

Ⅷ. 資料

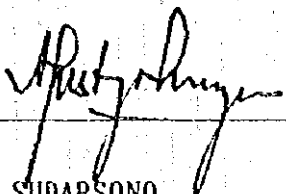
1. S/W

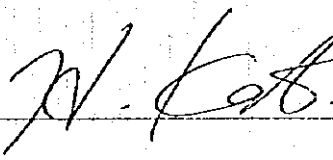
SCOPE OF WORK  
FOR  
THE STUDY  
ON  
THE DEVELOPMENT OF  
SUPPORTING INDUSTRIES  
IN  
THE REPUBLIC OF INDONESIA

AGREED UPON BETWEEN  
THE MINISTRY OF INDUSTRY  
AND

THE JAPAN INTERNATIONAL COOPERATION AGENCY

JAKARTA, OCTOBER 20, 1995

  
for  
EFFENDI SUBARSONO  
DIRECTOR GENERAL FOR METAL, MACHINERY  
AND ELECTRONIC INDUSTRIES  
MINISTRY OF INDUSTRY

  
HIROSHI KATO  
LEADER OF THE  
PREPARATORY STUDY TEAM  
JAPAN INTERNATIONAL  
COOPERATION AGENCY

## I. INTRODUCTION

In response to the request of the Government of the Republic of Indonesia (hereinafter referred to as "GOI"), the Government of Japan decided to conduct the Study on the Development of Supporting Industries in the Republic of Indonesia (hereinafter referred to as "the Study") in accordance with the laws and regulations in force in Japan.

Accordingly, the Japan International Cooperation Agency (hereinafter referred to as "JICA"), the official agency responsible for the implementation of the technical cooperation programmes of the Government of Japan, will undertake the Study in close cooperation with the Ministry of Industry and other authorities concerned of Indonesia.

The present document sets forth the scope of work with regard to the Study.

## II. OBJECTIVE OF THE STUDY

The objective of the Study is to formulate a development plan for supporting industries (parts and components manufacturing industries)

The Study shall cover the following three supporting industries:

- (i) automotive parts industry
- (ii) electrical and electronic parts industry
- (iii) selected machinery parts industry

## III. SCOPE OF THE STUDY

The Study shall be conducted in two phases.

The present development policies for the supporting industries, and their present status and existing problems in general, shall be studied in the first phase so as to select priority products group and essential technologies (e.g. foundry, forging, metal press, plastic processing, etc.), and identify institutional problems.

An in-depth study for the selected priority products group and essential technologies, and identified institutional problems, shall be conducted in the second phase so as to formulate a development plan.

In order to achieve the above objective, the Study shall be conducted in accordance with the following items :

Phase I :

1. Review of general background of the Study

- 1-1 Economic situation and trends
- 1-2 Industrial situation and trends
- 1-3 Status of automotive, electrical/ electronic, and selected machinery industries in the manufacturing sector.

2. Review of policies and its implementation system relevant to supporting industries development

- 2-1 General policies for national economic and social development (with a focus on supporting industries development)
- 2-2 Technological development
- 2-3 Financing
- 2-4 Taxation and tariff system
- 2-5 Investment promotion
- 2-6 Export promotion
- 2-7 Human resources development
- 2-8 Infrastructure

3. Analysis of the present situation of the selected supporting industries

- 3-1 Business structure and performance
  - 3-1-1 Number of enterprises by scale
  - 3-1-2 Production volume (quantity and value)
  - 3-1-3 Export and import volume (quantity and value)
  - 3-1-4 Profiles of the leading enterprises
  - 3-1-5 Others

- 3-2 Demand for products
  - 3-3 Level of production technologies (with a focus on essential technologies)
  - 3-4 Business linkages with the major assembling and parts manufacturing industries  
(hereinafter jointly referred to as "assemblers")
  - 3-5 Relative position and competitiveness of Indonesian products  
(with a focus on Asian products)
  - 3-6 Situation of raw materials procurement
4. Identification of priority product groups and essential technologies

