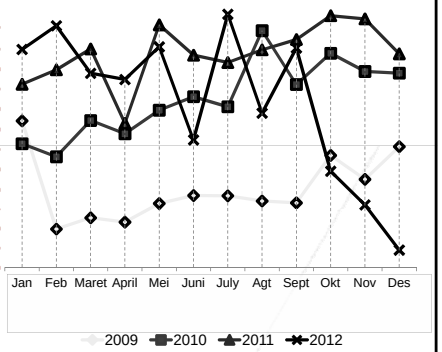
SURVEYOR INDONESIA

DATA TAMBAHAN
USDFS IJ-EPA 2008 - 2012

DATA TAMBAHAN
USDFS IJ-EPA 2008 - 2012

TREND WAKTU IMPOR (SEMUA SEKTOR)

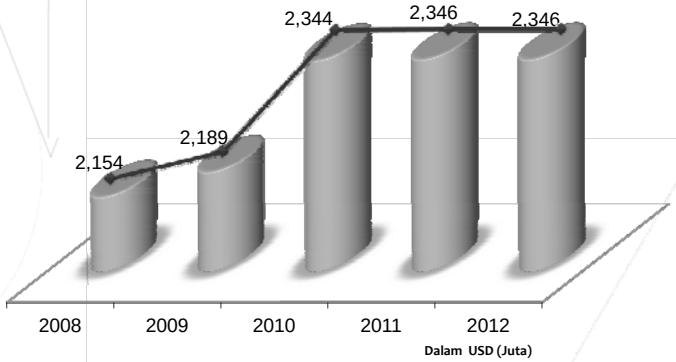
Bulan	Nilai Impor (USD)			
	2009	2010	2011	2012
Jan	[illegible]	[illegible]	[illegible]	[illegible]
Feb	[illegible]	[illegible]	[illegible]	[illegible]
Maret	[illegible]	[illegible]	[illegible]	[illegible]
April	[illegible]	[illegible]	[illegible]	[illegible]
Mei	[illegible]	[illegible]	[illegible]	[illegible]
Juni	[illegible]	[illegible]	[illegible]	[illegible]
July	[illegible]	[illegible]	[illegible]	[illegible]
Agt	[illegible]	[illegible]	[illegible]	[illegible]
Sept	[illegible]	[illegible]	[illegible]	[illegible]
Okt	[illegible]	[illegible]	[illegible]	[illegible]
Nov	[illegible]	[illegible]	[illegible]	[illegible]
Des	[illegible]	[illegible]	[illegible]	[illegible]



SURVEYOR INDONESIA

DATA TAMBAHAN
USDFS IJ-EPA 2008 – 2012 ...Lanjutan

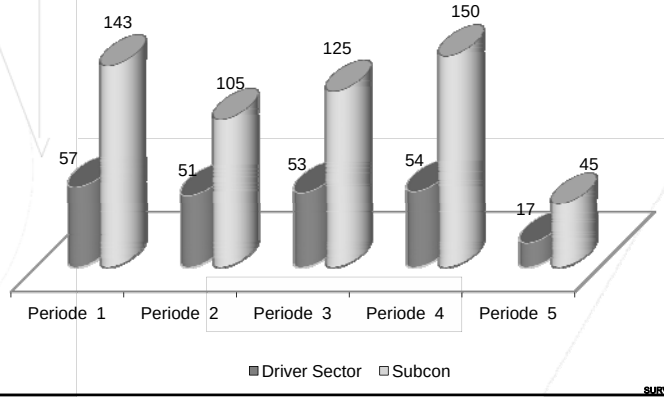
PERTAMBAHAN MODAL USAHA



SURVEYOR INDONESIA

DATA TAMBAHAN
USDFS IJ-EPA 2008 – 2012 ...Lanjutan

JUMLAH SUBCON DRIVER SEKTOR

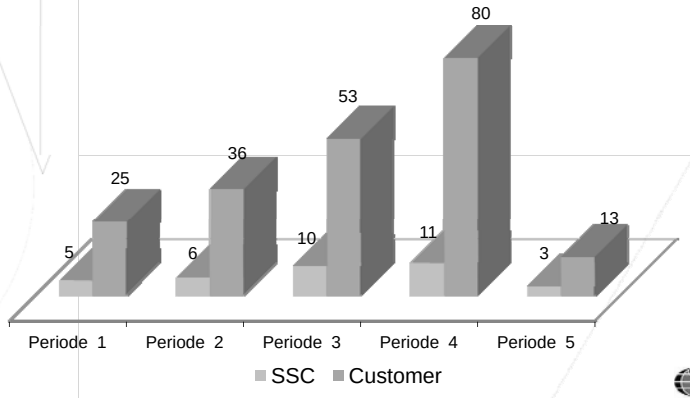


SURVEYOR INDONESIA

DATA TAMBAHAN

USDFS IJ-EPA 2008 – 2012 _ Lanjutan

JUMLAH CUSTOMER STEEL SERVICE CENTER (SSC)



SURVEYOR INDONESIA

SURVEYOR INDONESIA

TERIMA KASIH

PT. SURVEYOR INDONESIA
Graha Surveyor Indonesia Lt. 4-11
Jl. Jend. Gatot Subroto Kav. 56 Jakarta 12950

PENGAJUAN VERIFIKASI FASILITAS

USDFS – IJEPA

SURVEYOR INDONESIA

KEGIATAN VERIFIKASI DOKUMEN

KEGIATAN VERIFIKASI LAPANGAN

SURVEYOR INDONESIA

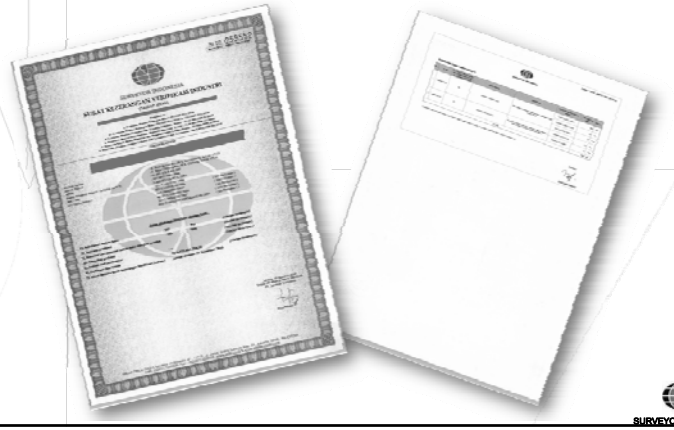
KEGIATAN VERIFIKASI LAPANGAN

KEGIATAN VERIFIKASI LAPANGAN

KEGIATAN PENGOLAHAN
DATA DAN LAPORAN

SURVEYOR INDONESIA

SURAT KETERANGAN VERIFIKASI INDUSTRI
(SKVI)



SURVEYOR INDONESIA

EVALUASI IJEPA: PERDAGANGAN DAN INVESTASI

Deni Friawan

OUTLINE

- Pendahuluan
- Perdagangan Barang (TIG)
- Investasi Langsung (FDI)
- Kesimpulan
- Saran-saran

PENDAHULUAN

- Objective:

1. Apakah IJEPA meningkatkan kinerja kemitraan ekonomi (perdagangan dan investasi) antara Indonesia dan Jepang?
2. Apakah fasilitas USDFS meningkatkan produksi elektronik, otomotif dan peralatan berat, dan energy?
3. Sejauh mana MIDEC mendukung peningkatan kapabilitas industri?
4. Apa rekomendasi yang dapat digunakan bagi kerjasama IJEPA ke depan?

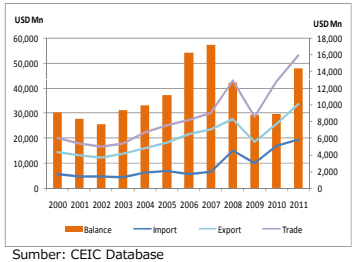
PERDAGANGAN BARANG:

Gambaran Umum dan Komposisinya

PERKEMBANGAN UMUM PERDAGANGAN INDONESIA-JEPANG

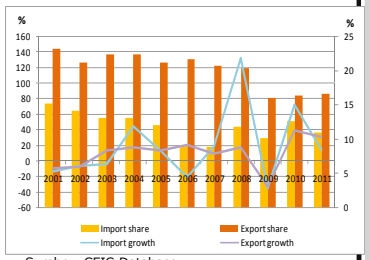
- Jepang merupakan salah satu negara mitra dagang utama Indonesia dan perdagangan Indonesia-Jepang juga selalu ditandai dengan surplus pedagangan yang dialami oleh Indonesia
- Namun, peranan Jepang dalam perdagangan Indonesia cenderung mengalami penurunan dari tahun ke tahun.
- Pelaksanaan IJEPA belum bisa memberikan perbaikan yang signifikan terhadap perkembangan hubungan perdagangan antara Indonesia dan Jepang.
- Tingkat pertumbuhan rata-rata Indonesia ekspor ke dan impor dari Jepang mengalami penurunan, dengan ekspor tumbuh lebih lambat dibandingkan impor

Gambar 1a: Perdagangan Indonesia-Jepang



Sumber: CEIC Database

Gambar 1b: Pertumbuhan dan Proporsi Indonesia Ekspor ke dan Impor dari Jepang

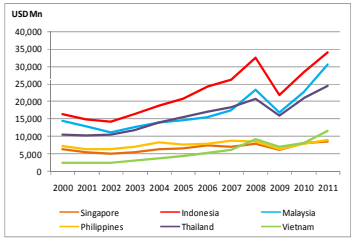


Sumber: CEIC Database

PERKEMBANGAN PERDAGANGAN JEPANG DENGAN ASEAN-6

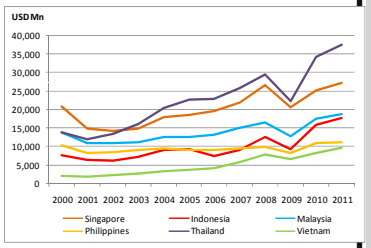
- Paska IJEPA dan krisis keuangan global, rata-rata pertumbuhan ekspor Indonesia ke Jepang relatif lebih rendah dibandingkan negara-negara ASEAN lainnya, kecuali Philipina, indikasi penurunan daya saing produk Indonesia di pasar Jepang.
- Sebaliknya, pertumbuhan Indonesia impor dari Jepang teryata malah lebih tinggi dibandingkan negara-negara ASEAN lainnya, akibat pertumbuhan ekonomi Indonesia yang lebih baik.
- Penurunan pertumbuhan perdagangan Indonesia-Jepang ini mungkin lebih diakibatkan oleh dampak terjadinya krisis keuangan global dibandingkan dengan pelaksanaan IJEPA

Gambar 2a: Export ASEAN-6 ke Jepang



Sumber: CEIC Database

Gambar 2b: Import ASEAN-6 dari Jepang

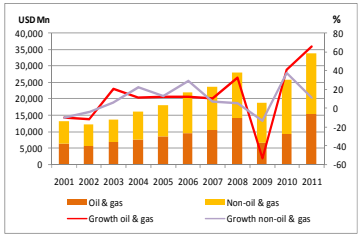


Sumber: CEIC Database

PERKEMBANGAN PERDAGANGAN MIGAS-NON-MIGAS INDONESIA-JEPANG

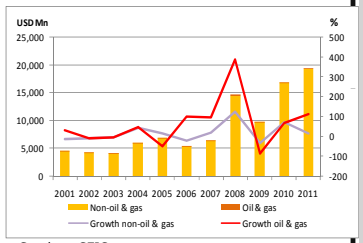
- Ekspor non-migas Indonesia ke Jepang sedikit lebih besar dibandingkan dengan ekspor migas, sedangkan impor Indonesia dari Jepang hampir seluruhnya didominasi oleh produk-produk non-migas.
- Paska IJEPA, persentase ekspor non-migas Indonesia ke Jepang mengalami peningkatan dari 53.7% pada periode 2006-2008 menjadi 61% pada periode 2009-2011
- Namun, pertumbuhan ekspor non-migas Indonesia masih lebih rendah dibandingkan pertumbuhan ekspor migasnya

Gambar 3a: Export Oil & Non-oil Indonesia ke Jepang



Sumber: CEIC Database

Gambar 3b: Import Oil & Non-oil Indonesia ke Jepang

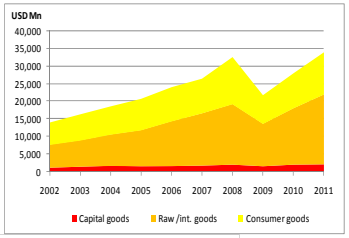


Sumber: CEIC Database

PERDAGANGAN BARANG INDONESIA-JEPANG MENURUT KEGUNAAN

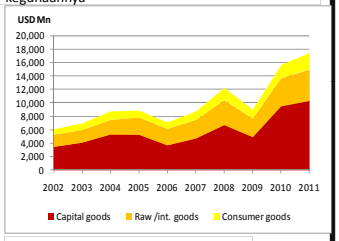
- Bahan baku/antara dan barang konsumsi memiliki kontribusi yang besar dalam Indonesia ekspor ke Jepang.
- Sebaliknya, Indonesia impor dari Jepang masih sebagian besar didominasi oleh barang modal dan bahan baku/antara
- Indikasi keunggulan komparatif kedua negara dan import Indonesia dari Jepang sebagian besar digunakan untuk proses produksi lebih lanjut.

Gambar 4a: Indonesia ekspor ke Jepang menurut kegunaannya



Sumber: Comtrade Data, UN

Gambar 4b: Indonesia impor dari Jepang menurut kegunaannya



Sumber: Comtrade Data, UN

KOMODITAS PERDAGANGAN INDONESIA-JEPANG: EKSPOR

Tabel 1a: 30 komoditas utama Indonesia ekspor ke Jepang

HS Code	Products	value (000 dollar)			share from total			Market growth	
		2005	2008	2011	2005	2008	2011	2005-08	2008-11
271111	Natural gas	5,144,213.7	8,482,021.8	7,302,279.0	24.8	26.1	21.5	64.9	-13.9
270900	Petroleum oils and oils obtained fr	2,128,262.2	4,731,447.4	4,481,167.9	10.3	14.5	13.2	122.3	-5.3
270112	Bituminous coal	1,401,386.1	3,325,284.9	3,534,784.8	6.8	10.2	10.4	137.3	6.3
400122	Technically specified natural rubbe	369,714.4	1,128,986.6	1,991,518.3	1.8	3.5	5.9	205.4	76.4
262099	Other	401,051.7	262,070.8	1,382,053.8	1.9	0.8	4.1	-34.7	427.4
271019	Other	1,125,789.2	2,064,782.5	1,333,410.3	5.4	6.3	3.9	83.4	-35.4
750110	Nickel mattes	868,351.1	1,458,145.7	1,316,893.0	4.2	4.5	3.9	67.9	-9.7
260300	Copper ores and concentrates.	1,085,483.7	1,479,125.0	1,092,609.5	5.2	4.5	3.2	36.3	-26.1
270119	Other coal	221,962.0	492,895.5	938,373.4	1.1	1.5	2.8	122.1	90.4
441213	With at least one outer ply of trop	671,264.1	463,334.3	572,446.6	3.2	1.4	1.7	-31.0	23.5
480256	Weighing 40 g/m² or more but not mo	247,863.1	328,833.5	448,045.6	1.2	1.0	1.3	32.7	36.3
30613	Shrimps and prawns	396,292.0	353,567.1	381,929.2	1.9	1.1	1.1	-10.8	8.0
760110	Aluminium, not alloyed	272,521.2	408,198.6	354,708.8	1.3	1.3	1.0	49.8	-13.1
800110	Tin, not alloyed	122,971.9	230,180.7	344,243.2	0.6	0.7	1.0	87.2	49.6
844359	Other	27.8	196,281.0	324,893.4	0.0	0.6	1.0	706,633.2	65.5
854430	Ignition wiring sets and other wiri	163,389.7	301,521.3	311,817.7	0.8	0.9	0.9	84.5	3.4
271011	Light oils and preparations	346,971.2	372,843.9	216,476.9	1.7	1.1	0.6	7.5	-41.9
90111	Not decaffeinated	74,471.5	130,787.5	187,105.0	0.4	0.4	0.6	75.6	43.1
870431	g.v.w. not exceeding 5 tonnes	54.6	121,838.6	177,295.4	0.0	0.4	0.5	223,145.7	45.5
260400	Nickel ores and concentrates.	146,628.8	232,712.3	164,848.3	0.7	0.7	0.5	58.7	-29.2
870870	Road wheels and parts and accessori	85,719.9	155,580.1	153,620.8	0.4	0.5	0.5	81.5	-1.3
392321	Of polymers of ethylene	101,432.3	132,699.9	149,514.0	0.5	0.4	0.4	30.8	12.7
441214	Other, with at least one outer ply	84,560.8	47,186.8	143,433.4	0.4	0.1	0.4	-44.2	204.0
940360	Other wooden furniture	81,900.7	109,504.7	135,885.8	0.4	0.3	0.4	33.7	24.1
401110	Of a kind used on motor cars (inclu	125,663.0	126,168.1	122,051.7	0.6	0.4	0.4	0.4	-3.3
442190	Other	115,267.3	91,314.1	121,568.1	0.6	0.3	0.4	-20.8	33.1
390760	Poly(ethylene terephthalate)	128,704.4	115,433.1	118,401.5	0.6	0.4	0.3	-10.3	2.6
470329	Nonconiferous	65,675.3	106,663.5	114,791.6	0.3	0.3	0.3	62.4	7.6
281410	Anhydrous ammonia	56,391.9	110,535.0	110,634.4	0.3	0.3	0.3	96.0	0.1
854459	Other	70,014.5	111,014.7	91,715.2	0.3	0.3	0.3	58.6	-17.4

Sumber: Comtrade Data, UN

- Pola ekspor Indonesia ke Jepang tidak mengalami perubahan sebelum atau pasca pelaksanaan kesepakatan perdagangan bebas IJEPA.
- Mayoritas produk yang diekspor ke Jepang berupa Bahan Bakar Mineral, Biji, Kerak, dan Abu Logam, Mesin/ Peralatan Listrik, Karet dan Barang dari Karet, dan Nikel.
- Dibandingkan dengan impornya, produk ekspor Indonesia lebih terkonsentrasi hanya kepada beberapa produk tertentu saja,

KOMODITAS PERDAGANGAN INDONESIA-JEPANG: IMPORT

Tabel 1b: 30 komoditas utama Indonesia impor dari Jepang

HS Code	Products	value (000 dollar)			share from total			Market growth	
		2005	2008	2011	2005	2008	2011	2005-08	2008-11
870410	Dumpers designed for offhighway use	142,399.8	177,909.9	563,198.7	1.6	1.5	3.2	24.9	216.6
870423	g.v.w. exceeding 20 tonnes	92,682.3	234,638.2	539,504.2	1.0	1.9	3.1	153.2	129.9
870840	Gear boxes	67,419.5	214,668.4	459,358.6	0.8	1.8	2.6	218.4	114.0
842952	Machinery with a 360° revolving sup	147,719.4	333,652.8	441,580.4	1.7	2.7	2.5	125.9	32.3
870899	Other	352,612.4	280,315.3	425,907.0	4.0	2.3	2.4	-20.5	51.9
843149	Other	80,159.5	204,628.2	359,824.7	0.9	1.7	2.1	155.3	75.8
840991	Suitable for use solely or principa	258,062.6	274,173.8	293,613.0	2.9	2.2	1.7	6.2	7.1
854229	Other	135,105.4	247,914.3	281,907.6	1.5	2.0	1.6	83.5	13.7
870323	Of a cylinder capacity exceeding 1,	154,105.0	223,732.6	279,895.2	1.7	1.8	1.6	45.2	25.1
740311	Cathodes and sections of cathodes	21,697.5	176,920.8	278,973.1	0.2	1.4	1.6	715.4	57.7
840820	Engines of a kind used for the prop	138,849.2	191,366.4	246,343.2	1.6	1.6	1.4	37.8	28.7
847989	Other	99,630.1	111,160.6	226,545.7	1.1	0.9	1.3	11.6	103.8
870322	Of a cylinder capacity exceeding 1,	13,139.5	157,658.9	222,135.0	0.1	1.3	1.3	1,099.9	40.9
401194	Of a kind used on construction or i	44,447.9	119,463.7	216,885.2	0.5	1.0	1.2	168.8	81.5
840999	Other	75,596.3	93,825.4	213,950.2	0.9	0.8	1.2	24.1	128.0
870850	Driveaxles with differential, whe	5,123.3	58,473.9	203,908.5	0.1	0.5	1.2	1,041.3	248.7
720917	Of a thickness of 0.5 mm or more bu	102,871.6	155,120.3	182,715.0	1.2	1.3	1.0	50.8	17.8
842911	Track laying	63,191.8	107,932.9	172,327.0	0.7	0.9	1.0	70.8	59.7
870829	Other	100,768.0	89,037.4	146,916.1	1.1	0.7	0.8	-11.6	65.0
870422	g.v.w. exceeding 5 tonnes but not e	44,734.7	159,908.8	144,600.5	0.5	1.3	0.8	257.5	-9.6
848340	Gears and gearing, other than tooth	77,016.9	96,508.0	140,184.5	0.9	0.8	0.8	25.3	45.3
870839	Other	58,951.5	76,251.4	136,976.0	0.7	0.6	0.8	29.3	79.6
844390	Parts	1,035.6	133,792.5	133,835.7	0.0	1.1	0.8	12,819.9	0.0
720827	Of a thickness of less than 3 mm	56,869.6	101,744.4	133,418.7	0.6	0.8	0.8	78.9	31.1
721049	Other	44,222.2	95,408.0	124,190.4	0.5	0.8	0.7	115.7	30.2
720918	Of a thickness of less than 0.5 mm	39,474.4	84,678.2	122,250.9	0.4	0.7	0.7	114.5	44.4
731815	Other screws and bolts, whether or	52,946.1	67,217.1	113,396.4	0.6	0.5	0.6	27.0	68.7
850300	Parts suitable for use solely or pr	76,259.5	74,620.1	112,822.2	0.9	0.6	0.6	-2.1	51.2
840890	Other engines	26,597.3	72,463.7	110,660.6	0.3	0.6	0.6	172.4	52.7
720851	Of a thickness exceeding 10 mm	50,823.6	85,198.6	104,788.9	0.6	0.7	0.6	67.6	23.0

Sumber: Comtrade Data, UN

- Pola impor Indonesia dari Jepang tidak mengalami perubahan sebelum atau pasca pelaksanaan kesepakatan perdagangan bebas IJEPA, hanya terdapat perubahan dalam peringkat.
- Komoditas utama impor Indonesia dari Jepang antara lain produk Kendaraan Bermotor untuk Pengangkutan Barang dengan Massa Total > 20 ton, *Gear Box* dan Bagiannya dan produk yang tidak terkategorisasi.
- Impor Indonesia dari Jepang lebih terdiversifikasi

PERDAGANGAN KOMODITAS HASIL INDUSTRI PENGOLAHAN INDONESIA JEPANG: EKSPOR

Tabel 2a. Perkembangan Ekspor 31 Kelompok Hasil Industri ke Jepang, 2007-2011

No	Kelompok industri	Nilai			Kontribusi terhadap total export hasil industri			Pertumbuhan Pasar	
		2007	2009	2011	2007	2009	2011	2007-2009	2009-2011
1	Pengolahan Tembaga, Timah dll.	2,765,613,227	1,175,356,241	2,734,574,252	28.64	16.71	21.74	-57.50	132.66
2	Pengolahan Karet	1,041,650,027	740,907,700	2,094,955,396	10.79	10.53	16.66	-28.87	182.76
3	Besi Baja, Mesin-mesin dan Otomotif	939,985,334	771,227,895	1,254,650,293	9.73	10.96	9.98	-17.95	62.68
4	Pengolahan Kayu	949,951,243	723,565,970	1,166,547,771	9.84	10.29	9.27	-23.83	61.22
5	T e k s t i l	499,017,151	469,890,989	989,371,234	5.17	6.68	7.87	-5.84	110.55
6	Elektronika	832,438,637	762,041,779	887,554,282	8.62	10.83	7.06	-8.46	16.47
7	Pulp dan Kertas	347,768,520	457,396,701	671,265,833	3.60	6.50	5.34	31.52	46.76
8	Alat-alat Listrik	465,963,247	425,559,863	607,056,644	4.83	6.05	4.83	-8.67	42.65
9	Kimia Dasar	346,977,318	201,335,409	355,156,024	3.59	2.86	2.82	-41.97	76.40
10	Pengolahan Aluminium	432,169,883	251,985,303	342,348,433	4.48	3.58	2.72	-41.69	35.86
11	Plastik	250,267,457	238,580,975	329,757,037	2.59	3.39	2.62	-4.67	38.22
12	Makanan dan Minuman	168,737,948	212,158,982	317,258,945	1.75	3.02	2.52	25.73	49.54
13	Kulit, Barang Kulit dan Sepatu/Alas Kaki	89,981,003	76,308,769	144,258,728	0.93	1.08	1.15	-15.19	89.05
14	Alat Olah Raga, Musik, Pendidikan dan Mainan	108,844,532	121,412,504	142,625,926	1.13	1.73	1.13	11.55	17.47
15	Keramik, Marmer dan Kaca	110,890,891	73,210,555	83,799,389	1.15	1.04	0.67	-33.98	14.46
16	P u p u k	40,972,784	44,199,013	69,143,396	0.42	0.63	0.55	7.87	56.44
17	Pengolahan Kelapa/Kelapa Sawit	27,341,297	31,159,316	62,474,096	0.28	0.44	0.50	13.96	100.50
18	Produk Farmasi	21,298,124	37,712,048	57,809,444	0.22	0.54	0.46	77.07	53.29
19	Pengolahan Tetes	34,490,089	46,169,225	57,690,040	0.36	0.66	0.46	33.86	24.95
20	Komoditi lainnya	39,215,797	36,167,149	53,548,594	0.41	0.51	0.43	-7.77	48.06
21	Barang-barang Kimia lainnya	45,969,879	33,932,802	48,647,190	0.48	0.48	0.39	-26.18	43.36
22	Kamera dan Alat-alat Optis	16,141,219	21,446,455	24,575,476	0.17	0.30	0.20	32.87	14.59
23	Pengolahan Rotan Olahan	27,116,024	19,269,818	19,402,293	0.28	0.27	0.15	-28.94	0.69
24	Barang- barang Kerajinan lainnya	13,011,716	15,307,132	19,040,214	0.13	0.22	0.15	17.64	24.39
25	Makanan Ternak	9,933,837	17,717,667	16,679,091	0.10	0.25	0.13	78.36	-5.86
26	Kosmetika	12,688,299	10,435,085	13,028,849	0.13	0.15	0.10	-17.76	24.86
27	Minyak Atsiri	3,444,851	4,509,150	5,409,280	0.04	0.06	0.04	30.90	19.96
28	Peng. Emas, Perak, Logam Mulia, Perhiasan dll.	4,093,385	11,495,324	4,994,014	0.04	0.16	0.04	180.83	-56.56
29	Rokok	5,182,631	1,423,531	2,146,532	0.05	0.02	0.02	-72.53	50.79
30	Semen dan Produk dari Semen	3,732,248	1,184,161	1,534,930	0.04	0.02	0.01	-68.27	29.62
31	Pengolahan Hasil Hutan Ikutan	981,630	1,470,478	106,341	0.01	0.02	0.00	49.80	-92.77
	TOTAL INDUSTRI	9,655,870,228	7,034,537,989	12,577,409,967	100	100	100	-27.15	78.80

Sumber: Kementerian Perindustrian

- Pertumbuhan hasil ekspor industri pengolahan Indonesia kembali mengalami peningkatan paska pelemahan yang terjadi akibat krisis global 2008-2009
- Ekspor hasil industri pengolahan Indonesia ini didominasi oleh produk dari industri pengolahan tembaga, timah, dan lainnya; pengolahan karet; besi-baja, mesin-mesin dan otomotif; pengolahan kayu; tekstil; dan elektronika.
- Secara keseluruhan, ekspor hasil industri manufaktur Indonesia menguasai sekitar 37 persen dari total ekspor Indonesia ke Jepang pada tahun 2011.

PERDAGANGAN KOMODITAS HASIL INDUSTRI PENGOLAHAN INDONESIA JEPANG: IMPORT

Tabel 2b: Perkembangan Impor 31 Kelompok Hasil Industri dari Jepang, 2007-2011

No	Kelompok industri	Nilai			Kontribusi			Pertumbuhan Pasar	
		2007	2009	2011	2007	2009	2011	2007-2009	2009-2011
1	Besi Baja, Mesin-mesin dan Otomotif	4,518,057,903	6,084,115,011	13,417,495,645	70.08	62.34	69.76	34.66	120.53
2	Elektronika	258,703,426	1,091,278,433	1,488,193,330	4.01	11.18	7.74	321.83	36.37
3	Kimia Dasar	667,573,782	773,801,036	1,258,248,621	10.35	7.93	6.54	15.91	62.61
4	Pengolahan Tembaga, Timah dll.	136,601,474	286,978,846	550,584,274	2.12	2.94	2.86	110.08	91.86
5	Pengolahan Karet	186,211,960	299,204,738	518,833,496	2.89	3.07	2.70	60.68	73.40
6	Barang-barang Kimia lainnya	161,412,616	182,609,749	321,025,852	2.50	1.87	1.67	13.13	75.80
7	Alat-alat Listrik	81,425,543	245,083,644	310,882,984	1.26	2.51	1.62	200.99	26.85
8	T e k s t i l	99,323,054	162,773,047	293,694,822	1.54	1.67	1.53	63.88	80.43
9	Plastik	39,035,857	151,180,372	258,118,203	0.61	1.55	1.34	287.29	70.74
10	Pulp dan Kertas	74,699,137	91,976,113	156,097,342	1.16	0.94	0.81	23.13	69.72
11	Pengolahan Aluminium	39,448,551	66,165,824	134,692,833	0.61	0.68	0.70	67.73	103.57
12	Alat Olah Raga, Musik, Pendidikan dan Mainan	25,593,374	60,575,438	108,478,419	0.40	0.62	0.56	136.68	79.08
13	Keramik, Marmer dan Kaca	32,613,217	65,357,609	107,617,545	0.51	0.67	0.56	100.40	64.66
14	Komoditi lainnya	26,788,260	58,828,852	71,903,167	0.42	0.60	0.37	119.61	22.22
15	Produk Farmasi	31,538,722	39,793,636	60,166,272	0.49	0.41	0.31	26.17	51.20
16	Kamera dan Alat-alat Optis	10,609,019	25,770,274	37,813,851	0.16	0.26	0.20	142.91	46.73
17	Peng. Emas, Perak, Logam Mulia, Perhiasan dll.	231,232	8,613,021	30,320,930	0.00	0.09	0.16	3,624.84	252.04
18	P u p u k	8,160,635	3,965,164	23,939,511	0.13	0.04	0.12	-51.41	503.75
19	Makanan dan Minuman	19,372,137	19,231,573	22,632,105	0.30	0.20	0.12	-0.73	17.68
20	Minyak Atsiri	10,847,953	14,735,049	17,227,589	0.17	0.15	0.09	35.83	16.92
21	Kulit, Barang Kulit dan Sepatu/Alas Kaki	3,467,822	3,851,589	9,091,695	0.05	0.04	0.05	11.07	136.05
22	Semen dan Produk dari Semen	2,669,861	4,906,215	8,918,812	0.04	0.05	0.05	83.76	81.79
23	Kosmetika	2,814,253	3,250,602	8,608,992	0.04	0.03	0.04	15.50	164.84
24	Pengolahan Kayu	2,692,730	4,250,860	6,564,923	0.04	0.04	0.03	57.86	54.44
25	Makanan Ternak	2,566,670	7,301,210	4,870,430	0.04	0.07	0.03	184.46	-33.29
26	Pengolahan Kelapa/Kelapa Sawit	1,981,109	994,297	3,127,263	0.03	0.01	0.02	-49.81	214.52
27	Barang-barang Kerajinan lainnya	1,226,955	1,688,705	2,661,963	0.02	0.02	0.01	37.63	57.63
28	Pengolahan Hasil Hutan Ikutan	1,351,373	945,536	1,005,942	0.02	0.01	0.01	-30.03	6.39
29	Pengolahan Tetes	356,232	255,111	861,429	0.01	0.00	0.00	-28.39	237.67
30	Rokok	51,856	163,038	16,910	0.00	0.00	0.00	214.41	-89.63
31	Pengolahan Rotan Olahan	20,488	156,511	973	0.00	0.00	0.00	663.92	-99.38
	TOTAL INDUSTRI	6,447,447,201	9,759,801,103	19,233,696,123	100	100	100	51.37	97.07

Sumber: Kementerian Perindustrian

- Impor hasil industri pengolahan Indonesia dari Jepang juga mengalami peningkatan setelah krisis global, dengan tingkat pertumbuhan yang lebih tinggi dibandingkan ekspornya.
- Sebagian besar dari impor hasil Industri pengolahan Indonesia dari Jepang itu berupa: besi baja, mesin-mesin dan otomotif; elektronika; kimia dasar; pengolahan tembaga, timah, dan lainnya; serta pengolahan karet.
- Impor hasil industri pengolahan Indonesia dari Jepang menguasai hampir seluruh total impor Indonesia dari Jepang, yaitu sebesar 99 persen pada tahun 2011

PERDAGANGAN BARANG:

Kinerja Perdagangan dan Daya Saing Produk Indonesia

INTENSITAS PERDAGANGAN JEPANG DENGAN ASEAN-6: EXPORT

- Secara umum, intensitas export negara-negara ASEAN-6 ke Jepang relatif lebih tinggi dari yang diperkirakan (XII>1), refleksi meningkatnya integrasi ekonomi antara ASEAN-6 dan Jepang.
- Indonesia memiliki tingkat intensitas export paling tinggi ke Jepang, walaupun terus mengalami penurunan dalam beberapa tahun belakangan.
- Paska IJEPA (krisis global 2008), walaupun secara umum intensitas export ASEAN-6 ke Jepang cenderung menurun, penurunan intesitas export terbesar dialami oleh Indonesia
- Sebaliknya Malaysia, disaat bersamaan malah cenderung meningkat, walaupun sempat turun pada 2009.

Table 3a: Export Intensity Index ASEAN-6 dengan Jepang

Negara	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Indonesia	4.03	4.21	4.13	4.49	4.64	4.41	4.61	4.76	4.38	3.67	3.61	3.56
Malaysia	2.26	2.43	2.21	2.16	2.10	1.96	1.90	2.10	2.33	2.22	2.29	2.29
Philipine	2.55	2.87	2.95	3.21	4.18	3.66	3.53	3.33	3.39	3.72	3.35	3.03
Singapore	1.31	1.40	1.40	1.22	1.21	1.14	1.17	1.10	1.07	1.04	1.03	0.96
Thailand	2.56	2.79	2.85	2.86	2.91	2.85	2.70	2.71	2.45	2.37	2.31	2.26
Vietnam	3.09	3.05	2.86	2.91	2.78	2.80	2.82	2.88	2.92	2.53	2.45	2.58

Sumber: CEIC Database

INTENSITAS PERDAGANGAN JEPANG DENGAN ASEAN-6: IMPORT

- Sama seperti export, intensitas import negara-negara ASEAN-6 dari Jepang juga relatif lebih tinggi dari yang diperkirakan (XII>1)
- Thailand dan Philipine memiliki tingkat intensitas impor paling tinggi dari Jepang.
- Tingkat intensitas import Indonesia dari Jepang cenderung mengalami penurunan pesat sejak 2003 hingga 2008.
- Paska IJEPA (krisis global 2008), intensitas import Indonesia dari Jepang sempat mengalami peningkatan kembali selama 2009-2010, sebelum kembali turun pada tahun 2011.
- Peningkatan intensitas impor dari Jepang ini hanya dialami oleh Indonesia, sementara yang lainnya malah mengalami penurunan

Table 3b: Import Intensity Index ASEAN-6 dengan Jepang

Negara	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Indonesia	3.13	3.26	3.16	3.61	3.26	2.93	2.31	2.44	2.06	2.10	2.33	2.23
Malaysia	2.33	2.37	2.20	2.23	2.01	2.01	1.94	2.05	2.21	2.27	2.13	1.99
Philipine	4.10	3.91	3.79	3.93	3.64	3.50	3.35	3.42	3.48	3.92	4.01	3.01
Singapore	2.13	2.00	1.93	1.78	1.74	1.68	1.56	1.66	1.76	1.84	1.61	1.66
Thailand	3.03	3.02	3.24	3.46	3.59	3.46	3.36	3.63	3.47	3.61	3.67	3.65
Vietnam	1.74	1.73	1.72	1.70	1.66	1.77	1.77	1.81	2.04	2.03	1.95	1.70

Sumber: CEIC Database

DAYA SAING PRODUK INDONESIA & JEPANG: RCA INDEX

Tabel 4a: RCA Index: 25 Produk Unggulan Indonesia & Jepang

Sumber: Comtrade Data, UN

- Indonesia memiliki keunggulan pada komoditas primer, industri padat karya dan sumber daya
- Keunggulan Jepang pada industri padat modal dan teknologi
- Perdagangan Indonesia-Jepang cenderung bersifat complementer (inter-industri): hanya 5 sektor yang memiliki RCA>1
- Produk Indonesia yang mengalami peningkatan daya saing: HS40, 75, 55, 3,61

Daya Saing Produk Indonesia & Jepang: Export Specialization

Tabel 4b: RCA Index: 25 Produk Unggulan Indonesia & Jepang

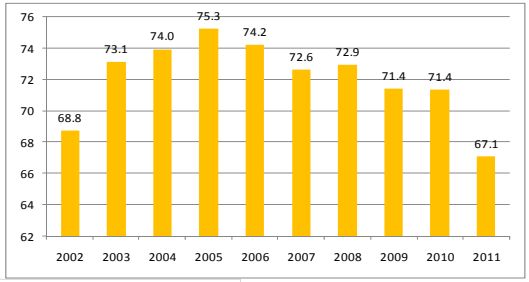
INDONESIA		ES			JAPAN		ES		
HS	Product Description	2006	2009	2011	HS	Product Description	2006	2009	2011
55	Man-made staple fibres.	15.39	15.11	16.17	91	Clocks and watches and parts thereo	1.52	1.42	35.94
15	Animal/veg fats & oils & their clea	34.03	42.32	16.02	89	Ships, boats and floating structure	6.75	4.87	24.68
40	Rubber and articles thereof.	6.97	6.24	11.77	71	Natural/cultured pearls, prec stone	3.81	7.57	12.99
67	Prepr feathers & down; arti flower;	2.73	3.30	9.23	50	Silk.	0.41	0.54	11.14
80	Tin and articles thereof.	16.86	22.88	8.47	6	Live tree & other plant; bulb, root	1.51	3.48	11.09
92	Musical instruments; parts and acce	4.79	5.55	6.93	37	Photographic or cinematographic goo	3.98	5.07	11.08
9	Coffee, tea, mati and spices.	3.87	3.92	4.19	70	Glass and glassware.	2.27	2.92	10.49
75	Nickel and articles thereof.	2.06	2.90	4.19	97	Works of art, collectors' pieces an	0.39	1.01	8.29
64	Footwear, gaiters and the like; par	2.66	2.67	3.67	16	Prep of meat, fish or crustaceans,	0.66	2.07	6.91
48	Paper & paperboard; art of paper pu	4.73	4.01	3.50	95	Toys, games & sports requisites; pa	1.63	1.61	4.39
54	Man-made filaments.	7.75	6.44	3.49	22	Beverages, spirits and vinegar.	0.15	0.26	4.21
52	Cotton.	4.38	3.88	3.39	90	Optical, photo, cine, meas, checkin	2.59	2.36	3.66
18	Cocoa and cocoa preparations.	7.27	7.63	3.28	65	Headgear and parts thereof.	0.98	2.01	3.39
47	Pulp of wood/of other fibrous cellu	4.66	4.03	2.90	69	Ceramic products.	0.96	1.01	3.33
61	Art of apparel & clothing access,	1.48	1.31	2.35	85	Electrical mchy equip parts thereof	1.33	1.49	2.36
14	Vegetable plaiting materials; veget	4.61	5.04	2.34	49	Printed books, newspapers, pictures	1.05	1.66	2.10
62	Art of apparel & clothing access, n	1.62	1.22	1.95	87	Vehicles o/t railw/tramw roll-stock	6.23	3.78	2.08
69	Ceramic products.	1.65	1.05	1.87	81	Other base metals; cermets; article	5.48	3.63	2.01
60	Knitted or crocheted fabrics.	3.42	3.40	1.79	75	Nickel and articles thereof.	1.86	3.26	1.83
94	Furniture; bedding, mattress, matt	2.04	1.52	1.74	38	Miscellaneous chemical products.	1.36	1.39	1.82
38	Miscellaneous chemical products.	0.86	1.18	1.72	3	Fish & crustacean, mollusc & other	1.98	1.03	1.61
59	Impregnated, coated, cover/laminate	2.03	1.55	1.58	29	Organic chemicals.	0.66	1.01	1.59
44	Wood and articles of wood; wood ch	1.67	1.22	1.41	96	Miscellaneous manufactured articles	1.03	1.20	1.59
3	Fish & crustacean, mollusc & other	0.88	0.87	1.30	51	Wool, fine/coarse animal hair, hors	0.85	0.73	1.45
34	Soap, organic surface-active agents	1.64	1.80	1.15	63	Other made up textile articles; set	0.19	0.43	1.41
27	Mineral fuels, oils & product of th	0.89	0.93	1.13	68	Art of stone, plaster, cement, asbe	1.23	1.41	1.30

- Produk-produk Indonesia yang berpotensi memiki daya saing yang cukup tinggi di Pasar Jepang, antara : HS 55,15,40,67, 80, etc
- Produk-produk Jepang yang miliki potensi daya saing di pasar Indonesia HS 91,89,50, 70, etc

Komplementalitas Perdagangan Indonesia-Jepang

- Dari sisi Indonesia, paska IJEPA komplementalitas perdagangan antara Indonesia-Jepang cenderung mengalami penurunan melanjutkan tren penurunan yang telah berlangsung sebelumnya.
- Refleksi dari semakin menurunnya sumber ekspor Jepang dari Indonesia

Gambar 5: Trade Complementarity Index Indonesia-Japan,



Sumber: Comtrade Data, UN

Perdagangan Intra-Industri Jepang-Indonesia

Table 5: Intra Industry Trade

HS	Description	Intra Industri		
		2006	2009	2011
91	Clocks and watches and parts thereo	0.70	0.67	1.00
41	Raw hides and skins (other than fu	0.89	0.82	0.99
45	Cork and articles of cork.	0.39	0.54	0.98
19	Prep.of cereal, flour, starch/milk;	0.54	0.66	0.94
56	Wadding, felt & nonwoven; yarns; tw	0.96	0.94	0.94
59	Impregnated, coated, cover/laminate	0.91	0.88	0.94
39	Plastics and articles thereof.	0.98	0.90	0.90
33	Essential oils & resinoids; perf,	0.93	0.99	0.90
85	Electrical mchy equip parts thereof	0.98	0.97	0.87
92	Musical instruments; parts and acce	0.78	0.64	0.87
28	Inorgn chem; compds of prec mtl, r	0.86	1.00	0.86
88	Aircraft, spacecraft, and parts the	0.38	0.00	0.83
53	Other vegetable textile fibres; pap	0.28	0.72	0.78
38	Miscellaneous chemical products.	0.63	0.80	0.75
55	Man-made staple fibres.	0.57	0.80	0.68
71	Natural/cultured pearls, prec stone	0.29	0.48	0.68
29	Organic chemicals.	0.79	0.55	0.63
30	Pharmaceutical products.	0.68	0.60	0.63
54	Man-made filaments.	0.75	0.83	0.63
8	Edible fruit and nuts; peel of citr	0.93	0.86	0.60
35	Albuminoidal subs; modified starche	0.61	0.67	0.59
12	Oil seed, oleagi fruits; miscell gr	0.42	0.47	0.56
17	Sugars and sugar confectionery.	0.42	0.62	0.55
70	Glass and glassware.	0.64	0.44	0.54
83	Miscellaneous articles of base meta	0.81	0.57	0.52
21	Miscellaneous edible preparations.	0.66	0.59	0.52
	Average IIT	**0.34**	**0.33**	**0.31**

Sumber: Comtrade Data, UN

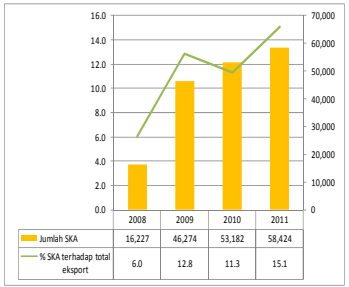
- Secara umum, perdagangan intra industri antara Jepang dan Indonesia sedikit mengalami penurunan.
- Perdagangan intra industri yang besar terjadi antara lain pada sektor/ HS : 91, 41,45, 19, 56, 59, 39, 33, 85, dst.

