

## What Regions and Industries are Targeted?

The Project aims at the following regions/ industries as the targets of the platform activity. The target industries are selected from the Industrial Clusters prioritized by MoI, the Provincial Priority Industries or Core-competence Commodities designated by local governments in consultation with DG-SMI.



### Region I: Ulos Fashion in Samosir, North Sumatra

Ulos is traditional woven fabric with unique motives. It is used mainly in traditional ceremonies, such as weddings and religious rituals. Samosir (famous for Lake Toba) is one of ulos production centers. The Project together with a weaver group in Samosir (approximately 10 people) aims to expand local and tourist markets through diversification of ulos-used fashion products in collaboration with other related parties such as designers.



### Region II: Metal Components in Tegal, Central Java

Tegal is well known for its metal casting and molding production with more than 2,500 SMIs manufacturing metal components of farm equipment, ships, heavy machinery, automobiles, and so on. At an early stage, the Project focuses on ship components and assists SMIs in improving their skills and knowledge in order to obtain a certificate from BKI (PT. Biro Klasifikasi Indonesia) and eventually supply metal components to large ship-builders.



### Region III: Cacao Processing in Central Sulawesi

The provincial government is scheduled to build a cacao processing factory as a supply center of cacao semi-processed products to local industries of chocolate/ confectionary. The Project supports the local government in starting-up operation of the new factory as well as encourages local industries to develop locally-processed chocolate combined with other locally available materials, while developing local market channels.



### Region III: Rattan Furniture in Central Sulawesi

Approximately 20 rattan furniture SMIs with a limited number of skilled craftsmen operate in Palu City at present. The Project in cooperation with the local government aims to establish an education/ training system for young craftsmen (local workers) as well as facilitate financial access in a group (a cooperative), while expanding the local but modern market (hotels, restaurants, offices) with user-oriented design products.



Project on SMI Development

Based on Improved Service Delivery in Indonesia



*Providing better support to develop local industries*

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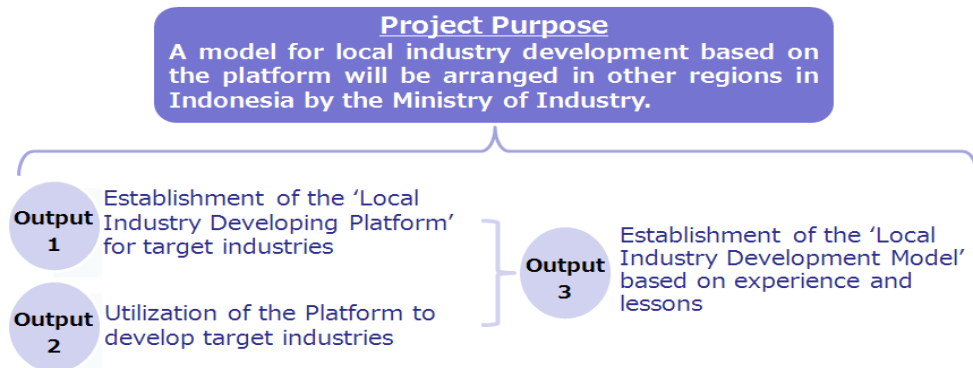
Website : <http://www.jica.go.jp/project/english/indonesia/012/index.html>



## What Does SMIDeP Aim?

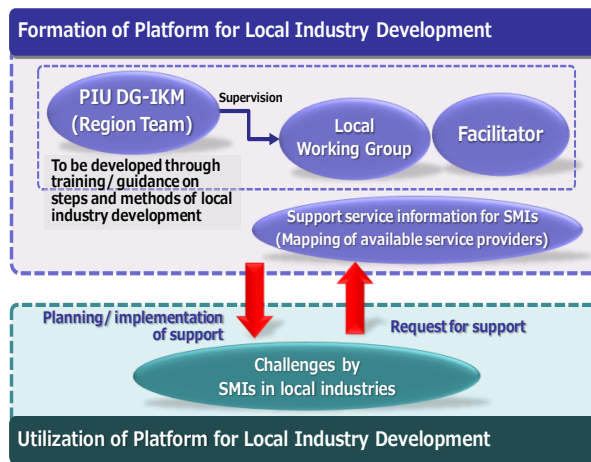
In general, support activities/ services for small & medium industries (SMIs) in Indonesia are planned and implemented according to the support providers' own consideration. Thus, the supports do not sufficiently reflect the needs and wants of SMIs. Industries expect the concerned stakeholders to prepare and provide the better support activities/ services through discussion as well as cooperation with the supporting stakeholders.

The Project will facilitate the development/ improvement and market promotion of products by target industries in three target regions with the aim of creating success cases through the establishment and utilization of 'stakeholder's platform for local industry development' (originally called as service delivery platform) for three years (2013-2015). Furthermore, local industry development through the platform will be formed as a 'work model' for other regions, based on lessons learned from the experience of the Project.



## How is the Platform Established?

The Local Industry Development Platform to be established by the Project consists of the Project Implementation Unit (PIU) in the Directorate General of SMI (DG-SMI) as well as the Local Working Group (LWG) and facilitators for each target industry. Their facilitation capacity is developed through training/ guidance on the steps and method of facilitation for industrial development, and the mapping of available service providers.



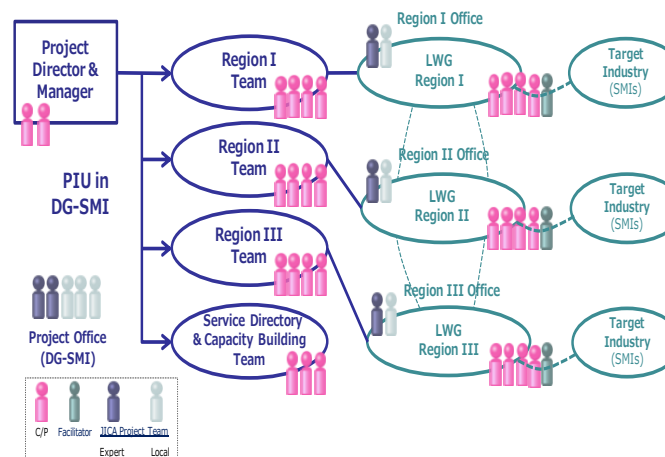
## How is the Platform Utilized?



Local industry development activity through the platform are implemented according to the following steps: After the formulation of the platform structure and training on facilitation skills of local industrial development, LWG and facilitators start the industry diagnosis phase, then identify target SMIs and their challenge action, prepare a support plan for each target industry, and later facilitate the implementation of support activities/ services as well as monitoring and evaluation. Action plans for local industrial development is periodically revised to update the content of the support plan in accordance to their progress and achievements.

## How is the Project Managed?

Project Main Office is located at DG-SMI of MoI, Jakarta while the Region Office is in the regional government (Dinas for Industry & Trade) in each target region. In each Region Office, counterpart (C/P) staff from LWG/ facilitators is assigned to conduct their tasks concerning the Project through the above steps of local industrial development activity.



In order to provide adequate guidance for C/P staff, an expert and a national consultant have been assigned to each target region. Based on such a management structure, the Project Team ensures the smooth operation of and hands-on support to the Project activities in each site.