#### Phase II

- 1. Review of the present institutional and development policies for priority products
- 2. Analysis of the present situation and problems hampering the supply of priority products to the assemblers
  - 2-1 Management (labor management, human resources development, financial management, etc.)
  - 2-2 Manufacturing process
  - 2-3 Procurement of raw materials
  - 2-4 Factory management and quality control
  - 2-5 Product development and design
  - 2-6 Cost analysis
  - 2-7 Marketing
  - 2-8 Future demand forecast by the assemblers
- 3. Analysis of the present level of priority essential technologies
  - 3-1 Technological aspects
  - 3-2 Classification of products group by level of priority essential technologies
- 4. Definition of improvement targets for priority product groups and essential technologies

5. Formulation of a master plan with specific and implementable action programmes for development of the supporting industries, including measures for the achievement of technological improvement defined in 4.

- 5-1 Institutional and development policies
- 5-2 Technological development
- 5-3 Marketing promotion
- 5-4 Management promotion
- 5-5 Investment promotion

#### IV. WORK SCHEDULE

The Study will be carried out in accordance with the attached tentative work schedule.

#### V. REPORTS

JICA shall prepare and submit the following reports in English to GOI.

- Ten (10) copies of the Inception Report
- Ten (10) copies of the Progress Report I, II
- Twenty (20) copies of the Interim Report I, II
- Thirty (30) copies of the Draft Final Report
- Thirty (30) copies of the Final Report

#### VI. UNDERTAKING BY THE GOVERNMENT OF THE REPUBLIC OF INDONESIA

1. GOI shall accord privileges, immunities and other benefits to the Japanese study team (hereinafter referred to as "the Team")
2. To facilitate smooth conduct of the Study, GOI shall take the following necessary measures :
  - 2-1 To secure safety of the Study Team.
  - 2-2 To permit the members of the Team to enter, leave and sojourn in Indonesia for the duration of their assignment therein, and exempt them from alien registration requirements and consular fees.

- 2-3 To exempt the members of the Team from taxes, duties and other charges of equipment, machinery and other materials brought into, and taken out of, Indonesia for the conduct of the Study.
  - 2-4 To exempt the members of the Team from income tax and charges of any kind imposed on, or in connection with, any emoluments or allowances paid to them for their services for the implementation of the Study.
  - 2-5 To provide necessary facilities to the Team for remittance as well as utilization of the funds introduced into Indonesia from Japan for the implementation of the Study.
  - 2-6 To secure permission for entry into all areas concerned for the implementation of the Study.
  - 2-7 To secure permission for the Team to take all data and documents including photographs and maps related to the Study out of Indonesia.
  - 2-8 To provide medical service as needed (Its expenses can be charged to the members of the Team).
3. GOI shall bear claims, if any arises against the member of the Team resulting from, occurring in the course of, or otherwise connected with the discharge of their duties in the implementation of the Study, except when such claims arise from gross negligence or willful misconduct on the part of the Team members.
  4. The Directorate General for Metal, Machinery and Electronic Industries, the Ministry of Industry (hereinafter referred to as "DGMMEI") shall act as a counterpart agency to the Team and also as a coordinating body in relation with other governmental and non-governmental organizations concerned for the smooth implementation of the Study.
  5. DGMMEI shall, at its own expense, provide the Team with the following in cooperation with other organizations concerned :
    - 5-1 Available data and information related to the Study
    - 5-2 Counterpart personnel
    - 5-3 Suitable office space with necessary equipment in Jakarta
    - 5-4 Credentials or identification cards

6. DGMMEI shall organize the Steering Committee (hereinafter referred to as "the Committee") for the purpose of smooth and effective implementation of the Study, and its secretariat shall be set up within DGMMEI.

#### VII. UNDERTAKING BY JICA

For the implementation of the Study, JICA shall take the following measures :

1. To dispatch, at its own expense, a series of study teams to Indonesia.
2. To pursue technology transfer to the Indonesian counterpart personnel in the course of the Study.