Pemanfaatan Fasilitas FTA

PEMANFAATAN PREFERENTIAL TARIFF

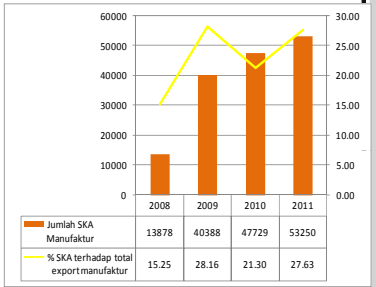
- Secara umum pemanfaatan fasilitas preferential tariff (SKA) terus mengalami peningkatan, dari sisi jumlah ataupun sharenya terhadap total ekspor
- Pada 2011 kecepatan peningkatan total nilai ekspor manufaktur lebih tinggi dibandingkan peningkatan nilai ekspor manufaktur yang menggunakan SKA

Gambar 6a: Utilization Rate Terhadap Total Ekspor



	2008	2009	2010	2011
Jumlah SKA	16,227	46,274	53,182	58,424
% SKA terhadap total eksport	6.0	12.8	11.3	15.1

Gambar 6b: Utilization Rate di Sektor Manufaktur



	2008	2009	2010	2011
Jumlah SKA Manufaktur	13878	40388	47729	53250
% SKA terhadap total export manufaktur	15.25	28.16	21.30	27.63

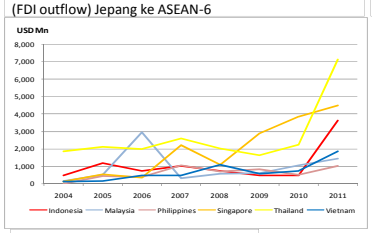
INVESTASI LANGSUNG

Gambaran Umum Investasi Langsung Jepang: Flow dan Stok

INVESTASI JEPANG DI ASEAN: FLOW

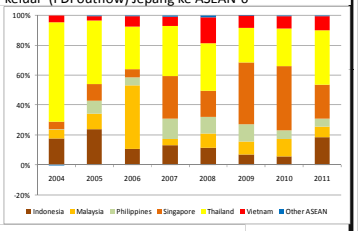
- Sama dengan perdagangan barang, investasi langsung Jepang ke Asia, khususnya ASEAN, terus mengalami peningkatan setiap tahunnya, kecuali tahun 2008.
- Investasi langsung Jepang ke ASEAN pada 2005-2011 tumbuh rata-rata sebesar 38.4%/ pertahun.
- Thailand masih merupakan penerima aliran investasi langsung Jepang terbesar, diikuti oleh Singapore dan Indonesia

Gambar 7a: Nilai aliran investasi langsung keluar (FDI outflow) Jepang ke ASEAN-6



Sumber: JETRO

Gambar 7b: Persentase aliran investasi langsung keluar (FDI outflow) Jepang ke ASEAN-6

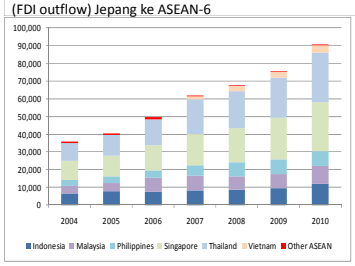


Sumber: JETRO

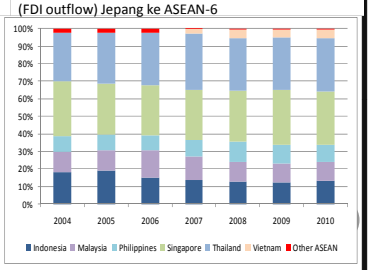
INVESTASI JEPANG DI ASEAN: STOCK

- Stock investasi langsung Jepang di ASEAN rata-rata tumbuh 16.9% pertahun pada periode 2005-2011.
- Thailand dan Singapore masih merupakan penerima stok investasi langsung Jepang terbesar di ASEAN, yaitu masing-masing sekitar 30%.
- Sementara, share stok investasi Jepang di Indonesia relative terhadap total investasi Jepang di ASEAN relative stagnan, sekitar 12-13%.

Gambar 8a: Nilai stok investasi langsung keluar (FDI outflow) Jepang ke ASEAN-6



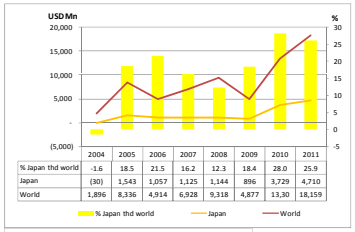
Gambar 8b: Persentase stok investasi langsung keluar (FDI outflow) Jepang ke ASEAN-6



INVESTASI JEPANG KE INDONESIA RELATIVE TERHADAP NEGARA LAIN

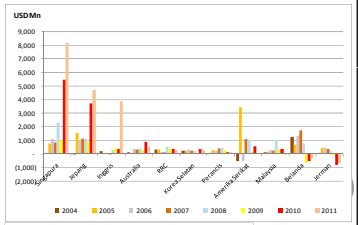
- Paska IJEPA dan krisis global, Investasi langsung Jepang ke Indonesia kembali meningkat pesat dalam 2 tahun terakhir setelah sebelumnya cenderung menurun atau relatif stagnan, nilai.
- Sebagian besarnya disebabkan oleh peningkatan yang sangat signifikan dari investasi Jepang di sektor manufaktur Indonesia dan FDI asal Jepang merupakan FDI terbesar kedua setelah singapore.
- Membaiknya kinerja ekonomi dan iklim investasi di Indonesia (termasuk upah yang murah), pemulihan keuangan global, dan pelaksanaan berbagai kerjasama ekonomi bilateral ataupun regional, termasuk IJEPA, menjadi faktor pendorong peningkatan FDI ke Indonesia, termasuk dari Jepang.

Gambar 9a: Nilai dan persentase aliran investasi langsung keluar (FDI outflow) Jepang ke Indonesia



Sumber: Bank Indonesia

Gambar 9b: Nilai aliran investasi langsung keluar (FDI outflow) Jepang dan negara-negara lain di Indonesia



Sumber: Bank Indonesia

INVESTASI LANGSUNG

Komposisi Sektoral

INVESTASI JEPANG MENURUT SEKTOR EKONOMI

- Aliran investasi langsung Jepang yang masuk ke Indonesia sebagian besar didominasi oleh sektor manufaktur, diikuti oleh sektor pertambangan dan penggalian dan lembaga perantara keuangan
- Pada 2011, sektor industri pengolahan ini menguasai sekitar 92% dari total investasi langsung Jepang di Indonesia, atau 57% dari seluruh total investasi langsung asing yang masuk ke Indonesia.
- Peningkatan investasi Jepang, sebagian besar didorong oleh peningkatan investasi langsung di sektor manufaktur Indonesia.

Table 10a: Investasi langsung Jepang di Indonesia menurut sektor, 2004-2011

	2004		2005		2006		2007		2008		2009		2010		2011	
	Nilai	% Total FDI	Nilai	% Total FDI	Nilai	% Total FDI	Nilai	% Total FDI	Nilai	% Total FDI	Nilai	% Total FDI	Nilai	% Total FDI	Nilai	% Total FDI
Pertanian, Perikanan, dan Kehutanan	-4.0	4.0	9.1	0.6	-7.0	-0.7	-9.0	-0.8	-11.5	-1.0	5.2	0.6	27.7	0.7	51.0	1.1
Pertambangan dan Penggalian	-25.0	25.0	182.6	11.8	82.9	7.8	340.0	30.2	546.2	47.7	-79.4	-8.9	83.5	2.2	-5.0	-0.1
Industri Pengolahan	-68.0	68.0	923.9	59.9	467.2	44.2	699.0	62.1	450.5	39.4	853.8	95.3	3,317.4	89.2	4,307.9	91.9
Listrik, Gas dan Air	0.0	0.0	-14.0	-0.9	-7.0	-0.7	16.0	1.4	0.0	0.0	0.0	0.0	62.5	1.7	88.3	1.9
Konstruksi	8.0	-8.0	3.0	0.2	20.9	2.0	6.0	0.5	-0.3	0.0	-0.3	0.0	10.6	0.3	19.0	0.4
Perdagangan, Hotel & Restoran	48.0	-48.0	24.6	1.6	29.7	2.8	-23.0	-2.0	85.6	7.5	74.1	8.3	133.9	3.6	33.4	0.7
Transportasi, Pergudangan, dan Komunikasi	-75.0	75.1	11.0	0.7	85.0	8.0	12.0	1.1	-7.6	-0.7	7.8	0.9	57.8	1.6	54.5	1.2
Lembaga Perantara Keuangan	39.0	-39.0	52.3	3.4	223.1	21.1	216.0	19.2	113.7	9.9	34.1	3.8	-15.7	-0.4	73.2	1.6
Real Estate, Persewaan, dan Jasa Bisnis	-19.0	19.0	-2.4	-0.2	-4.6	-0.4	-8.0	-0.7	-19.5	-1.7	-12.3	-1.4	-18.0	-0.5	9.2	0.2
Lainnya	-3.9	3.9	353.2	22.9	166.7	15.8	-123.0	-10.9	-12.7	-1.1	13.1	1.5	60.9	1.6	57.0	1.2
Total	-99.9	100	1,543.2	100	1,056.8	100	1,126.0	100	1,144.5	100	896.1	100	3,720.7	100	4,688.4	100

Sumber: Bank Indonesia

INVESTASI JEPANG DI SEKTOR MANUFAKTUR

- Investasi langsung Jepang ke sektor manufaktur naik dari rata-rata sebesar -12% pada periode 2006-2008 menjadi 136% pada periode 2009-2011 dan persentase investasi langsung Jepang yang berada di sektor manufaktur terhadap total investasi langsung Jepang di Indonesia naik signifikan dari rata-rata 48.5% pada periode 2006-2008 menjadi 92.1% pada periode 2009-2011.
- Sama seperti impor Indonesia dari Jepang, Investasi langsung Jepang di sektor industri pengolahan yang masuk ke Indonesia sebagian besar berada di sektor Industri alat angkutan dan transportasi lainnya; industri logam dasar, barang logam, mesin dan elektronik; serta industri kimia dasar, barang kimia dan farmasi.

Tabel 10b: Investasi Langsung Jepang di Sektor Industri Pengolahan, 2006-2011

Sektor	2006		2007		2008		2009		2010		2011	
	Nilai	% FDI Manufaktur	Nilai	% FDI Manufaktur	Nilai	% FDI Manufaktur	Nilai	% FDI Manufaktur	Nilai	% FDI Manufaktur	Nilai	% FDI Manufaktur
Industri Makanan	11,096.9	1.3	49,286.8	9.7	2,462.2	0.2	56,209.1	8.9	84,785.3	16.9	39,323.9	2.8
Industri Tekstil	9,367.1	1.1	18,501.2	3.6	14,910.6	1.2	23,157	3.6	73,840.3	14.7	70,480.9	4.9
Industri Kulit, Barang dari kulit dan Sepatu							15,700		0	0.0		
Industri Kayu	7,364.6	0.9	14,450.1	2.8	38,644.8	3.1	21,009.8	3.3	0	0.0	275	0.0
Industri Kertas, Barang dari kertas dan Percetakan	52,052	6.1	1,398.3	0.3	52,200.1	4.2			0	0.0	7,185.8	0.5
Industri Kimia Dasar, Barang Kimia dan Farmasi	28,895	3.4	12,109	2.4	2,960.7	0.2	37,910.4	6.0	5,022.8	1.0	429,568.7	30.1
Industri Karet, Barang dari karet dan Plastik	40,824.6	4.7	15,432.1	3.0	88,978.8	7.2	27,556.4	4.3	44,692.5	8.9	85,014.4	6.0
Industri Mineral Non Logam	3,494	0.4							352.9	0.1	15,554.9	1.1
Industri Logam Dasar, Barang Logam, Mesin dan Elektronik	285,886.6	33.2	143,671.9	28.2	387,895.1	31.3	82,860.9	13.0	158,121	31.5	305,893	21.4
Industri Instrumen Kedokteran, Presisi, Optik dan Jam			10,850	2.1					0		896	0.1
Industri Alat Angkutan dan Transportasi Lainnya	318,664.5	37.1	238,302.2	46.8	640,643.4	51.7	370,438.1	58.3	133,120	26.5	464,958.2	32.6
Industri Lainnya	102,334.2	11.9	5,700	1.1	11,129.7	0.9	230	0.0	2,784.5	0.6	7,210.3	0.5
Total	**859,979.5**	**100**	**509,701.6**	**100**	**1,239,825.4**	**100**	**635,071.7**	**100**	**502,719.3**	**100**	**1,426,361.1**	**100**

Sumber: Badan Koordinasi Penanaman Modal (BKPM)

KESIMPULAN

- Waktu yang terbatas dan terjadinya krisis global menyulitkan untuk mengambil kesimpulan yang jelas dan tegas dari dampak IJEPA terhadap perdagangan barang dan FDI ke Indonesia.
- Namun, beberapa temuan awal bisa menjadi indikasi kesimpulan dampak IJEPA bagi perdagangan dan investasi antara Indonesia dan Jepang:
  - IJEPA belum bisa memberikan perbaikan yang signifikan terhadap perkembangan hubungan perdagangan antara Indonesia dan Jepang.
  - Pola ekspor Indonesia ke Jepang atau impor Indonesia dari Jepang tidak mengalami perubahan sebelum atau pasca pelaksanaan kesepakatan perdagangan bebas IJEPA, dimana ekspor Indonesia ke Jepang masih terkonsentrasi hanya pada beberapa produk saja.
  - Tingkat pertumbuhan rata-rata Indonesia ekspor ke dan impor dari Jepang mengalami penurunan, dengan ekspor tumbuh lebih lambat dibandingkan impor.
  - Paska IJEPA dan krisis global, pertumbuhan ekspor dan impor industri pengolahan lebih tinggi dibandingkan sebelumnya, dengan impor yang lebih tinggi dibanding ekspornya.

KESIMPULAN

- Sektor industri pengolahan yang tumbuh dan berkontribusi besar dalam ekspor dan impor Indonesia ke dan Jepang: besi baja, mesin-mesin dan otomotif; elektronika; kimia dasar; pengolahan tembaga, timah, dan lainnya; serta pengolahan karet.
- Paska IJEPA dan krisis global, walaupun ekspor Indonesia ke Jepang secara umum masih mengalami peningkatan, tapi intensitas dan daya saing produk Indonesia di pasar Jepang cenderung mengalami penurunan
- Paska IJEPA dan krisis global, Investasi langsung Jepang ke negara ini kembali meningkat pesat dalam 2 tahun terakhir.
- Aliran investasi langsung Jepang yang masuk ke Indonesia sebagian besar didominasi oleh sektor manufaktur, khususnya: sektor industri alat angkutan dan transportasi lainnya; industri logam dasar, barang logam, mesin dan elektronik; serta industri kimia dasar, barang kimia dan farmasi.

- Peningkatan perdagangan dan investasi tidak hanya ditentukan oleh FTA, tapi juga faktor lain, termasuk iklim usaha, stabilitas makroekonomi, dan lainnya→ negara-negara pesaing juga punya FTA dengan Jepang.

SARAN-SARAN

- Selain di sektor otomotif, elektronik dan kimia dasar, fokus sebaiknya diberikan kepada produk-produk Indonesia lainnya yang juga (masih) memiliki keunggulan komparatif di pasar Jepang, terutama sektor-sektor yang tengah mengalami penurunan daya saing, seperti: pengolahan kayu; tekstil, garmen dan alas kaki; dan perikanan.
- Untuk meningkatkan nilai ekspor dan diversifikasi produk ekspor Indonesia ke Jepang, selain menjembatani hubungan bisnis antara pelaku usaha lokal dengan jepang melalui pameran perdagangan, pemerintah diharapkan menyediakan asistensi teknis dan informasi terkait dengan produk-produk yang dibutuhkan/diminati dipasar Jepang; standar produk; dan peraturan dan kebijakan perdagangan di Jepang, termasuk struktur tiap industrinya.
- Lebih lanjut, pemerintah perlu mengupayakan agar pelaku usaha lokal dapat terintegrasi ke dalam jaring produksi (production network) perusahaan-perusahaan Jepang.
- Guna peningkatan daya saing perusahaan lokal yang memenuhi standar teknology internasional (standar harga, kualitas, dan waktu kirim), pemerintah sebaiknya terus mendorong pengembangan R&D lokal (swasta/publik) melalui insentif pajak, kemudahan akses ke teknology baru dan memperdekat hubungan antara perusahaan dan lembaga-lembaga R&D dan universitas.
- Perbaikan iklim usaha dan penurunan ekonomi biaya tinggi: stabilitas perekonomian (nilai tukar yang kompetitif), perbaikan infrastruktur, kepastian hukum dan kebijakan, penghapusan korupsi dan pungutan, perbaikan aturan perburuhan, dll untuk meningkatkan daya saing produk Indonesia di pasar Jepang dan internasional, dan mendorong relokasi industri-industri manufaktur Jepang ke Indonesia.
- Peningkatan kualitas sumber daya manusia Indonesia →IJEPA (perbaikan MIDEC dan alih teknologi).

Terima Kasih

Attachment II

Evaluation Report (draft)
on MIDEC Program

Evaluation Report of the MIDEC (Manufacturing Industry Development Center) Program

March 13, 2013

Nomura Research Institute

Nomura Research Institute
March 13, 2013

Glossary

AOTS	Association for Overseas Technical Scholarship
API	Indonesian Textile Association (Asosiasi Pertekstilan Indonesia)
ASEAN	Association of South East Asian Nations
B2TKS	Technology Center for Strength of Structures
B4T	Center for Material and Technical Product
BPPT	Agency for the Assessment and Application of Technology
CBTL	certification body and testing laboratory
CO_2	Carbon dioxide
CPO/KPO	crude palm oil and kernel palm oil
DIOS	Direct Iron Ore Smelting Reduction Process
ECCJ	The Energy Conservation Center, Japan
ECId	Energy Conservation Indonesia
EPA	Economic Partnership Agreement
ESCO	Energy Service Company
FY	Fiscal Year
GAP	Green Aid Plan
GAIKINDO	Association of Indonesia Automotive Industries (Gabungan Industri Kendaraan Bermotor Indonesia)
GAPKINDO	Rubber Association of Indonesia (Gabungan Perusahaan Karet Indonesia)
GIAMM	Automobile Parts Association of Indonesia
HIDA	Overseas Human Resources and Industry Development Association (former AOTS)
IASIF	Indonesian Automotive Standard Internationalization Forum
IECEE/CB	International Electrotechnical Commission standard for Electrical Equipment/ Certification Body scheme
IISIA	Indonesian Iron and Steel Industry Association
IMDIA	Indonesia Mold & Dies Industry Association
IWS	Indonesia Welding Society
JAMA	Japan Automobile Manufacturers Association
JAPIA	Japan Auto Parts Industries Association
JARI	Japan Automobile Research Institute
JASIC	Japan Automobile Standards Internationalization Center
JETRO	Japan External Trade Organization

JICA	Japan International Cooperation Agency
JICE	Japan International Cooperation Center
JET	JAPAN Electrical Safety & Environment Laboratories
JQA	Japan Quality Assurance Organization
JWES	Japan Welding Engineering Society
KADIN	Indonesia Chamber of Commerce & Industry (Kamar Dagang Dan Industri Indonesia)
LPG	Liquefied Petroleum Gas
LPS	Lean Production System
MCTR	Mitsubishi Chemical Techno-Research Corporation
MEMR	Ministry of Energy and Mineral Resources of Republic of Indonesia
METI	Ministry of Economy, Trade and Industry
MIDEC	Manufacturing Industry Development Center
MOE	Ministry of Environment of Republic of Indonesia
MOI	Ministry of Industry of Republic of Indonesia
MOT	Ministry of Trade of Republic of Indonesia
MP3EI	Master Plan for the Acceleration and Expansion of Indonesia Economic Development 2011-2025
NCB	National Certification Body
NEDO	New Energy and Industrial Technology Development Organization
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PIPIMM	Food and Drink Product Industry Information Center (Pusat Informasi Produk Industri Makanan dan Minuman)
RSPO	Roundtable on Sustainable Palm Oil
SME	Small and Medium sized Enterprise
TOT	Training of Trainers
TPPI	Transpacific Petrochemical Indo Tama
UNECE	United Nations Economic Commission for Europe
VTCC	Vehicle Testing and Certification Center
WP29	UNECE World Forum for Harmonization of Vehicle Regulations

Chapter 1 Background and objectives

1.1. Background

The Japanese government has been negotiating the Economic Partnership Agreement (EPA) in a “win-win” way, in that one country should do more than request the other for reducing tariffs and others, by promoting mutual development through the growth of supporting industry in both countries. Against this backdrop, the Indonesia-Japan Economic Partnership Agreement started negotiation in July, 2005, and entered into force in July, 2008.

In the course of negotiation, the Indonesian side requested that the Japanese side cooperate in many areas including technical cooperation. Both countries agreed that the supporting industry, which is often pointed out as a structural problem in Indonesian industry, would be the area of cooperation, and that the focus of cooperation would be gathered under the Initiative for Manufacturing Industry Development Center (MIDEC) with 13 sectors and 26 projects: i) metalworking, ii) tooling (mold & die), iii) welding, iv) energy conservation, v) export and investment promotion, vi) small and medium enterprises promotion, vii) automotive/automotive parts, viii) electric/electronic, ix) steel/steel products, x) textile, xi) oleo chemical and petrochemical, vii) non-ferrous metal, and viii) food and beverage.

As the implementation, from FY 2008 to FY 2012, cooperative projects centered on technical assistance and human resource development such as research, expert dispatch, mission dispatch, and training in Japan have been carried out through technical cooperation projects by JICA, JETRO projects, and industry development promotion projects for economic partnership and so on.

For the EPA general review in 2013, in the MIDEC administrative high-level meeting held on November 2nd 2011, it was confirmed that 26 projects in 13 sectors would come to an end in FY 2012 (except for “Support to improve the technologies related to metalworking,” “Industry Support Program for Export & Investment Promotion,” and “Small and Medium Enterprise Promotion Support,” which are either on going or under preparation). In the MIDEC high-level seminar that was held in Jakarta in July 2012, by sorting the projects that had been done and that had not been done, Indonesia side and Japan side reached the same understanding that “the promise is kept in all sectors.” At the same time, it was proposed to carry out the evaluation of the implemented projects by both sides (Indonesia is planning to carry out their own evaluation).

In the ministerial level meeting that was held in Tokyo on October 9th FY 2012, H.E. Ir. M. Hatta Rajasa, Coordinating Minister for Economic Affairs, and H.E. Mr. Mohamad Hidayat, Minister of Industry, expressed their welcome and acknowledgement of cooperation through MIDEC and both countries were able to reach the common view that both counties were successful in the MIDEC projects. Also, responding to the request of continuous dialogue and periodical evaluation and review, Mr. Yukio Edano, Minister of Economy, Trade and Industry (at that time) expressed his willingness for consultation and deliberation.

In accordance with above, in this project, research to understand the current status of each project and verification are conducted. Based on that, by reference to the evaluation framework of DAC of OECD, value judgment of five evaluation criteria (relevance, effectiveness, efficiency, impact, and sustainability) and consensus building with the Ministry of Industry of Indonesia is to be made.

1.2. Objectives

(1) Understanding of the current status of each project and verification

Based on the progress management matrix that was checked by both countries in the high level meeting in July 2012, by careful examination of research reports and implementation reports about project implementation status of each described sector, result, implementation process and causality are verified. The concrete contents include the followings.

- Output
  - By careful examination of research reports and implementation reports about project implementation status of each sector, the outputs of the results are summarized.

- Process
  - Project plans of each sector, dialogue of duty officers are collected and carefully examined to see if activities were implemented according to the plans, if managements were appropriate, if there was a change in recognition in Indonesian side, and so on.

- Causality
  - To conclude if implementations of projects have been valuable, causality between the requests from Indonesia and the implementations of projects are checked.

(2) Value judgment of five evaluation criteria

Based on the understanding of the current status of each project and verification result, value judgment is made. Evaluation criteria are following 5.

- relevance (legitimacy or necessity of project)
- effectiveness (if implementation of project is providing benefit to Indonesia)
- efficiency (relation of cost and effect)
- impact (long term or indirect effect or spillover effect)
- sustainability (continuousness of project implementation effect)

As far as relevance is concerned, since the MIDEC cooperative program is implemented based on the promise of cooperation in EPA, it is not applicable to evaluation by each sector. Therefore, relevance evaluation is carried out for MIDEC as a whole in the second chapter.

As for individual sectors, we exclude projects that have already evaluated by JICA and projects that are on going or under preparation; evaluations are made with respect to effectiveness, efficiency, impact, and sustainability for the following sectors: ii) tooling (mold & die), iii) welding, iv) energy conservation, vi) small and medium enterprises promotion support, vii) automotive, viii) electric/electronic equipment, ix) steel/steel products, x) textile, xi) oleo chemical and petrochemical, vii) non-ferrous metal, and viii) food and beverage.

1.3.Projects comprising the MIDEC program

The projects that constitute the MIDEC cooperation and those that are addressed in the current evaluation are as follows.

Sector	Projects
1. Metalworking	・ (in preparation)
2. Tooling (Mold & Die)	・ Assistance to develop the Indonesian mold and die industry
3. Welding	・ Technological improvement of welding
4 . Energy	・Capacity building for ESCO business introduction

Conservation	
	・Cooperation for basics of energy conservation promotion under Green Aid Plan (training in Japan and expert dispatch)
	・ CO_2 reduction model project
5. Export & Import Promotion	・ (ongoing) Strengthening functions of National Agency for Export Development
6. SMEs Promotion Support	・ Small and medium enterprises promotion planning research
	・ Assistance to One Village One Product campaign in Indonesia
	・ (in preparation) delivery improvement project for small and medium enterprises service
7. Automotive / Automotive Parts	・ Project to assist Human Resource Development in Auto industry (SWG:HRD)
	・ Human Resources Development Cooperation in Auto Industry (SWG:UN/ECE)
	・ Project of dispatch mission to strengthen R&D function in the existing Indonesian institutions
8. Electric / Electronic Equipment	・ Elementary Manufacturing Technology and Pillar Industry Development Project on Electric/Electronic
9. Steel / Steel products	・ Cooperation in the steel industry (DIOS etc)
	・ Invitation of Indonesian trainees on steel industry
10. Textile	・ Mission dispatch and acceptance, expert dispatch, and seminar
11. Oleo chemical and Petrochemical	・ Mission dispatch on oleo chemical and petrochemical industry
	・ Capacity building mission to Japan on enhancing petrochemical industry
12. Non-Ferrous	・ Basic studies for adding values to the non-ferrous related industries in Indonesia (aluminum, copper, and nickel)
13. Food and Beverage	・ Dispatching expert on product wrapping, food safety evaluation and sanitary system

Of the projects shown above, metalworking, export and investment promotion, and delivery improvement under SME promotion are out of scope in the current evaluation, since they are either in progress or in preparation.

1.4. Study period

FY under study:	FY 2008 to FY 2012 (April, 2008 to March, 2013)
Study period:	January 15, 2013 to March 22, 2013
Research missions:	February 18-20 and March 18-19, 2013
Organizations under study:	Departments under MOI, Japanese Embassy, Departments under METI, JICA, JETRO, and others

Chapter 2 The current status of the MIDEC program

2.1 Relevance of the MIDEC as a cooperation program

MIDEC cooperation was set as a part of Economic Partnership Agreement between the two countries. That is to say, unlike the usual official development assistance (ODA), the program formation has not been through the usual process of problem analysis, objective analysis, and selection of organic combination of effective projects for problem solution. Therefore, just because program goals might appear unclear or consistency of projects might seem insufficient does not mean MIDEC is not a strategic program. In the ensuing section, we evaluate relevance of MIDEC program, with this specific factor in mind.

2.1. 1. The place of MIDEC as a cooperation program

We first identify the place of the cooperation program with policy on the Japanese side.

- Economic Partnership Agreement, or EPA, is an agreement with an aim to enhance a wide economic relationship, including investment, human mobility, protection of intellectual property rights, rule making in competition policy, and cooperation elements in various fields, besides freer trade. According to the Joint Statement of Former Prime Minister Mr. Abe and President Dr. Yudhoyono, under MIDEC, both governments are supposed to work together to improve competitiveness of manufacturing in Indonesia in the MIDEC sectors; which is relevant in light of the spirit of EPA, which is "to enhance a wide economic relationship, including … cooperation elements in various fields."
- "Country Assistance Program for the Republic of Indonesia" published in 2004 by the Government of Japan says that "it is important to provide aid, focusing on 'sustainable growth driven by the private sector', a necessary condition for realization of poverty reduction." Growth by human resource development and manufacturing development, which MIDEC is aimed at, is quite consistent with the concept laid out there (the other two pillars, on top of private-driven sustainable growth, are creation of a democratic and fair society and peace and stability). It also points out priority areas as fostering the subsidiary industry and SMEs, along with ensuring fiscal sustainability, building up economic infrastructure, establishing a legal system related to the economy and ensuring its appropriate enforcement, and reforming the financial sector.

- "Country Assistance Policies for the Republic of Indonesia" in 2012 spelled out, as a basic policy (i.e. upper goal), "further balanced development and improved capacity to respond to challenges in Asia and the international society." Accordingly, not only the export of oil and other mineral resources and agricultural products, but also an expansion of the supporting industry of manufacturing, are expected to contribute to a more balanced development. One of the priority areas (mid goal) is "assistance to further economic growth," which continues to read "attempt to improve business and investment climate, as well as provide assistance to training of skilled human resources." Many MIDEC projects are aimed at promoting even more investment by improving business and investment climate in the sector in question, and building capacity of skilled human resources, not just workers. Foe example, the energy conservation is linked to climate change policy, and SME promotion is also linked to distribution and connectivity enhancement, highlighting MIDEC's consistency with "Country Assistance Policies for the Republic of Indonesia."
- Also, "Marketing Strategy for New Middle Income: Japan growing with emerging countries, mainly in Asia" in 2012 is focused on Indonesia, along with China and India.

Next we turn to the place of MIDEC in development strategies in Indonesia.

- Indonesia bases its development policy on National Long-Term Development Plan 2005-2025, which is then broken down to National Mid-Term Development Plans for each five-year period. The current National Mid-Term Development Plan is the National Mid-Term Development Plan 2010-2014.
- In May 2008, Presidential Decree on National Industrial Development Policy was announced as a specific direction of industry promotion policy, where the top down approach of promoting internationally competitive industry selected by MOI, and the bottom up approach of promoting them by utilizing local resources by the initiatives of state government are stipulated as basic policies, underlining the move to leverage industrial promotion further.
- The Ministry of Industry, the Indonesian counterpart of MIDEC, has drawn up "Strategic Plans of Ministry of Industry 2010-2014" as a sector-by-sector mid-term development plan toward cluster development and local industrial promotion, along the line of National Mid-Term Development Plan and Presidential Decree. MIDEC is also in line with the Strategic Plans.
- Furthermore, to accelerate the achievement of National Long-Term Economic Development Plan, "Master Plan for the Acceleration and Expansion of Indonesia Economic Development 2011-2025 (MP3EI)" was drawn up by the Economic Coordinating Minister. MP3EI is placed as an upper goal of strategic planning of MOI. It selects economic corridors for six different regions, and for each corridor, value chain expansion, fusion of regional development and sector development, promotion of local industries, and enhanced connectivity between regions are spelled out as goals. MIDEC is especially expected to contribute to value chain expansion by across-the-board improvement of manufacturing.

From the above, we can conclude that MIDEC is highly consistent with Japanese EPA and aid policies and policies of the Indonesian government and Ministry of Industry, and that its relevance is high. We also note the following points:

- Related to consistency with internationally prioritized challenges, cooperation through Economic Partnership Agreement is still rare in the international society; on the other hand, as stated above, the Japanese government focuses on an internationally prioritized issue of poverty reduction solved by the growth led by the private sector. The initiatives of manufacturing development, by which MIDEC can be characterized, can be regarded as in line with the prioritized challenges.
- MIDEC is also consistent with comparative advantages of Japan. In the interviews conducted in Indonesia, it was confirmed that no similar assistance is being made, using the experience of manufacturing. Other foreign aid organizations are focusing on activities away from Java Island, so Japan has a comparative advantage in assistance activities in Java, the center of manufacturing in Indonesia.

2.2 The relationship between the MIDEC program and each component project

The MIDEC program on the whole and the projects as components correspond to an end and its means, respectively. The logic goes that if each project as a means is achieved, then the program goal is also achieved.

Chapter 3 The current status and evaluation of each sector

In this chapter, evaluation is made for all the sectors excluding those in progress or in preparation, namely, ii) tooling (mold & die), iii) welding, iv) energy conservation, vi) small and medium enterprises promotion, vii) automotive / automotive parts, viii) electric/electronic equipment, ix) steel / steel products, x) textile, xi) oleo chemical and petrochemical, vii) non-ferrous metal, and viii) food and beverage, based on the current status of the projects (output, process, and causality), as well as effectiveness, efficiency, impact, and sustainability.

We note that evaluation of each sector is constrained with the following points. First, the research schedule has been so tight that the evaluation is based on literature survey of final reports and other documents, as well as interviews to the Ministry of Industry of Indonesia, the Ministry of Economy, Trade, and Industry of Japan, and other related institutions; and no interviews to experts or participants in the projects have been conducted. Secondly, project design matrix and the like was not drawn up beforehand for each project, so that actual figures had not been determined for most of the indicators. Accordingly, goals and objectives include the evaluator's estimation.

