# **Program for Strengthening Overseas Supply Chains**

- JETRO provides financial support to Japanese companies' activities for strengthening overseas supply chain resilience between ASEAN and Japan.
- A. Introduction of facilities/equipment (related to goods with a high degree of concentration of the international production base)
- B. Pilot Projects (PoC) / Feasibility Studies (F/S) (for development of product facilities or product/service value chain)

### A. Introduction of Facilities

B. PoC & F/S

Diversification of suppliers

Country A

Country B

NEW

Disruption risks



Country C

Type1: Development of Product Facilities







Type2: Development of Product/Service Value Chain



<sup>\*</sup>Projects that contribute to more resilient supply chains between ASEAN and Japan are eligible for this program.











### [Outline] Pilot Projects (PoC) & Feasibility Studies (F/S)

JETRO provides financial support to Japanese companies in conducting pilot projects/feasibility studies for the diversification of production bases, with the aim of contributing to strengthening overseas supply chains between ASEAN and Japan.

#### **Target Countries**

• 10 ASEAN member states (and other countries which will contribute to strengthening overseas supply chains between ASEAN and Japan through exporting products/materials or providing services to ASEAN region.)

#### **Eligible candidates and Rate of subsidies**

- Eligible candidates → Private companies/organizations which have a business base and legal corporate license with actual business activity in Japan.
- Rate of subsidies → Large companies: within 1/2; SMEs: within 2/3; SME groups: within 3/4

#### **Project requirements**

[Common (Type1&2)]

- To contribute to making resilience and optimization of global supply chains between ASEAN and Japan.
- To be sufficiently different in terms of content, field and technology compared to similar projects in the past.
- To be clear technological issues in practical use and business challenges.

#### Type 1: Development of Product Facilities (to diversify production bases for products and materials)

- To introduce experimental facilities and develop prototypes as well as to make design/development for their practical use.
- To evaluate the feasibility of the full-scale introduction of production facilities.

#### Type 2: Development of Product/Service Value Chain (to develop global value chains using digital technologies)

- To introduce experimental facilities, develop experimental models and conduct model projects as well as to make design/development for their realization.
- To evaluate the feasibility of the full-scale introduction of systems for production, procurement and logistics.

#### **Implementation Schedule**

- (1) Demonstration Projects: From date of grant decision to March 31, 2022
- (2) Feasibility Studies: From date of grant decision to September 30, 2021

# Result of the Call for the PoC & F/S

- The call for the PoC & F/S was opened from September 3 to October 2, 2020 as the 2<sup>nd</sup> call of the "Program for Strengthening Overseas Supply Chains" \* and received 64 applications.
- As a result of the examination, it adopted 21 projects.
- For Thailand. → 7 Projects
  - \*The calls for the introduction of facilities were also opened as the 1<sup>st</sup> call (May 26 June 15) and the 3<sup>rd</sup> call (Sep.30–Oct. 30).

The applications of the 3<sup>rd</sup> call are under examination.

Туре		Total	Thailand
		2 1	7
<u>Type1</u> (Dev. of Product)	PoC	8	3
	F/S	2	
<u>Type2</u> (Dev. of Value Chain)	PoC	8	2
	F/S	3	2

# **Type 1** Development of Product (10 Projects)

### PoC: 8 Projects (Thailand 3 projects)

Company Name	Product/Material	Country
OGUSU CO.,LTD	Parts of farm machinery	Thailand
FUJI FLEX Co., Ltd.	Consumable goods for orthopaedic surgery and Carts for endoscopic operation	Thailand
UNITIKA LTD.	Spunbonded nonwoven fabric made by polyethylene and polyester fiber	Thailand
DAISHINKU CORP.	Crystal oscillators with temperature sensor for 5G	Indonesia
TOYO Grinding Ball Co.,LTD	Ball for mill	Vietnam
TOYOTA TSUSHO CORPORATION	Midium-heavy rare earth oxide/ Carbonate	India
Fujikin Incorporated	Special piping joints for semiconductor production units	Vietnam
YAMATO DENKI co.,ltd.	Wiring devices	Vietnam

### F/S: 2 Projects

Company Name	Product/Material	Country
Sumida Electric Co., Ltd.	Antenna for keyless entry and coil for ABS(Anti-lock Braking System)	India
SUNOUCHI CORPORATION	Subsidiary materials for ceramic welding	Vietnam

### [Type 2] Development of Value Chain (1 1 Projects)

### **PoC: 8 Projects (Thailand 2 Projects)**

Company Name	Outline	Country
PIONEER CORPORATION	PoC of telematics service for efficient global logistics in ASEAN	Thailand and Mekong region
MARUEI INDUSTRIES CO.,LTD.	PoC of upgrading value chain of automobile parts	Thailand, Indonesia
Alfresa Holdings Corporation	PoC of upgrading medical supply chain with EDI(Electronic Data Interchange)	Vietnam
AEON Co., Ltd.	PoC of e-Commerce platform	Malaysia
Osaki Medical Corporation	PoC of optimizing supply chain by AI demand forecasting	Indonesia
SECAI MARCHE INC.	PoC of e-Commerce platform and joint delivery for farm fresh products	Singapore, Malaysia
FIGIX Industry Co., Ltd.	PoC of upgrading food value chain with IT	Cambodia
Mitsubishi Corporation	PoC of upgrading supply chain by trade procedure digitalization	Vietnam

### F/S: 3 Projects (Thailand 2 Projects)

Company Name	Outline	Country
Japan Freight Railway Company	Feasibility study of IT platform for international rail transport in ASEAN	<b>Thailand,</b> Cambodia, Laos, Malaysia
LIGHTz Inc.	Feasibility study of upgrading supply chain by AI learning thoughts of manufacturing experts	Thailand
KYOCERA Communication Systems Co., Ltd.	Feasibility study of location service data infrastructure for enhancing global logistics and easing a traffic jam	Indonesia