#### VIII. CONSULTATIONS

JICA and DGMMEI shall consult with each other in respect of any matters that arise from, or in connection with, the Study.

TENTATIVE WORK SCHEDULE

Calendar Year	1996												1997									
	Fiscal Year												1997									
Calendar Month	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	
Preparatory Work in Japan																						
Work in Indonesia	①				②		③		④		⑤											
Presentation of Inception Report	△																					
Presentation of Progress Report						△(1)																
Presentation of Interim Report							△(1)				△(2)											
Analytical Work in Japan																						
Presentation of Draft Final Report																						
Submission of Final Report																						▲

- ① Explanation & Discussion on Inception Report
- ② Study on assembling firms
- ③ Explanation & Discussion on Inception Report
- ④ Phase II Study
- ⑤ Explanation & Discussion on Interim Report(1)
- ⑥ Explanation & Discussion on Interim Report(2)
- ⑦ Explanation & Discussion on Draft Final Report

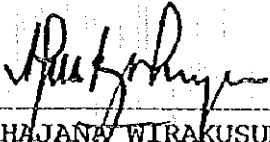
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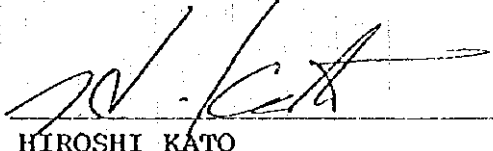


MINUTES OF MEETING  
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JAKARTA, OCTOBER 20, 1995

  
AGUS TJAHJAJA WIRAKUSUMAH  
DIRECTOR FOR PROGRAM DEVELOPMENT  
DIRECTORATE GENERAL FOR METAL,  
MACHINERY AND ELECTRONIC  
INDUSTRIES,  
MINISTRY OF INDUSTRY

  
HIROSHI KATO  
LEADER,  
PREPARATORY STUDY TEAM,  
JAPAN INTERNATIONAL  
COOPERATION AGENCY

The Preparatory Study Team (Team) made a visit to the Republic of Indonesia from October 15 to October 20, 1995, to discuss with the Indonesian authorities the scope of work of the Study on the Development of Supporting Industries in the Republic of Indonesia (Study).

During the stay of the Team in Jakarta, a series of meetings were held between the Team and the Ministry of Industry (MOI), and both sides agreed to record the following:

## 1 Definitions

Both sides agreed that the following terms used in the Scope of Work signed on the 20th of October (S/W), are defined as follows:

### electrical parts:

- (1) parts for consumer electrical goods, such as:  
washing machines, refrigerators, air conditioners, electric fans, microwave ovens, electric rice cookers, toasters, etc.
- (2) parts for industrial electric equipment(\*), such as:  
motors, transformers, generators, circuit breakers, etc.  
(\* ) excluding parts for equipment produced upon job order basis and not produced in big quantities.

### electronic parts

- (1) parts for consumer electronic goods, such as:  
TVs, radios, video equipment, tape recorders, CD players, stereo sets, etc.
- (2) parts for industrial electronic equipment, i.e.,
  - 1) telecommunication devices, such as:  
telephones, facsimile machines, transceivers, portable telephones, etc.
  - 2) office equipment, such as:  
calculators, data processing equipment (personal computers, printers, hard-disk drives, etc.), copying machines, cash registers, etc.

### automotive parts

- (1) parts for 4-wheel vehicles
  - 1) passenger vehicles
  - 2) commercial vehicles, such as:  
vans, buses, pickup trucks, trucks.
- (2) parts for motorcycles

### machinery parts

- (1) parts for pumps
- (2) parts for common machine tools, such as:  
lathes, small boring machines, milling machines, etc (NC devices are to be excluded).
- (3) replacement parts for textile machines
- (4) combustion engines and parts

## 2 Counterpart personnel training in Japan

MOI requested that the Indonesian counterpart personnel be sent to Japan for discussion, observation and/or training.