3.1 Tooling (Mold and Die)

3.1.1. The current status of the project

Project title	Assistance to develop the Indonesian mold and die industry
Form	Technical cooperation
Institutions in charge	Asian Cooperation Division, Trade and Economic Cooperation Department, Japan External Trade Organization (JETRO); Machine Parts and Tooling Industries Office, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry (METI)
Collaborators in Japan	Japan Die & Mold Industry Association
Institutions in Indonesia	Ministry of Industry (MOI); Indonesia Mold & Dies Industry Association (IMDIA)
Cooperative period	FY 2008-2012 (five years)
Upper goal	Technical improvement of the Indonesian mold & die industry is realized, and business relation construction and expansion with Japanese companies in Japan and Indonesia is aimed.
Project goal	Through technical improvement of the Indonesian mold & die industry and activities toward matching between Japanese and Indonesian companies, the foundation of business development with Japanese companies is prepared.
Expected output	1. Through technical guidance, skills of human resources engaged in the mold & die industry is improved, so that quality improvement and cost reduction is realized in the mold & die industry in Indonesia. 2. Local content rate of mold & die in the Japanese assembly manufacturers in Indonesia is raised to cut costs. 3. The Japanese mold & die industry becomes a toehold in the development in Indonesia and other Asian countries.
Input	Japanese side: short-term experts from Japan Die & Mold Industry Association and others Indonesian side: counterpart assignment: Indonesia Mold & Dies Industry Association (IMDIA)

■ Output

Following survey mission and short-term expert dispatch to IMDIA member

companies in FY 2008, through Assistance to develop the Indonesian mold and die industry, mold & die workshops for technical guidance have been arranged and held, certification exam for mold & die techniques was constructed, among other activities.

In FY 2010, an expert was dispatched to Indonesia for a lecture for IMDIA board members and a seminar on the efficient production in mold & die industry for IMDIA member executives were held. In the two-day lecture, seven themes were raised, which are relevant for IMDIA to consider developing the Indonesian mold & die companies, and there was a heated discussion on the current status of mold & die industry in Indonesia and how to develop mold & die companies in the future. In the seminar on the efficient production in mold & die industry for IMDIA member executives, the expert made some proposals, especially on the improvement of technical improvement vital for the Indonesian mold & die companies and the importance of cooperation with Japanese companies.

Also, by request from IMDIA, two experts were dispatched to conduct itinerant guidance to die casting and mold. The expert for die instructed a total of four Indonesian companies selected by IMDIA, and the expert for mold also instructed a total of eight companies, both on trouble shooting. In FY 2010, instructions were made focusing on technical improvement of Indonesian companies, aiming for creation of businesses with Japanese assemblers in Indonesia. The need to provide matching opportunities was recognized, not just to improve skills of Indonesian companies and to provide information on know-hows on doing business with Japanese companies. This led to a clear roadmap drawn up, and the project proceeded to the next FY. In FY 2012, an expert on 3D design was dispatched to a seminar for IMDIA member companies.

■ Process

In the questionnaire distributed after the seminar on efficient production, the share of the top two ratings for usefulness of the seminar was 100% (the top rating for 74%), and the share of the top two ratings for understanding of the seminar was 100% (the top rating for 30%). In the same questionnaire, many from the 70 participants replied by constructive opinions, answering that they could understand the problems faced when aiming to do business with Japanese companies, and the current status of the Indonesian mold & die industry.

In another questionnaire to the Indonesian mold & die companies right after the expert dispatch for technical guidance, itinerant guidance for both of die and mold was rated 100% by the top rating in terms of usefulness, and in terms of the improvement after guidance, it was rated 100% by the top two ratings (50% for the top rating in die

casting and 88% for the top rating in mold).

All the companies replied in the questionnaire that expert guidance is useful in production and leads to trimming production cost. For the cost reduction effect, aside from the technical effect, the experts for mold & die guidance estimated annual benefits of guidance. In both mold and die, the figures suggested that significant cost reduction was expected by guidance, revealing that the presence of significant waste.

The cost reduction through technical guidance in FY 2010 was quantified as estimates right after the guidance by the experts. Add to that, half a year after the project, experts were dispatched again to identify retention rate of the instructions and actual amount of cost reduction. Also, toward the ultimate goal of creation of businesses with Japanese assemblers, preparation was made to support matching opportunities with mold & die related companies and administrative organizations in Japan. In November 2011, the matching plan realized between IMDIA member companies and Japanese companies, where more than 100 business persons, as well as two persons from the Ministry of Industry and 26 persons from IMDIA, participated in the opportunity. Also in FY 2012, 8 IMDIA member companies joined a business matching in a seminar by JETRO.

■ Causality

While in the Indonesian electronics market Korean products increase their share, no similar assistance has been provided by other countries regarding mold & die technique, so that causality is relatively clear. The Indonesian side has commented that they are very satisfied that capability of the industry has been improved through technical guidance by expert dispatch.

3.1.2. Evaluation

(1) Effectiveness (High)

■ As accomplishment of project and achievement of the project goals, the degree of attainment of 'Upgrading the infrastructure necessary for business development with Japanese corporations through efforts to improve technical capabilities of Indonesian mold and die industry, as well as matching of Japanese and Indonesian companies' is high. A follow-up research of the FY 2011 project revealed that by dispatching 'technical guidance experts,' cost saving of about 5.7 billion Indonesian Rupiah (IDR), or about JPY 55 million, for die casting, and IDR 4.8 billion, or JPY 45.5 million, for mold, respectively, was achieved, out of all corporations who received such guidance. In addition to the cost reduction, we see a virtuous cycle

forming, where Indonesian companies who received such human resources development are now providing die and mold to local Japanese corporations.

- We also received comments from our Indonesian counterparts that technical guidance by the dispatched experts improved their industrial capabilities, and they are very happy about it. At the same time, we should bear in mind that further improvement of capabilities is necessary from now, and that guidance contents should evolve, as the techniques and products advance.
- Factors that contributed to the achievement are not only their import of technical guidance and technical qualification test system; rather, more influential was the establishment of 'IMDIA instructor training system,' where the basics, utilization and application of knowledge, techniques, and skills are inherited from Japanese specialists to local Indonesians, who in turn will instruct other Indonesian people. This system enables Indonesians to build a structure to develop human resources on their own for the medium term, without depending on the guidance by Japanese experts.

（2）Efficiency（Moderate）

- As the association with and the utilization of other projects, in the area of efforts to match Japanese and Indonesian companies, the mission to Japan was arranged to coincide with the INTERMOLD exhibition, and a seminar on Indonesia was held by JETRO within the mission schedule. Thus, seminars and business match meetings were held in an efficient manner.
- Expert dispatch to IMDIA has been undertaken since the association's setup in 2006, through non-MIDEC framework, which is thought to have led to know-how on the MIDEC project on the Japanese side.
- In terms of period of cooperation, Indonesia Mold & Dies Industry Association (IMDIA) was incepted in 2006, leaving actual 5 years of cooperation, excluding the time for start-up of the Association's secretariat office function. The establishment of technical qualification exam system and instructor training system and the consequent increase in the local supply rate in such a time period should be credited to be very effective. It is especially so when you consider the fact that it is generally said to take at least 3 to 5 years for personnel training in mold and die industry.
- Cost appropriateness is also high; there is almost no extra cost other than the costs for mutual visits of Japanese and Indonesian experts. A contributing factor of such a high value for money can be the fact that Indonesia Mold & Dies Industry Association (IMDIA), the local counterpart, is an association managed through the

cooperation of Japanese and Indonesian people, providing for a good ground and skills for accepting Japanese technical guidance.

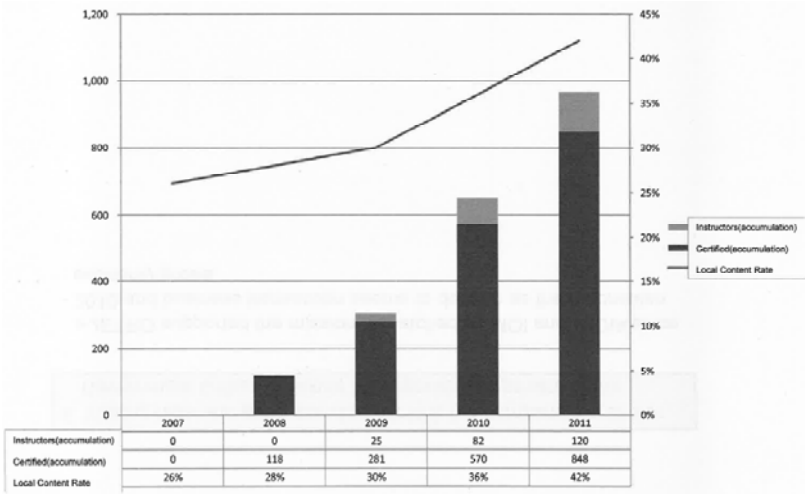
- Japanese experts were good communicators with excellent skills. Despite language barriers, by using interpreters, there was no major problem presented in that respect. The textbook used also was of high quality.
- The role of Indonesia Mold & Dies Industry Association (IMDIA) was crucial in raising efficiency. They undertook the coordinator role between the government and private entities, on occasions of trainings, seminars and discussions, and information was effectively communicated to factories. Aside from the MIDEC activities, IMDIA holds their own seminars under the cooperation with the Ministry of Industry, and they utilized the expertise gained from these seminars. Key positions were comprised of both Japan and Indonesia, and most of the staff people were Indonesians.
- We presume that dispatching experts would be more effective than inviting Indonesian people to attend seminars in Japan, as they can receive direct guidance. Of course seminars in Japan offer them opportunities to actually see how factories are operated in Japan. Guidance by dispatched engineers would be more effective if experts' visits to individual factories were possible, along with the conventional method of gathering all people to one factory. However, its realization will depend on possible associated costs.

(3) Impact (High)

- As a proof of project's effect on high priority objectives, IMDIA's local supply rate of 26% in 2007 greatly increased to 42% in 2011 (Figure 1). However, if you look at such rates by sectors, while the local supply rate of motorcycles achieved 95%, that of the automotive industry was as low as 31%, and that of electric appliance was 28%, indicating that dies and molds which can be supplied within Indonesia are still limited.
- Therefore, Indonesia Mold & Dies Industry Association (IMDIA) has made it the goal of its issue of next 5 years to raise its mold and die local supply rate to 60%. In order to achieve this, they are trying to focus on 1,300 tons or more of Mold, 1,000 tons or more of Casting die, cold forging and precision press die; and trying to expand the scale of mold and die production, as well as to encourage new investment from Japan.
- As mentioned before, cost reduction effect was evident from the reduction of waste because of improved technical capabilities, for companies who are mainly corporate

members of Indonesia Mold & Dies Industry Association (IMDIA). The number of engineers who took 'IMDIA instructor training system' is growing as planned, and both mold and die human resources and instructors keep increasing in number. It is especially of note that for mainly the corporate members of IMDIA, the local supply rate of mold and die is moving up.

■ As of 2010. 553 persons had attended the basic program, 92 for intermediate, and 3 for the advanced level, further, 97 persons were certified as instructor. It is projected that in 2013, the number of attendees of the 'IMDIA instructor training program' will exceed 1,000.



	2007	2008	2009	2010	2011
Instructors(accumulation)	0	0	25	82	120
Certified(accumulation)	0	118	281	570	848
Local Content Rate	26%	28%	30%	36%	42%

Figure 1. The numbers of instructors (grey bar), certificates (black bar), and the local content rate of mold and die

（4）Sustainability（High）

■ Indonesia Mold & Dies Industry Association (IMDIA) is already in a phase to make autonomous efforts through cooperation with Japanese Die & Mold industrial associations. The role of both Japanese and Indonesian governments is to provide issue-specific indirect support for the efforts made basically by the cooperation of private entities.

■ With respect to the structure of the counterpart, the secretariat office of Indonesia

Mold & Dies Industry Association (IMDIA) is now managed by a total of about 5 Japanese and Indonesians persons. Their main activities include workshops, delivery trainings, instructor training, seminars, plant visits, sector networking events, technical assistance, etc. As of January 2011, there are about 290 corporate members, of whom 179 are Indonesian companies, 93 Japanese, and 10 Korean.

■ Indonesian local mold and die companies are typically small and medium in size, therefore the number of in-house engineers is limited. Also, as there is an unceasing demand of products, engineers are very busy, making it very difficult for IMDIA to find participants in the training. Such a situation is an unexpected roadblock in the development of Indonesian instructors. In order to deal with this, there was a suggestion by Indonesian side to hold seminars for a small number of SME's in Surabaya, etc., even though most of mold and die companies are located in West Java area near Jakarta.

■ The needs for matching Japanese and Indonesian companies will still be high from now. The needs of dispatching experts especially on basic design of mold and die, manufacturing process, and mold and die processing are high. Mold and die processing is about the durability improvement by heat treatment and related to metallurgy; therefore a 3-day lecture course would be effective. In the same sense, for the textbook, there were needs for mold and die design, processing, and mold and die philosophy.

■ As to the duration of effect, as mentioned before, the structure to develop human resources on Indonesian side without depending on Japanese experts' guidance is well set up. If this system is established properly, the effect should very likely be long lasting.

■ In fact, an assistant director of the department in charge of Ministry of Industry presented an idea of establishing 'Mold & Die Center' as an institution to promote mold and die industry. Establishment of an organization that serves as training center and R&D facility, with a possibility to co-work with universities, would help further enhance their sustainability.

3.1.3. Lessons and suggestions

It will be beneficial to upgrade the IMDIA certificate system to a national license just like machinery and welding, as it will make the positioning of mold and die clear, and as well as boost the motivation and skills of Indonesian engineers.

We can make a point as a lesson learned from this project, which can be applied to other programs, that having a clearly defined counterpart like Indonesia Mold & Dies

Industry Association (IMDIA), established through association between Japan and Indonesia, is truly useful in terms of information distribution and communications on training attendance. Another possibility is a collaboration of Japanese experts and local university instructors in providing lectures, etc., although in fact this was not seen much in the MIDEC projects. In the field of foundry, there seems to be collaboration between an Indonesian technology institute and a Korean research center, in which students and industries of both countries participate. The university-business alliance between the two nations seems to be in good progress. As a means of promoting the development, we can think of involving both universities and business, such as Japanese technical college and university students come to Indonesia to give mold and die guidance as interns.

3.2. Welding

3.2.1. The current status of the project

Project title	Technological improvement of welding
Form	Technical cooperation
Institutions in charge	Industry and Trade Division, Industrial Development and Public Policy Department, Japan International Cooperation Agency (JICA)
Collaborators in Japan	Japan Welding Engineer Society (JWES)
Institutions in Indonesia	Machinery Department, Ministry of Industry
Cooperative period	September 2010 – September 2012 (two years)
Upper goal	The basis of welding techniques is established in Indonesia.
Project goal	Model program for the improvement of welding techniques and provision of training to the trainers is introduced.
Expected output	1. Model of skill standard of welding management engineers is introduced. 2. Model of training of welding management engineers is prepared. 3. Training of trainers for welding management engineers is conducted. 4. A draft action plan for development of welding skills in Indonesia is proposed by Japanese experts. 5. Training of trainers for welders is conducted (on some conditions).
Input	Japanese side: a total of 22 short-term experts for welding management technique and management of certification system Indonesian side: counterpart assignment (MOI and Indonesian Welding Society)

3.2.2. Evaluation of the project

(1) Effectiveness (High)

■ We can say that the achievement level of the project objective ('Introduction of model program for the improvement of welding techniques and provision of training to the trainers') is high. The Japanese side introduced welding management technology

specialist certification system of the Japan Welding Engineering Society as a 'model program for the improvement of welding technology' at the first stage, and then TOT was implemented in June 2012. TOT to 30 Indonesian instructors were provided in 3 cities and the feedback was very positive.

■ There is no specific benchmark index for project objectives, but we can say progress was made in terms of human resources development of instructors for the following reasons. First, in terms of TOT conducted in June 2012, the effectiveness was confirmed in raising the level of lectures given by Indonesian instructors through leveling of knowledge of welding management technology and the improvement of instruction methods. For the moment, Indonesian instructors mainly teach AWE (elementary level) classes, however, we can expect that the implementation of TOT through such methods can lead to the establishment of autonomous lecture system by Indonesian instructors, including those of WE (intermediate level) and SWE (high level) classes.

(2) Efficiency (Moderate)

【Association with and utilization of other projects, etc.】

■ As the Ministry of Economy, Trade and Industry (METI) was, in its research projects, providing assistance to the welding technology improvement seminars and evaluation tests they had accumulated a lot of information prior to this project, which could be utilized for the project.

■ In terms of the operation of certification systems such as know-how of conducting seminars and exams, we could see a great improvement in IWS's operation with the guidance by Japan Welding Engineering Society based on their experience and expertise. On the other hand, lack of dedicated staff at IWS and its inadequate organizational structure, as discussed later, are known roadblocks of the accumulation of operation know-how, and the working on these areas is desired.

■ MOU closed by the Japan Welding Engineering Society and IWS assisted the communication of both welding societies go smoothly.

【Cost appropriateness】

■ As dispatch period of welding management technology experts was short, many of the experts' main activity was lecturing SWE classes of which they are in charge, so time allocated for training Indonesian instructors might have been not enough. Up until June 2012 when TOT experts were dispatched exclusively for TOT, it was often the case that they obtained skills by participating lectures delivered by Japanese

experts.

(3) Impact (High)

【Expression of project's effect on high priority objectives】

■ Through 4 seminars and evaluation exams under this project, approximately 130 people passed the exam (in combination with METI's project, about 830 participated and about 350 passed the test). These people went back to their organizations as welding management technology specialists, and the positive impacts they made within the firm were confirmed. Therefore, we can say that we are seeing the forming of foundation in terms of human resources, of our high priority objective of 'establishing the foundation of welding technology in Indonesia.'

【Ripple effects】

■ This system is receiving greater recognition by various industries. Especially HINABI, the industrial association for construction machinery has stated that it will, in the near future, obligate all of the 33 companies under its umbrella to get certification of welding management technology specialist by JWES, and also that it will further encourage its subcontracting companies to proactively get certificated. We consider such movement will lead to further dissemination.

(4) Sustainability（Moderate）

■ There is only one dedicated staff placed in IWS, our virtual counterpart. Its secretarial function as an organization running certification system is not enough, and an appropriate organizational structure based on sharing of roles including committees, etc, needs to be constructed. While they were able to secure exam applicants during the duration of the project, thanks to the backing of JICA and the Japan Welding Engineering Society (JWES), their structure after the end of the project was proposed in the draft action plan based on the output of the series of project activities and lessons learnt, which was then illustrated to the Indonesian side. Further consideration based on the draft action plan is expected on the Indonesian side.

■ During the research, Machinery Department of Ministry of Industry not only mentioned its intention to assist IWS, but also mentioned budget allocation, that they have secured RPD 800 million, or about JPY 3 million for next year as the costs for holding welding-related seminars and skill competitions. Ministry of Industry seems to feel the necessity to bolster its support for IWS in some way.

■ Machinery Department of the Ministry of Industry has not made any direct support

(such as support by subsidy for hiring dedicated staff) to organizations like IWS, but the General manager of the Machinery Department made a comment that he/she recognized the importance of organization enhancement of IWS, and would like to provide assistance for IWS following the samples in Japan and Asia. We can say that witnessing their serious reception of suggestions as provided in the draft action plan, and consequent intention for putting in action were the achievement of this project, and that they are of special note as a movement contributing to the sustainability in the future.

3.3. Energy Conservation

3.3.1. The current status of the project

Project title	・ Capacity building for ESCO business introduction ・ Cooperation for basics of energy conservation promotion under Green Aid Plan (training in Japan and expert dispatch) ・ CO_2 reduction model project
Form	Technical cooperation
Institutions in charge	New and Renewable Energy Division, Energy Conservation and Renewable Energy Department, Agency for Natural Resources and Energy
Collaborators in Japan	New Energy and Industrial Technology Development Organization (NEDO); Energy Conservation Center, Japan (ECCJ)
Institutions in Indonesia	Center for Policy Assessment on Green Aid Plan; Center of Analysis for Industrial Climate and Quality, MOI
Cooperative period	FY 2008- FY 2012 (five years)
Upper goal	Energy conservation of energy intensive industries in Indonesia is promoted, which contributes to CO_2 reduction.
Project goal	・Core human resources are developed in order to consider and realize policy and institutions to introduce and disseminate ESCO projects. ・energy conservation guidance is conducted for energy intensive industries. ・assistance is provided for introducing high efficiency facilities to reduce CO_2 reduction.
Expected output	1. Workshop is organized for policy makers of energy conservation promotion and CO_2 reduction in energy-intensive industry in MOI, policy makers in charge of policy and law and institutions for energy conservation in MEMR, leaders in a public-private organization to develop and instruct ESCO (Super ESCO), and private leaders in industry and financial sectors. 2. Capacity building seminar is held by the core leaders developed in this project, toward workshop participants. 3. Energy conservation guideline prepared for the rubber sector

	under the Green Aid Plan policy dialogue is disseminated and utilized. 4. Energy conservation diagnosis is conducted for high-efficiency industrial furnace, and the technology introduction in industry is expected.
Input	Japanese side: 12 experts for energy conservation diagnosis (preparatory research, diagnosis and seminar); 9 experts and 25 trainee acceptance for capacity building Indonesian side: counterpart assignment (MOI; ESCO introduction and promotion organization)

■ Output

Under the Green Aid Plan (GAP) policy dialogue, since FY 2007, energy managers to proceed energy conservation in energy intensive industries in East Java and policy makers of energy management system were developed; human resources for the promotion of basis for energy conservation in the rubber industry have been developed; in 2012 "Energy Conservation Guideline" was drawn up for the rubber industry.

In FY 2008, feasible energy conservation proposals were made to two steel plants in Surabaya: PT Hanil Jaya Metal and PT Ispat Indo Surabaya, focused on operational management and facility management, through energy conservation diagnosis of industrial furnace processes. It was found that energy can be significantly reduced by introducing high performance industrial furnace or implementation of hot charge or warm charge.

Furthermore, after FY 2011, workshops in Japan and seminars in Indonesia were organized to promote energy conservation in energy-intensive industries, and to aim for core human resource development for leading introduction of ESCO in the future. The seminar is aimed at energy conservation policy makers at MOI, MEMR, Ministry of Finance, and other governmental agencies, and future leaders of ESCO introduction in the private sector. In February 2013, MOI hosted a capacity building seminar, which was attended by Indonesians and Japanese energy conservation experts who had attended in those workshops. Those present in the seminar amounted to 60, and include policy makers in charge of energy conservation measures and legal institutions in Indonesia, those in the technical and practical field to promote energy conservation in energy intensive industries and to take the initiatives to introduce ESCO in the future. The program was constructed as follows:

- Energy conservation policy in Indonesia and the place of the current program; objectives and overview (by MOI)
- Policy and legal institutions required for energy conservation promotion in the industrial sector in Indonesia; strategy for ESCO introduction and some suggestions for planning
- Policy and measures to promote energy conservation in Japan
- Overview of Energy Conservation Guideline for the rubber industry and dissemination plan
- Japan's experience of ESCO introduction, its current status, and project cases
- Discussion among participants, based on the above

■ Process

Initially, a clear miscommunication was observed between the two countries as to the activities under the GAP policy dialogue. As the Japanese side made a direct correspondence with the Indonesian Rubber Association (GAPKINDO), it seems that the Ministry of Industry was not aware that this was being conducted under a MIDEC project.

Regarding the energy conservation diagnosis, in FY 2004-6, high performance industrial furnace model project was implemented, in order to reduce fuel use and to cut greenhouse gas. The subjects of diagnosis was narrowed down from the three companies recommended by MOI to two companies, based on the equipment situations, the rate of operation, and the feasibility to install a regenerative burner, all examined in a pre-research. The activities were not all about reporting the diagnosis to the two companies as a result of energy conservation measures. A dissemination seminar regarding high performance industrial furnace, in collaboration with MOI, was held in March 2009, which garnered around 50 participants, mainly from the companies under MOI. The Indonesian industry had been interested in technical cooperation, and several companies including PT Gunung Garuda actually had sent letters asking for energy conservation diagnosis.

Regarding capacity building cooperation in industrial energy conservation promotion and the introduction measures for ESCO, based on discussions in Indonesia, those concerned were invited to Japan, where a workshop was held in January 2012. In the seminar, information on ESCO introduction assistance measures in Japan was provided, ESCO projects were illustrated, opinions were exchanged, and it was agreed that capacity building is prioritized for the moment. After that, a detailed activity plan was drawn up, which then was put into action. According to this plan, a workshop was again held in September 2012, where policy and institution experiences of ESCO introduction

in Japan were illustrated, information on practical and technical basics including basic contracts was provided, opinions were exchanged, and short-term and mid-term activity plans were drawn up for policy making and implementing of energy conservation promotion and ESCO introduction in Indonesia. Finally, in February 2013, another seminar was held in Indonesia, where those plans were shared with the Indonesian side, and began to be put into implementation.

■ Causality

As stated above, there are other activities in the energy conservation between the two nations, which are related to the current program. However, it is evident that the human resource development in ESCO introduction is the output of capacity building in this project. Regarding the energy conservation diagnosis, it is not clear what kind of improvements or decisions were made after the diagnosis. The Energy Conservation Guideline is the output under the Green Aid Plan (GAP), which is clearly applicable to the capacity building.

3.3.2. Project evaluation

(1) Effectiveness (High)

- The objective "to give guidance to energy-intensive industries" has been achieved. As the project to 'develop infrastructure to promote energy conservation for rubber work sector' of the Green Aid Plan (GAP), 'Energy Conservation Guideline,' a compilation of basics of energy management and energy conservation, was put together. The dissemination seminar of the guideline was held in conjunction with capacity building seminar.
- The achievement level of support for the introduction of high efficiency equipment which reduces CO_2 emission is somewhat high. The result of detailed diagnosis on 2 companies was presented in a briefing session and the effect was well understood. Also, along with a basic message that the basics of energy conservation is the stable operation of facilities and the maintenance of performance of equipment, advice that putting small things such as 6S in action leads to energy conservation was also useful. It did not stop at the diagnosis of each company, but report on the 2 companies as a case study was presented in seminar style, which contributed to increasing effectiveness. On the other hand, it is not clear if the high efficiency equipment was actually introduced following the suggestion to the 2 plants. A follow-up on the 2 plants would have made the effectiveness even higher.
- The achievement level of the development of human resources who will play a core role in studying and implementing the policies and schemes to introduce and disseminate ESCO projects is high. The core 20 persons were selected by the Ministry of Industry in the end, based on the stances and basic plans as agreed by both countries. Cascade effect of increasing these core Indonesian people to 50 to 60 is also expected, by the Ministry further nurturing human resources locally.

(2) Efficiency (High)

- Capacity building seminar was held on the next day of dissemination seminar of 'Energy Conservation Guideline' compiled out of the project to 'develop infrastructure to promote energy conservation for rubber work sector' of the Green Aid Plan (GAP). With attendees of the lectures on energy management and conservation leaning about and having discussion on ESCO, which is a more specific and proactive action project, on the next day, the learning effect became higher. It was a good coordination of both projects. At the moment, data on the satisfaction level of these seminar attendees is not available.
- Participants in human resource development training held by New Energy and Energy Conservation department, as well as the Electric Power Department of Ministry of Energy and Mineral Resources (MEMR), were also subject participants in this project, so there was a high synergy effect.
- In terms of capacity building, it was very time efficient, as we were successful in the identifying of competent individuals who will take actions after the MIDEC and in developing them, despite a short cooperation period of 2 years.
- Energy Conservation Guideline of rubber industry is an achievement from GAP, and it is suitable also for other industries to some extent. In that sense, it is highly efficient.

(3) Impact (High)

- As mentioned in the Efficiency chapter, the energy conservation guideline compiled under Green Aid Plan (GAP) is highly versatile, and is widely applicable to energy-intensive industries. The impact will be enhanced by the Energy Conservation Guideline referred to and utilized through seminars.
- As mentioned before, 20 persons were developed directly in capacity building, who then are in the middle of getting their benefit across to around 60 people by their own instruction. This figure (60) can be broken down to around 20 participants in the session of policy and ESCO session in the capacity building seminar, and 40 participants in the GAP seminar which is also intended to socialize the energy

conservation guideline held on the previous day, respectively.

- As to the support for the introduction of high efficiency equipment reducing CO_2 emission, it would have produced even more impact if, for example, it had been introduced in a deployable way to 42 steel furnaces in then operating 29 companies as a case study.
- Out of the MIDEC framework, as a related project, a mission from ECId (Energy Conservation Indonesia) visited Japan to attend training. As a result of this training in Japan, they were able to stipulate CO_2 emission reduction in cement industry as Ministry of Industry Regulation No. 12, 2012 (Peraturan Menteri Perindustrian No. 12 tahun 2012). In 2013, it is planned to submit a similar draft for steel industry and paper and pulp industry to the Ministry of Law and will be stipulated upon its approval.
- As to the expression of project's effect on high priority objectives, in 2009 President Yudhoyono committed to a 26% reduction of CO_2 emission in 2010, assuming the business as usual scenario. Therefore, although MIDEC project's effect on the reduction of CO_2 has not been seen yet, we can expect that contribution will be visible in some way by 2020.

(4) Sustainability (Moderate)

- Energy Conservation Guideline is of high versatility; it is applicable to a wide range of energy-intensive industries. As to specific issues of energy conservation, on the website of ECCJ (Energy Conservation Center, Japan), as many as 100 excellent energy conservation cases in all sectors can be obtained in English. It is expected that the Indonesian side will also study these cases and utilize them for further review in the future.
- As mentioned before, a follow-up is necessary for the high efficiency industrial furnace. Also, arrangements of regulatory and financial systems are desired about how to proceed with the introduction of energy conservation equipment in the future.
- From the aspects of policies and systems, as this is itself one of the motivations for introducing ESCO, considerable subsidy for energy keeps to make it difficult for corporations to invest in energy conservation. Setting an appropriate incentive for energy conservation in place is critical in order to make the energy saving efforts to a national objective of CO_2 reduction in a sustainable manner. Continual review should be conducted on this point in order to raise sustainability of this project. Energy reduction toward the phase-out of energy subsidies can be observed already.

- As a structure of our counterpart, Indonesian instructors, mainly participants in the seminars in Japan, are in charge of some of the seminars, and we expect that expertise will accumulate further among Indonesians to such a level that they can be instructors. Further, the establishment of Association of Energy Conservation by Indonesians, who will lead the introduction of ESCO in the future, is an important stepping stone to the sustainability.
- Regarding the ESCO project, a pilot (demonstration) project might be the next item on the agenda. We expect that the scale of the budget for this to expand, but for the purpose of project continuity, it is desirable to secure enough budget to conduct it continually and effectively, even if the number of project implementation per year is limited.
- The Indonesian side requests that Japanese ESCO companies have a hand in the potential pilot projects. However, given that the Japanese ESCO companies are tied up with their own domestic projects, and that energy prices are still inexpensive and interest rates are high Indonesia, it is difficult for the Japanese side to provide a full-fledged support on their own.

3.3.3. Lessons and Suggestions

As was agreed between the two countries, the following two pillars can be spelled out for future direction of cooperation in the energy conservation sector.

The first is an improvement or construction of policy and other institutions and human resource development thereof, including energy management system required to promote energy conservation in energy intensive industries, customized to the Indonesian environment. For ESCO to be introduced and developed, ESCO markets must be created in the first place, which means that awareness toward energy conservation should be aroused by adequate institutions. The second is an implementation of pilot projects and ESCO related human resource development. As ESCO operation pilot projects, energy-intensive industries which, by definition, consume more than 6,000 toe of energy per year (such as cement, steel, paper and pulp) look prospective. One way to do this is to calculate energy intensity for each industry and start working on an industry with the worst performance measured by international standards. Another possible suggestion is to start with the steel industry, to make the best use of energy conservation diagnosis for high efficiency furnace under the NEDO project.

3.4. SMEs Promotion Support

3.4.1. The current status of the project

Project title	Small and medium enterprises cluster promotion planning research
Form	Technical cooperation
Institutions in charge	Industry and Trade Division, Industrial Development and Public Policy Department, Japan International Cooperation Agency (JICA)
Collaborators in Japan	UNICO International Corporation; KRI International Corp.
Institutions in Indonesia	Directorate General Small and Medium Industry, MOI
Cooperative period	January 2009 to February 2011 (two years)
Upper goal	By improving skills of small and medium enterprises, the enhancement and deepening of industrial structure, as well as expansion of industrial development and improvement of industrial technology, are aimed at.
Project goal	Proposals are made on organizational structure of central and local governments and specific measures to be taken, in order to effectively implement cluster promotion to take advantage of regional resources. Also, pilot model is attempted to effectively promote clusters to take advantage of regional potentials and advantages, and a draft guideline of implementation for cluster promotion is drawn up.
Expected output	1. The current status and challenges of micro and small and medium enterprises are identified. 2. Through studies and pilot projects, capability of counterpart organizations to analyze challenges and conduct and manage measures is improved. 3. Based on pilot projects, an action plan is stipulated including a draft guideline of monitoring and implementation system by the central and local governments regarding cluster promotion to take advantage of regional resources.
Input	Japanese side: researchers (general, cluster promotion, policy and institution, strategy analysis, local organization development and facilitation, technical and small and medium enterprise diagnosis, and task arrangement) Indonesian side: counterpart assignment (Directorate General Small and Medium Industry and Directorate General of International Trade Cooperation, MOI; state government department of commerce and industry)

Project title	Assistance to One Village One Product campaign in Indonesia
Form	Technical cooperation
Institutions in charge	Asian Cooperation Division, Trade and Economic Cooperation Department, Japan External Trade Organization (JETRO)
Collaborators in Japan	Producers and designers of new product development
Institutions in Indonesia	Directorate General Small and Medium Industry, MOI
Cooperative period	April 2008 to March 2013 (five years)
Upper goal	To narrow the economic gap between urban and rural areas and reduce poverty, new product development, taking advantage of locally intrinsic resources such as traditional technology, motif, materials, etc., is realized, and economic basis for regions under assistance is enhanced.
Project goal	To capture “Indonesia” to modern lifestyle, modern product development with international standards is attempted, by focusing on locally intrinsic resources such as traditional technology, motif, materials, etc., taking advantage of them, and arranging them to be used in modern lifestyle.
Expected output	1. New products using local materials are developed, so that their markets are expanded and they contribute to local job creation. 2. By improving production technology to process materials, the possibility of new product development is increased. 3. To expand markets, Japanese experts knowledgeable with Japanese interior markets communicate Japanese trends and market information to develop new products suited to Japanese markets.
Input	Japanese side: experts

Indonesian side: counterpart assignment (Directorate General Small and Medium Industry, MOI)

3.4.2. Project evaluation

(1) Effectiveness (High)

■ Achievement of the project and the level of attainment of project objectives

1. Small and medium enterprise cluster promotion planning research

The current situation under the small and medium enterprise cluster promotion planning research is, while 'action program for small and medium enterprises promotion' has been drawn up by both sides, the Indonesian side has not gotten around to putting it into action. The 'cluster promotion guideline' developed under the research, on the other hand, is under revision so that it will be handy for Indonesian people to apply.

Balai Besar (industrial center introduced for each technical field under the Ministry of Industry) who contacts with local industries is making a steady progress; some organizations under it provide tailor-made type assistance in response to the needs of the local enterprises. However, good examples like Balai Besar are not yet common; it is desired to further increase such cases.

While PUSDIKLAT (industrial education training center) is an organization under the Ministry of Industry to develop human resources such as local commerce and industry Dinas or industry disseminators in KADIN, when it comes to the training of human resources to facilitate cluster formulation, its contents are not necessarily consistent with the needs of local industries, and PUSDIKLAT itself has not actually gotten around to understanding what kinds of knowledge and skills are required for cluster promotion; therefore further understanding of knowledge and skills is required in the "delivery improvement project for small and medium enterprises service," which is currently under preparation.

2. Assistance to One Village One Product campaign in Indonesia

37 kinds of goods have been developed as One Village One Product campaign products, mainly snack foods and craft products. The achievement of One Village One Product campaign support services has been highly evaluated at exhibitions held in Japan and Indonesia. There seems to be a continuous business of those products with Japanese companies to a certain extent..

■ Contributing factors to attainment or non-attainment

1. Small and medium enterprise cluster promotion planning research

The largest factor is that the monitoring of company needs may have been not enough, so that the training of Small and Medium Enterprise management consultants and industry disseminators by PUSDIKLAT is not adequately planned in accordance with the needs of companies.

Another factor that can be pointed out especially for rural Dinas is that activities that were originally planned have not realized thus far, due to changes of persons in charge and insufficient budget for activities. The cost of training is expensed by the Ministry of Industry, but the local governments are independent of the central government, so that the local governments which are in charge of human resource allocation are not expected to act in line with the central government intension. Some point out that local governments are not capable enough to assist private companies. That is part of the reason why Directorate General Small and Medium Industry, MOI, considers focusing on applicants from organizations directly under control of MOI, such as Balai Besar, BARISTAND and BDI, for human resource development of Small and Medium Enterprise management consultants.

These factors are expected to be addressed adequately in the aforementioned "delivery improvement project for small and medium enterprises service" in preparation.

2. Assistance to One Village One Product campaign in Indonesia

In doing business with Japanese companies, the production side and the buyer side of Japan do not always agree on the price level in negotiations. Otherwise, the commitment shown by Directorate General Small and Medium Industry, MOI, and increased expertise of companies assisted by MIDEC program have led to effectiveness of the campaign. JOGJAtic members with accumulated experience and knowledge have come to play the advisory role to Directorate General Small and Medium Industry.

(2) Efficiency (Moderate)

■ As for the cooperation period, even before MIDEC, activities on small and medium enterprise assistance in Indonesia have been in place for more than 10 years. Although the output of assistance to supporting industry is often intangible, accumulation of human resources development requiring long-term commitment can be observed. As time goes by, the needs of recipients of assistance change significantly, so it is required to deal with assistance to SME's, after capturing their needs in an appropriate manner. Major projects in the SME promotion areas include

the following:

- SME Cluster Function Enhancement Planning Research (2001-2004)
- SME Human Resource Development Assistance Project (including training of Small and Medium Enterprise Management Consultants) (2005-2008)
- SME Cluster Promotion Planning Research (2009-2011)
- South Sulawesi Local Industry Promotion Project (2010-2012)
- Capability Enhancement Project for Credit Insurance Institution Enhancement (2010-2012)

■ For cost adequacy, as mentioned before, related projects have been conducted for more than ten years, and admittedly there is a cost for human resources and others. Having said that, the project cannot be judged inadequate, given that SME promotion, cluster development, and One Village One Product campaign all need long-term assistance by nature, and that capacity enhancement to a certain extent can be observed at organizations related to SME promotion.

■ Japanese experts' capabilities have been applauded, but the Japanese designers were so tied up that they could stay only for a short period. Directorate General Small and Medium Industry, MOI, strongly requests long-term experts who could correspond to the needs that come up.

(3) Impact (Moderate)

■ Realization of project effects to upper goals

1. Small and medium enterprise cluster promotion planning research

Though there are already "action program for SME promotion" and "cluster promotion guideline" drawn up in the SME cluster promotion planning research, they are still in the process of modification on the Indonesian side, so that they are not in full use yet. There are some good cases where companies are assisted in line with local industry needs in, say, Balai Besar for agro-industry, but they are still exceptions rather than the rule.

2. Assistance to One Village One Product campaign in Indonesia

Although there is no record of reaching actual businesses with Japanese companies, some developments are already in place at individual level: some craft makers in Indonesia that participated in the project come up with new products, inspired by Japanese designers and producers. Participation in the Tokyo International Gift Show alone boosted their morale.

■ The number of beneficiaries

1. Small and medium enterprise cluster promotion planning research

As for the SME management consultants, after the "SME human resource development project," around 50 persons have been trained annually, which added up to a total of 417 persons as of 2011, all of whom work in governments. Most of them belong to commerce and industry Dinas in states, prefectures and cities, so they are not under control of MOI, and actively working under the intensions of commerce and industry Dinas.

Also, aside from SME management consultants, there are industry disseminators in charge of management assistance to SME's. In 2010, there was a change in the institution, according to which the current industry disseminators will be referred to as TPL, who are regarded as trainees who aim to be entrepreneurs in the future, and are expected to instruct companies on cluster development as an employee with a fixed five-year term of office. As of May 2012, there were 1,069 industry disseminators.

