oil Complex Plc	Agro	1 st
14	Nas foods P.L.C.	Agro	2 nd
15	Seka business Group P.L.C.	Agro	2 nd
16	Kality Food S.C.	Agro	2 nd
17	Matador Addis Tyre Factory S.C.	Chemical	1 st
18	East African Group (Ethiopia) P.L.C.	Chemical	2 nd
19	Zenith Gebes Eshet Eth. Ltd.	Chemical	2 nd
20	Kadisco Chemical Industries P.L.C.	Chemical	2 nd
21	Oromia Pipe Factory P.L.C.	Chemical	1 st
22	Ethiopian Pulp & Paper SC	Chemical	1 st
23	Ethio Leather Industries PLC (ELICO)	Leather	2 nd
24	Dire Industries (Dire Tannery)	Leather	1 st
25	Walia Leather and leather product Industries P.L.C	Leather	2 nd
26	Ramsay Shoe Factory	Leather	1 st
27	Adama Spinning Factory	Textile	2 nd
28	Ediget Yarn and Sewing Thread S.C.	Textile	1 st
29	Ethio-Japan Textile Factory	Textile	2 nd
30	G seven Trading & Industries PL.C	Textile	1 st

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