The Team replied that:

- (1) JICA is prepared to accept two (2) Indonesian counterpart personnel in Japan in the Japanese fiscal year (JFY) 1995, for a maximum period of four weeks each; and
- (2) Request forms (A-2, A3) should be prepared and submitted to the JICA Indonesia Office as soon as possible and by the 10th of December, 1995, at the latest.

MOI further requested that in JFY 1996 a greater number of Indonesian counterpart personnel be sent to Japan. The Team replied that it will convey the request to JICA headquarters.

## 3 Seminars

Both sides agreed that in order to make the Study more meaningful, it is useful to organize seminars in the course of the Study. Both sides agreed to plan it two times, i.e., once at the time of the submission of the Interim report and once at the time of the submission of the Draft Final report. The seminars will be organized by MOI and will be supported by JICA. JICA's support will include expenses necessary for the dispatch of lecturers from Japan and for the preparation of seminar materials. Further details of the seminars will be decided at the time of the submission of the Inception report.

#### 4 Questionnaire and Interview Surveys

In order to conduct the questionnaire and interview surveys effectively, both sides agreed that:

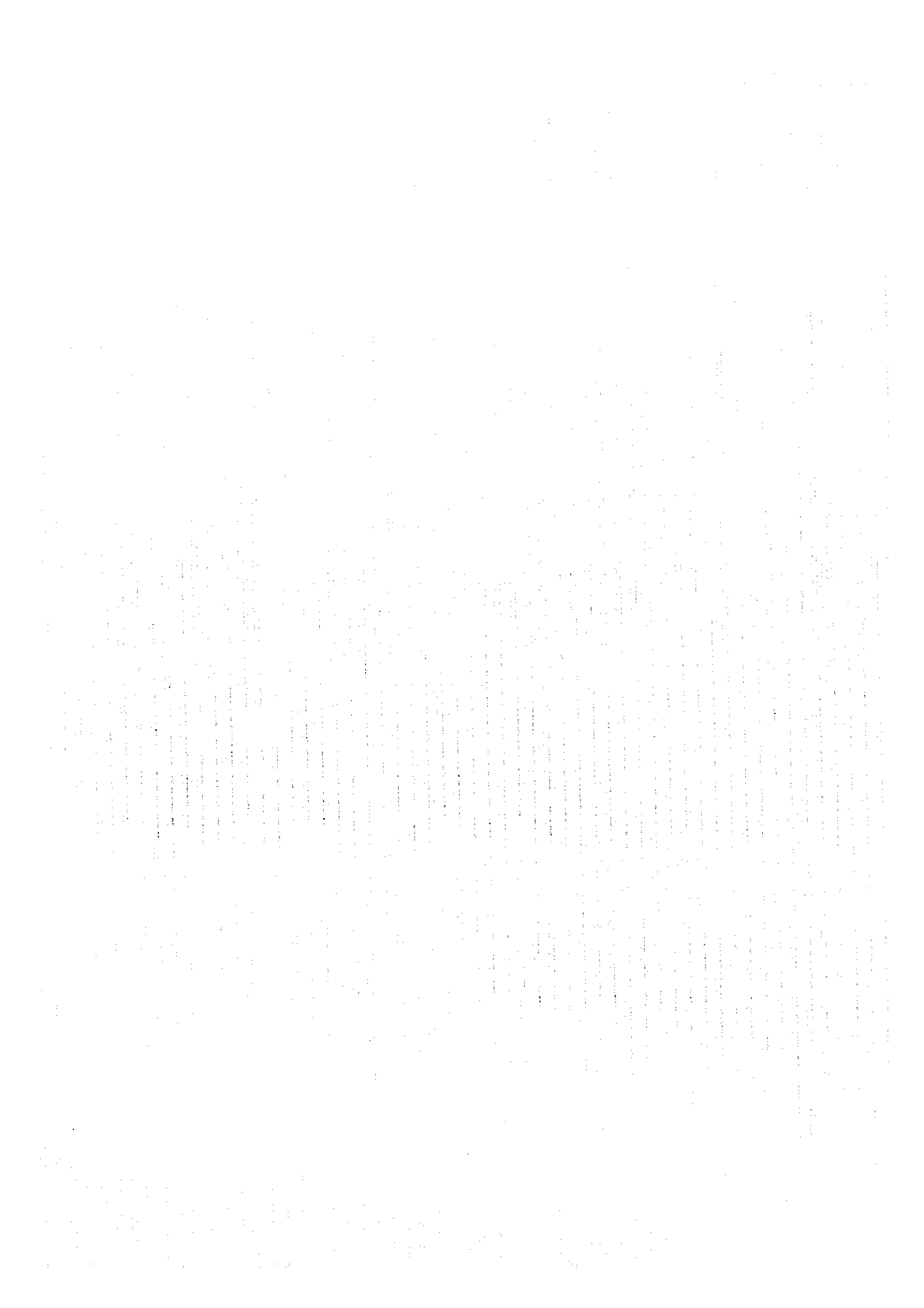
- (1) JICA should consider, where applicable, to make full use of available local consultants, and
- (2) possibility of involvement of regional offices under MOI should be pursued where applicable, and that MOI will make necessary arrangements accordingly.