Furthermore, management instructors are also active, who are trained by KADIN with assistance from JETRO.

We could not confirm how these human resources related to SME assistance have actually benefited the promotion of local SME's and other firms, due to the short timeline of the current evaluation project.

2. Assistance to One Village One Product campaign in Indonesia

In order to sell those products developed in One Village One Product campaign, they have been exhibited to Tokyo International Gift Shows or INACRAFT held in Jakarta. In FY 2011, in the 73rd Tokyo International Gift Show, which garnered as many as 200 thousand participants, 12 Indonesian companies that had been assisted by the project exhibited their products. The number of business discussions amounted to 94, and their products were highly appreciated.

Also, we note that the JOGJAtic members put an effort in sharing their experience and knowledge to their colleagues and others.

(4) Sustainability (High)

■ In terms of policy, although there are already "action program for SME promotion" and "cluster promotion guideline" drawn up in the SME cluster promotion planning research, they are not in full use; however, as mentioned above, they have led to new activities of Directorate General Small and Medium Industry, MOI, implying

sustainability in terms of policy and institutions.

■ As for the counterpart, the main counterpart of SME promotion and cluster development is MOI, and especially Directorate General Small and Medium Industry, but it is commerce and industry Dinas of local governments which actually give guidance to SME's and local companies. This means that some institutions should be created so that activities of MOI can be effectively utilized by local governments, underlining the importance of the above-mentioned "delivery improvement project for small and medium enterprises service," currently in preparation. On the other hand, there are some agencies directly under MOI, including Balai Besar, BARISTAND, BDI, among others, some of which are effectively working. With the assistance of JOGJAtic members, a Directorate General Small and Medium Industry center (Sentra IKM) has been established, as an example of new developments after the current project, which is expected to be spread further.

■ Sustainability of effects

1. Small and medium enterprise cluster promotion planning research

In order to maintain past activities to the future and sustain the effects, the following challenges should be discussed. Consequently, these issues are expected to be discussed autonomously on the Indonesian side, tapping into the results of assistance by the Japanese side:

i) clear division of work on each level of the central and local governments for SME and cluster promotion

ii) structure to provide services customized for the needs of SME's and local companies

iii) involvement and capacity building of local governments for SME and cluster promotion

2. Assistance to One Village One Product campaign in Indonesia

One Village One Product campaign assistance project has also trained the companies under assistance as new One Village One Product instructors, after the occasion of expert dispatch and exhibition participation. This is highly valued in that the effects of the project will reach a wider population.

In fact, during the first phase of One Village One Product campaign assistance project, JOGJAtic was set up by SME's that deal with furniture, interior and handicrafts, which

then advised as instructors to local producers assisted in the second phase of assistance.

3.4.3. Lessons and Suggestions

Through this project, the basis for SME and cluster promotion has been set up in Indonesia, but there are some challenges to be tackled, from a perspective of SME promotion including supporting industry development, which is why "delivery improvement project for small and medium enterprises service" is expected to be beneficial.

There will be an increasing need for new area development by companies and R&D in local beneficiary companies, and if the ability of assistant providers to catch up with the change in needs, effectiveness of SME and cluster promotion will be heightened.

To enhance the effects of the assistance, the Indonesian side is expected to tackle challenges autonomously, tapping into the results of assistance by the Japanese side:

3.5. Automotive / Automotive Parts

Automobile sector, a prioritized sector of MIDEC project, consists of three SWGs (Sub-Working Groups) of Human Resources Development, Cooperation on Adopting UNECE, and Strengthening R&D. Figure 2 below illustrates the relations between the high-level targets, project targets, and individual SWG.

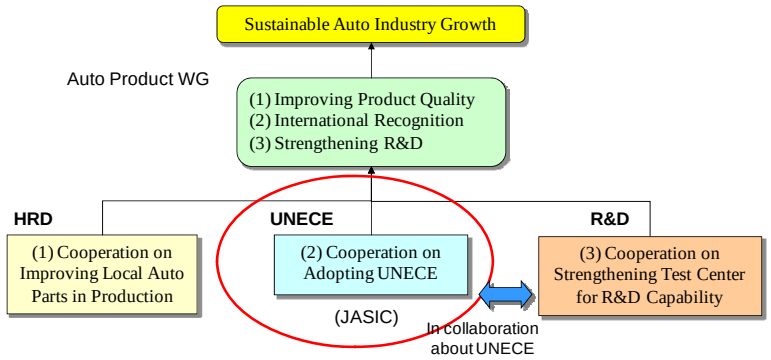


Figure 2: Structure of the automotive sector

3.5.1. Project to assist Human Resource Development in Auto industry

3.5.1.1. The current status of the project (HRD)

Project title	Project to assist Human Resource Development in Auto industry (SWG:HRD)
Form	Technical cooperation
Institutions in charge	Automobile Division, Manufacturing Industries Bureau, METI; Asian Cooperation Division, Trade and Economic Cooperation Department, Japan External Trade Organization (JETRO) The Overseas Human Resources and Industry Development Association (former AOTS), Japan International Cooperation Center (JICE)
Collaborators in Japan	Japan Automobile Manufacturers Association (JAMA), Japan Auto Parts Industries Association (JAPIA), Embassy of Japan
Institutions in Indonesia	Ministry of Industry, auto industry, Automobile Association (GAIKINDO), Auto-parts Association (GIAMM)
Cooperative period	FY2008 – FY2012 (5 years)

Upper goal	Establishment of the system to assure autonomous and sustainable quality control and productivity improvement as well as setting up business environment for Japanese auto/motorcycle industry.
Project goal	Japanese master trainers (experts) join on-site training and guidance to assure sustainable KAIZEN activities by Indonesian trainers
Expected output	1. Curriculum preparation for Indonesian KAIZEN trainers as HRD textbook 2. Implementation of Training of Trainers (ToT) by Japanese experts for Indonesian trainer candidates 3. Implementation of on-site KAIZEN training for Indonesian KAIZEN trainers and training in Japan. Implementation of training in Japan for Indonesia auto parts manufactures, Ministry of Industry, manufacturing industry 4. Implementation of on-site KAIZEN training by Indonesian KAIZEN trainers for Indonesian corporations participating in training in Japan 5. Follow-up actions for the Indonesian corporations that participated in training in Japan and on-site KAIZEN training
Input	Japan side: dispatch total 20 experts for short-term (for class lecture and KAIZEN training)

■ Output

Curriculum for Indonesian KAIZEN trainers has been prepared and text books have been produced through Japanese-Indonesian discussion to promote sustainable and autonomous KAIZEN activities for Tier2 and Tier3 corporations to enhance their competitiveness. Using the textbooks officially approved by the both countries, 13-day ToT (Training for Trainers) was held in lecture style by four Japanese experts for 30 KAIZEN trainer candidates. In FY2011, for nine official trainers who had been chosen through the evaluation by Japanese experts, 6-week lecture was held on Lean Production System (LPS) and 2-week training was held inviting them to Japan. At this training in Japan (AOTS), where the satisfactory comprehension of the nine KAIZEN trainers was confirmed on KAIZEN method and 5S (“Seiri (organization)”, “Seiton (order)”, “Seisou (cleaning)”, Seiketsu (cleanliness), and Shituke (discipline)”). Based on such outcome, on-site KAIZEN training was implemented by Indonesian KAIZEN

trainers for the presidents of nine Indonesian auto parts companies, one person each from Ministry of Industry, and manufacturing industry. In addition, Indonesian KAIZEN trainers implemented on-site KAIZEN training for participating companies under the guidance by Japanese experts sent to Indonesia. In the final fiscal year of the project, on-site KAIZEN training and training in Japan were held in the similar manner as FY2011. The areas of strength and weakness of the nine KAIZEN trainers were identified to be followed up by target training.

■ Process

As for the project planning for each fiscal year, the Indonesian side submits request document for each fiscal year to be finalized after discussion between the two governments and communication via letters. The on-site Kaizen training is positioned as Step 1. Based on the outcome and the achievement level at Step 1, the project proceeds to Step 2 of training in Japan and capacity building activities for corporate executives, then further proceeds to Step 3 to be held in the next fiscal year. Such process has been confirmed at the discussion jointly held by parties from public and private sectors.

In FY2009, Socialization Seminar was conducted to let the public know about the training of Indonesian KAIZEN trainers. While the major challenge for on-site KAIZEN matter at initial stage was who would bear the cost for Indonesian KAIZEN trainers and how, it did not affect business because Ministry of Industry took care of the cost.

Indonesian side requested for longer period of on-site KAIZEN training by Japanese experts dispatched to Indonesia, to which Japan concluded that total one-month is the maximum possible term.

During the mission that took place in Japan, lectures were offered by experienced TPS experts from auto maker and the experts who had conducted training in Indonesia. The mission ended by wrapping up on how to leverage the achievements there in the KAIZEN activities by participating companies back home. In the preliminary field survey for the participating companies, some issues were raised such as “Though our employees understand the concepts of KAIZEN and 5S, practice is not seen yet”, and that “KAIZEN and QCC (Quality Control Circle) are already implemented, but evaluation is impossible due to the lack of data accumulation”.

■ Causality

There is no doubt that the project directly contributed to the ability strengthening of KAIZEN trainers, establishment of the system for autonomous and sustainable product

management and productivity improvement in Indonesia, and preparation of business environment for Japanese auto makers and motorcycle makers. In fact, at the GG High-level Meeting in November 2011, Indonesia side stated that “the constructive achievements in automobile sector were brought by the MIDEC projects”.

3.5.1.2. Evaluation (Human Resource Development)

(1) Effectiveness (High)

- We see a high level achievement in the item “Sustainable on-site training by Japanese master trainers (experts) to develop Indonesian KAIZEN trainers skilled with KAIZEN training capabilities”. Nine KAIZEN trainers were chosen from 30 candidates who had taken lectures. Through FY2011 to FY2012, in addition to the trainers, KAIZEN training and training program in Japan were conducted for the presidents of nine companies, which received positive feedback from the participants. However, detailed information was not available concerning the achievement evaluation of individual trainer.
- Although specific indicator does not exist for the project target, the development of trainers proceeded smoothly. The satisfactory level of understanding was confirmed on the KAIZEN methods and 5S by the nine KAIZEN trainers through 6-week on-site KAIZEN training and 2-week training in Japan held in FY2011. However, as of the end of FY2011, the situation still needed Japanese experts. In the future, solid autonomous KAIZEN activity system by KAIZEN trainers is expected to be in place.
- Since the target was revised to the achievement of 5S based on the agreement by Japan and Indonesia, the project has already achieved its goal. For completeness of LPS (Lean Production System) training, another one or two years of activities might be required. According to the Indonesian side, the training contents are not firm specific, so they are applicable to different auto makers.

(2) Efficiency (Moderate)

- Since the auto sector consists of three SWGs, synergy effect from the other two groups can be delivered naturally. In the mission held in Japan, three to five people participated from Ministry of Industry, GAIKINDO, and GIAMM including the head delegate to show their constant, cooperative, and proactive mindset in the local project side.
- In terms of the effective use of time, the contents of the textbooks were finalized in an early stage, and the know-how transfer to trainers was completed as planned in five years. Despite the East Japan Earthquake and sickness suffered by experts, the

discussion between Japan and Indonesia continued without any major delay, which can be concluded as highly efficient use of time. The project planning in each fiscal year was processed through Step 1 of on-site KAIZEN training, Step 2 of training in Japan and capacity building for corporate executives, and then Step 3 activities in the next fiscal year based on the outcome and achievement level at each step without any squeeze.

- The training materials were provided by Japan, which were translated into Indonesian in 2009 spending two weeks in Indonesia and Japan.
- Indonesia side marked a very high opinion about the capabilities of the experts involved. For example, one expert was excellent in explaining the assigned items and making suggestions, in a way to get the audience actively involved, to deliver impressive and effective know-how transfer.
- Regarding the appropriateness of the cost, there once was an ineffective situation where inappropriate contractor was chosen temporarily to operate the KAIZEN training, which was solved afterwards. The maximum period for Japanese experts to stay in Indonesia is one month, which seems a reasonable setting in terms of efficiency. Some expenses on the Indonesian side, such as income compensation for trainers, accommodation, transportation, photocopies of training materials, etc. was covered by Ministry of Industry.
- The mission held in Japan was preceded by a preparation phase in Indonesia. It helped participants have clear focus on the introduction of KAIZEN activities at their companies to deliver effective results of the mission. The follow-up visits to participating companies further promoted the KAIZEN activities by the management. Based on the outcomes and the response from the participants in the first fiscal year, adjustments were made such as allocating longer time to the session of TOYOTA production system and choosing well-established companies with various size and product features for visiting sites.
- Even if the LPS knowledge is taught, management often does not understand the importance of KAIZEN activities and does not make related investment. Management participation in the KAIZEN activities made them more open-minded which resulted in their enhanced commitment.
- JAMA had provided technical training to Tier2 and Tier3 companies in Indonesian parts industry to improve product quality, produced technical texts, and developed Indonesian lectures. While these activities were not directly associated with MIDEC projects, the activity status at SWG1 was shared herein.

(3) Impact (High)

- The Socialization Seminar, held for publicity of trainer development project, had 100 attendants from Japan and Indonesia and delivered merits such as further motivating trainers and educating young people who wish to work in the industry about the importance to brush up technical abilities.
- This project directly benefited 9 trainers and a few dozen more including the trainer candidates who took lectures. The expected positive effect is to create a preferable environment where these trainers will develop new trainers inside the individual companies. “Establishment of autonomous and sustainable system for quality control and productivity improvement” could be achieved in terms of human resource once the autonomous development possibility of the system, which will be mentioned later, will be cleared.
- While the direct impact is not available to confirm, car production is growing steadily during the project term. Figure 3 shows that it has increased from 600 thousand units in 2008, when the MIDEC initiated, to over 1,060 thousand units, the final year of the MIDEC program.

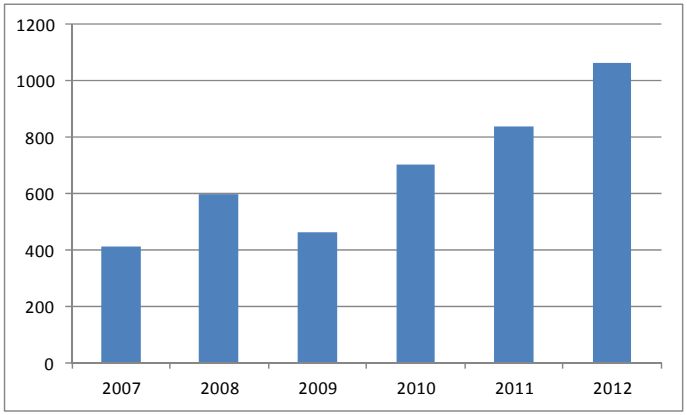


Figure 3: automobile production in Indonesia (unit: thousand units)
Source: compiled from GAIKINDO data

(4) Sustainability（Moderate）

- The allocation of Indonesian trainers drives the autonomous development possibility of this system. Currently, trainers’ allocation is updated every year, a

rather unstable employment situation. This is not the matter of the budget size alone; it is the matter of how to establish the system. The hope is that Indonesia side will further work on the vision to establish a government agency to guarantee part of the cost of trainers.

- Even a competent Indonesian trainer candidate needs at least a few years to become able to provide guidance independently. Thus, follow-up actions, specific budget allocation, as well as long-term political measures and systems are needed for the nine trainers and local companies.
- As for the technical side of counterpart, in order to avoid moral deterioration at supplier companies after the completion of training, regular follow-up actions are desired. Indonesia side needs a system to improve/update curriculum since several misprints were found in the textbook. To enhance and broaden the effectiveness, Indonesian lecturers need to be developed to provide class lectures.

3.5.1.3. Lessons and Suggestions

This project has relatively high-level outcomes in the effectiveness, the efficiency, and the impact while the challenge is observed in the autonomous development possibility. One possible solution is to choose Indonesian trainers from the existing employees at individual companies. However, the best solution would be establishing a government agency to guarantee the salary of trainers. The collaborating activities with the parties who enjoy direct benefits such as GAIKINDO and Institut Teknologi Bandung will continue to stay in the vision. Indonesian side suggested having employees of Tier3 companies work for Japanese companies to maintain the awareness strengthening activities, where the possible format would be collaboration with human resource development center in local makers or assistance to hire trainers.

The mission in Japan was carried out effectively; specific action plans to introduce KAIZEN activities were proposed at individual companies after the participants went back to Indonesia. In order to lead the entire Indonesian auto industry vigorously and to spread KAIZEN activities in all the Indonesian companies that have association with Japanese companies, not only sustainable implementation of the program, but also follow-up actions for the companies which have participated in the project as well as teaching the KAIZEN merits to on-site workers by the program participants will create a fruitful system that cascades benefits to larger number of indirectly involved people. Additionally, further consideration should be made as to what kind of education needs to be provided to what level of people.

3.5.2. Cooperation Project to support adopting United Nations / Economic Commission for Europe 1958 Agreement through expert dispatch

3.5.2.1 The current status of the project (United Nations / Economic Commission for Europe 1958 Agreement)

Project title	Cooperation Project to support joining adopting United Nations / Economic Commission for Europe 1958 Agreement through expert dispatch (SWG:UN/ECE)
Form	Technical cooperation
Institutions in charge	Automobile Division, Manufacturing Industries Bureau, METI
Collaborators in Japan	Japan Automobile Manufacturers Association (JAMA), Japan Auto Parts Industries Association (JAPIA), Japan Automobile Research Institute (JARI), Japan Automobile Standards Internationalization Center (JASIC), Embassy of Japan
Institutions in Indonesia	Transportation Industry, Ministry of Industry, Ministry of Transportation, Ministry of Environment, Automobile Manufacturers Association (GAIKINDO), Auto-parts Association (GIAMM), Center for Material and Technical Product (B4T), Vehicle Testing and Certification Center (VTCC), Technology Center for Strength of Structures (B2TKS)
Cooperative period	FY2008- FY2012 (5 years)
Upper goal	Establishment of system for autonomous and sustainable quality control and productivity improvement by joining United Nations / Economic Commission for Europe 1958 Agreement and introduction of UNECE Regulations. Preparation of business environment in Indonesia for Japanese car industry and motorcycle industry
Project goal	Assistance to join United Nations / Economic Commission for Europe 1958 Agreement (so-called “1958 Agreement”) and to introduce UNECE Regulations (internationally harmonized standard regarding the mechanism and equipment of automobiles set forth by United Nations Economic Commission for Europe
Expected output	1. Workshops are organized locally for better understanding of

	1958 Agreement 2. Technical experts (approx. 5) are invited from government test agency to Japan to offer workshops 3. Material items of UNECE Regulations are compared with current domestic laws, issues are discussed prior to adoption
Input	Japan: dispatch 5-7 experts for short-tem in each occasion Indonesia: setting-up counterpart (Ministry of Industry)

■ Output

In FY 2008, five Japanese experts dispatched offered a seminar to deepen understanding of 1958 Agreement inviting approximately 50 people from the government, industry organizations of car makers, parts makers, etc. Five Indonesian government officials were invited to the Workshop in Japan to observe the actual condition of adopting 1958 Agreement and introducing international standard in Japan and to exchange opinion with Japanese counterparts. A clear roadmap was not worked out at this point yet to join 1958 Agreement and to introduce UNECE Regulations.

In FY2009, local seminars were held (four times) to promote understanding of 1958 Agreement, for three days with approximately 30 participants from the government, etc. in each occasion. Five technicians were invited to Japan from government testing agencies likely to administer test in accordance with UNECE Regulations and held workshop. A separate workshop was held in Japan inviting (three) Indonesian government officials to provide advice on formation and management of organization as joint discussion body of Indonesian public sector and private sector in order to maintain activities toward expanded introduction of UNECE Regulations after joining 1958 Agreement and participation in WP29 and GRs. Under the initiative of Indonesian side, IASIG (Indonesian Automobile standard lnternationalization Group) was established as a meeting body of IASIC (Indonesian Automobile standard lnternationalization Center).

In FY2010, in the continued efforts to promote understanding of joining 1958 Agreement and adoption of UNECE Regulations, local workshops were held five times under the subjects of "WP20 and GRSG activities (including R43 approval process and COP)", "WP20 and GRSG Activities (including R43 approval process and COP)", "GRSP activities (including approval process of R14, R16, and R17 and COP)", "GRB activities (including approval process of R51 (noise) and COP)", "GR activities (including approval process of R30 and R54, and COP)", and "Participation in WP29 activities and the establishment of IASIC to be a member nation of 1958 Agreement", respectively. In addition, high-level meetings were held in Europe (Paris and Geneva) and Japan. The

numbers of participants are as follows; 1st Workshop: 6 Japanese, 27 Indonesians on day1, 28 Indonesians on day2, 2nd Workshop - 6 Japanese, 47 Indonesians on day1, 33 Indonesians on day2, 3rd Workshop: 6 Japanese, 20 Indonesians on day1, 23 Indonesians on day2, 4th Workshop: 5 Japanese (1 Japanese on day2 at personal expense), 21 Indonesians on day1, 22 Indonesians on day2, High-level Meeting – 3 Japanese and 6 Indonesians.

In FY2011, five meetings and workshops were conducted. Total five workshops were held locally under the subjects of "Selection of UNECE Regulations to improve vehicle type approval system in Indonesia and production of adoption plan", "Impact on the existing Indonesian laws and specifications by adoption of UNECE Regulations (including detailed inspection of R13 (brakes for commercial vehicles) and R13H (brakes for passenger vehicles)", "UNECE Regulations to adopt after revision (including detailed inspection of R19 (diesel emission) and R83 (exhaust gas)", "Procedure to notify UN for adopting UNECE Regulations (including detailed inspection of R51 (noise))", and "Review of FY2011 activities and upcoming plan," respectively.

The numbers of participants are as follows; 1st Workshop: 6 Japanese, 28 Indonesians on day1, 23 Indonesians on day2, 2nd Workshop - 6 Japanese, 24 Indonesians on day1, 21 Indonesians on day2, 3rd Workshop: 6 Japanese, 21 Indonesians on day1, 22 Indonesians on day2, 4th Workshop: 6 Japanese, 16 Indonesians on day1, 20 Indonesians on day2, and 5th Workshop: 7 Japanese, 13 Indonesians on day1, 16 Indonesians on day2.

Similarly in FY2012, four meetings and workshops were held to work out roadmap toward the preparation of approval system, provide advice on forming organization, exchange opinions about human resource development for test agency, etc. Discussions were held with the agency, which is a TS candidate, regarding the issues and solutions at the adoption of UNECE Regulations by Indonesia as to how to conduct approval test on the seven items in UNECE Regulations: R40 (exhaust gas from motorcycle), R46 (rear view mirror), R46 (spare tire), R79 (steering equipment), R85 (engine output power), R101 (CO2 and fuel efficiency), and R117 (noise from tire rolling).

The numbers of participants are as follows; 1st Workshop: 6 Japanese, 18 Indonesians on day1, 23 Indonesians on day2, 2nd Workshop: 7 Japanese, 34 Indonesians on day1, 21 Indonesians on day2, 3rd Workshop: 7 Japanese, 9 Indonesians on day1, 16 Indonesians on day2, and 4th Workshop: 7 Japanese, 18 Indonesians on day1, 27 Indonesians on day2.

FY2008	FY2009	FY2010	FY2011	FY2012
● Seminars to better understand Indonesia's issues in joining 1958 Agreement, merits and needs of UNECE Regulations adoption ● Set-up Indonesia task force for joining 1958 (WP-29) Agreement ● Basic FS on major test centers (VTCC,B4T, CFC). Clarified Indonesia's demands and opinions in auto sector	● Seminars on 1958 Agreement, UN WP29, GR activities ● Seminars to prepare for IASIC establishment for joint discussion by r public and private sector, opinion exchange on new organization management (May 2010: IASIG establishment) ● Chose 75 UNECE Regulations Indonesia will adopt from current 127 items. Narrowed down approving authority and TS test centers.	● High-level meetings in Europe and Japan for better capture of WP29 activities and procedure to join 1958 Agreement ● Prepared to set-up IASIF, a spin-off from IASIC (June 2011: IASIF establishment and roadmap release) ● Lectures on test centers (CFC,B2TKS, VTCC,B4T), 9 items to enhance TS (including approval procedure and legality checking of production)	● Issue identification and comparison with current laws in 5 prioritized items for Indonesia (R13,13H,49,83,51) out of ASEAN-recommended 19 prioritized items ● Advice to prepare vehicle type approval system based on UNECE Regulations ● Support preparation of IASIF proposal for Indonesian key govt persons toward joining 1958 Agreement and UNECE Regulations adoption	● Confirm categories with TS, make proposal on capability strengthening ● Support IASIF to improve management capability ● Follow-up on remaining issues (prepare for joining 1958 Agreement, complete UNE regulations implementation plan, build vehicle type approval system based on UN regulation ● Lectures on 7 additional UN Regulations items requested for consideration (R40,46,64,79, 85,101,117), organize issues related to hiring

	● Held seminar in Japan on technical requirements of 14 UNECE Regulation items and test method lecture		● Proposed IASIF worksheet to clarify Indonesia's plan to adopt UNECE Regulations. IASIF started examination.	

■ Process

At each seminar, active Q&A session took place after the lecture on wide range of topics from basic concept of the Agreement and the Regulations to specific condition of test to deepen the understanding of the attendants in repeated process concerning why it is necessary to join 1958 Agreement and apply/adopt UNECE Regulations as the minimum standard to survive competitions. In FY 2010, high-level meeting was held in Geneva where Mr. Bernard Gauvin, Chairman of WP29 and Mr. Juan Ramos Garciá from WP 29 secretariat explained the merits and procedures related to joining 1958 Agreement and adoption of UNECE Regulations directly to the audience from Indonesia to raise motivation.

Further, at the meetings in Japan and Indonesia held after the Europe visit, deeper understanding of the Agreement itself was observed in the Indonesian government and the deputy manager and assistant manager at Ministry of Transportation in charge of the issue, who had been skeptical about joining 1958 Agreement, became positive thanks to the ardent persuasion by the industry.

At the Workshop on noise, JAMA raised an issue that the Indonesian has a tighter regulation on stationary exhaust noise (exhaust noise) of vehicles during use than Japan, which is an example of useful discussion for political measures outside the Workshop subject. Also, GAIKINDO pointed out that Indonesian test centers are not communicating or discussing each other, an example of active observation and sharing by participants.

Concerning tire regulations, Indonesia sought advice on how to deal with the situation where the requirements of UNECE Regulations are looser than the corresponding Indonesian industrial specification. Japan side responded that proactive approach is possible such as suggesting the opinion of Indonesia to WP29 or QR,

referring to Malaysia's suggestion in the past to revise R22 (helmet) at WP29, which was accepted.

Regarding the specifics of this SWG, Ministry of Industry stated in FY2010 that "Clear goal setting and evaluation are necessary" and that "The element of resource development seems to be missing to train people to be competent enough for global stage". Japan side responded that OJT in the process of infrastructure building is effective. Indonesia also requested support for hard infrastructure such as test facilities. However, the basic policy was confirmed that "Indonesia prepares hard infrastructure and Japan provides cooperation in education of engineers who use such facilities".

The methodology of this SWG was mainly discussed at the Workshop where Q&A session was held after the lecture of Japanese expert to deepen the understanding. In FY2011, agreement was made with IASIF that specific questions and request should be delivered one month prior to the Workshop.

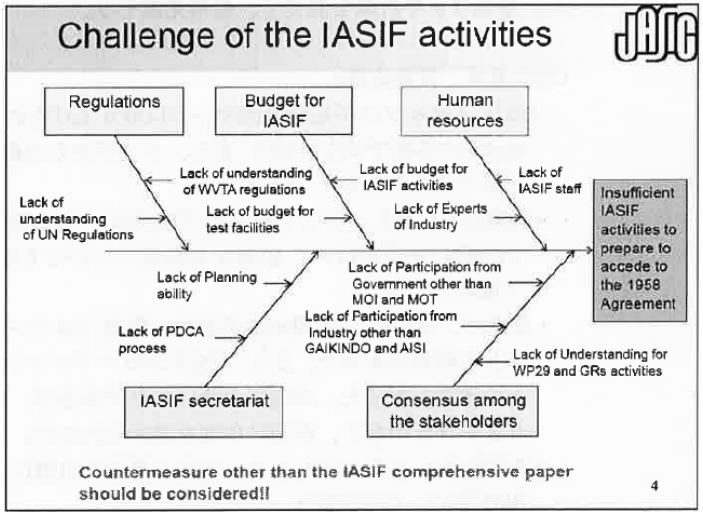
The outcome of Workshop in FY2010 is a significant progress to confirm that "Indonesia is going to join 1958 Agreement in the future. Indonesia is going to adopt UNECE Regulations on phased-in basis according to the needs and conditions in Indonesia".

In FY2011, Indonesia indicated that it might be unnecessary to speed up the adoption of UNECE Regulations on the basis that "Car manufactures in Indonesia are hardly considering export". Japan side responded that adoption of UNECE Regulations is inevitable in light of the export competition among ASEAN countries, reduction of accidents, and preservation of environment. In the Workshop in FY2011, the action plan of IASIF, which had been established, was produced in the format of IASIF roadmap. Discussions have been made about important items such as cost and benefits of UNECE Regulations adoption as well as the desired roles of IASIF therein. Further, free discussion was made concerning "How to achieve consistency between environmental laws and UN Regulations", "How IASIF activities should proceed to improve the whole vehicle type approval system (WVTA)", etc.

A concern was raised regarding the regulation limit of noise provided in the draft version of Indonesian law compared with the UN Regulations. The authority to determine the test method of acceleration noise of new cars belongs to MOE; however, MOE did not participate in the Workshop. Indonesia also asked for proactive involvement of other authorities in IASIF activities in addition to Ministry of Transportation, Ministry of Industry and mentioned the need of approval from Ministry of Foreign Affairs to join 1958 Agreement.

Between the 4th and the 5th Workshop, Indonesia produced a 9-month action plan.

Japan and Indonesia agreed that discussion was going to be held based on the action plan on the specific support Japan is able to provide. IASIF started to prepare a comprehensive list of consideration items related to UNECE Regulations adoption. In the 5th Workshop, Japan raised issues related to IASIF (level of understanding, budget, experts, staffs, planning ability, PDCA process, wider involvement of government ministries and business community) and pointed out the needs to reinforce PR activities, website, staffs from industries, and database. VTCC made a request for educational training of Indonesian technicians.



■ Causality

No other country has implemented similar project; this project has clearly made direct contribution. At a governmental High-level Meeting in November 2011, Indonesia side stated that "The constructive achievements in automobile sector were brought by the MIDEC projects".

3.5.2.2. Project evaluation (UN/ECE Agreement)

(1) Effectiveness (Moderate)

■ The achievement level is high on the target of providing support to join 1958 and UNECE adoption. Some attendants at Workshop were still not entirely confident till

the last fiscal year about the significance in the merits of UNECE adoption. However, assiduous explanation and persuasion by JASIC raised the level of motivation and understanding year after year and more independent mindset was observed. A practical outcome is that IASIF, which had been established by Indonesian side, produced worksheet on their own toward joining 1958. On the other hand, another target to join the Agreement in September 2012 was not achieved. One of the causes was that Japan and Indonesia spent a lengthy time to discuss merits of joining Agreement, which pushed the timing to establish system in Indonesian very close to September 2012.

(2) Efficiency (Moderate)

- Since the auto sector consists of three SWGs, synergy effect from the other two groups can be delivered naturally and meetings were held jointly. SWG2 and SWG3 deal with the strengthening of test centers. Information was shared adequately at the joint meetings of SWG2/SWG3.
- No major issue was identified in the cost appropriateness; efficiency is considered high. On the other hand, while local meetings and Workshops were held 4-5 times a year, Workshops were scheduled for two days, which is rather short. Fewer dispatch and longer Workshop schedule could have been an option. Convenient location also would have improved efficiency because the attendance rates were low when meetings were held outside Jakarta.
- Great deal of time was spent to understand the principles and the necessity of Agreement/Regulations and to share targets. It takes time to assure sound understanding in Indonesia where domestic market is growing rapidly and export and competition among ASEAN countries need to be considered as well. In the Q&A sessions at workshops, some items were explained repeatedly often (e.g., the number of UNECE regulations required for individual category, information available for download at UN WP29 website, joining 1958 does not oblige adoption of UNECE regulations, etc.), contents were not fully understood at individual workshops, or attendants did not study well enough on the internet, etc. beforehand. It was not until FY2011 that arrangements were made to prepare questions in advance. The efficiency of the project could have been improved further if joining the Agreement had been thoroughly discussed between related government ministries and business community on Indonesian side or some follow-up action had been taken in addition to the workshops and mission in Japan.

(3) Impact (Moderate)

- No direct impact is not identifies presently because Indonesia has not joined the Agreement. In the future, the outcome of this project is expected to bring significant impact leading to advances in safety, environments, etc.

(4) Sustainability (Moderate)

- Since IASIF will be the counterpart after the completion of this project, in order to reflect the result of joining 1958 and adoption of UNECE, it is necessary to assure sound management of IASIF and have harmonization activities conforming to international automotive standard set in place. A major progress was that IASIF is becoming more autonomous and independent enough to start worksheet production of planning the adoption of Regulations with the support through this project. On the other hand, while IASIF consists of 10 members, there is no dedicated staff and members tend to skip meetings due to the needs form other business. The regular meeting at VTCC, the secretariat of IASIF, started as late as from FY2011. Ministry of Transportation, Ministry of Industry, Ministry of Environment, part of the IASIF members, need to get involved more actively. Since an approval from the Ministry of Foreign Affairs is necessary to join 1958, closer cooperation and communication among related government agencies are essential. Budget needs to be secured in order to further reinforce the autonomous nature in the IASIF activities; however, key government officials are less keen than to build traffic infrastructure or improve traffic congestion. Budget needs to be secured for the management of IASIF by confirming the prioritization rank in high-level negotiation.
- The action items at present are as follows: prioritize consideration items of total 127 UNECE regulation items, continue to fill out the worksheet of regulation adoption plan, and take follow-up actions in choosing regulations in order to establish VTA laws to prepare for the commencement of IASIF in the future. In addition, discussion should be made as to whether the current Indonesian laws and regulations need to be reviewed in accordance with the UR after joining 1958.

3.5.2.3. Lessons and Suggestions (UN/ECE Agreement)

While this project has delivered the output side of support provision, the target of joining the Agreement in September 2012 was not achieved. The utmost importance lies in the strengthening of the organization of IASIF, which is a platform for continuous activities, and stronger involvement of related government ministries. If similar project takes place in the future, some measures need to be devised to improve efficiency. At the

on-site Workshop, mock examination or use of video would improve learning efficiency in addition to lecture and Q&A session.

3.5.3. Project of dispatch mission to strengthen R&D function in the existing Indonesian institutions

3.5.3.1 The current status of the project (R&D)

Project title	Project of dispatch mission to strengthen R&D function in the existing Indonesian institutions
Form	Technical cooperation
Institutions in charge	Automobile Division, Manufacturing Industries Bureau, METI; Japan Automobile Research Institute(JARI)
Collaborators in Japan	Embassy of Japan
Institutions in Indonesia	Transportation Industry, Ministry of Industry, Automobile Association (GAIKINDO), Auto-parts Association (GIAMM), Motorcycle Association (AISI), Ministry of Environment (MOE), Ministry of Energy and Mineral Resource, Environmental Bureau of Jakarta Special Administrative District , Thermodynamic, Engines & Propulsion System Center (BTMP), Vehicle Testing and Certification Center (VTCC), Center for Material and Technical Product (B4T), etc.
Cooperative period	FY2008- FY2012 (5 years) *Preliminary field survey conducted in 2007
Upper goal	Establishment of the system to assure autonomous and sustainable quality control and productivity improvement as well as setting up business environment for Japanese auto/motorcycle industry.
Project goal	Strengthening R&D function through technical cooperation in specific sector of automobile-related research institutions
Expected output	1. Implementation of field survey and document field survey to find out the existence/absence of research institution, capabilities, and facilities in possession to identify the areas where the needs of Indonesia and Japan meet 2. Provision of technical cooperation in the identified areas 3. Confirmation of the strengthening of R&D function at the subject institutions as a result of the technical cooperation
Input	Japan: dispatch 2-5 experts for short-tem in each occasion Indonesia: setting-up counterpart(Ministry of Industry)

■ Output

The SWG set in Indonesia to deal with the R&D cooperation discussed the five specific items of implementation proposal suggested by Japan. Field survey and document survey were conducted to find out the existence/absence of research institution, capabilities, and facilities in possession to assess the possibility of the new requests from Indonesia to likely to become industrial cooperation project. Arrangements were made to scheduled dispatch of experts and on-site investigation was conducted at the existing facilities of scheduled training sites as necessary to prepare for training in Japan.

The table below provides the specific activities under the designate FS investigation items in FY2007 and FY2008.

Issues	FY2009	FY2010	FY2011	FY2012
1. Air quality improvement	- Technical training (Japan) - Road test in Jakarta (analysis of typical cycle) - CHDY test(GV)	- Technical training (Japan) - Traffic investigation in Jakarta (traffic volume, travel speed) - CHDY test (GV, DV, MC)	-Technical training (Japan) -Data analysis, review production -Workshop (air quality, fuel efficiency improvement)	
2. Analysis of existing fuel quality	Discussion of market monitoring	Simplified market monitoring		
3. Use of alternative fuel	Focus on natural gas	Focus on the safety of NGV(Natural Gas Vehicle)	Local field survey and Workshop (safety of NGV)	Training in Japan, expert dispatch, Workshop (organize conversion kit installation manual and maintenance manual, technical

				training)
4. Noise test (UNECE)	-Technical training (Japan) -Dispatch expert for construction of ISO test road	-Technical training (Indonesia) -Dispatch expert for construction of ISO test road		
5. R&D of plastic and rubber	Dispatch expert, seminar on tire R&D	Dispatch expert and FS	- Dispatch expert, cross-check test -Technical training (Japan)	Training in Japan, (test administration), training (review of cross-check, damage analysis), management training
6. Parts safety test (UNECE)	- Dispatch expert and FS			

■ Process

For smooth implementation of industrial cooperation, preliminary survey was conducted in FY2007 prior to field survey in the R&D cooperation in which Indonesia was considered to have strong interest. Full-scale field survey was conducted in FY2008. Since the existing equipments do not fall short of the global standard, it is confirmed that Indonesia has potential of comprehensive global-standard R&D ability once human resource is developed for R&D. The following four items were presented as preliminary plan.

1) Development of vision to strengthen test and R&D institutions to be shared among the interested parties
2) Strengthening R&D abilities to fully utilize the unique characteristics and strength of Indonesia
3) Enhancement of test and research abilities to reinforce measures on environment and energy, the biggest restriction on the growth of auto industry in the future
4) Proposal of five areas for the FS in the FY 2008 and tighter cooperation with the parties involved

Based on the items in the above, six implementation items were agreed upon between Japan and Indonesia at the 1st Car/Motorcycle WG Preliminary Meeting in March, 2009.

One item was removed from the aforementioned six items at the 2nd Car/Motorcycle WG Preliminary Meeting in March, 2011. The completion of the two items was confirmed at the meeting held in Indonesia in March, 2011; thus, the remaining three items were implemented in FY2011. Further, continuance of technical cooperation was confirmed for plastic and rubber sectors at the meeting with Indonesia in March 20, 2012.

■ Causality

No other country has implemented similar project; this project has clearly made direct contribution. At a governmental High-level Meeting in November 2011, Indonesia side stated that "The constructive achievements in automobile sector were brought by the MIDEC projects".