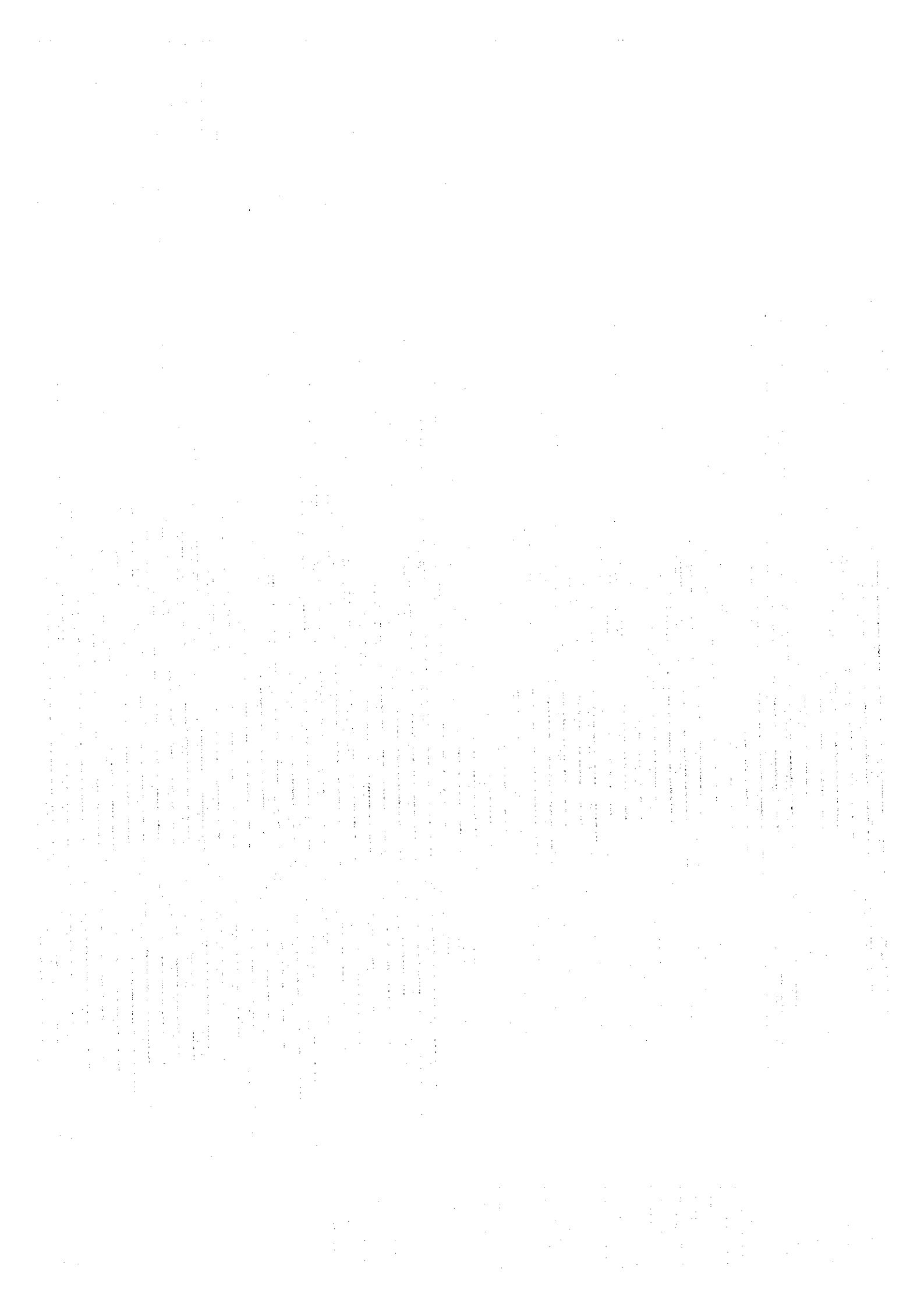
#### 5 Composition of the Steering Committee

- (1) Director for Program Development, Directorate General of Metal, Machinery and Electronic Industries (DGMMEI), MOI
- (2) Director for Metal Industries, DGMMEI, MOI
- (3) Director for Machine, Equipment and Engineering Industries, DGMMEI, MOI
- (4) Director for Electrical Apparatus, Electronic and Telecommunication Industries, DGMMEI, MOI
- (5) Director for Transportation Equipment Industry, DGMMEI, MOI
- (6) Director for Small-scale Metal, Machinery and Electronic Industries, DGMMEI, MOI
- (7) Head, Bureau for Planning, Secretariat General, MOI
- (8) Head, Bureau for Industry and Mining, BAPPENAS
- (9) Head, Center for Research & Development of Industrial Climate and Industrial/Economic Facilities, Agency for Industrial Research and Development, MOI
- (10) Head, Research and Assessment Center for Industrial Science & Technology and Social Culture, Agency for Industrial Research and Development, MOI
- (11) Head, Center for Research & Science, Technology and Socio-culture of Small-scale Industries, Agency for Development of Small-scale Industries, MOI

## 6 Others

- (1) MOI requested that the Study should make specific proposals and, especially, where the proposals entail capital investments on certain sub-project(s), cost estimates should be sufficiently detailed so that immediate implementation of the sub-project(s) is possible. The Team replied that since this Study is a master plan study, detailed designing and cost estimates of sub-project(s) is beyond the scope of the Study; however, the Team understands the importance of making specific proposals in the Study and that JICA will try to comply with the request to the extent it is possible.
- (2) MOI informed the Team that it will, in accordance with the laws and regulations in force in Indonesia, do its best to fulfill the undertakings which fall in, or related to, its responsibilities.
- (3) Notwithstanding (2) above, MOI said that it actually has a difficulty in fulfilling the obligation of providing the JICA study team with "suitable office space with necessary equipment in Jakarta", as stipulated in the S/W, due to the limitation of available office space at MOI. The Team, while it understood the difficult situation, requested MOI to make maximum efforts to make the office space available for the study team.
- (4) MOI requested the Team for JICA support if a seminar on disseminating the results of the Study is organized by the Indonesian side in Japan prior to the completion of the Study. The Team replied that it will be possible to have the Study Team make presentations on the findings of the Study in the Seminar.
- (5) MOI requested that 5 (five) copies of the Final Report in the Japanese language would also be submitted to GOI in addition to the number of reports indicated in point V of the S/W.  
The Team agreed to it.









JICA