3.5.3.2. Evaluation (R&D)

(1) Effectiveness (High)

■ High level of achievement for the target of "Strengthening R&D function through technical cooperation in specific sector of automobile-related research institutions". Technical cooperation was provided to the following five sectors: 1. Air quality improvement, 2. Analysis of existing fuels quality, 3. Use of alternative fuel, 4. Noise test, and 5. R&D of plastic and rubber, where the satisfaction level of the participants was high. For example, all respondents gave "5" or better rating in the scale of 1-7 to the training held in Japan in FY2011 (Attendants: 1 from material/industrial product center BAT4, 2 from rubber research center IRRI, 2 from polymer technical center, 1 from Ministry of Industry, 3 on personal expense. Rating: "7" by two people, "6" by two people, "5" by three people).

(2) Efficiency (High)

■ This SWG, too, conducted detailed investigation on feasibility by visits to local test/research institutions for two years from 2007 to 2008. The significant amount of the accumulated information was available to use for this project.

■ Working Group was implemented 3-5 times in every fiscal year for progress report on specific R&D cooperation items so that the choice of the implementation area for the next fiscal year to be made effectively through discussing the plan. Decisions were made flexibly; for example, bio fuel was covered under a different project (Project for ERIA (Economic Research Institute for ASEAN and East Asia)), and parts safety test (UNECE) was assigned to SWG2 since coverage duplication had been found between SWG2 and SWG3.

- Training sessions held in Japan received largely satisfactory responses. Some participants commented on the training period being short, timing of the training (regarding the training held immediately after long holidays subsequent to Ramadan), and English capability for communication. Regarding the training contents, consideration can be given to include trouble shooting and to get involvement from more parties in the preparation phase.
- Preparation of hardware posed impediment in some cases; for example, construction of test road for noise test was incomplete in Indonesia because of water drain problem, which prevented them from performing evaluation of road surface (core analysis test).
- A Japanese expert was not able to perform test during the stay in Indonesia due to the import license problem. In response, a lecture session was held again on the installation of gauge equipments, data collection, data analysis, etc. so that road test could be conducted by Indonesian agency (BTMP) alone to avoid deterioration of the training efficiency.
- The sector of fuel property was difficult to hold straight-forward discussion because of the sensitivity attached, which might impact the Ministry of Energy and Mineral Resources (MEMR), oil industry, as well as consumers through subsidies.

(3) Impact (High)

- Based on the positive responses to the training in Japan organized by JARI, arrangements have been made so that non-public companies can participate on their expenses. If it becomes real, the impact is expected to be even more significant.
- The training participants are playing a central role as technical experts back in the testing institutes in Indonesia to show positive impact in corporate arena. Thus, the target to strengthen R&D function is being achieved in terms of the human resource.

(4) Sustainability (Moderate)

- From the viewpoint of counterpart, information was shared mainly with Ministry of Industry, and cooperative scheme was established with MOT in charge of traffic volume survey, MOE in charge of air quality improvement, and Agency for the Assessment and Application of Technology (BPPT) to contribute to promote independency. It is desired that Ministry of Industry will play a central role to maintain the aforementioned cooperative scheme.
- Budget needs to be secured (for the fee to use facilities, etc.) to maintain test data

on-going basis because field test is not the main duty of test institute in some cases. Similarly, some system needs to be set up to cover the expense that generate in Indonesia such as acquisition cost of facilities, expense for disposable items, etc.

3.5.3.3. Lessons and Suggestions (R&D)

R&D function was strengthened in the test institutions in the individual sector without any major impediment. Even though the counterpart scheme in Indonesia is not very clear, it is expected that the current system of information sharing and task allocation across the multiple ministries will be maintained.

3.6. Electric/Electronic Equipment

3.6.1. Current status of the project

Project title	Elementary Manufacturing Technology and Pillar Industry Development Project on Electric/Electronic
Form	Technical cooperation
Institutions in charge	Japan International Cooperation Agency (JICA)
Collaborators in Japan	Japan Quality Assurance Organization (JQA) JAPAN Electrical Safety & Environment Laboratories (JET)
Institutions in Indonesia	Ministry of Industry, Ministry of Trade (METI)
Cooperative period	FY 2010-FY 2012
Upper goal	The capacity of electric/electronic certification bodies and testing laboratories is enhanced to the extent that they are approved as official certification bodies and CB laboratories of IECEE/CB schemes.
Project goal	Adequate institutions are in place so that the capacity of electric/electronic certification bodies and testing laboratories is enhanced to the extent that they are approved as official certification bodies and CB laboratories of IECEE/CB schemes.
Expected output	1. Technical assistance is provided to be certified as NCB and CBTL based on IECEE/CB scheme. 2. Assistance is provided to the maintenance of testing equipment and the preparation of instructions and manuals. 3. Twice a year, mission to Japan is organized on international standardization activities, international standardization development, product certification (IECEE/CB) schemes and so on.
Input	Japan side: five experts have been dispatched four times

■ Output

From FY 2010 to FY 2012, technical assistance in the form of dispatching experts was provided so that Indonesian testing laboratories and certification bodies are approved as NCB (National Certification Body) and CBTL (CB Testing Laboratory).

The counterparts of dispatching experts are six Indonesian testing and certification bodies. Three experts from Japan Quality Assurance Organization (JQA), two experts

from JAPAN Electrical Safety & Environment Laboratories (JET) are dispatched four times, two experts per session.

Instructions are made on the maintenance of the testing equipment and testing instructions as well as the support to the preparation of manuals, so that the standards required for the CB scheme are met.

For the mission to Japan from 2008 to 2012, as many as 25 trainees joined the course on international standardization activities, international standardization development, product certification (IECEE/CB) schemes and so on.

■ Process (the current situation on the approval of the IECEE/CB scheme)

In May 2011, testing laboratory LSPro PPMB and certification body BPMBEI, both under the Ministry of Trade, obtained approval as NCB and CBTL, respectively, based on the IECEE/CB scheme, on Self-ballasted lamp (HOUS) and Primary Battery (BUTT), respectively.

On the other hand, LSPro Pustan, B4T, and Baristand Surabaya under the Ministry of Industry were originally scheduled to submit the application for the CB scheme accreditation, but put it off due to some unprepared materials, and finally submitted on September 2001 such products as Electric Iron, Pump (HOUS), Audio Video (TRON) and Self-ballasted fluorescent lamps (LITE). B4T and BPMBEI state that they would like to add laundry, refrigerator, and air-conditioner to the list of application as soon as possible.

■ Causality

We do not observe similar aid activities by other institutions, so the output and outcome are due to both technical assistance from the Japan side and huge effort on the Indonesian side.

3.6.2. Evaluation

(1) Effectiveness (High)

■ The objective "Technical assistance is provided to be certified as NCB and CBTL based on IECEE/CB scheme" has for the most part been achieved. The Indonesian side states that they initially had in mind ten sessions of expert dispatch, but actually six sessions have been carried out. In terms of products, as noted before, expert guidance on Electric Iron, Pump (HOUS) and Audio Video (TRON) has been realized.

■ "Adequate institutions are in place so that the capacity of electric/electronic

certification bodies and testing laboratories is enhanced to the extent that they are approved as official certification bodies and CB laboratories of IECEE/CB schemes," which is an upper goal, has also been achieved. In the expert dispatch, the testing and certification bodies were empowered by technical guidance in such a way that problems likely to be pointed out in the real examination by referees are identified by the experts, which turned out to be effective.

- It can also be pointed out that, in May 2011, certification body BPMBEI and testing laboratory LSPro PPMB, both under the Ministry of Trade, obtained approval as NCB and CBTL, respectively, based on the IECEE/CB scheme, on Self-ballasted lamp (HOUS) and Primary Battery (BUTT), respectively.
- Although the testing laboratories and certification bodies under the Ministry of Industry, namely LSPro Pustan, B4T, and Baristand Surabaya, have not obtained the approval, but managed to submit the application; therefore the final approval is likely in the near future. The current failure to get the approval is due to the following two factors. First, testing facilities are expensive to the extent that it takes one billion IDR per equipment on the average, so a lack of budget might be an obstacle. Second, knowledge transfer within organizations on the Indonesian side might have been not enough. Some participants in the expert assistance were in the senior group, in which case effort to share the knowledge to the younger generation must be ensured.
- The output "Twice a year, mission to Japan is organized on international standardization activities, international standardization development, product certification (IECEE/CB) schemes and so on" has been realized.

(2) Efficiency (High)

- Since there are a limited number of Japanese experts in the field of standard certification, it was required to focus on several specific items. Each dispatch session was not long ---around ten days per session---, which however was compensated by an efficient way of teaching by a pair of a technical expert and an institutional expert.
- Specifically, Messrs. Masahiro Sato and Yoji Ono are among the thirty or so lead assessors of the IECEE/CB scheme in the world, so it was a valuable opportunity for participants to get their instructions directly. They also provided pre-assessment just before the real assessment, which turned out to be practical and to the point.
- On the other hand, there are several challenges. First, there was initially a language problem, which was later improved by assigning interpreters in place.

Second, there seems to have been a miscommunication regarding the contents of handbooks to be sent to the Indonesian side.

- In terms of methodology, it was pointed out that an expert dispatch is effective since instructions are given using the participants' own facilities; whereas training on trainers in Japan is primarily good at boosting the morale. Participants to expert sessions and training sessions in Japan were not necessarily identical, but the two methods were complement in the sense that the institutions involved were the same. However, as stated in the above, there might be room for improvement in the knowledge transfer within each organization.
- Time efficiency was high: the project period was around three years, and it was observed each year that progress has been made in the skills on the Indonesian side, besides the efficient pre-assessment teaching methodology, although the upper goal of the final approval of the institutions under MOI is yet to be realized.
- There is no problem in particular in the cost adequacy. The Ministry of Industry expends the cost involved with the local seminars or workshops of experts from the local factories of Japanese manufacturers.

(3) Impact (High)

- As mentioned above, the certification body LSPro PPMB and the testing laboratory BPMBEI got approval as NCB and CBTL based on the IECEE/CB scheme. This enables the nation to cut time and cost to export those products to developed countries and others, thereby contributing to the development of the electric/electronic industry in Indonesia.
- No clear impact is observed for the bodies under the Ministry of Industry as yet. However, a huge impact on the export cost reduction is expected once the products such as refrigerators also get approval in the future.
- The impact of the training in Japan is also large in that the target was the future leaders of the international standardization campaign in the government.
- The soft infrastructure development is also expected to improve the business environment, facilitate the investment by foreign firms, and benefit consumers by raising the safety of the products in question.

(4) Sustainability (Moderate)

- Further assistance needs to be provided for the approval of other products, but the MIDEC activity has facilitated the process even without the assistance. In fact, it is worthwhile noting that the Indonesian side has already started studying the

manuals for unapproved products.

- The instructions of the experts were given in a way to ensure sustainability. One expert commented that he constantly urged trainees to ask themselves why there are such requirements in the first place and to analyze the background of the standard, as well as taught them how to implement the tests.
- To sustain the effects of the current project by successfully obtaining the approval for LSPro PPMB, BPMBEI and SMTP LIPI, a follow-up analysis needs to be done on the Indonesian side on what are the primary causes for the result of the test: lack of budget, knowledge transfer, the effectiveness of the assistance by experts, the training on the Indonesian experts, etc. Also, the Indonesian side is expected to consider what kinds of activities should be made to sustain the effects of the project.
- The prospective product areas include HOUS (Electric iron, Pump), TRON (Audio, Video), and laundry, refrigerator, air-conditioner, among others. For each product area, above all, the Indonesian side is expected to consider what kinds of activities should be taken, based on the product areas of cooperation provided by the Japanese side thus far.
- An institution (e.g. in-house seminar) to share the knowledge obtained by the expert dispatches and training courses in Japan would be beneficial.

3.6.3. Lessons and Suggestions

To ensure sustainability of the project, it can be proposed that the Indonesian side write a new textbook based on their current knowledge and experience, which will then be shared by the institutions.

3.7. Steel / Steel Products

3.7.1. Current status of the project

Project title	Cooperation in the steel industry (DIOS etc)
Form	Provision of studies; patent provision, seminars; expert dispatch
Institutions in charge	Iron and Steel Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry (METI)
Collaborators in Japan	The Japan Iron and Steel Federation
Institutions in Indonesia	Directorate of Metal Based Material Industry, Directorate General of Manufacturing Based Industry, Ministry of Industry
Cooperative period	February to March in 2009 (one and a half months)
Upper goal	Steel technology using the lower grade iron materials is established in Indonesia.
Project goal	Information on the research on DIOS (Direct Iron Ore Smelting Reduction Process) is shared. Also, understanding on the basic information on DIOS proceeds.
Expected output	1. Experiment and research report on DIOS is explained and provided 2. DIOS patent is provided 3. A seminar on the DIOS technology is held 4. Experts on DIOS are dispatched
Input	Japan side: one expert on DIOS; 25 seminar participants (Japanese Embassy, JETRO, steel makers, trading houses etc.) Indonesian side: 60 seminar participants (MOI, MEMR, universities, steel industry, resource industry etc.)

■ Output

Experiment and research report on DIOS

The Japan Iron and Steel Federation provided a free copy of the joint research report of the DIOS (Direct Iron Ore Smelting Reduction Process) implemented in 1988-1995 on February 25, 2009, to Mr. Putu, Director General for Metal, Machinery, Textile and Miscellaneous Industries, as was originally planned.

DIOS patent and seminar on the DIOS technology

On February 19, 2009, the Japanese side has introduced DIOS technology to utilize lower grade materials in Indonesia, while the Indonesian side explained steel

technology to be installed in Indonesia. For the Japanese side, 25 people from the Japan Embassy, JETRO, steel industry, trading houses participated. The Indonesian side was represented by the Ministry of Industry, Ministry of Energy and Mineral Resources, universities, steel industry, resource industry etc. Thus the total participants add up to 80. In the opening address, the Japan Iron and Steel Federation handed the document of the permission to use DIOS-related technologies to the Ministry of Industry.

Expert dispatch

From February 17, 2009 to March 22, an expert of DIOS-related technologies was dispatched to provide information swiftly to the Ministry of Energy and Mineral Resources among others.

■ Process

To prepare assistance, "Japan-Indonesia Cooperation Project Working Group" was set up in January 2009, which is comprised of ten members from the DIOS-related technology division of the member companies of JISF and the overseas sales division of companies with expertise on the Indonesian steel industry. Three meetings were held to discuss a seminar in Indonesia, the selection of an expert, measures to provide materials to the Indonesian side.

The Indonesian Steel Industry Seminar on February 19, 2009, was held in accordance with the discussion in the WG mentioned above. On top of patent provision and presentations from both sides, detailed questions were cast from the Indonesian side, which were answered by the Japanese side.

Expert was dispatched from February 17, 2009 for more than one month to keep track of the Indonesian steel industry, to respond to questions from the Indonesian side, and to provide information on advanced steel technologies other than DIOS. The activity of the expert was summarized as the report. The content of the seminar was determined via discussion on both sides.

■ Causality

It is little doubt that the DIOS research information was provided to Indonesia and that the understanding of the technology was facilitated by the MIDEC project.

3.7.2. Evaluation

(1) Effectiveness (High)

■ The project goal "Information on the research on DIOS (Direct Iron Ore Smelting Reduction Process) is shared. Also, understanding on the basic information on DIOS proceeds" is to a large extent achieved. As was originally planned, a copy of the DIOS experiment and research report was handed to Mr. Putu, Directorate General of Metal, Machinery and Textile Industry, as was originally planned.

■ For the Indonesian steel industry seminar, 25 persons from the Japan Embassy, JETRO, steel industry, trading houses on the Japan side, and 60 persons from the Ministry of Industry, Ministry of Energy and Mineral Resources, universities, steel industry, resource industry etc on the Indonesian side were present. Director General Mr. Ansari Bukhari, the Director General for Metal, Machinery, Textile and Miscellaneous Industries appreciated the opportunity by commenting that the Ministry would like to place the seminar as a toehold into the development of the Indonesian steel industry. There was also an active Q&A session with detailed questions cast from the Indonesian side. The seminar witnessed not only the understanding of the technology but also the deepening of the mutual trust. In the opening address, the Japan Iron and Steel Federation handed the document of the permission to use DIOS-related technologies to the Ministry of Industry, which completes the goal formally.

■ Regarding the expert dispatch, adequate information was provided to some questions and queries from the Ministry of Industry, the Ministry of Energy and Mineral Resources and others. Studies of the Indonesian steel industry by the Japanese side, through the one-month long stay, was also beneficial in understanding of the local industry. It can also be noted that information on the technologies other than DIOS was disseminated, which more than achieves the original goal.

■ The main cause of effectiveness is partly due to the expert working group to discuss the assistance and respond to the needs from the Indonesian side seriously.

(2) Efficiency (High)

■ The cooperation period is rather short (1.5 months), but multiple activities of patent provision, seminar, expert dispatch were efficiently crammed into the tight schedule.

■ The cost efficiency was also high in that previously untapped technology developed in Japan was transferred to the Indonesian side, whereas the Indonesian side obtained important information toward the development of the steel industry.

(3) Impact (Low)

- The upper goal "Steel technology using the lower grade iron materials is established in Indonesia" cannot be realized immediately after the project. Further analysis is required to identify whether DIOS is an appropriate technology to be adopted in Indonesia.
- More specifically, DIOS technology provided was on a lab scale, and could not be applied to commercial production thus far. An Indian company showed an initial interest, but it proved commercially unviable, which put an end to the discussion. Furthermore, the technology was that of the first generation, while PT Krakatau Steel has established the second generation DIOS technology in collaboration with Japanese experts. In this specific sense the project's direct impact was small.
- Information on DIOS and other technologies were shared by 60 Indonesian participants in the seminar. Also, five companies got interested in the investment of DIOS in Indonesia.

(4) Sustainability (Low)

- As of the project completion, the project has not enabled the steel industry to develop substantially. There was a request for further assistance to promote investment into the DIOS technology on the occasion of the seminar, but the Japanese side responded by saying that the economic feasibility study is required if DIOS is introduced in Indonesia for commercial application.
- Given that there are more advanced technologies than DIOS such as improved converter (direct stainless production - converter), combined molten reducing furnace, and other processes like Fastmet Process, ITmk3 process, and Hi-QIP process, the best technology to be adopted in Indonesia should be reconsidered.

3.7.3. Lessons and Suggestions

The project was successful in delivering the information on DIOS by multiple activities; however, they have not reached the conclusion that DIOS is the best technical choice as of now. Therefore, the project can be placed as a step in the right direction of establishing a steel technology utilizing low grade iron materials, which is expected to be considered continuously.

Since accumulation of industrial technology information continues to be essential in Indonesia, a permanent institution or activity to gather information on advanced steel technology is required, in addition to the output of the MIDEC activity.

Project title	Invitation of Indonesian trainees on steel industry
Form	Training in Japan
Institutions in charge	Iron and Steel Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry (METI)
Collaborators in Japan	Kobe Steel (a research firm and consultancy)
Institutions in Indonesia	Directorate of Metal Based Material Industry, Directorate General of Manufacturing Based Industry, Ministry of Industry
Cooperative period	January 14 to 18, 2013
Upper goal	Steel technology using the lower grade iron materials is established in Indonesia.
Project goal	Assistance is provided to strategy planning of the Indonesian steel industry
Expected output	1. Around 10 persons involved in the Indonesian steel industry are invited to Japan to learn steel product technologies like energy efficiency and environmental technology 2. A tour to the manufacturing site is arranged
Input	Japan side: steel experts for lectures and on-site tour Indonesian side: 10 participants from MOI, Indonesian Iron and Steel Industry Association (IISIA) and private firms

- Output

As many as 10 persons associated with the Indonesian steel industry were invited to Japan to join the training program on production technologies including energy conservation and environmental technology in the Japanese steel industry, from January 14 to 18, 2013. In the Kobe module, there was an on-site tour of Kobe Steel Kakogawa Steel Mill, in addition to lectures. Lectures were delivered on such varied topics as History of Steelmaking, Energy Conservation, Measures for the Environment, Utilization of By-Products such as Slag, and Novel Iron- Making Technology Using Poor Quality Raw Materials and Fuels. The lecturers were from the academia and the corporate sector. On the final day of the program, the participants moved to Tokyo to have a discussion with the Ministry of Economy, Trade and Industry among others.

- Process

In 2008, an expert dispatch and seminar was implemented in the DIOS (Direct Iron

Ore Smelting Reduction Process) technology as a cooperation to specific factors in the MIDEC framework. In the similar manner, it was determined to invite relevant persons to Japan to do a training course on "steel product technologies like energy efficiency and environmental technology" upon request from the Indonesian government.

On the Japanese side, preparation was initiated around November 2012 to arrange training curriculum and schedule by the Iron and Steel Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry (METI) and related companies. After that, 10 persons from Indonesia arrived on January 13 to move to Kobe, after which the training course was held for five days from January 14 to January 18 with little problems observed. After the lecture module, an on-site tour of Kobe Steel Kakogawa Steel Mill was also organized. At the end of the training course, there was a questionnaire, whose result is not yet obtained. They came back to Indonesia on January 19, 2013.

■ Causality

It is little doubt that the project facilitated the transfer of the energy conservation and environmental technology of Japanese steel industry to the Indonesian side.

3.7.2. Evaluation

(1) Effectiveness (High)

In this training course, 10 persons from the steel industry joined the program on manufacturing technologies including energy conservation and environmental technology with little problems, with the sharing of knowledge having been achieved. The participating bodies are varied, from MOI to Indonesian Iron and Steel Industry Association (IISIA) and steel companies, so the dissemination of the knowledge is expected after they go back to business as usual.

Participants much appreciated the program on production processes and energy efficiency and seem to have shared their experience with their colleagues. As of now, the feedback from the questionnaire is not available.

(2) Efficiency (High)

■ The course was rather short spanning on five days; on the flip side, various activities including lectures, steel mill tour, discussion with the Ministry of Economy, Trade and Industry are included in an intensive, thus timewise efficient, schedule.
■ Also, participants seem to have been carefully selected from the governmental, quasi-governmental, and public sectors, warranting the knowledge dissemination after the course.

(3) Impact (Moderate)

■ Just because this project efficiently transferred the know-how regarding production technologies including energy efficiency and environmental technology does not mean that the steel technology utilizing low grade materials in Indonesia has been established. In terms of indirect impact, the training does not lead immediately to other sectors, society, economy, or the environment at large.
■ That being said, the ten participants have got knowledge and experience on Japan's advanced technology and site tour, which might have an impact on future activities.

(4) Sustainability (Moderate)

■ The participants are expected to translate the knowledge and experience into the collection and advancement of know-how on the steel industry and to educate the human resources, thereby promote the growth of the industry. They are also expected to be a change agent in their own workplace, by getting more committed, say, as a coordinator.
■ The training course is also expected to develop into policy making of the steel industry of Indonesia in some way or another.

3.7.3. Suggestions and lessons

The training in Japan turned out to be effective and efficient; moreover it has the potential to ensure sustainability. It might also have been more beneficial if knowledge had been shared not only on steel technology but also on energy efficiency and environmental solutions.

Regarding the training course, a follow-up should be implemented to sustain the effects. Specifically, it helps to hold a workshop to present what kind of changes the participants have experienced and how the experience has been translated into policy making.

3.8. Textile

3.8.1. Current status of the project

Project title	Mission dispatch and acceptance, expert dispatch, and seminar
Form	Technical assistance
Institutions in charge	Textile Division, Manufacturing Industries Bureau, The Ministry of Economy, Trade and Industry (METI)
Collaborators in Japan	Japan Textile Federation and other organizations
Institutions in Indonesia	Directorate of textile and other industry, The Ministry of Industry
Cooperative period	2008-2012 (five years)
Upper goal	The textile industry on both countries is enhanced through technological improvement in dyeing and finishing process.
Project goal	・ Capacity building of dyeing and finishing process of dyeing is conducted. ・ Export expansion to Japan and exhibition and seminar arrangement in both countries is supported. ・ Cooperation for improvement of the capabilities of testing and certification system is made.
Expected output	1. Missions are dispatched and the methodology of cooperation is determined. 2. Seminar on Japanese market, as well as a tour to manufacturing sites to learn the situation of the textile industry in Indonesia, is conducted. 3. Information is provided on Japanese market trend, logistics, and delivery system. 4. Exhibition and business meeting arrangement in both countries is supported on the missions from Indonesia 5. Cooperation for improvement of the capabilities of testing and certification system is made.
Input	Japan side: three long-term experts, one short-term expert, and those concerned in the textile industry regarding the mission to Japan Indonesian side: counterpart allocation in MOI and API

■ Output

In FY 2008, missions were dispatched twice. In the first mission, as a kick-off meeting to discuss the concept of industrial cooperation based on EPA, basic views were exchanged regarding various issues: understanding of textile industry/ textile trade in both countries, textile industry policy and foreign capital policy in Indonesia, industrial cooperation in textile sector in both countries. The mission visited the Ministry of Industry, the representative Indonesian textile companies, Japanese textile companies, Japanese trading companies, and JETRO. Also, 1st WG on industrial cooperation between Indonesia and Japan was held.

In the second mission, a seminar on the current situation of Japanese textile & apparel markets was held. The mission visited the production area in Bandung to understand Indonesian textile industry. 2nd WG on industrial cooperation between Indonesia and Japan was also held to explore the possible industrial cooperation in textile industry

In FY 2009, the mission from Indonesia visited Tokyo, Gifu and Osaka. They visited textile producing regions in Japan, markets (sales floors of garment), an exhibition of textile. They also exchanged views with the government personnel and the representatives of industry groups. By those activities they deepened the understanding of Japanese textile market and discussed possible cooperation to strengthen the competitiveness of Indonesian textile industry. The visit to Japan Synthetic Textile Inspection Institute Foundation was also achieved, to improve testing and certification capabilities.

In FY 2009, the mission including an expert was dispatched. They visited 5 Indonesian textile companies to investigate the issues they were facing. This was a preliminary survey for the following expert dispatch.

In FY 2010, the expert was dispatched to 5 dyeing factories in west Java selected by the Indonesian Textile Association (API: Asosiasi Pertekstilan Indonesia). The expert gave technical advice for the improvement in “in one go” dyeing ratio at dyeing section or reduction of reprocess ratio. He also gave advice regarding quality when products are exported to Japan. Similarly, in FY 2011, the expert was dispatched to 2 dyeing factories in central Java that had been selected by the API and technical advice regarding dyeing and finishing was given.

In FY 2012, similar technical advice regarding dyeing and finishing was given in Pekalongan, central Java. A seminar regarding production management was also held in Bandung. The participants were workers who had experienced production management for 2-3 years in apparel companies or workers who had learned production management in schools. In the seminar, basics of production management for

competitive manufacturing (industrial engineering, management engineering, value engineering, and quality control) and site remediation methods were lectured. The numbers of participants were 35 on September 3rd and 28 on September 4th.

■ Process

Indonesia has established full-range of textile production: from material of upstream to sewn products manufacturing of downstream. Therefore it is possible to build an integrated manufacturing system. Indonesian government had requested "capacity building of dyeing and finishing process of dyeing" to Japan. Based on the request, technical advice of "dyeing and finishing process of dyeing" and related quality improvement started.

In FY 2010, 1 official from the Ministry of Industry, 1 person from the API, and 2 people from center for textile (BBT) accompanied the first expert dispatch. The team visited 5 companies spending one day per company to report on preliminary survey and explain about the objective of the guidance. After that, the expert visited those companies spending for three days per company. He conducted 13 sessions for one company to improve "in one go" dyeing ratio at dyeing section and to reduce reprocess ratio. In FY 2011, instead of setting targets of "in one go" dyeing ratio at dyeing section or "reprocess ratio", more focus is made on solving problems unique to individual factories.

■ Causality

We do not observe similar aid activities by other institutions, so the output and outcome are due to both technical assistance from the Japan side and huge effort on the Indonesian side.

3.8.2. Evaluation

(1) Effectiveness (Moderate)

■ "Capacity building of dyeing and finishing process of dyeing" was carried out and its effectiveness was high. Especially, in the expert dispatch of FY 2010, targets of quality ("in one go" dyeing ratio at dyeing section and "reprocess ratio") were set in the factories and as a whole, and were achieved 80-100%. On the occasion of a seminar held, a beneficiary from the factory where an expert had been dispatched in the previous year said "thanks to the advice, changes of the process have been made and the productivity has improved drastically." In the expert dispatch of FY 2011, more focus was made on solving problems unique to individual factories. Future

issues including maintenance of facilities were also identified. The expert reviews that the principle "An outside expert can point out issues that insiders cannot. Let's go back to basics" paid off.

■ Reprocess due to the use of cheap dye may end up costing 2-3 times more than an "in one go" successful dyeing at the first attempt. Most of participant companies are owned by managers and their focus is more on the short term cost reduction. Therefore, even if the expert emphasized this point, it was not understood well. This is not constrained to dyeing process; sometimes they try to take a low-cost process that ignores the principle of dyeing. There seems to be much to be improved regarding this point.

■ In 2 factories where the expert was dispatched in FY 2011, in contrast to some cases in FY2010, cost reduction that ignored basics was not observed. However, many of machineries were made in Japan and due to the cost and time that took to replace parts, maintenance was not enough. Therefore standard operations such as temperature management were not conducted appropriately. As a result, the quality of the products was uneven. Although the expert emphasized the importance of maintenance that influences the quality and the delivery time, this may not be a problem easily solved.

■ As ffor "export expansion to Japan and exhibition and seminar arrangement in both countries is supported," a seminar to introduce Japanese market was held and current situation of Japanese textile industry, movement in Japanese textile trade, trend of Japanese apparel market, business process to enter into Japanese market and so on were explained. This seminar was highly appreciated and comments such as "This was very helpful to understand Japanese market." were heard. In the acceptance of the mission in FY 2009, movers and shakers of Indonesian textile industry visited the sites. Mr. Ade, vice chairman of the API said he understood Japanese market very well.

■ As for "cooperation for improvement of the capabilities of testing and certification system," in the acceptance of the mission in FY 2009, the visit to Japan Synthetic Textile Inspection Institute Foundation facilitated the understanding of the tests conducted in Japan. Mr. Ade, vice chairman of the API said he understood how strict tests conducted for consumers in Japan are.

(2) Efficiency (Moderate)

■ As for "capacity building of dyeing and finishing process of dyeing", in the mission dispatch in FY 2009 and the following expert dispatch from FY 2010 to FY 2012,

issue identification that could lead to effective support of the following years had been made in the mission dispatch in FY 2009, and the expert was able to engage continuously by utilizing the knowledge of the previous year. Thus, advice from expert was made efficiently.

- In FY 2010, the expert visited 5 factories spending one day per company in the first round, and spending for three days per company in the second round and after. In FY 2011, for 2 factories, the expert conducted 19-20 sessions per company. Thus, to some extent, detailed advice was given to each factory. However, as the expert points out, to solve the problems that each factory is facing, it is necessary to analyze the actual operation, plan the measures, and solve them together by taking a longer period of time. Obviously, this should be determined to strike a balance with cost issues.
- Regarding support to export expansion to Japan and exhibition and seminar arrangement in both countries, as well as mission from Indonesia, in the seminar held in the mission in FY 2008, the number of participants amounted to about 100, which is considered to have been efficient in introducing the Japanese market. Movers and shakers of Indonesian textile industry from both public sector and private sector such as Director of Textile Mr. Arranto, the API Chairman Mr. Benny, and the API Vice Chairman Mr. Ade joined the seminar. All of the above suggests that this seminar was efficient.

(3) Impact (High)

- As is mentioned in the section of "efficiency", in the seminar held in the mission in FY 2008, the number of participants was about 100. Movers and shakers of Indonesian textile industry joined the seminar. Thus, quite a large number of people became the beneficiary of this activity.
- Since 2009, export of textile products to Japan is increasing. PT. Hakatex, which accepted an expert in FY 2010, gained an order based on an inquiry from Japan. PT. Dhanar Mas Concern, another participating company in an expert dispatch in FY 2010, is also said to have recieved an inquiry from Japan.

(4) Sustainability (Low)

- The effect of the practical technical advice given in the three year expert dispatch since FY 2009 will be maintained as skills of each company. However there is even more to be achieved.
- Although the understanding of the seminar in FY 2012 was enough, further understanding by more people is desirable. Also, it is desirable to update the information.
- As for the achievement of the acceptance of the mission in FY 2009, for the further understanding regarding testing and certification system by more people, continuous similar or developmental activities are desirable. In this sense, its sustainability seems to be low at this point.

3.8.3. Lessons and suggestions

As for the cost of the expert dispatch for technical advice, three fourths of the cost was bore by Japan and the rest was bore by beneficiary companies. Because this cost burden was so heavy that some companies had to give up participating the expert dispatch. On the other hand, Japanese experts pointed that dispatch period should be long and continuous to deal with more specific troubleshooting. Also, some issues pointed out in the factories, such as usage of cheap dye or omission of process for cost reduction, were not improved.

Indonesian side is requiring further expert knowledge in the field of quality management, energy saving, water saving and so on. If similar expert dispatch is judged to benefit both countries and to be conducted again, then the following approaches are possible for those issues. First, as for the cost, it is recommended that burden be shared with the Ministry of Industry. Second, in the selection of participating companies, one may consider cooperation from the Japanese textile industry, along with the Ministry of Industry and Indonesian Textile Association (API). Third, since it takes time for the effect of learning to take root in companies, several years' follow up would be desirable.

3.9. Oleo chemical and Petrochemical

3.9.1. Current status of the project

Project title	Mission dispatch on oleo chemical and petrochemical industry; capacity building mission to Japan on enhancing petrochemical industry
Form	Technical assistance
Institutions in charge	Chemicals Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry
Collaborators in Japan	Mitsubishi Chemical Techno-Research Corporation
Institutions in Indonesia	Basic Chemical Industry, Ministry of Industry
Cooperative period	FY 2010-2012 (3 years)
Upper goal	Policies are made so that oleo chemical and petrochemical upstream products become internationally competitive, midstream products are enhanced, and downstream products are developed
Project goal	Basic studies on oleo chemical and petrochemical industry are undertaken and policy proposals are made.
Expected output	1. Research is undertaken on the current status, prospects, international competitiveness, application, challenges for downstream development in the Indonesian oleo chemical industry; and policy proposals are made. 2. Research is undertaken on the current status, prospects, international competitiveness, and application in the Indonesian petrochemical industry; and policy proposals for integration of up- to down- stream products are made. 3. Capacity building mission in Japan is undertaken for petrochemical engineers in Indonesia. 4. Investment promotion seminar on oleo chemical and petrochemical industry is held.
Input	Japanese side: research experts and trainers

■ Output

The whole project is made up of basic studies, investment promotion seminar, and capacity building, to which we look at in turn.

The basic study on the oleo chemical industry in 2010 revealed that only around 7% of palm production is applied to oleo chemical materials and other value-added industrial products such as soap, detergent, toiletries and the like; that the domestic consumption share of the crude kernel palm oil (KPO) is less than that in Malaysia; and that the downstream sector is underdeveloped. The study then calculated production cost, implying that it is more helpful to promote export of value-added derivatives rather than export inexpensive crude palm oil (CPO) directly. Furthermore, the study picked up several worthwhile derivatives for the development of the sector. Interviews with local companies suggest some challenges including infrastructure and logistics development, investment climate, industry support and transparency for business setup and development, the lack of ethylene oxide as a material for ethoxylate for downstream development, and the rising awareness in environmental issues. Finally, it proposed that i) structural change of producers of CPO and KPO and improvement in production efficiency, ii) ensuring cost competitiveness of the derivatives by integration through production scale enhancement and adequate price setting; iii) promoting production and sales of prospective products by effective use of oleo chemical products and setting strategic areas, iv) procuring ethylene oxide for production of ethoxylate, v) using a very small amount of effective components from oleo chemical materials and byproducts after the extraction of oil; among others.

The basic study on the petrochemical industry in 2010 showed an overview of the sector and reviewed some basic facts that almost all the feedstock used by Chandra Asri, the only ethylene center, is imported naphtha, despite that naphtha and condensate are produced domestically and exported on the other hand; that the ethylene production capacity as of 2009 is just 600 thousand ton, which is less than half the demand. The current status of facilities and investment were also summarized. Production costs of ethylene and polypropylene are then compared internationally and analyzed for each component in detail. Facts are described on the upstream oil and gas industry, followed by resins applied to the main industries in Indonesia: automotive, household appliances, construction materials, packaging, etc. Analysis proceeded to show prospective products that are yet to be produced domestically such as butadiene rubber, methylethylketone ---both from the C4 fraction product chain---, and ethylene glycol alkyl ether ---from the ethylene oxide chain---, and, as high functional resins, polyamide from purchased materials and polyacetal from inexpensive methanol. Most Japanese firms pointed out lack of infrastructure as a challenge; other challenges include utility prices, cost competitiveness, policy transparency of Pertamina. Finally, suggestions were made regarding priority on domestic use of naphtha, condensate, LPG etc. for the

enhancement of the upstream to downstream petrochemical supply chain; increase in refineries, integration with petrochemicals, installment or expansion of naphtha crackers, installation of expansion of aromatic plant or effective use of Transpacific Petrochemical Indo Tama (TPPI), development of potential chemicals for automotive sector, development of downstream plastics for high-tech industries, and infrastructure development.

The basic study on the oleo chemical and petrochemical industry in 2011 first updated similar items as the studies undertaken in the previous year. As challenges in the oleo chemical sector, the study pointed out infrastructure development, improvement in the incentives for investors, approval of Roundtable on Sustainable Palm Oil (RSPO) certificate, among others. For petrochemical development in the Anyer-Cilegon region, the report suggested further enhancement of naphtha crackers, diversification of feedstock, product chain expansion, setup of government-aided service center, and pipeline development; for petrochemical development in the Tuban region, the report proposed stable procurement of feedstock, conversion to domestic supply, the realization of Condensate Refinery Complex concept.

Many Japanese firms, including incumbents in the Indonesian petrochemical or Malaysian palm oil sectors, have an interest in the investment climate of Indonesia; however relevant information is not enough. This has led to the dissemination seminar of the research. It turned out to gather 63 participants from 23 interested companies, including manufacturers, engineering companies, financial institutions, trading houses, among others. The seminar also includes avid Q&A session. Aside from the seminar, the result of the report was also presented to three interested companies individually.

The capacity building in the petrochemical sector in FY 2012 is aimed at around ten middle-class technicians who are expected to lead the Indonesian petrochemical industry to learn and experience operational, maintenance, safety management and energy efficiency technologies. The project was undertaken in the form of net five-day training course in Japan. In Kurosaki Plant of Mitsubishi Chemical, aside from lectures, stable operation exercise, trouble-shooting exercise for emergencies, and other exercise were undertaken, using a process simulator of petrochemical plants for training purpose. This was followed by a program at Mizushima Plant of Mitsubishi Chemical Corporation which includes process simulation of ethylene plant, training on advanced process control that has just been adopted as an energy-saving technology in petrochemical plants, maintenance technology exercise, safety exercise among others. The program has not been confined to lectures; it also included modules of a hands-on type; further, the trainees were given an opportunity to make a presentation on the

items and contents to be proposed to Indonesia, with an aim to make the program for those at the management level who will play the central role in the petrochemical sector. Also, to sustain the training effects, a follow-up was undertaken to help the trainees make a presentation on the experience.

■ Process

Three research missions were dispatched for basic studies, where interviews were carried out to incumbent companies in Indonesia and companies based in Japan. For each basic study, study schedule was reported and ex-post study was summarized in English materials, which were briefed to the Indonesian side. In a kick-off meeting, some items were added to the list, including a comparison study of the investment climate such as regulation, incentives, taxation and the like, with Thailand and Singapore, as well as feedstock benefit analysis, by the request from the Indonesian side.

For the capacity building, interviews were conducted at several companies, which were also visited by the basic studies in FY 2010 and 2011, to listen to the needs for training. In a meeting prior to the training, the Indonesian side suggested that the course be utilized to the petrochemical Center of Excellence (COE) project promoted by the Ministry of Industry, which has led to the world supply and demand of petrochemical products as an item in the program. Note that there are three regions to be developed in the petrochemical COE project: an industrial cluster based on olefin in Banten, another industrial cluster based on aromatics in East Java, and yet another one based on methane in East Kalimantan).

■ Causality

To the best of our knowledge on the Japanese side, there is no other similar foreign aid, especially the capacity-building, suggesting that Japan's aid and Indonesia's effort have led to the output.

3.9.2. Evaluation

(1) Effectiveness (High)

■ Regarding the goal "Basic studies on oleo chemical and petrochemical industry are undertaken and policy proposals are made," the effectiveness is high: detailed studies were conducted in 2010 and 2011 and presentations were made in English materials to the Indonesian side. The ensuing investment seminar in Japan gathered 63 participants. The capacity building in the petrochemical sector highly

satisfied the participants, although the Indonesian side initially asked for a participation of twenty trainees.

(2) Efficiency (High)

- The basic studies were concluded within three years, and capacity building to be applied to the management that plays a vital role in the future petrochemical sector in Indonesia is also implemented within the same period; thus time efficiency is high.
- Even prior to the MIDEC project, a basic study was conducted in 2001, and JETRO projects were also implemented in 2006-7, so the accumulation of cooperation all contributed to efficiency.
- The basic studies and capacity building were implemented by the same company, Mitsubishi Chemical Techno-Research Cooperation (MCTR), so that cooperation among projects was warranted with the challenges and contacts of basic studies being shared by the human resource training. MCTR, with the aid from the Mitsubishi Chemical Holdings Group, conducted hands-on training in the plants of the Group, which also led to efficiency.

(3) Impact (High)

- Regarding the upper goal "Policies are made so that oleo chemical and petrochemical upstream products become internationally competitive, midstream products are enhanced, and downstream products are developed," a direct impact of the project has not been recognized.
- That being said, the petrochemical Center of Excellence (COE) project promoted by the Ministry of Industry was reflected in the capacity building program. Specifically, the program was arranged in such a way that the management level understands the overview of a training to engineers and operators and required facilities in Indonesia, rather than a long-term, focused training which is often the case with usual operator training; and the training program was aimed at studying a training model applicable to the COE project. Thus, it is likely that the training program will be beneficial when the COE project is translated into implementation.
- The investment promotion seminar was held in October 2011, so it is still premature to recognize its impact on actual investments by Japanese companies. The seminar is expected to lead to the expansion or creation of business opportunities in the sector. The Ministry of Industry, in collaboration with other ministries, considers concrete investment incentives; unconfirmed information suggests that a tax

allowance of 120 million dollars and a five to ten year tax holiday for an investment over one billion dollars

(4) Sustainability (Moderate)

- In terms of policy institution, the Indonesian government has already announced the petrochemical Center of Excellence (COE) concept, which is expected to be implemented on their own initiative.
- On the other hand, information is not enough regarding how policy proposals from basic studies are to be reflected in actual policy making, how the capacity building is to is to be utilized in the COE concept, and whether the counterpart to deal with these issues is adequately in place.
- The Indonesian side has revealed that the following areas are prospective for capacity building, along with the downstream industry strategy making:
  - New technology development such as application of butadiene
  - Database construction
  - Laboratories
  - Enhanced communication
  - Investment promotion

3.9.3. Suggestions and lessons

Many items in the policy proposal in the basic studies undertaken would require large investment such as infrastructure and product chain development, which many not realize easily. Nonetheless, some assistance might be beneficial in crystallizing the COE concept using those proposals. Items that can be carried out with relative ease within the proposal can be prioritized for implementation, such as obtaining an approval of Roundtable of Sustainable Palm Oil (RSPO), which may appear rather effective.

Within the basic studies undertaken, the summary flow charts were most appreciated. Simple updates on the charts every several years and presentation of those updates at regular seminars to Japanese companies would alone be an efficient investment promotion. It is recommended that a follow-up to the Japanese companies present in investment promotion seminars be done; specifically, sending questionnaires to or paying a visit to the companies on a regular basis. For those Japanese companies studying investment climates of Indonesia compared with those among China, India, the Middle East etc., it helps to understand the Indonesian domestic market growth, incentives and infrastructure investments by governments. In addition, setting seminars for the Indonesian government and private firms to listen to the real voice of

Japanese companies would also be much beneficial to both sides. For oleo chemicals, whose CPO/KPO output is expected to reach 40 million ton annually within several years according to Indonesian sources, it would also be helpful for interested Japanese companies to discuss their requests with the Indonesian side.

Since the basic studies have been concluded, it is advisable to continue capacity building in one way or another to enhance sustainability gradually. Potential topics for capacity building include technology relevant to product chains of the Japanese firms being active in Indonesia or considering setting up shop in Indonesia, or environmental technology in refineries.

3.10. Non-ferrous metals

3.10.1. Current status of the project

Project title	Basic studies for adding values to the non-ferrous related industries in Indonesia (aluminum, copper, and nickel)
Form	Basic study
Institutions in charge	Nonferrous Metals Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry (2009-2010) Mineral and Natural Resources Division, Natural Resources and Fuel Department, Agency for Natural Resources and Energy (2011)
Collaborators in Japan	Shinko Research Co., Ltd.
Institutions in Indonesia	Ministry of Industry
Cooperative period	2009 – 2011 (three years)
Upper goal	Through basic studies of non-ferrous related industries in Indonesia, the Indonesian side deepens the understanding of the sector.
Project goal	Basic studies of non-ferrous industries in Indonesia are conducted.
Expected output	1. Basic information on the Indonesian non-ferrous industry is organized. 2. Current challenges and problems regarding the Indonesian non-ferrous industry are identified. 3. Measures to tackle the above challenges and problems are considered.
Input	The Japanese side: literature survey, missions of researchers and experts

■ Output

This project is comprised of studies to organize basic information on the non-ferrous industry in Indonesia, aimed at bringing the non-ferrous related industries in Indonesia to a higher degree. From 2009 to 2010, studies were conducted on the aluminum industry, which supports many industries including automotive and construction. This was followed by another basic study in 2011 on copper and nickel related industries, partly because in those days detailed supporting rules were being considered to add high value to the copper and nickel industry under the 2009 Mining Law.

In the initial study on the aluminum industry conducted in 2009, the current status of the aluminum industry in Indonesia was studied, from market size to analysis of sectors on the demand side, future prospects of demand by sectors, technological levels, and problem identification. Based on the analysis, current challenges of the Indonesian aluminum industry regarding the level of quality, delivery, and the level of technology were shared with the Indonesian side, specifically the Ministry of Industry and related industry groups; sectors on the demand side worth being tackled intensively were also proposed.

In 2010, i) the current status of the upstream alumina refinement from bauxite, aluminum smelting, and aluminum alloy manufacturing was studied and their development potentials were analyzed; ii) current challenges of the upstream aluminum industry regarding feedstock procurement, quality level, transportation and delivery, human resource development etc. were identified; and iii) a presentation was made to the Indonesian government and challenges to deal with in order to make presentation to the Indonesian government develop the aluminum industry were jointly recognized. Furthermore, measures to add value to the aluminum related industries centered on the upstream aluminum projects were also reviewed.

By 2011, the aluminum study had been completed; however, upon request from the Indonesian side, basic studies on the current status and challenges on the copper and nickel industries were conducted.

■ Process

In FY 2009, as the midstream and downstream aluminum sectors, 24 companies in total ---extrusion companies mainly for construction materials and die cast companies mainly for transportation machinery parts--- were visited to identify technological challenges of the sectors. The visiting research team was accompanied by the Ministry of Industry and the Association of Indonesian Aluminium Extrusion Producer. Future challenges were proposed, and the Ministry and those concerned were also interviewed to collect opinions. In FY 2010, studies were conducted mainly on the upstream aluminum industry: bauxite, alumina refinement, aluminum smelting, and aluminum alloy manufacturing; and its current challenges regarding bauxite, alumina refinement, logistics, stable supply of aluminum metals etc. were identified. However, due to the low interest level of aluminum related companies in Japan in Indonesian projects, it was found difficult to benefit both countries by further consideration. Thus, the aluminum project was finalized by the study in FY 2010. In FY 2011, upon request from the Indonesian side, studies were conducted on the current status of the copper and nickel

industries in Indonesia.

■ Causality

It was by this project that basic information on Indonesian non-ferrous industries ---aluminum, copper and nickel--- was shared; and understanding of the current challenges and required measures was facilitated on both countries.

3.10.2. Evaluation

(1) Effectiveness (High)

■ As mentioned in the output section, basic studies on Indonesian non-ferrous industries were conducted with little trouble, and both sides reached common understanding. Therefore, the upper goal "the Indonesian side deepens the understanding of the sector" was achieved to a large extent, through the output "Basic information on the Indonesian non-ferrous industry is organized; current challenges and problems regarding the Indonesian non-ferrous industry are identified; and measures to tackle the above challenges and problems are considered."

■ More specifically, the counterpart in the Ministry of Industry was assisted by the MIDEC studies to identify weaknesses of the Indonesian non-ferrous industry. They are: due to the poor power generation infrastructure for smelters, rich mineral resources such as iron ore and coal in Sumatra or Maluku are not fully utilized; and cathode technology is not advanced and thus inefficient.

■ In basic studies on the aluminum industry in FY 2009 and 2010, experts of the sector were selected by the Japanese side, companies of the aluminum industry in Indonesia were visited for research, and technological challenges were identified in the field. In 2009, 24 local companies were visited. On visiting companies in Indonesia, officials from the Ministry of Industry and Association of Indonesian Aluminium Extrusion Producer were also present, so that they could exchange opinions and share understanding of technological challenges in the aluminum industry. The output of the visiting research was summed up to be used in proposals to the Indonesian side. In a presentation to those concerned, there were some discussions so that mutual understanding of the study result deepened. In this way, the whole project was arranged in such a way that both sides could share understanding, which is considered to have led to the effectiveness of the project.

■ In the basic study on the copper and nickel industry in FY 2011, literature was surveyed and related companies in Japan were interviewed by researchers on the

Japan side to examine the current status of the copper and nickel industry and the impact of the new Mining Law on the copper and nickel industry, among others. Based on that, visiting research was implemented to the Indonesian local companies and governmental agencies for two times, and interviews were conducted on the current status and challenges of the copper and nickel industry, problems that might arise when the new Mining Law was to be introduced. By these steps, basic information on the copper and nickel industry was adequately gathered, and with the opinions of those concerned considered, the research output was considered to be in line with what was actually going on in the industry.

(2) Efficiency (High)

- The basic studies on the aluminum industry were conducted in a step-by-step approach for two years: midstream and downstream study in 2009; upstream study in 2010; and industrial policy consideration in 2010. Given that researchers and experts had expertise, the studies must have been conducted in an efficient manner, tapping into their existing knowledge.

(3) Impact (High)

- The project is mainly made up of organizing basic information and challenges in the non-ferrous industry, it is not intended to have an impact by nature. However, as the Indonesian government has drawn up the Master Plan for the Acceleration and Expansion of Indonesia Economic Development 2011-2025 (MP3EI) to show the direction in which the industry should be developed, and specifically in the mineral resource sector the new Mining Law, the Indonesian side has been in the middle of setting detailed rules and regulations to add high value to the non-ferrous industry. In sum, as the industry development policy was just being made, the output of this project is considered to have provided beneficial basic information to related policy making, it is expected to have a positive impact in the future.
- In fact, it was found that the basic studies have been an input in the draft of the 2014-2019 Five Year Plan for the steel and non-ferrous industry development. Since the contents of the MIDEC projects in the non-ferrous sector were general, the Ministry of Industry has added specific ore development project under plan to draw a roadmap for each year.
- Regarding the relationship with upper plans, this roadmap is elaborated from the general plan shown in MP3EI, according to the Indonesian side.
- Although a direct impact of the project has not been realized, once the basic studies

are to contribute to a further development of the aluminum industry of Indonesia in the future, then it is likely to contribute not only to the economy and society at large, but also to availability of value-added parts to Japanese companies in Indonesia and other ASEAN countries in various sectors on the demand side such as housing, electronics, automotive, electric wire etc.; which is then expected to have a positive impact on both nations by, say, making aluminum related industries even more internationally competitive.

(4) Sustainability (High)

- As stated in the previous subsection, the studies have been utilized in the 2014-2019 Five Year Plan for the steel and non-ferrous industry development and its roadmap, so sustainability is high.
- On the other hand, it is difficult to proceed to the next phase unless there is an investment by the private sector.

3.10.3. Suggestions and lessons

Through this project, basic studies have been undertaken on aluminum, copper and nickel among non-ferrous sectors in Indonesia, and understanding has been shared by both sides on basic information on industry in Indonesia, as well as on current challenges and future measures.

In 2009, at an early stage of the basic studies, the scope of minerals under study was not being arranged in details, and the Japanese side responded to request from the Indonesian government each time. Since the aluminum industry did not turn out to be a prospective area for both countries, further progress was not made than basic studies.

3.11. Food & Beverage

3.11.1. Current status of the project

Project title	Dispatching experts on product wrapping, food safety evaluation and sanitary system
Form	Technical assistance
Institutions in charge	Japan International Cooperation Agency (JICA)
Collaborators in Japan	The Ministry of Agriculture, Forestry and Fisheries (MAFF), Japan Food Research Laboratories, Tokyo University of Marine Science and Technology, Japan Food Packaging Association.
Institutions in Indonesia	The Ministry of Industry, The Ministry of Trade, Food and drink product industry information center (PIPIMM)
Cooperative period	FY 2009, FY 2012
Upper goal	By improving the capacity to produce food and beverage products that are compliant with Japanese and international regulations, the competitiveness of food and beverage industry in Indonesia is strengthened.
Project goal	Understanding of standards and regulations related to food is promoted and testing technologies are improved.
Expected output	1. Quality of food and beverage industry is improved and becomes compliant with Japanese and international standards. 2. Knowledge regarding standards and regulations related to food and beverage in Japan is enhanced and technologies to be compatible with them are improved. 3. Skills for technology transfer and training about standards are improved. 4. Capability of testing of food and processed goods of agricultural products are improved. 5. Analytical skill of results of experiments and testing is improved.
Input	Japan side: four man-times short-term expert Indonesian side: assignment of the counterpart (The Ministry of Industry)

■ Output

In FY 2009, as an expert dispatch, lectures about products package in Bandung, lectures about food safety in Surabaya were delivered.

In FY 2009, as training in Japan, training about JAS system etc. was given to 3-5 Indonesian trainees. The visit to a testing institution and factories was also carried out.

In FY 2012, as an expert dispatch, lectures about "food safety evaluation and sanitary system" and "products package design" were delivered in the seminar hosted by the Ministry of Industry in Bandung. Both lectures were also delivered in the seminar hosted by the Ministry of Trade in Semarang. Contents of lectures in the expert dispatch were as follows.

FY2009 Product package design	・ Overview of package materials, package regulation etc. ・ Points of paper package design, auto-packaging system of paper package ・ Flexible package, various auto-packaging system ・ Overview of graphic design, future trend of package
FY2012 Food safety evaluation and sanitary system	・ Food safety evaluation in Japan (food safety system, food safety evaluation and audit system in Japan, assessment and audit in food safety system in Japan) ・ Food safety and sanitary system (food safety and sanitary system in Indonesia (GMP, HACCP, ISO22000), food safety and sanitary system in Japan (GMP, HACCP, ISO22000) ・ Regulations regarding food safety and sanitary system and operations (food safety and sanitary regulations of each country, food safety and sanitary regulations in Japan, experience of Japan regarding food sanitation) ・ Others (discussion with the participants, proposals to the participants, visit to companies, visit to national drug and food management agency)
FY2012 Product package design	・ Production statistics regarding food package, acts and rules, categories of food package ・ Categories of food package and characteristics, categories of drink and characteristics, actual cases of liquid food package ・ Function of package and functionality package, characteristics of food, control of bug, degradation of eating quality, replacement of gas etc. ・ Package design and distribution channel, categories of

	complaints and measures, factors of change in smell ・ Quality control of dried food and package, antioxidant, moisture prevention package, anti brown discoloration etc. ・ Future direction of package, dealing of waste, universal design, concrete examples of functionality package
FY2012 Food safety evaluation and sanitary system	・ Legal system regarding food sanitation, overview of food sanitation act ・ Standards, Prerequisite Program, HACCP ・ JAS system, certification mark system ・ Typical cases of offense in imported food ・ Sessions of Indonesian side ・ Import inspection system ・ Exchange of views etc.

■ Process

In the lecture of food sanitation, since they were coordinated by the Ministry of Industry in Indonesia, there were no participants from the Ministry of Agriculture that governs production of primary agricultural products that are upstream of food chain. The expert had prepared wide range of materials and made explanation by choosing appropriate topics in accordance with the response from the audience.

As far as the training in Japan is concerned, the Ministry of Industry has interpreted that those participants from domestic food companies recommended by an industry group were rejected because they were not government personnel.

In the seminar in FY 2012 in Semarang, concrete questions and answers were exchanged from the viewpoint of exporter's business. Those questions included "Will there be investments to the agricultural sector from Japanese companies?," "How should we remove bones of milk fish?," "What kind of difference is there between frozen green soybean and fresh green soybean?," etc. An expert brought "konjac" and explained that it was made from imported material from Indonesia. Responding to the explanation, participants showed their willingness by saying "We want to make it, definitely!"

■ Causality

We do not observe similar aid activities by other institutions, so the output and outcome are due to both technical assistance from the Japan side and huge effort on the Indonesian side.

3.11.2. Evaluation

(1) Effectiveness (High)

■ As for the promotion of understanding to standards and regulations related to food that is a part of project target "understanding to standards and regulations related to food is promoted and testing technologies are improved," it was achieved through the seminars that had not held before. The knowledge was transferred to about 100 people in each seminar. As for the improvement of testing technologies, there are much to be improved regarding quality of processed food and testing technologies in small and medium enterprises.

■ The lectures about food package in FY 2009 were very interesting to the participants. 100 sample packages used to the explanation were all taken away by participants once the lecturer permitted it. In the lecture about food safety and sanitary system, the lecturer had prepared wide range of materials and made explanation by choosing appropriate topics in accordance with the responses from the audience.

■ In the lectures about "food safety evaluation and sanitary system" and "products package design" in FY2012, the participants asked concrete and desperately-needed questions and the experts were able to respond to them on the spot in an appropriate way, since they had expertise and experience. The capability of the local translator was so high that the experts were also satisfied.

■ The effectiveness of the training in Japan was moderate. The contents of the training were practical and evaluation from the participants was high. On the other hand, as for the participants, the Ministry of Industry initially included domestic food companies with reputation recommended by an industry group, but only governmental officials were in the final list of participants.

(2) Efficiency (High)

■ As for the lectures about "food safety evaluation and sanitary system" and "products package design", according to the self-evaluations of the experts, they were delivered efficiently with no significant alteration from the plan. As for the lectures about "food safety evaluation and sanitary system" in FY 2009, in the "2 days seminar" that was held twice, there were 90 participants per day. In the last day seminar, there were 100 participants. The lectures were delivered to quite a large size of audience in a short term.

■ As for the lectures about "food safety evaluation and sanitary system" and

"products package design" in FY 2012, in the first 4 days, 40 or more participants from small and medium food and beverage companies joined from whole Indonesia. In the latter half, in the seminar that was hosted by the Ministry of Trade in Semarang, about 50 people participated in the seminar.

- The seminars by the experts were ingenious and highly appreciated. In the seminars of food package design, materials contained a lot of graphics, pictures, and movies. The sample packages that had been brought by an expert interested the participants. In the seminars of food sanitation, an expert used the material that had been used in Philippines on a very short notice because that was requested strongly. Thus the experts were very flexible based on their past experience and the needs of the participants.
- Experts delivered their lectures in English or Japanese, which were then translated into Indonesian. Interpreters had knowledge about HACCP and basics of food hygiene and had stayed in Japan before, which contributed to understanding of participants. According to participants, though, it is slightly better when there is a translation from English to Indonesian, for the sake of correspondence of technical terms.
- As for the amount of the materials, Indonesian side commented that it was too much in FY2012, and adequate in FY 2009. If the materials are integrated into a textbook, it would be useful to transfer the knowledge to colleagues or partner companies. It is heard that there is an idea to make a manual based on the materials used and utilize it in the similar opportunities.
- As for the alignment with other activities, Bank of Tokyo-Mitsubishi UFJ was supporting two-step-loan to export agricultural products to Japan and good alignment with its seminar was seen.
- The Indonesian side pointed out that their request did not reach the Ministry of Agriculture, Forestry and Fisheries (MAFF) through the Ministry of Economy, Trade and Industry (METI) that was a Japanese side contact of MIDEC.

(3) Impact (Moderate)

- Food sanitation had not been a major domestic concern. These seminars were valuable opportunities to gather domestic experts, enlighten them, and provided information regarding approaches in Japan.
- Although direct impact has not been observed at this point, many of the participants to the seminars were thinking about exporting their products to Japan. These seminars are expected to contribute to increase the export to Japan.

- Collaborations that involve activities like human exchange were not observed. However, there is a project that improves quarantine technology of fruit fly for mangos from October of 2009 to April of 2013. This project would increase the value added of mangos as exporting products in the future. Combined effect with this project might be expected from the view point of strengthening of exporting competitiveness of agricultural product.

(4) Sustainability (Moderate)

- The contents of the lectures in the experts dispatch were well understood by the participants. The materials have been translated into Indonesian and distributed. If Indonesian experts are trained in the field of food sanitation or package based on them, it would lead the sustainability. In the seminars, both Japanese and Indonesian were giving lectures. In that sense, the sustainability is already high.
- The Indonesian side considers that the next step would be to obtain the certification of testing institution based on mutual recognition of agreement (MRA). Once the certification is obtained, compatibility assessments in Japan are not required and the same procedure is conducted in Indonesia. It would promote the export of food to Japan.
- Approaches to food sanitation are important not only at the stages of processing but also at the stage of production and harvesting of agricultural products. To promote the export of food, the taskforce for food sanitation and package that connect the Ministry of Agriculture, the Ministry of Industry, and the Ministry of Trade might be necessary.

3.11.3. Lesson and suggestions

As lessons that might be helpful to other programs in general, participants in training courses in Japan should include those who can spread the knowledge after they go back home. As for local seminars, since it is often difficult to know the interest of the participants in advance, coordination with the participants in advance would be helpful. So would it be useful to choose appropriate topics flexibly, in accordance with the response of the audience.

Of specific relevance to the food and beverage industry is coordination between related ministries. In Indonesia, food is governed by several ministries. Basically, raw materials and semi processed goods are governed by the Ministry of Agriculture and the process thereafter is governed by the Ministry of Industry. Since approaches to food sanitation are important not only at the stages of processing but also at the stage of

production and harvesting of agricultural products, coordination between Indonesian ministries would be necessary in this area.

Chapter 4 Lessons and suggestions from MIDEC activities

In this chapter, based on the previous two chapters, we provide some lessons learnt from MIDEC program and suggestions to be applied to other programs or projects.

(1) Effectiveness

Factors that have contributed to the effectiveness or non-effectiveness of the projects can be summarized as follows. Although one sector is at a different phase from another, measures to take account of these factors would raise the achievement of goals in any sector.

- Prior to the projects, there is a careful discussion between Japan and Indonesia to share the goals
- Experts to be dispatched or lecturers for training in Japan have expertise and knowledge; and a follow-up in one way or another is conducted to the participants
- In the case of basic study, discussion is made beforehand to determine its scope; after its completion, the result is shared not only within the organization but also with investors etc.
- The Indonesian side has reached the construction to develop human resources on their own (e.g.: IMDIA instructor training system)
- There is already an organization to ensure sustainability, and persons are assigned full time (e.g. IMDIA, IWS)
- There is an institution to sustain the effects of the project even in the absence of experts or training in Japan

(2) Efficiency

Turning to efficiency of projects, expert dispatch and training in Japan was applauded by the Indonesian side for all the sectors, with few complaints regarding their contents. However, it was pointed out, especially from the Indonesian side, that the expert dispatch and training period is short. On the other hand, within given budgets, needs were considered to have been efficiently addressed. It is worth considering if efficient follow-up could have been conducted even with little alteration of the total period. For example, even if experts fail to visit Indonesia again, one can come up with circumstances where the Japanese staff in Indonesia who observed the expert dispatch can comment to the presentations by the Indonesian side in several months' time since dispatch, or where the Japanese experts directly listen to and discuss their presentations through teleconferencing, the latter of which is subject to the IT

availability.

The Indonesian manufactures focus on the growth of domestic markets for the time being, but it is a matter of time when they face export competition with ASEAN countries. In electric/electronic, automotive, food and beverage sectors, an important step for Indonesia would be to get approval of testing organizations. In assisting those sectors, it was found that instructions that get back to the basics of why there is a requirement for such and such standards, and pre-exam teaching right before the actual exam, were efficient.

There was a request for financial assistance to hard facilities, especially in electric/electronic and automotive, but no such assistance has been made. Such a subsidy is hard to be approved even in Japan, and cooperation from the private sector in both countries is expected.

For non-ferrous, steel, and petrochemical & oleo chemical sectors, an important step would be private investment by foreign firms. A regular investment promotion seminar to share the basic studies with the private sector would be advisable.

Although this has not been a major obstacle, some projects might have been more efficient by cooperation with other projects within MIDEC, such as steel and energy conservation (say, sharing knowledge on cleaner production with model companies), mold & die, electric/electronics and automotive. Progress by sector has been adequately shared by high-level meetings and other occasions, but some activities might have been done by integration or separation. Regarding One Village One Product campaign, it is aimed at small companies, which are different from SME's and big companies that other sectors of MIDEC are aimed at. That said, some synergies could have arisen, by, say, instruction by textbooks made in other sectors, or OVOP participants joining seminars of other sectors.

Furthermore, as was initially considered in the automotive sector with Bandung Institute of Technology, cooperation with the private sector can also be prospective. Especially, in those sectors with high demand for lectures, local college teachers could be lecturers, or Japanese students could solve problems jointly with local universities and companies to which they are sent as interns.

(3) Sustainability

For sustainability of effects, along with securing budgets, it is crucial if some institutions are planned on the Indonesian side. Examples in the context of MIDEC include, either already in place or under plan:

- Sentra IKM for SME's
- Indonesian Automobile Standard Internationalization Forum
- The concept of "Mold & Die Center"
- The concept of an organization that employs automotive trainers

If those under plan are put into practice, it would lead not only to sustainability but also to effectiveness of the project. Unless the Indonesian side secures human resources and budgets and deal with the projects with ownership, rather than receiving one-way assistance, cooperation effect is not likely to be realized.

Attachment III

Material Prepared by the Japanese Side
for Working-level Meeting between Indonesia and Japan
on MIDEC Evaluation

THE EVALUATION REPORT OF MIDEC

2013/3/18

Nomura Research Institute

Background

- MIDEC high-level seminar held in Jakarta in July 2012
- October 9th FY 2012, H.E. Ir. M. Hatta Rajasa, Coordinating Minister for Economic Affairs, and H.E. Mr. Mohamad Hidayat, Minister of Industry, expressed their welcome and acknowledgement of cooperation through MIDEC and both countries were able to reach the common view that both counties were successful in the MIDEC projects
- Evaluation should be conducted

Methodology

- DAC framework:
  - Relevance: the extent to which the activity is suited to the priorities and policies of the target group, recipient and donor
  - Effectiveness: the extent to which the activity attains its objectives
  - Efficiency: the outputs -- qualitative and quantitative -- in relation to the inputs
  - Impact: the positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended
  - Sustainability: whether the benefits of an activity are likely to continue after donor funding has been withdrawn
- Based on reports and interviews conducted on both sides

Relevance of MIDEC on the whole

Strategy of Japan	Relevant points to MIDEC
Economic Partnership Agreement	• "to enhance a wide economic relationship, including … cooperation elements in various fields"
"Country Assistance Program for the Republic of Indonesia" (2004, Government of Japan)	• "it is important to provide aid, focusing on 'sustainable growth driven by the private sector', a necessary condition for realization of poverty reduction" • "fostering the subsidiary industry and SMEs" as one of the focus areas
"Country Assistance Policies for the Republic of Indonesia" (2012, GoJ)	• "further balanced development and improved capacity to respond to challenges in Asia and the international society" • "attempt to improve business and investment climate, as well as provide assistance to training of skilled human resources."
Marketing Strategy for New Middle	• Indonesian as a specified market

Relevance of MIDEC on the whole

Strategy of Indonesia	Relevant points to MIDEC
Presidential Decree on National Industrial Development Policy (2008)	• the top down approach of promoting internationally competitive industry selected by MOI • the bottom up approach of promoting them by utilizing local resources by the initiatives of state government are stipulated as basic policies
Master Plan for the Acceleration and Expansion of Indonesia Economic Development 2011-2025 (MP3EI)	• value chain expansion, fusion of regional development and sector development, promotion of local industries, and enhanced connectivity between regions, for each economic corridor

Relevance of MIDEC on the whole

Tooling (Mold and Die)
Welding
Energy Conservation
SMEs Promotion Support
Automotive / Automotive Parts
Electric/Electronic Equipment
Steel / Steel Products
Textile
Oleo chemical and Petrochemical
Non-ferrous metals
Food & Beverage

Tooling (Mold & Die)

Effectiveness: High
- dispatching experts saved about 5.7 billion Indonesian Rupiah (IDR) for die casting, and IDR 4.8 billion for mold
- establishment of 'IMDIA instructor training system,' made it easy to inherit from Japanese specialists to local Indonesians, who in turn will instruct other Indonesian people

Efficiency: Moderate
- technical qualification exam system and instructor training system and the consequent increase in the local supply rate in such a time period (it generally takes at least 3 to 5 years for personnel training)
- IMDIA undertook the coordinator role between the government and private entities, on occasions of trainings, seminars and discussions

Impact: High
- IMDIA's local supply rate of 26% in 2007 greatly increased to 42% in 2011 (motorcycles 95%, automotive 31%, electric appliance 28%)
- 60% in the next 5 years

Sustainability: High
- Counterpart already in place
- IMDIA instructor training system
- idea of establishing 'Mold & Die Center'
- engineers are very busy, making it very difficult for IMDIA to find participants in the training

Welding

Effectiveness: High
- TOT to 30 Indonesian instructors were provided in 3 cities and the feedback was very positive

Efficiency: Moderate
- METI was, in its research projects, providing assistance to the welding technology
- improvement in IWS's operation with the guidance by JWES
- MOU b/n IWS & JWES

Impact: High
- 130 people passed the exam (in combination with METI's project, about 830 participated and about 350 passed the test)
- HINABI's 30 member companies to get certification of welding management technology specialist by JWES

Sustainability: High
- Only one dedicated staff placed in IWS
- secured RPD 800 million for next year as the costs for holding welding-related seminars and skill competitions
- Machinery Department recognized the importance of organization enhancement of IWS, and would like to provide assistance for IWS

Energy Conservation

Effectiveness: High

- Energy Conservation Guideline
- the 2 companies as a case study for industrial furnace
- 20 ESCO core persons selected by MOI

Efficiency: High

- Energy Conservation Guideline in tandem w/ ESCO seminar
- time efficient capacity building
- Energy Conservation Guideline of rubber industry is suitable also for other industries

Impact: High

- High if those core persons benefit around 60 people by their own instruction
- it would have produced even more impact if, for example, it had been introduced in a deployable way to 42 steel furnaces in then operating 29 companies

Sustainability: Moderate

- establishment of Association of Energy Conservation
- Japanese ESCO companies are tied up with their own domestic projects, and that energy prices are still inexpensive and interest rates are high Indonesia

SMEs Promotion Support

Effectiveness: High

- cluster promotion guideline under revision
- Balai Besar provide tailor-made type assistance in response to the needs of the local enterprises
- 37 goods developed as OVOP campaign products, mainly snack and craft
- JOGJAtic members play the advisory role to DG SME

Efficiency: Moderate

- Similar activities for more than 10 years
- Japanese designers were so tied up that they could stay only for a short period

Impact: Moderate

- "action program for SME promotion" and "cluster promotion guideline" not in full use yet
- business discussions amounted to 94, and their products were highly appreciated in the Tokyo International Gift Show
- A total of 417 SME management consultants

Sustainability: Moderate

- establishment of Sentra IKM) w/ assistance of JOGJAtic members
- JOGJAtic advised as OVOP instructors to local producers
- Challenges: clear division of work on each level of the central and local governments; structure to provide services customized for the needs of SME's; involvement and capacity building of local governments

Automotive / Automotive Parts

Effectiveness: High

- Nine KAIZEN trainers were chosen from 30 candidates, although not totally independent from Japanese experts
- 5S achieved
- UNECE aid done, but no entry yet
- Many workshops, and a great deal of time was spent to understand the principles and the necessity of Agreement/Regulations
- 5 areas assisted; participant satisfaction for R&D training in Japan

Efficiency: Moderate

- translated into Indonesian in 2 wks in 2009
- Management participation in the KAIZEN activities in Japan resulted in their enhanced commitment
- Flexibility w/in the sector (e.g. parts safety test (UNECE) was assigned to SWG2)
- Preparation of hardware posed impediment in some cases
- Lecture held again so that road test could be conducted by the Indonesian agency alone

Impact: Moderate to High

- Socialization Seminar w/ 100 attendants
- Production increased from 600 thousand units in 2008, when the MIDEC initiated, to over 1,060 thousand units in 2012
- R&D training participants are playing a central role as technical experts

Sustainability: Moderate to High

- allocation of Indonesian trainers
- follow-up actions
- IASIF starts worksheet exercise; but no dedicated staff and members tend to skip meetings
- Need to share info between MOI, MOT and MOE
- Budget needs to be secured (for the fee to use facilities in Indonesia, etc.) to maintain test data

Electric/Electronic Equipment

Effectiveness: High

- Technical assistance achieved for Electric Iron, Pump (HOUS) and Audio Video (TRON)
- Certification body BPMBEI and testing laboratory LSPro PPMB, under MOT, obtained approval
- LSPro Pustan, B4T, and Baristand Surabaya, have not obtained approval, perhaps due to expensive facilities and insufficient knowledge transfer within organizations

Efficiency: High

- an efficient way of teaching by a pair of a technical expert and an institutional expert
- "pre-assessment" teaching methodology
- The project period was around three years, and it was observed each year that progress has been made in the skills

Impact: High

- Huge impact on the export cost reduction is expected once the products such as refrigerators also get approval in the future

Sustainability: Moderate

- Indonesian side has already started studying the manuals for unapproved products
- One expert commented that he constantly urged trainees to ask themselves why there are such requirements in the first place and to analyze the background of the standard
- An institution (e.g. in-house seminar) to share the knowledge obtained by the expert dispatches and training courses in Japan would be beneficial

Steel / Steel Products

Effectiveness: High

- Information on the research on DIOS has been shared
- A total of 85 people were present at the seminar
- 10 persons from the steel industry joined training

Efficiency: High

- multiple activities of patent provision, seminar, expert dispatch were given in 1.5 months

Impact: Low to Moderate

- DIOS technology provided was on a lab scale, and could not be applied to commercial production thus far
- participants have got knowledge and experience on Japan's advanced technology and site tour, which might have an impact on future activities

Sustainability: Low to Moderate

- DIOS: best available technology to be adopted in Indonesia should be reconsidered
- training course is also expected to develop into policy making

Textile

Effectiveness: Moderate

- targets of quality ("in one go" dyeing ratio at dyeing section and "reprocess ratio") and were achieved 80-100% as a whole
- "An outside expert can point out issues that insiders cannot. Let's go back to basics"
- Companies try to take a low-cost process
- Insufficient maintenance of expensive facilities
- Seminar was credited to be helpful to understand Japanese market

Efficiency: Moderate

- expert was able to engage continuously by utilizing the knowledge of the previous year
- to solve the problems that each factory is facing, it is necessary to analyze the actual operation, plan the measures, and solve them together by taking a longer period of time

Impact: High

- 100 seminar participants
- One company gained an order based on an inquiry from Japan; another one received an inquiry

Sustainability: Low to Moderate

- The effect of the practical technical advice given in the three year expert dispatch since FY 2009 will be maintained as skills of each company

Oleo chemical and Petrochemical

Effectiveness: High

- detailed studies were conducted in 2010 and 2011 and presentations were made in English materials to the Indonesian side
- The ensuing investment seminar in Japan gathered 63 participants
- The capacity building in the petrochemical sector highly satisfied the participants

Efficiency: High

- The basic studies were concluded within three years
- JETRO projects were also implemented in 2006-7

Impact: High

- the program was arranged in such a way that the management level understands the overview of a training to engineers and operators and required facilities
- the training program was aimed at studying a training model applicable to the COE project

Sustainability: Moderate

- The Indonesian government has already announced the petrochemical COE
- It is not clear how policy proposals from basic studies are to be reflected in actual policy making, how the capacity building is to be utilized in the COE concept, and whether the counterpart to deal with these issues is adequately in place

Non-ferrous metals

Effectiveness: High

- the counterpart in the Ministry of Industry was assisted by the MIDEC studies to identify weaknesses of the Indonesian non-ferrous industry: poor power generation infrastructure for smelters and abundant resources not fully utilized
- The output of the AI research was used in proposals

Efficiency: High

- conducted in a step-by-step approach for two years: midstream and downstream study in 2009; upstream study in 2010; and industrial policy consideration in 2010

Impact: High

- the basic studies have been an input in the draft of the 2014-2019 Five Year Plan for the steel and non-ferrous industry development

Sustainability: High

- Five Year Plan is already in place
- it is difficult to proceed to the next phase unless there is an investment by the private sector

Food & Beverage

Effectiveness: High

- knowledge was transferred to about 100 people in each seminar
- Active Q&A at lectures about "food safety evaluation and sanitary system" and "products package design" in FY2012

Efficiency: High

- Teaching materials contained a lot of graphics, pictures, and movies
- The sample packages that had been brought by an expert interested the participants
- Interpreters had knowledge about HACCP and basics of food hygiene and had stayed in Japan before
- A bank was supporting two-step-loan to export agricultural products to Japan

Impact: High

- Food sanitation had not been a major domestic concern. These seminars were valuable opportunities to gather domestic experts, enlighten them, and provided information

Sustainability: High

- In the seminars, both Japanese and Indonesian were giving lectures
- To promote the export of food, the taskforce for food sanitation and package that connect the Ministry of Agriculture, the Ministry of Industry, and the Ministry of Trade might be necessary

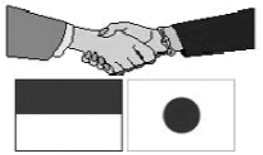
Summary

- Overall, achievements of every sectors were confirmed.
  - Prior to the projects, there is a careful discussion between Japan and Indonesia to share the goals,
  - experts to be dispatched or lecturers for training in Japan have expertise and knowledge;
  - a follow-up in one way or another is conducted to the participants
- Some lessons for raising efficiency
  - within given budgets, needs were considered to have been efficiently addressed
  - instructions that get back to the basics of why there is a requirement for such and such standards, and pre-exam teaching right before the actual exam, were efficient
  - Coordination between MIDEC sectors have not been often observed

Summary (cont'd)

- For sustainability of effects, along with securing budgets, it is crucial if some institutions are planned on the Indonesian side. Examples in the context of MIDEC include, either already in place or under plan:
  - Sentra IKM for SME's
  - Indonesian Automobile Standard Internationalization Forum
  - The concept of "Mold & Die Center"
  - The concept of an organization that employs automotive trainers
- If those institutions under plan are put into practice, it would lead not only to sustainability but also to effectiveness of the project. Unless the Indonesian side secures human resources and budgets and deal with the projects with ownership, rather than receiving one-way assistance, cooperation effect is not likely to be realized.

Terima kasih.



Attachment IV

Material Prepared by the Indonesian Side
for Working-level Meeting between Indonesia and Japan
on MIDEC Evaluation

EVALUATION OF MIDEC PROGRAM AND ACTIVITIES
INDONESIA'S AND JAPAN'S APPROACHES

INDONESIA		ASPECTS OF EVALUATION	JAPAN	
	TOOLS OF EVALUATION			
✓ MoI since 2011 has proposed the importance to carry out evaluation of implementation of program and activities of MIDEC sectors (13 sectors of 26 projects) ✓ It is preferable that MoI and METI could conduct joint evaluation rather than individual evaluation (midec High Level Seminar July 2012) → ownership of the projects ✓ Indonesia conducts her own evaluation	**DAC OECD Criteria** 1. Relevance, 2. Effectiveness, 3. Efficiency, 4. Impact, 5. Sustainability **European Network** 6. Partnership	Both sides finally agreed to apply Development Assistance Committee (DAC) OECD Criteria in evaluating MIDEC program and activities. **Participation of Donors and Recipient** "whenever possible, <u>both donors and recipients should be involved in the evaluation process</u>. Since evaluation findings are relevant to both parties, evaluation terms of reference should address issues of concern to each partner, and the	**DAC OECD Criteria** 1. Relevance, 2. Effectiveness, 3. Efficiency, 4. Impact, 5. Sustainability.	✓ Japanese side intend conduct her own evaluation

INDONESIA		ASPECTS OF EVALUATION	JAPAN	
		evaluation should reflect their views of the effectiveness and impact of the activities concerned."		
Notes	**REFERENCES**			**Notes**
	• Indonesia Japan-EPA • Joint Statement of both Heads of States • Reports of the Seminars of MIDEC and G to G meetings • Etc.		• Japan Indonesia-EPA • Joint Statement of both Heads of States • Report about the projects implementation • Etc.	
	METHOD/PROCESS OF EVALUATION			
	• Distribute questionaire to Directors/officials responsible for MIDEC program and activities • Interview with Coordinator of MIDEC in MoI • No interviews or quesionaire deliver to participants or beneficieris		• Dialogue with MoI's officials in charge in sectoral MIDEC program ans activities • No interviews with experts or participants	
	PERIOD OF EVALUATION			
	MIDEC program and activities 2008-2012		MIDEC program and activities 2008-2012	

<table>
<tr><th colspan="2">INDONESIA</th><th>ASPECTS OF EVALUATION</th><th colspan="2">JAPAN</th></tr>
<tr><td></td><td colspan="2">FIELDS OF MIDEC</td><td colspan="2"></td></tr>
<tr><td></td><td colspan="2">CROSS SECTORS (SIX SECTORS)</td><td colspan="2"></td></tr>
<tr><td></td><td colspan="2">Relevance:
✓ Examines the extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor: <u>Does the goal of the aid activity meet the needs of beneficiaries?</u> Are the activities and outputs of the program consistent with the overall goal and the attainment of its objectives? (2010 JICA Evaluation
✓ Report)
Exclution of Evaluation:
✓ All MIDEC activities except Metal Working and Export & Investment Promotion</td><td></td><td colspan="2">Relevance:
✓ MIDEC aims at improving industry competitiveness
✓ Cooperation program in line with Japanese side policy
✓ MIDEC is a strategic development
Exclution of Evaluation:
✓ All MIDEC activities except project that have already been evaluated JICA, on going projects or under preparation</td></tr>
<tr><td></td><td colspan="2"><table><tr><td>Relevance</td><td>Very Good</td></tr><tr><td>Effectiveness</td><td>Good</td></tr><tr><td>Efficiency</td><td>Good</td></tr><tr><td>Impact</td><td>Good</td></tr><tr><td>Sustainability</td><td>Very Good</td></tr><tr><td>Partnership</td><td>Fair</td></tr></table></td><td>Mold & Dies</td><td colspan="2"><table><tr><td>Relevance</td><td>-</td></tr><tr><td>Effectiveness</td><td>High</td></tr><tr><td>Efficiency</td><td>Moderate</td></tr><tr><td>Impact</td><td>High</td></tr><tr><td>Sustainability</td><td>High</td></tr></table></td></tr>
<tr><td></td><td colspan="2"></td><td>Lessons & Suggestion</td><td colspan="2"></td></tr>
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INDONESIA		ASPECTS OF EVALUATION	JAPAN	
	Relevance: Very Good Effectiveness: Very Good Efficiency: Good Impact: Good Sustainability: Very Good Partnership: Very Good	**Welding**	Relevance: - Effectiveness: High Efficiency: Moderate Impact: High Sustainability: Moderate	**Lessons & Suggestion** **No lessons and Suggestions**
	Relevance: Very Good Effectiveness: Good Efficiency: Good Impact: Fair Sustainability: Fair Partnership: Fair	**Energy Conservation**	Relevance: - Effectiveness: High Efficiency: High Impact: High Sustainability: Moderate	**Lessons & Suggestion**
	Relevance: Good Effectiveness: Fair Efficiency: Good Impact: Fair Sustainability: Poor Partnership: Good	**SMEs**	Relevance: - Effectiveness: High Efficiency: Moderate Impact: Moderate Sustainability: High	**Lessons & Suggestion**
	Relevance: - Effectiveness: - Efficiency: - Impact: - Sustainability: - Partnership: -	**Metal Working** Activities under this sector has just begun in 2012	Relevance: - Effectiveness: - Efficiency: - Impact: - Sustainability: -	

INDONESIA		ASPECTS OF EVALUATION	JAPAN	
	Relevance - Effectiveness - Efficiency - Impact - Sustainability - Partnership -	**Export & Investment Promotion** Activities under this sector is manage by Ministry of Trade	Relevance - Effectiveness - Efficiency - Impact - Sustainability -	
	7 SPECIFIC SECTORS			
	Relevance Good Effectiveness Good Efficiency Good Impact Good Sustainability Very Good Partnership Good	**Automotive** Human Research Development	Relevance - Effectiveness High Efficiency Moderate Impact High Sustainability Moderate	**Lessons & Suggestions**
		Standard/UNECE	Relevance - Effectiveness Moderate Efficiency Moderate Impact Moderate Sustainability Moderate	**Lessons & Suggestions**
		Research & Development	Relevance - Effectiveness High Efficiency High Impact High Sustainability Moderate	**Lessons & Suggestions**
	Relevance Good Effectiveness Good Efficiency Good Impact Good Sustainability Fair Partnership Good	**Electronic/ Electrical Equipment**	Relevance - Effectiveness High Efficiency High Impact High Sustainability Moderate	**Lessons & Suggestions**

INDONESIA		ASPECTS OF EVALUATION	JAPAN	
	Relevance: Fair Effectiveness: Poor Efficiency: Poor Impact: Poor Sustainability: Poor Partnership: Poor	**Stell/Steel Product**	Relevance: - Effectiveness: High Efficiency: High Impact: Low Sustainability: Low	**Lessons & Suggestions**
	Relevance: Good Effectiveness: Good Efficiency: Good Impact: Fair Sustainability: Fair Partnership: Good	**Textile**	Relevance: - Effectiveness: Moderate Efficiency: Moderate Impact: High	**Lessons & Suggestions**
	Relevance: Fair Effectiveness: Fair Efficiency: Fair Impact: Fair Sustainability: Fair Partnership: Fair	**Petrochemical/ Oleochemical**	Relevance: - Effectiveness: High Efficiency: High Impact: High Sustainability: Moderate Partnership:	**Lessons & Suggestions**
	Relevance: Poor Effectiveness: Poor Efficiency: Poor Impact: Poor Sustainability: Poor Partnership: Poor	**Non Ferrous**	Relevance: - Effectiveness: High Efficiency: High Impact: High Sustainability: High	**Lessons & Suggestions**

INDONESIA			ASPECTS OF EVALUATION	JAPAN		
	Relevance	Good	**Food & Beverage**	Relevance	-	**Lessons & Suggestions**
	Effectiveness	Good		Effectiveness	High	
	Efficiency	Good		Efficiency	High	
	Impact	Good		Impact	Moderate	
	Sustainability	Poor		Sustainability	Moderate	
	Partnership	Poor				

Informal Meeting

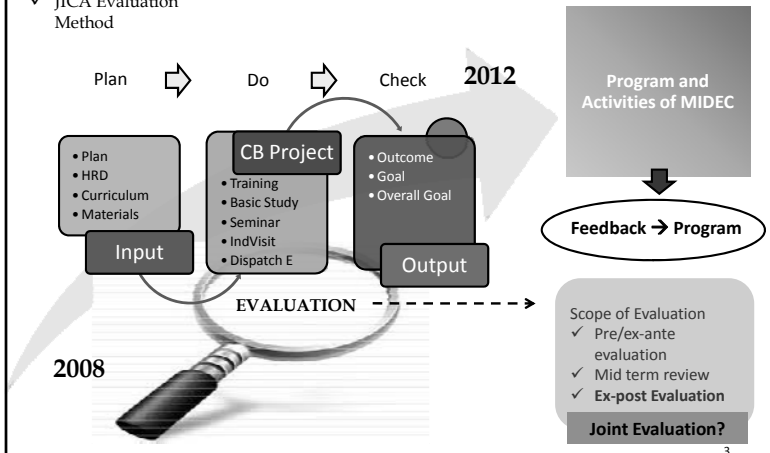
18 March 2013

Agenda of the Informal Meeting 18 March 2013

1. The evaluation report of MIDEC and discussion (presented by NRI)
2. Future cooperation after April 2013
3. The upcoming high-level MIDEC seminar scheduled in June this year

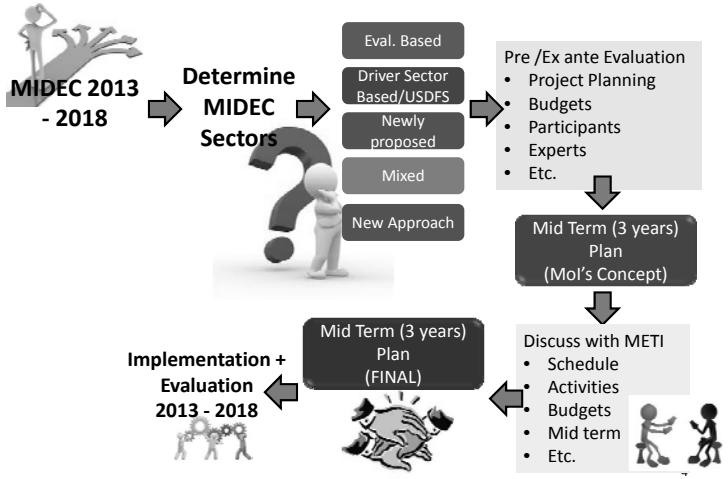
EVALUATION OF MIDEC

REFERENCES:
- ✓ DAC-OECD Criteria
- ✓ JICA Evaluation Method

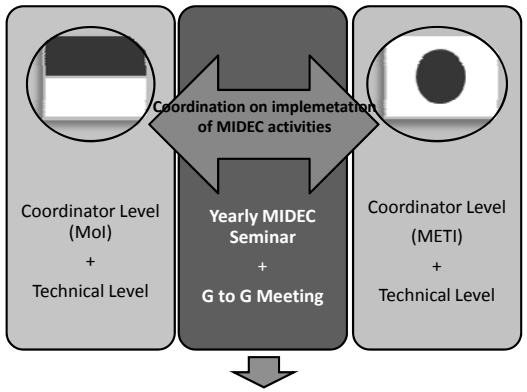


3

RECOMMENDATION FOR NEXT MIDEC PROGRAM



COORDINATION ON THE IMPLEMENTATION OF MIDEC

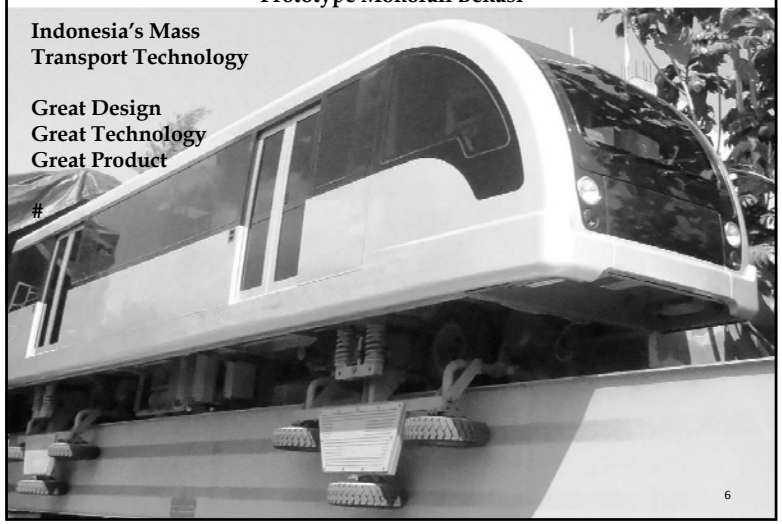


- Public accountability
- Monitor the implementation of previous year of MIDEC Activities
- Plan/Revised next year MIDEC activities

5

Thank You

Prototype Monorail Bekasi



Indonesia's Mass Transport Technology

Great Design
Great Technology
Great Product

#

6

Attachment V

Material of Coordination Meeting
on *Shindan-shi* Program

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL KERJASAMA INDUSTRI INTERNASIONAL

Jalan Jenderal Gatot Subroto Kav. 52-53 Jakarta 12950 Kotak Pos : 4720 JKTM
Telp. +62 21-5256126, 5255509 Ext. 4068 Fax. +62 21-5251438

Sekretariat Direktorat Jenderal Telp/Fax.+62-21-5252225
Direktorat Wilayah I dan Multilateral Telp/Fax.+62-21-5253582
Direktorat Wilayah II dan Regional Telp/Fax.+62-21-5254042
Direktorat Ketahanan Industri Telp/Fax.+62-21-5252701

MEMO-DINAS
No.: A17 /KII.1/2/2013

Kepada Yth. : (Terlampir)
Dari : Sekretaris Ditjen Kerjasama industri Internasional
Perihal : Rapat Koordinasi Program Shindanshi
Lampiran : -
Tanggal : 26 Pebruari 2013

Sebagai tindaklanjut kerjasama teknik antara Kementerian Perindustrian dengan Pemerintah Jepang c/q JICA, terkait dengan pelaksanaan program Shindanshi (Konsultan Diagnosis IKM), kami bermaksud menyelenggarakan Rapat Koordinasi untuk mengidentifikasi permasalahan dalam pelaksanaan program Shindanshi sekaligus memberikan solusi dalam rangka pemberdayaan Alumni Shindanshi di daerah. Sehubungan dengan hal tersebut kami bermaksud mengundang Saudara untuk dapat hadir dalam rapat tersebut, yang akan dilaksanakan pada :

Hari : Senin, 11 Maret 2013
Pukul : 13.00 WIB - selesai
Tempat : Ruang Rapat Setditjen KII, lantai 16
Agenda : Brainstorming untuk memperoleh masukan dalam optimalisasi Penerapan sistem Shindanshi

Mengingat pentingnya masalah yang akan dibahas, kami harapkan kehadiran Saudara tepat waktu.

Demikian, atas perhatian dan kehadiran saudara kami sampaikan terimakasih.

Sekretaris
Direktorat Jenderal Kerjasama Industri Internasional

Dyah W. Poedjiwati

Tembusan :
1. Dirjen Kerjasama Industri Internasional (sebagai laporan);
2. JICA Expert, Mr. Takuya OKADA;
3. Pertinggal

Lampiran

Surat Nomor : 417 /KII.1/2/20123
Tanggal : 26 Pebruari 2013

Kepada Yth. :
1. Kepala Pusdiklat Industri;
2. Sekretaris Ditjen Industri Kecil Menengah;
3. Sekretaris Ditjen Basis Industri Manufaktur;
4. Sekretaris Ditjen Industri Agro;
5. Sekretaris Ditjen Industri Unggulan Berbasis Teknologi Tinggi;
6. Sekretaris Badan Pengkajian Kebijakan Iklim dan Mutu Industri;
7. Direktur KII Wilayah II dan Regional, Ditjen KII;
8. Kepala Biro Perencanaan;
9. Lembaga Sertifikasi Profesi (LSP

Matriks Perkembangan Pelaksanaan
Program Diklat Pengembangan Konsultan Diagnosis IKM (Shindanshi)

No.	Kegiatan	Perkembangan Pelaksanaan	Hasil Evaluasi oleh Pusdiklat	Rekomendasi	Action Plan	Focal Point
(1)	(2)	(3)	(5)	(6)	(7)	(8)
1.	**Kosultan Diagnosis (Shindan-shi)** Program bentujuan untuk mengetahui, membantu dan memberi rekomendasi atau menyelsaikan permasalahan yang dihadapi perusahaan IKM.	1) Program Pengembangan Jasa Konsultansi IKM (Shindanshi) dimulai sejak tahun 2006. 2) Dasar hukum pelaksanaan kegiatan ini adalah Permenperin No. 37/M-IND/PER/6/2006 tentang Pengembangan Jasa Konsultansi IKM, selanjutnya untuk pelaksanaan Permenperin ini diterbitkan Peraturan dirjen IKM No. 55/IKM/PER/8/2007 tentang Pedoman Pembentukan dan Pengelolaan Unit Pendampingan Langsung IKM (UPL-IKM). 3) Sejak tahun 2006 s/d 2012 (7 angkatan) telah meluluskan 464 orang alumni Shindanshi, dari 33 Propinsi dan 208 Kabupaten/Kota. 4) Sebagai akibat tidak optialnya pemberdayaan alumni Shindanshi dalam melakukan bimbingan diagnosis IKM maka pelaksanaan Diklat Shindanshi untuk sementara dihentikan, sehingga program yang telah dilaksanakan dapat dievaluasi dan dapat diberdayakan dengan baik.	1) Pelaksanaan program Diklat Shindanshi telah memenuhi kriteria Diklat Berbasis Kompetensi *(Competency Based Training)* dilihat dari segi penyelenggaraan, acuan standar kompetensinya, proses pembelajarannya maupun kompetensinya. Alumni diklat yang dihasilkan telah memenuhi standar sebagai konsultan Diagnosis IKM. 2) Pasca diklat di daerah asalnya bahwa, dari keseluruhan (464 orang) alumni Shindanshi hanya 23 % yang penempatannya sesuai dengan tupoksinya sebagai Konsultan Diagnosis IKM. 3) Dari 23% tersebut 75% diantaranya tidak melaksanakan tugas konsultan diagnosis, hanya 25% yang menjalankan tugas sebagai mana mestinya. 4) Kebijakan dan Konsistensi Pemda dalam melakukan mutasi dan promosi, khususnya terhadap alumni Diklat Konsultan IKM tidak memperhatikan kompetensi yang dimiliki aparat yang bersangkutan, dan tidak sesuai dengan surat pernyataan yang telah dibuat berkaitan dengan penempatan/ penugasan para alumni pasca Diklat. 5) Disperindag Provinsi, Kabupaten dan Kota pada umumnya belum mendukung pemberdayaan Shindanshi dalam hal pemberian tugas konsultansi, khususnya pendampingan, serta penyediaan sarana dan prasarana kerja. 6) Intensitas Pelaksanaan Tugas Pembinaan/Pendampingan (Diagnosa,	Untuk memberdayakan Konsultan Diagnosis IKM yang masih ada saat ini perlu dilakukan langkah-langkah sebagai berikut : 1) Melakukan kajian ulang Lampiran Peraturan Dirjen IKM No. 55/IKM/PER/8/2007 tentang Pedoman Pembentukan dan Pengelolaan Unit Pendampingan Langsung Industri Kecil Menengah (UPL IKM) agar dapat diterapkan lebih efektif dan memiliki kekuatan hukum yang jelas dan mengikat. Jika perlu menjadi Peraturan Bersama Menperin dan Mendagri 2) Meningkatkan Kep. Menperin No. 37/M-IND/PER/6/2006 tentang Pengembangan Jasa Konsultansi Industri Kecil dan Menengah menjadi SKB Menperin dan Menpan untuk meningkatkan status Konsultan IKM (Diagnosis dan Spesialis) menjadi Jabatan Fungsional sebagaimana PFPP. 3) Menyususn Strategi Kebijakan Pembinaan IKM berbasis Pendampingan Langsung (Penerapan Shindan Sistem) yang konsepsional dan operasional serta terpadu sebagai acuan Pembinaan IKM baik di pusat maupun di daerah dengan memanfaatkan komponen pembinaan IKM yang telah tersedia di Kemenperin khususnya di DJIKM dalam rangka mobilisasi berbagai komponen pembinaan IKM yang telah ada. 4) Menyususn Strategi Kebijakan Pembinaan IKM berbasis Pendampingan langsung yang memiliki kekuatan	1) Melakukan rapat koordinasi dengan instansi terkait untuk membahas dan mengkaji ulang serta meningkatkan kekuatan hukum Peraturan Dirjen IKM No. 55/IKM/PER/8/2007 dan Kep. Menperin No. 37/M-IND/PER/6/2006 untuk mendorong pemberdayaan program Shindanshi kedepan. 2) Melakukan rapat koordinasi dengan stakeholder terkait untuk merrancang suatu kebijakan pembinaan IKM berbasis pendampingan langsung. 3) Mengkaji kemungkinan untuk merancang suatu payung hukum bersama untuk mendukung pelaksanaan kebijakan pembinaan IKM berbasis pendampingan langsung.	Ditjen IKM dan Pusdiklat Ditjen IKM

			Analisis, Pemecahan Masalah, Rekomendasi Pemecahan Masalah, Tindaklanjut Rekomendasi dan Pendampingan) masih sangat kurang, efektif. dan pelaksanaan tugas tidak dapat dilakukan dengan optimal. 7) Kurangnya transparansi dan optimalsiasi penggunaan anggaran yang dialokasikan oleh Ditjen IKM untuk mendukung opersioal shindanshi di daerah. 8) Kinerja dari pejabat yang menangani sertifikasi shindanshi tidak dimonitor secara berkala oleh pihak-pihak terkait di Kemenperin dalam hal ini Ditjen IKM dan Pusdiklat dan LSP sehingga sumberdaya informasi kurang terintegrasi dengan baik. 9) Tidak adanya kepastian mengenai mekanisme dan sistim pemberian dan perpanjangan sertfikasi bagi para shindanshi (setiap tiga tahun). 10) Masalah utama yang dihadapi Pusdiklat Industri sebagai pelaksana kegiatan dan Ditjen IKM sebagai pengguna alumni Konsultan Diangnisis IKM adalah kesulitan dalam memberdayakan alumni Shindanshi, karena dengan adanya kebijakan otonomi daerah pemberdayaan para tenaga Shindanshi berada dibawah koordinasi dan pembinaan masing-masing Pemda.	mengikat antara pusat dan daerah, didukung dengan SKB atau MOU Kemenperin dan Kemendagri. 5) Menerapkan Sistem Shindanshi secara selektif pada daerah-daerah yang potensial untuk pengembangan IKM serta yang memiliki komitmen kuat. 6) Mengingat bahwa Monev yang dilakukan Pusdiklat Industri masih bersifat Makro, perlu kiranya Ditjen IKM melakukan penelitian lanjutan yang lebih komprehensif dalam upaya menemukan alternatif pemecahan masalah Penerapan Sistem Shindanshi. 7) Melakukan Re-desain Diklat Konsultan Diagnosis IKM yang ada sekarang menjadi dua jenjang Diklat Konsultan yaitu Diklat Konsultan Diagnosis IKM (Diklat Konsultan IKM Tingkat I/Dasar) dan Diklat Konsultan IKM Spesialis (Diklat Konsultan Tingkat II/Lanjutan) yang meliputi antara lain waktu, kurikulum dan peserta.	4) Mengidentifikasi daerah-daerah yang potensial yang akan dijadikan sebagai pilot proyek/daerah percontohan dalam penerapan Diagnosis IKM. 5) Sosialisasi hasil kajian IKM 6) Melakukan rapat koordinasi dengan Stakeholder terkait untuk membahas dan mengkaji suatu deain Diklat yang paling efektif ditinjau dari sisi pemberdayaan pasca pelaksanaan Diklat.	Ditjen IKM dan Unit terkait Ditjen IKM Pusdiklat

Jakarta, Pebruari 2013
Sekretaris Ditjen Kerjasama Industri Internasional

POINTER
RAPAT KOORDINASI EVALUASI PROGRAM SHINDANSHI
11 Maret 2013

1. Rapat ini dilakukan dalam rangka koordinasi dan fasilitasi kerjasama teknik antara Kementerian Perindustrian dengan JICA- Jepang. Disamping itu untuk menindaklanjuti, rekomendasi yang disampaikan oleh Ms. Sumiko Sato (expert JICA di Ditjen KII) yang telah berakhir penugasanannya bulan Agustus 2012) atas evaluasi yang telah dilakukan beliau terhadap beberapa daerah dalam pemberdayaan alumni shindanshi (Sumatera Barat, Sulawesi Selatan, Jawa Timur).
2. Dalam rangka menindaklanjuti rekomendasi Ms. Sumiko Sato tersebut, Mr. OKADA selaku pengganti Ms. Sumiko, dalam memulai penugasannya sudah melakukan review terhadap hasil-hasil dan perkembangan penanganan program shindanshi oleh unit terkait di lingkungan Kemenperin (Ditjen IKM dan Pusdiklat Industri).
3. Rapat ini bertujuan untuk memperoleh masukan mengenai perkembangan pelaksanaan program shindanshi dari unit kerja yang terkait langsung dalam menangani program shindanshi (Ditjen IKM, Pusdiklat Industri dan LSP), serta unit terkait lainnya, yang selanjutnya diformulasikan dalam bentuk langkah-langkah konkrit yang perlu diambil untuk mendorong pemberdayaan pelaksanaan program shindanshi kedepan.
4. Sesuai informasi yang kami peroleh dalam rangka pemberdayaan shindanshi, masing-masing unit terkait (Pusdiklat, Ditjen IKM, LSP) secara sendiri-sendiri sudah /sedang melakukan evaluasi terhadap program shindanshi secara keseluruhan.
5. Berdasarkan hasil koordinasi yang telah kami lakukan sebelumnya kami lakukan, secara garis besar terdapat beberapa masalah utama dalam pelaksanaan program shindanshi dalam mendukung pengembangan IKM di berbagai daerah di seluruh Indonesia, yaitu :
    1) Rendahnya kualitas pemberdayaan SDM (Para Alumni Shindanshi) oleh daerah;
    2) Selama ini terkesan bahwa pelaksanaan program shindanshi dilakukan secara terpisah dan sendiri-sendiri, dan tidak dilakukan secara konprehensif dan terkoordinasi oleh stakeholder terkait (Pusdiklat sebagai pelaksana program, Ditjen IKM sebagai unit yang memanfaatkan para alumni, Pemda yang mengatur penugasan shindanshi di daerah masing-masing).
    3) Penempatan para alumni shindanshi yang tidak secara langsung berada dibawah kendali dan kontrol Pemerintah Pusat, sehingga Pemerintah Pusat mengalami kesulitan dalam menyusun program pemberdayaan SDM Shindanshi untuk pembinaan IKM;
    4) Kewenangan pemberdayaan shindanshi tidak dilakukan secara optimal sebagai akibat implementasi sistim Pemerintahan (Otanomi Dearah);

5) Tidak optimal dan kurangnya transparansi penggunaan budget yang diperuntukkan untuk mendukung operasional shindanshi oleh aparatur di daerah;

6) Kurangnya penghargaan terhadap profesi Shindanshi (Tunjangan, Kepastian karir dan status kepegawaian, Legalisasi Dokumen Penugasan (sertivikasi) dll.

6. Secara rinci berbagai permasalahan tersebut telah kami komparasi dalam matrik terlampir, untuk diteliti secara bersama-sama, sekaligus diberikan masukan untuk selanjutnya dijadikan sebagai bahan acuan dalam mempersiapkan langkah konkrit pemberdayaan serta melanjutkan program shindanshi kedepan.
7. Kami berpendapat bahwa keberadaan shindanshi untuk pembinaan UKM di daerah masih diperlukan untuk itu pelaksanaan program shindanshi harus dilakukan dengan perencanaan yang baik dan melibatkan seluruh stakeholders.
8. Kedepan pelaksanaan program shindnashi harus dilakukan secara terpadu agar sasaran program shindansi dapat dicapai dengan baik.
9. Untuk membahas berbagai masalah terkait program shindanshi perlu dipersiapkan suatu rapat koordinasi dengan melibatkan Ditjen IKM, Pusdiklat, LSP serta Pemda/Dinas terkait dari beberapa Pemda yang prioritas.

Jakarta, Maret 2013
Setditjen KII

Agenda Rapat Koordinasi Evaluasi Program Shindanshi
11 aret 2013

A. Pembukaan oleh Sekretaris Ditjen KII
Brainstorming mengenai hasil Koordinasi mengenai pelaksanaan program Shindanshi dengan unit terkait

B. Paparan oleh perwakilan Pusdiklat
Pokok-pokok hasil evaluasi Shindanshi oleh Pusdiklat

C. Paparan Ditjen IKM
Perkembangan evaluasi Shindanshi oleh Ditjen IKM

D. Perwakilan LSP
Hasil evaluasi Shindanshi oleh LSP

E. Diskusi

F. Penutup

dari
Bpk Nurdin
(LSP)

HASIL SURVEILLANCE LSP KONSULTAN IKM TAHUN 2011 DAN 2012 TERHADAP PERAN DAN EFEKTIFITAS KEBERADAAN KONSULTAN DIAGNOSIS IKM (SHINDANSHI) DI DAERAH

I. Pada tahun 2011 dilaksanakan surveillance di 6 (enam) Provinsi :

1. Sumatera Barat
2. Jawa Timur
3. Jawa tengah
4. Kalimantan Selatan
5. Sulawesi Selatan
6. Sulawesi Utara

II. Pada tahun 2012 dilaksanakan surveillance di 10 (sepuluh) Provinsi:

1. Sumatera Utara
2. Riau
3. Jambi
4. Sumatera Selatan
5. Bengkulu
6. Jawa Barat
7. D.I. Yogyakarta
8. Nusa Tenggara Timur
9. Kalimantan Barat
10. Sulawesi Tenggara

III. Temuan yang diperoleh dari surveillance tahun 2011 dan 2012 di 16 Provinsi pada umumnya sebagai berikut :

a. Aspek Positif (Manfaat)

1. Kesan Daerah (Dinas Perindag), Konsultan Diagnosis IKM (Shindanshi) memiliki nilai lebih pengetahauan dalam memberikan pembinaan atau bimbingan kepada IKM
2. IKM yang sudah mendapatkan binaan dan bimbingan dari Konsultan Diagnosis IKM (Shindanshi) merasakan nilai tambah atau peningkatan kinerja di bidang Manajemen Administrasi dan Keuangan,, Manajemen Operasi dan Produksi, Manajemen Mutu, Manajemen Bahan Baku, Manajemen Pemasaran, dan Manajemen SDM.
3. KADIN Provinsi, Perguruan Tinggi, Lembaga Pelatihan berminat bekerjasama untuk menyelenggarakan Uji Kompetensi di Daerah
4. Tenaga Penyuluh Lapangan (TPL) berminat untuk disertifikasi melalui uji kompetensi.
5. Para Konsultan Diagnosis IKM (Shindanshi) yang berada di Provinsi lain dan Kabupaten berkeinginan perpanjangan sertifikasi (Recognition Currentt Competency/RCC)

b. Aspek Negatif (Permasalahan)

1. Pemberdayaan dan pemanfaatan keberadaan Konsultan Diagnosis IKM (Shindanshi) belum maksimal
2. Mutasi ke unit lain atau promosi dan pindah ke Instansi lain sangat intens karenaShindanshi dianggap tenaga yang berkualitas sehingga waktu tidak mencukupi untuk melaksanakan fungsi Shindanshi. Kondisi ini sebagai dampak kewenangan otonomi daerah.
3. Pengembangan karir kedepan tidak pasti
4. Dukungan dana untuk kegiatan Unit Pendampingan Langsung (UPL) dan insentif untuk Konsultan Diagnosis IKM (Shindanshi) kurang memadai
5. Adanya ketimpangan atau kecemburuan sosial karena adanya perbedaan honor TPL yang cukup tinggi dengan honor Shindanshi sebagai aparat UPL.

6. Tidak adanya transparansi Dana Dekon dari Dinas Perindag Provinsi yang diperuntukkan bagi UPL dan Shindanshi Dinas Kabupaten/Kota untuk keperluan pembinaan IKM sehingga Shindanshi yang berada di Kabupaten/Kota hanya menunggu instruksi/tugas dari Dinas Provinsi.
7. Kurangnya sosialisasi di Daerah tentang keberadaan UPL, Shindanshi, dan LSP Konsultan IKM

IV. Rekomendasi atau saran

1. Perlu dibuat MOU 3 pihak antara Menperin/Dirjen IKM, Gubernur/Bupati, dan Kadis Perindag Provinsi tentang mutasi shindan ke Unit lain atau Dinas lain untuk menjamin Shindan yang dimutasi masih punya tanggung jawab moril membina IKM setempat sepanjang tenaganya dibutuhkan yang biayanya dipikul oleh anggaran UPL.
2. Menerbitkan Kebijakan Menperin yang mengharuskan pemberdayaan keberadaan Shindanshi
3. Meningkatkan efektifitas pemberlakuan PERMEN No. 37/2006 dan Peraturan Dirjen tentang pemanfatan Shindanshi.
4. Para UPL/Shindan Kabupaten/Kota menyusun **Program/Kegiatan Tahunan dan Kebutuhan Anggaran** untuk pembinaan IKM setempat yang disampaikan kepada Dinas Propinsi dan ditembuskan kepada Ditjen IKM agar diketahui secara pasti tugas dan tanggung jawab mereka serta perkiraan alokasi anggaran..
5. Sebelum UPL/Shindan membuat Usulan Program Pembinaan IKM, harus dibuat dahulu Market Survey produk prospektif IKM, Feasibility Study dengan Cash flow Projection, BizPlan dan Cost and Benrfit Analysis Ratio.
6. Meningkatkan insentif Shindanshi yang cukup sebagai tenaga professional yang disertai lebih diberdayakan dengan mengacu kepada tugas yang sudah terjadual dengan baik.
7. Perlu transparansi alokasi dan realisasi dana Dekon dari Dinas Propinsi ke Dinas Kabupaten/Kota untuk UPL/Shindan setempat .
8. Terobosan Kebijakan: DJIKM dan Dirjen Anggaran membuat Keputusan Bersama untuk transfer jumlah Dana Dekon **langsung** ke Rekening UPL Kab/Kota yang dipantau oleh Dinas Perindag Provinsi.
9. Surveillen kinerja Konsultan Diagnosis IKM (Shindanshi) dilakukan oleh LSP Konsultan IKM setiap 6 bulan sesuai ketentuan BNSP.
10. Untuk pengembangan karir, perlu membentuk jabatan Funfsional Konsultan Diagnosis IKM (Shindanshi)
11. LSP harus melakukan perpanjangan sertifikasi (RCC) yaitu uji kompetensi ulang para alumni Shindan tahun 2006 s/d 2009 yang sudah kedaluwarsa sampai ke tingkat Kabupaten/Kota.
12. Mengikut sertakan LSP Konsultan IKM pada Raker/Rakor DJIKM dalam rangka sosialisasi keberadaan LSP Konsultan IKM
13. Konsultan Diagnosis IKM (Shindanshi) harus bergabung dalam asosiasi Konsultan.
14. Joint Evaluation ke Daerah antara DJIKM, KII, Pusdiklat Industri, LSP Konsultan IKM, dan JICA tentang peran dan efektifitas keberadaan Shindanshi dan UPL.
15. Menerbitkan PERMEN Perindustrian yang mempersyaratkan sertifikasi dari LSP Konsultan IKM bagi Lembaga Konsultan/Konsultan/Rekanan yang akan ikut tender dalam program kegiatan pembinaan IKM.
16. SKKNI dijadikan acuan untuk materi ajar pada pelatihan yang berbasis kompetensi di Pusdiklat Industri dan LembagaPendidikan/Pelatihan lainnya sesuai dengan PERMEN NAKERTRANS R.I. No. 5, Tahun 2012 Tentang Sistem Standarisasi Kompetensi Kerja Nasional, pasal 11.

Attachment VI

Inter-office Memo issued by *Ditjen-KII*
: Report of Coordination Meeting on *Shindan-shi* Program

Kementerian
Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL KERJASAMA INDUSTRI INTERNASIONAL

Jalan Jenderal Gatot Subroto Kav. 52-53 Jakarta 12950 Kotak Pos : 4720 JKTM
Telp. +62 21-5256126, 5255509 Ext. 4068 Fax. +62 21-5251438

Sekretariat	Direktorat	Direktorat	Direktorat
Direktorat Jenderal	Wilayah I dan Multilateral	Wilayah II dan Regional	Ketahanan Industri
Telp/Fax.+62-21-5252225	Telp/Fax.+62-21-5253582	Telp/Fax.+62-21-5254042	Telp/Fax.+62-21-5252701

M E M O – D I N A S
No. : 499/KII.1/3/2013

Kepada Yth. : **Dirjen Kerjasama Industri Internasional**
Dari : Sekretaris Ditjen Kerjasama Industri Internasional
Perihal : Laporan Rapat Evaluasi Program Shindanshi
Lampiran : -
Tanggal : 20 Maret 2013

Dalam rangka kerjasama teknik antara Kementerian Perindustrian dengan JICA Jepang untuk pelaksanaan program Shindanshi, kami telah menyelenggarakan rapat koordinasi yang dilaksanakan pada hari Senin, tanggal 11 Maret 2013, sehubungan dengan hal tersebut perkenankan kami melaporkan pokok-pokok hasil rapat sebagai berikut :

1. Rapat dilakukan dalam rangka koordinasi dan fasilitasi kerjasama teknik antara Kementerian Perindustrian dengan JICA- Jepang sekaligus untuk menindaklanjuti, rekomendasi yang disampaikan oleh Ms. Sumiko Sato (expert JICA di Ditjen KII) yang telah berakhir penugasanannya bulan Agustus 2012) atas evaluasi yang telah dilakukan beliau terhadap beberapa daerah dalam pemberdayaan alumni shindanshi (Sumatera Barat, Sulawesi Selatan, Jawa Timur). Disamping itu pelaksanaan rapat juga untuk memfasilitasi keinginan pihak JICA untuk mengevaluasi pelaksanaan program Shindanshi melalui penugasan Mr. OKADA Expert JICA di Ditjen KII.
2. Penyelenggaran rapat melibatkan unit-unit kerja yang terkait langsung dengan penyelenggaraan program Shindanshi yaitu Ditjen IKM, Pusdiklat, Lembaga Sertifikasi Profesi Industri Kecil dan Menengah (LSP Konsultan IKM), serta perwakilan unit Eselon I lainnya di lingkungan Kementerian Perindustrian.
3. Rapat ini bertujuan untuk memperoleh masukan mengenai perkembangan pelaksanaan program shindanshi dari unit kerja yang terkait langsung dalam menangani program shindanshi (Ditjen IKM, Pusdiklat Industri dan LSP), serta unit terkait lainnya, yang selanjutnya diformulasikan dalam bentuk langkah-langkah konkrit yang perlu diambil untuk mendorong pemberdayaan pelaksanaan program shindanshi kedepan.
4. Dapat kami sampaikan bahwa dalam rangka pemberdayaan shindanshi, masing-masing unit terkait (Pusdiklat, Ditjen IKM, LSP) secara sendiri-sendiri sudah /sedang melakukan evaluasi terhadap program shindanshi secara keseluruhan.
5. Dapat kami laporkan bahwa, dari hasil evaluasi yang dilakukan tersebut dapat ditarik suatu kesimpulan bahwa secara keseluruhan permasalahan utama pemberdayaan shindanshi sebagian besar berada dibawah kendali masing-masing Pemerintah Daerah.
6. Adapun pokok-pokok permasalahan tersebut meluputi :
   a. Pemberdayaan yang tidak optimal dan penempatan para alumni oleh Pemda pasca pelatihan tidak sesuai dan tidak mendukung pelaksanaan tugas sebagai konsultan diagnosis IKM, dari keseluruhan (464 orang) alumni Shindanshi hanya 23 % yang penempatamya sesuai dengan tupoksinya sebagai Konsultan Diagnosis IKM. Dari 23% tersebut 75% diantaranya tidak melaksanakan tugas konsultan diagnosis, hanya 25% yang menjalankan tugas sebagai mana mestinya.

b. Sangat kurangnya dukungan Pemda untuk optimalisasi pemberdayaan para shindanshi, khususnya dukungan pemberdayaan Shindanshi dalam hal pemberian tugas konsultansi, pendampingan, penyediaan sarana dan prasarana kerja, serta kurangnya transparansi dan optimalisasi penggunaan anggaran yang dialokasikan oleh Ditjen IKM untuk mendukung operasioal shindanshi di daerah.

c. Kebijakan dan konsistensi Pemda dalam melakukan mutasi dan promosi, khususnya terhadap alumni Diklat Konsultan IKM tidak memperhatikan kompetensi yang dimiliki aparat yang bersangkutan, dan tidak sesuai dengan surat pernyataan yang telah dibuat berkaitan dengan penempatan/ penugasan para alumni pasca Diklat.

d. Adanya kesulitan dalam melakukan komunikasi dan berkoordinasi dengan Dinas yang menangani program shindanshi di Daerah, untuk itu maka dalam rangka memudahkan koordinasi dan komunikasi perlu disepakati satu jalur komunikasi satu pintu dengan aparatur di daerah.

e. Kinerja dari pejabat yang menangani sertifikasi shindanshi tidak dimonitor secara berkala oleh pihak-pihak terkait di Kemenperin dalam hal ini Ditjen IKM dan Pusdiklat dan LSP sehingga sumberdaya informasi kurang terintegrasi dengan baik serta tidak adanya kepastian mengenai mekanisme dan sistim pemberian dan perpanjangan sertfikasi bagi para shindanshi (setiap tiga tahun).

f. Intensitas Pelaksanaan Tugas Pembinaan/Pendampingan (Diagnosa, Analisis, Pemecahan Masalah, Rekomendasi Pemecahan Masalah, Tindaklanjut Rekomendasi dan Pendampingan) masih sangat kurang efektif dan sehingga pelaksanaan tugas tidak dapat dilakukan dengan optimal.

g. Tidak dipenuhinya komitmen mengenai kewajiban lulusan program pelatihan shindanshi (calon konsultan IKM) untuk mengikuti uji kompetensi di Tempat Uji Kompetensi (TUK) yang ditetapkan oleh LSP dalam rangka memperoleh sertifikat kompetensi.

h. Kurangnya sosiasialisasi di daerah tentang keberadaan UPL, Shindanshi, LSP Konsultan IKM dan adanya kecemburuan para Shindanshi dalam hal tunjangan yang diberikan kepada para petugas UPL di masing-masing daerah.

7. Terkait dengan permasalahan-permasalahan pokok tersebut masing-masing unit telah menyampaikan beberapa rekomendasi untuk mencarikan solusi dan alternatif pemecahan permasalahan tersebut antara lain :

a. Melakukan kajian ulang Lampiran Peraturan Dirjen IKM No. 55/IKM/PER/8/2007 tentang Pedoman Pembentukan dan Pengelolaan Unit Pendampingan Langsung Industri Kecil Menengah (UPL IKM) agar dapat diterapkan lebih efektif dan memiliki kekuatan hukum yang jelas dan mengikat, apabila diperlukan dapat ditingkatkan menjadi Peraturan Bersama Menperin dan Mendagri

b. Meningkatkan Kep. Menperin No. 37/M-IND/PER/6/2006 tentang Pengembangan Jasa Konsultansi Industri Kecil dan Menengah menjadi SKB Menperin dan Menpan untuk meningkatkan status Konsultan IKM (Diagnosis dan Spesialis) menjadi Jabatan Fungsional sebagaimana PFPP.

c. Menyususn Strategi Kebijakan Pembinaan IKM berbasis Pendampingan Langsung (Penerapan Shindan Sistem) yang konsepsional dan operasional serta terpadu sebagai acuan Pembinaan IKM baik di pusat maupun di daerah dengan memanfaatkan komponen pembinaan IKM yang telah tersedia di Kemenperin khususnya di DJIKM dalam rangka mobilisasi berbagai komponen pembinaan IKM yang telah ada.

d. Menyususun Strategi Kebijakan Pembinaan IKM berbasis Pendampingan langsung yang memiliki kekuatan mengikat antara pusat dan daerah, didukung dengan SKB atau MOU Kemenperin dan Kemendagri.

e. Menerapkan suatu pilot project sistem pembinaan shindanshi secara selektif pada daerah-daerah yang potensial untuk pengembangan IKM, khususnya di daerah-daerah yang memiliki komitmen kuat.

f. Mengingat bahwa Monev yang dilakukan Pusdiklat Industri masih bersifat Makro, perlu kiranya Ditjen IKM melakukan penelitian lanjutan yang lebih komprehensif dalam upaya menemukan alternatif pemecahan masalah Penerapan Sistem Shindanshi.

g. Melakukan Re-desain Diklat Konsultan Diagnosis IKM yang ada sekarang menjadi dua jenjang Diklat Konsultan yaitu Diklat Konsultan Diagnosis IKM (Diklat Konsultan IKM Tingkat I/Dasar) dan Diklat Konsultan IKM Spesialis (Diklat Konsultan Tingkat II/Lanjutan) yang meliputi antara lain waktu, kurikulum dan peserta.

h. Pelunya disusun dan disepakati suatu regulasi formal dalam bentuk kontrak kerja untuk mengikat instansi terkait dan para peserta pelatihan untuk tetap bekerja sebagai konsultan diagnosis IKM pasca mengikuti pelatihan.

i. Perlu dibentuk suatu kelembagaan untuk mengkoordinasikan program shindanshi secara keseluruhan (pemberdayaan alumni shindanshi, penugasan pasca pelatihan, pengelolaan budget, program kerja shindanshi, sertifikasi dan lain-lain) yang secara vertikal langsung berada dibawah koordinasi Pusat (Kementerian Perindustrian).

j. Perlu diformulasikan satu mengenai status kepegawaian dan pola pembinaan karir, insentif bagi para shindanshi kedepan, antara lain melalui pemberdayaan dan kemungkinan untuk mensinergikan program shindanshi melalui penempat para alumni di Balai-Balai Diklat Industri di daerah.

8. Untuk mendalami pokok-pokok yang telah rekomendasikan tersebut di atas maka sebagai langkah tindaklanjut, rapat menyepakati untuk di lakukan suatu evaluasi bersama yang melibatkan Pusdiklat, Ditjen IKM, LSP, Ditjen KII dan JICA sekaligus untuk mengkomunikasikan pokok-pokok rekomendasi tersebut dengan aparatur yang menangani program shindanshi dan aparatur unit terkait lainnya di beberapa daerah tertentu yang dianggap potensial untuk mendukung pelaksanaan program shindanshi.

9. Terkait dengan hal tersebut Ditjen IKM akan mengkoordinasikan pelaksanaan evaluasi bersama tersebut yang diharapkan dapat dilakukan dalam bulan April 2013.

Demikian, atas perhatian dan kerjasama Saudara kami sampaikan terima kasih.

Sekretaris
Ditjen Kerjasama Industri Internasional

Dyah W Poedjiwati

Tembusan :
1. Sekretaris Jenderal;
2. Dirjen IKM;
3. Sesditjen IKM;
4. Kepala Pusdiklat;
5. Para Direktur di lingkungan Ditjen KII;
6. Pertinggal.

Attachment VII

Outline of Possible Technical Cooperation
based on JICA Data Collection Survey on Metalworking
in March 2012

Outline (Draft) of the Possible Technical Cooperation
based on the JICA Data Collection Survey on Metalworking in March 2012

■ Basic Concept Agreed

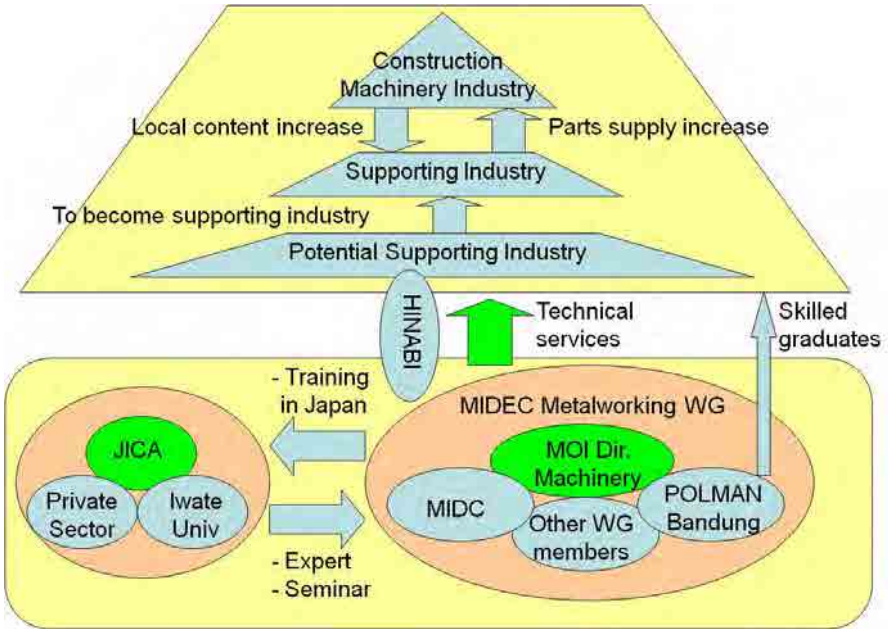
The MoI and JICA agreed in March 2012 during the visit of the JICA Data Collection Survey on Metalworking, based on the result from the previous part of the Survey including the needs of the relevant organizations and the industries, that the basic concept of the expected MIDEC metalworking project should be as presented in the figure below. It consists of two stages. The first stage is for technology transfer to the MIDEC Metalworking WG, while the second stage is to technically support the WG in their activities for providing technical services to potential supporting industry for the construction machinery industry.

In the first stage, Directorate of Machinery of MoI is expected to be the counterpart as coordinator, while MIDC and POLMAN Bandung are expected to play core roles on technology transfer in the MIDEC Metalworking WG of the Indonesian side. On the other hand, in the Japanese side, JICA would implement counterpart training in Japan, dispatch of Japanese experts and seminars in collaboration with the Iwate University and the private companies.

The second stage shall be implemented based on the practical needs from the construction machinery industry, in consideration of bringing about a beneficial change to the private sector. The purpose is to foster the existing supporting industries of construction machinery as well as to develop the potential supporting industries to become supporting industry in the future. In concrete terms, such programs as training program in Indonesia, in-company consultation by Japanese / Indonesian experts, and seminar shall be planned.

Under the context as mentioned above, HINABI is expected to be the key player to undertake the role of interface/ bridging between the public organizations and the private sector.

[Concept of the Cooperation Agreed]



[Overall-goal, Purpose and Output of the Project]

Overall Goal	Local contents of construction machinery will be increased.
Project Purpose	Selected MIDEC Metalworking member institutions' capability to provide technical services for potential supporting industries of construction machinery will be improved.
Output (*tentative*)	1. Technical and service providing capability of member institutions on xxxxx are improved. 2. Technical and service providing capability of member institutions on xxxxx are improved. 3. Technical and service providing capability of member institutions on xxxxx are improved.

[Beneficiaries of the Project]

Engineers/ instructors of the public institutions in charge of metalworking technology in support of construction machinery industry, as well as managers, engineers, operators and others concerned from the metalworking industries.

■ **Expexted Target Field of Technical Cooperation Project**

Casting technology (cast steel in particular and partially ductile cast iron) and production management shall be prioritized taking into account the construction machinery industry's needs, HINABI's interest and the human resources available for technical cooperation from Japan. These two fields are considered to fill xxxxx of 1 and 2 in the matrix above respectively. On the other hand, forging technology and machining technology are considered to be relatively less unlikely.

The following are the summary of observation/ evaluation on casting technology, forging technology, machining technology and production management, respectively.

[Casting Technology]

As toughness is a crucial factor in producing construction machinery components, cast steel is generally used, while ductile cast iron is sometimes applied. As the real strength of the products needs to be assured, track records and reliability of the suppliers are considered quite important. In another word, it is very crucial that quality control and quality assurance are secured. For example, cast steel components are usually welded with steel materials for fabrication, therefore strict element control is required to maintain good weldability.

New entrant producers are evaluated by the buyers with such general criteria as production equipment, quality control instruments, and quality control system and further practically examined based on the property and performance qualification test on their prototype products.

It was concluded in general through the observations from site visits to the factories that creditability of quality control is assessed to be low mainly because of outdated production equipment and high defect rate. Meanwhile, potential new entrants may need a various technology transfer from the expert, ranging from basic knowledge and skills to details such as securing real strength.

[Forging Technology]

Forged products tend to be applied to the hardest part of component in load condition, strict test for property and performance qualification is required. Potential new entrants in this field shall require an intensive technology transfer. There is only a few forging companies available in Indonesia and also less resources available for international cooperation in Japan.

[Machining Technology]

Specific precision machining technology is sometimes applied to construction machinery industry in large-scale welded fabrication. However, this kind of technology is difficult to be transferred to a practical level in training institutions.

[Production Management]

Casting and forging industries are still behind in quality control as observed through the site visits to the several producers having business relations in the field of construction machinery. As good production requires both quality control technology and elemental technology, product quality cannot be assured without quality control. For this, a variety of education and training programs are necessary to be implemented to the target industries, ranging from 5S, TQM to IT, based on the advanced quality control technology in Japan.

In addition, the target industries seem to have introduced IT for their process control. However, they are still necessary to be improved in production quality control so that their products could be delivered to the buyers in time and meet their quality needs as well. Under this principle, basic training and consultation on process control covering order reception, production, testing/ inspection and delivery.

■ Project Inputs

In the first stage, three types of inputs shall be designed and implemented for the effective transfer of technology to the counterparts. They are 1) counterpart training in Japan, 2) dispatch of Japanese experts to Indonesia, and 3) seminar/workshop to be conducted in Indonesia. Both 1) and 2) needs to be quite focused in specific technological practical fields as these are considered to be a core program for transfer of technology, while 3) may be able to be associated with a bit wider needs/interests.

In the second stage, the following three types of inputs would be provided to the supporting industries. They are 1) domestic training programs, 2) field extension consultation services by Japanese/ Indonesian experts, and 3) seminar/ workshop. 1) shall be implemented at the technical organizations such as POLMAN Bandung and MIDC, where there are sufficient number of well-experienced trainers and facilities equipped. 2) would be undertaken by a joint team consisting of experts from both the Japanese (not only engineers but also ex-foreman is expected) and Indonesian side in response to the actual needs of the target industries by visiting their factories. These are also considered to be effective OJT opportunities for the Indonesian C/Ps. 3) shall be held widely inviting people concerned from the private sector to the seminar/workshop designed for the C/P in the first stage.

[Implementation Period]

A project period of three years is considered to be necessary to cover the various activities aforementioned while it is also needed to pay attention to the overall schedule of IJEPA/ MIDEC.

[Overseas C/P Training Programs in Japan]

It may be worth considering that members of the MIDEC Metalworking WG including HINABI would be dispatched to Japan for taking training programs in Iwate University and its surrounding local foundry industries putting emphasis on practical learning.

[Key for Success]

As the target supporting industries are expected to improve their technologies and actually receive order of components after having education and training courses through the Project, it is important to collaborate with construction machinery industries and HINABI as well for efficiently support the target supporting industries' business activities. It is also ideal if some components produced in the course of training program could be actually ordered by buyers for the actual transaction.

Attachment VIII

Letter of Invitation
for Discussion on Possible Technical Cooperation of JICA
(Metalworking)

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL INDUSTRI UNGGULAN BERBASIS TEKNOLOGI TINGGI
Jl. Jenderal Gatot Subroto Kav. 52-53, Lantai 12 Jakarta Selatan 12950. Telp. : (021) 5255509, 5252893 Fax. : (021) 5251893
http://iubtt.kemenperin.go.id Email : info-iubtt@kemenperin.go.id

SEKRETARIAT DIREKTORAT JENDERAL | DIT. IND. ALAT TRANSPORTASI DARAT | DIT. IND. MARITIM KEDIRGANTARAAN DAN ALAT PERTAHANAN | DIT. IND. ELEKTRONIKA DAN TELEMATIKA | DIT. IND. PERMESINAN DAN ALAT MESIN PERTANIAN

Nomor : 125 /IUBTT.5/03/2012
Lampiran : 1 (satu) lembar
Perihal : Undangan Rapat

Jakarta, 19 Maret 2013

Kepada Yth.
(daftar terlampir)
di -
TEMPAT

Sehubungan dengan kerjasama teknis antara Indonesia dan Jepang melalui MIDEC yang telah berjalan hingga tahun 2012, bersama ini kami mengundang Saudara untuk hadir dalam rapat yang akan dilaksanakan pada:

Hari/ tanggal : Senin, 25 Maret 2013
Waktu : 13.00 – selesai
Tempat : Ruang Rapat Turbin Lt. 11
Gedung Kementerian Perindustrian
Jl. Jend. Gatot Subroto Kav. 52-53
Acara : Pembahasan *Possible Technical Cooperation based on JICA Data Collection Survey on Metalworking in March 2012*

Demikian, atas perhatian dan kehadiran Saudara kami menyampaikan terima kasih.

Plt. Direktur Industri Permesinan dan Alat Mesin Pertanian

Ir. Harjanto

Tembusan :
1. Bapak Dirjen IUBTT (sebagai laporan);
2. Sesditjen. IUBTT;
3. Pertinggal.

Nomor : 125/IUBTT.5/03/2013
Tanggal : 19 Maret 2013

DAFTAR YANG DIUNDANG

1. Kepala Balai Besar Logam dan Mesin, Kementerian Perindustrian
2. Direktur POLMAN Ceper
3. Dr. Ing. Yuliadi Erdani, M.Sc., POLMAN Bandung
4. Pratjojo Dewo, Ketua HINABI
5. Mr. Okada, JICA Representative
6. Antonius Fernando

Attachment IX

Correspondence from *Ditjen-KII*
to Governor of South Sulawesi Province

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL KERJASAMA INDUSTRI INTERNASIONAL

Jalan Jenderal Gatot Subroto Kav. 52-53 Jakarta 12950 Kotak Pos : 4720 JKTM
Telp. +62 21-5256126, 5255509 Ext. 4068 Fax. +62 21-5251438

Sekretariat Direktorat Jenderal	Direktorat Wilayah I dan Multilateral	Direktorat Wilayah II dan Regional	Direktorat Ketahanan Industri
Telp/Fax.+62-21-5252225	Telp/Fax.+62-21-5253582	Telp/Fax.+62-21-5254042	Telp/Fax.+62-21-5252701

Nomor : 448 /KII/3/2013 Jakarta, 5 Maret 2013
Lampiran : -
Perihal : Dukungan Program dan Tenaga Ahli JICA

Kepada Yth.
Gubernur Sulawesi Selatan
Di
Makassar

Menunjuk surat Gubernur Sulawesi Selatan Nomor : 193/038/BAPPEDA tanggal 4 Januari 2013 yang ditujukan kepada Bapak Menteri Perindustrian perihal tersebut di atas, bersama ini kami sampaikan beberapa hal pokok terkait dukungan pelaksanaan proyek dari unit terkait di lingkungan Kementerian Perindustrian yaitu :

1. Pelaksanaan program Kerjasama Teknik "Fasilitasi Pengembangan Industri Lokal di Sulawesi Selatan" di Kementerian Perindustrian dikoordinasikan oleh Direktorat Jenderal Industri Agro.
2. Dalam rangka pelaksanaan proyek tersebut, pada tahun 2011 Ditjen Industri Agro bekerjasama dengan Pemerintah Sulawesi Selatan dan JICA telah memberikan dukungan anggaran untuk pelaksanaan Studi Kelayakan Pendirian Antenna Shop Hasil Industri Sulawesi Selatan, di Jakarta.
3. Pada tahun 2012 Ditjen Agro juga mengalokasikan kembali anggaran untuk mendanai *"Pilot Project Pendirian Anthena Shop Produk Hasil Industri Sulawesi Selatan"* yang bertempat di Jl. Wolter Monginsidi, No. 40 Jakarta. Anggaran dialokasikan untuk membiayai sewa gedung, renovasi dasar *(interior dan eksterior)*, pengadaan perlengkapan, listrik, telepon, serta honorarium pengelola.
4. Untuk tahun 2013 Ditjen Industri Agro masih mengalokasikan anggaran untuk mendukung pelaksanaan kegiatan tersebut. Namun demikian sesuai rekomendasi Tim Auditor Inspektorat Jenderal, Kementerian Perindustrian kegiatan tersebut seharusnya menjadi bagian dari pelaksanaan Tugas Pokok dan Fungsi Direktorat Jenderal Industri Kecil Menengah (Ditjen IKM).

Sehubungan dengan hal tersebut di atas maka untuk mendukung pelaksanaan kegiatan proyek tersebut pada tahun 2014, masih menunggu hasil dikoordinasikan lebih lanjut oleh Ditjen IKM, Kementerian Perindustrian.

Demikian, atas perhatian dan kerjasamanya kami sampaikan terima kasih.

a.n. Dirjen Kerjasama Industri Internasional

Dyah W Poedjiwati

Tembusan :
1. Sekretaris Jenderal;
2. Dirjen Industri Agro;
3. Dirjen IKM;
4. Inspektorat Jenderal;
5. Pertinggal

Attachment X

Letter of Invitation
for Coordination Meeting on Antenna-shop

PEMERINTAH PROPINSI SULAWESI SELATAN
DINAS PERINDUSTRIAN DAN PERDAGANGAN
Jalan Urip Sumoharjo Kompleks Kantor Gubernur Sulsel No.269 makassar

Makassar, 18 Maret 2013

Kepada

Nomor : 0413 /III/2013/Perindag
Lampiran : 1(satu) lembar
Perihal *Undangan Pertemuan*

Yth. Kasi OKABA (JICA Expert,
Ditjen KII Kemenprin&)
Di –
Tempat

Dalam rangka optimalisasi pemanfaatan Antenna Shop Sul-Sel di Jakarta sebagai sarana promosi dan pemasaran produk industri kecil dan kerajinan Sulawesi Selatan dengan ini kami mengundang Saudara untuk menghadiri pertemuan yang dilaksanakan pada :

Hari / Tanggal : Kamis, 21 Maret 2013
J a m : 10.00 Wita
Tempat : Ruang Rapat Dinas Perindag Sul-Sel

Demikian, atas perhatian dan kehadirannya diucapkan terima kasih.

Kepala Dinas

Ir. H. IRWAN YASIN LIMPO,SH
Pangkat : Pembina Utama Muda
NIP. 19670824 199403 1 008

Directorate General of International Industrial Cooperation
Ministry of Industry, Republic of Indonesia

Advisory Service for Industrial Development in Indonesia

Activity Report (III)

April 2013

Japan International Cooperation Agency (JICA)

KRI International Corp.

Advisory Service
for
Industrial Development in Indonesia

Activity Report (III)

Table of Contents

Attachment

Abbreviations and Acronyms

DG	:	Director General
Dinas	:	Governmental Service Office
Ditjen-IA	:	Directorate General of Agro-based Industry (*Direktorat Jenderal Industri Agro*)
Ditjen-IKM	:	Directorate General of Small and Medium Industry (*Direktorat Jenderal Industri Kecil dan Menengah*)
Ditjen-KII	:	Directorate General of International Industrial Cooperation (*Direktorat Jenderal Kerjasama Industri Internasional*)
JICA	:	Japan International Cooperation Agency
LSP	:	Institution for Certification of Profession (*Lembaga Sertifikasi Profesi*)
METI	:	Ministry of Economy, Trade and Industry
MIDEC	:	Manufacturing Industry Development Center
M/M	:	Minutes of Meeting
M/M	:	Ministry of Industry
PFPP	:	Functional Staff of Extension Service for Industry and Trade (*Pejabat Fungsional Penyuluh Perindag*)
Pusdiklat	:	Education and Training Center (*Pusat Pendidikan dan Pelatihan*)
Shindan-shi	:	Small and Medium Enterprise Management Consultant (*Kosultan Diagnosis Industri Kecil dan Menengah*)
SME(s)	:	Small and Medium Enterprise(s)
SMI	:	Small and Medium Industry
TPL	:	Field Extension Worker (*Tenaga Penyuluh Lapangan*)

1. Activity and Result of Third Assignment

During the third field assignment from 1st to 24th April, the JICA Expert has done activities basically in line with the activity plan prepared in the previous activity report (II). The activities are detailed below by the four tasks.

(1) MIDEC Program Evaluation

- **Follow-up for the high class session on the program evaluation result**

Since no particular request came from the METI Team, the JICA Expert did not do anything.

(2) Monitoring of *Shindan-shi*

- **Supporting coordination among the parties concerned for action planning**

The second coordination meeting was held on 15th April 2013 chaired by the Head of Secretariat of *Ditjen-KII* (Ms. Dyah W. Poedjiwati)[1], inviting the key parties concerned, namely *Ditjen-IKM*, *Pusdiklat* and *LSP*, for the purpose of reminding the issues discussed in the previous meeting held on 11th March and further steps for action planning. This meeting concluded, as suggested by the Head of *Pusdiklat* (Mr. Mujiono), that the next coordination meeting shall be held under the chairmanship of the Director General of SMEs (Ms. Euis Saedah) who has the prime responsibility/ power-and-authority for the utilization of *Shindan-shi* as a whole, so that action plan could be prepared soon in a practical form.

Subsequently, after the Head of Secretariat of *Ditjen-KII* informed the result mentioned above to the Director General of SMEs, the third coordination meeting was held on 24th April 2013 chaired by the Director General of SMEs, where the parties concerned who took part in the previous meeting attended[2]. During the meeting, *Pusdiklat* and *LSP* briefly explained respectively the issues/ challenged identified so far through the two times of discussions, while the JICA expert provided a paper summarizing the "understanding of *Shindan-shi*'s performance" [3]. After exchanging opinions, the meeting was closed receiving instructions from the Director General of SMEs with respect to concrete actions to be taken by each of the key parties. They are:

- For the purpose to expand awareness of *Shindan-shi*'s performance widely among the stakeholders concerned, a socialization program shall be scheduled for implementation in around October 2013, where the competent *Shindan-shi* officers identified selectively and the representatives of the local governments from all over the country may be invited. *Pusdiklat* has been appointed by the Director General to undertake necessary preparatory works in cooperation with *LSP* for the effective implementation of the socialization,

[1] See Attachment I for the letter of invitation.
[2] See Attachment II for the letter of invitation.
[3] See Attachment III for the materials used in the meeting.

- For the successful implementation of the socialization program aforementioned, an inter-ministry letter is to be addressed by Minister of Industry to Minister of Home Affairs, so that the latter may support the former for necessary arrangement with the local governments. The program division under the Secretariat of *Ditjen-IKM* shall prepare a draft letter soon,
- Functional Staff of Extension Service for Industry and Trade (*PFPP: Pejabat Fungsional Penyuluh Perindag*) and *Shindan-shi* official needs to be standardized/ harmonized in terms of the incentive and compensation scheme, thereby *Shindan-shi* official could be more motivated in executing their works. Meanwhile, it is worth considering to encourage a recruiting system by which non-official Field Extension Worker (*TPL: Tenaga Punyuluh Lapangan*) could to be employed as public officer depending on his/her willingness as well as competency. The program division under the Secretariat of *Ditjen-IKM* shall also handle these issues.

(3) Preparation for JICA Projects

- **Technical cooperation project on SMI development based on improved service delivery**

The JICA expert facilitated a courtesy call of the JICA Project Team to the Director General of International Industrial Cooperation (Mr. Agus Tjahajana) for the purpose of explaining the outline of the Project which commenced in early April. This courtesy call meeting took place on 16th April in the morning at the same time when the JICA Study Team for Project Formulation of Technical Cooperation in Metalworking visited the Director General for their briefing.

- **Project formulation study for technical cooperation for metalworking**

The JICA Study Team for Project Formulation of Technical Cooperation in Metalworking implemented their works during the period from 7th to 25th April having counterpart from the Directorate General of Leading Industry based on High Technology and other parties concerned[4]. During the period, the JICA expert supported the Team in such aspects as follows, depending on the situation and requirement from the Team:

- Facilitation for courtesy calls of the Team to the Director General of International Industrial Cooperation and the Director General of Leading Industry based on High Technology (Mr. Budi Darmadi), both of which was held on 16th April[5],
- Coordination with the counterpart for holding necessary meetings as proposed by the Team, such as Preliminary Session (8th April), Kick-off Meeting (17th April) and Wrap-up Meetings covering finalization of the M/M (22nd ~ 25th April)[6],
- Supporting the Director of Machinery and Agricultural Equipment (Mr. Teddy C. Sianturi) for obtaining informal consent from the Head of Secretariat of *Ditjen-KII* about the contents of the M/M drafted based on the discussions made through a series of meetings aforementioned.

Accordingly, the M/M has been signed by the relevant persons of both sides on 25th April 2013.

[4] See Attachment IV for outline of the Study Team's activity.
[5] See Attachment V for letters of request for courtesy call.
[6] See Attachment VI for letter of invitation to the relevant meetings.

(4) Other Follow-up Works

- **Monitoring of Antenna-shop pilot operation**

The grand opening scheduled previously for implementation on 14th April, has been postponed again allegedly because of less optimal coordination in the Provincial *Dinas* for Industry and Trade in South Sulawesi. In this regard, it has been reported that the Governor of South Sulawesi Province with several Heads of Regencies there would visit Ehime Prefecture officially in early May 2013. Considering the background that the Provincial officers had learned regional branding policy and programs including Antenna-shop operation, it is expected this official visit may bring about some positive effects which may help early implementation of the grand opening, thereby to improve their ownership of the Shop toward more optimal utilization.

- **Consultation for other issues**

Other than the issues aforementioned, the JICA expert assisted the JICA Indonesia Office for the courtesy call of the Chief Representative of JICA Indonesia Office to the Minister of Industry and it took place on 23rd April 2013.

2. Overall Review of Advisory Service

The JICA expert completed his works through the three times of field assignments during the period from the end of January to the end of April, basically meeting the requirements as originally expected:

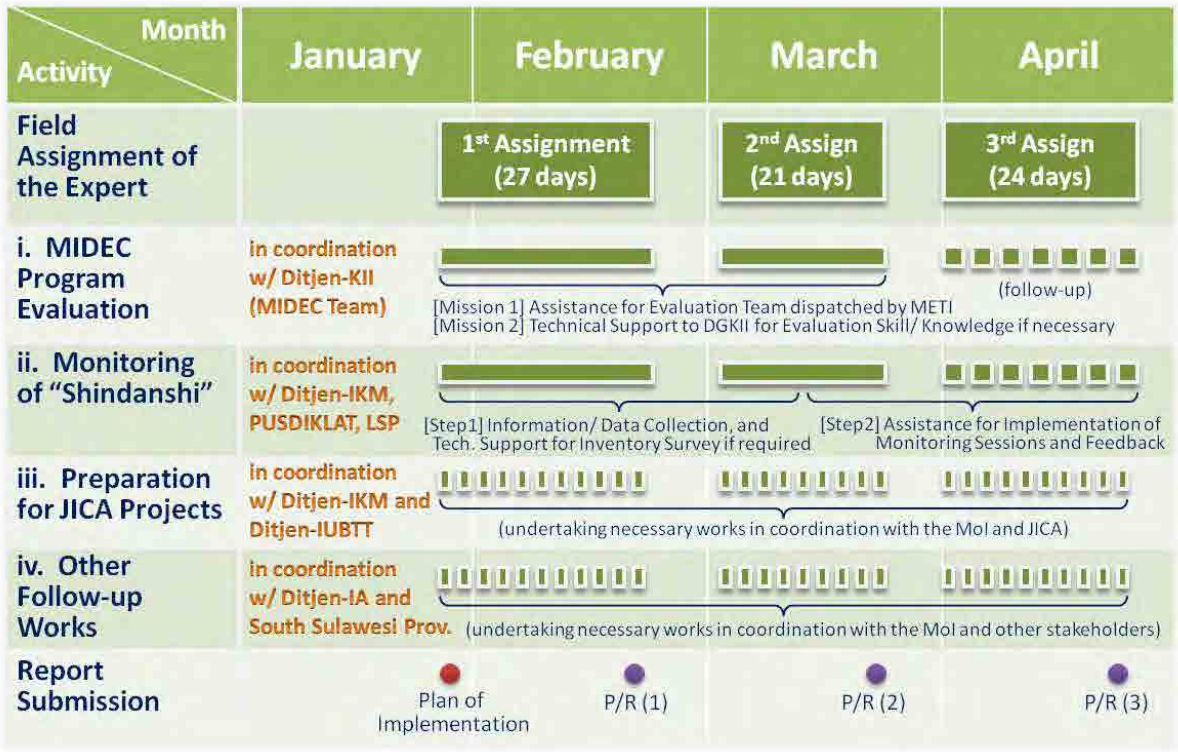


Figure 2-1: Overall Schedule of Advisory Service

The following table summarizes the accomplishments coupled with things to be transferred to the next JICA expert or other relevant parties according to the necessity.

Table 2-1: Accomplishments and Things to be transferred to the JICA Expert/ Other Relevant Parties

Task Category	Accomplishment	Things to be Transferred
MIDEC Program Evaluation	- Joint evaluation on the MIDEC program was successfully implemented jointly by the MoI Indonesia and the METI Japan.	- Bilateral High Class Session is scheduled to be held in the week starting from 16th June. Coordination/ facilitation between the MoI and the METI may be necessary.
Monitoring of *Shindan-shi*	- Coordination meetings resulted in the official direction given by the DG of SMEs.	- Coordination meetings shall be held continuously toward the socialization program scheduled in October. Further progress needs to be monitored.
Preparation for JICA Projects	- Two technical cooperation projects under the MIDEC program have gotten on the track of implementation in 2013.	- Follow-up work in coordination with the relevant divisions of the MoI may be necessary, for signing the R/D of the metalworking project in particular.
Other Follow-up Works	- Antenna-shop has not been launched officially.	- Further progress needs to be monitored appropriately.

Period

Attachment I

Letter of Invitation by *Ditjen-KII*
for the 2nd Coordination Meeting on *Shindan-shi* Program

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL KERJASAMA INDUSTRI INTERNASIONAL

Jalan Jenderal Gatot Subroto Kav. 52-53 Jakarta 12950 Kotak Pos : 4720 JKTM
Telp. +62 21-5256126, 5255509 Ext. 4068 Fax. +62 21-5251438

Sekretariat Direktorat Jenderal	Direktorat Wilayah I dan Multilateral	Direktorat Wilayah II dan Regional	Direktorat Ketahanan Industri
Telp/Fax.+62-21-5252225	Telp/Fax.+62-21-5253582	Telp/Fax.+62-21-5254042	Telp/Fax.+62-21-5252701

MEMO-DINAS
No.: 571 /KII.1/4/2013

Kepada Yth. : (Terlampir)
Dari : Sekretaris Ditjen Kerjasama Industri Internasional
Perihal : Rapat Koordinasi Program Shindanshi
Lampiran : -
Tanggal : 11 April 2013

Sebagai tindaklanjut Rapat Koordinasi Program Shindanshi yang telah dilaksanakan pada tanggal 11 Maret 2013 yang lalu, bersama ini kami mengundang Saudara kembali untuk dapat hadir dalam rapat persiapan Evaluasi yang akan dilaksanakan pada :

Hari/tanggal : Senin, 15 April 2013
Waktu : 11.00 WIB - selesai
Tempat : Ruang Rapat Ditjen KII
Gedung Kementerian Perindustrian lt. 16
Jl Gatot Subroto Kav. 52-53, Jakart
Agenda : Persiapan evaluasi bersama sekaligus membahas pokok-pokok rekomendasi yang telah disepakati pada rapat koordinasi tanggal 11 Maret 2013.

Mengingat pentingnya substansi yang akan dibahas kami harapkan Saudara dapat hadir tepat waktu.

Demikian, atas perhatian dan kehadiran Saudara kami sampaikan terima kasih.

Sekretaris
Ditjen Kerjasama Industri Internasional

Dyah W. Poedjiwati

Tembusan :
1. Direktur Jenderal KII (sebagai laporan);
2. Direktur KII Wilayah 2 & Regional;
3. Dirjen IKM;
4. Pertinggal

Lampiran

Surat Nomor : 571 /KII.1/4/2013
Tanggal : 11 April 2013

Kepada Yth.:
1. Kepala Pusdiklat Industri;
2. Sekretaris Ditjen Industri Kecil Menengah;
3. Sekretaris Ditjen Basis Industri Manufaktur;
4. Sekretaris Ditjen Industri Agro;
5. Sekretaris Ditjen Unggulan Berbasis Teknologi Tinggi;
6. Sekretaris Badan Pengkajian Kebijakan Iklim dan Mutu Industri;
7. Expert JICA, Mr. OKADA Takuya;
8. Direktur KII Wilayah II dan Regional, Ditjen KII;
9. Kepala Biro Perencanaan;
10. Lembaga Sertifikasi Profesi (LSP)
11. Yovita Suryani, Setditjen IKM;
12. Lusiana Mohi, Ditjen IKM Wilayah III, Ditjen IKM
13. Bayu Fajar Nugroho, Setditjen IKM;
14. Ni Wayan Yuni Widayanti, Setditjen IKM

Attachment II

Letter of Invitation b *Ditjen-IKM*
for the 3rd Coordination Meeting on *Shindan-shi* Program

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL INDUSTRI KECIL DAN MENENGAH
Jalan Jenderal Gatot Subroto Kav. 52-53 JAKARTA 12950
Telp. 5251761 (Langsung), 5255509 (Sentral) Fax. : 5251449
http://ikm.kemenperin.go.id

M E M O - D I N A S
Nomor : 207 /IKM/4/2013

Kepada Yth : (terlampir)
Dari : Direktur Jenderal Industri Kecil dan Menengah
Perihal : Rapat Koordinasi Program Shindanshi
Lampiran : 1 lembar
Tanggal : 16 April 2013

Sebagai tindaklanjut Rapat Koordinasi Program Shindanshi yang telah dilaksanakan pada tanggal 15 April 2013 yang lalu, bersama ini kami mengundang Saudara untuk hadir pada :

Hari/tanggal : Rabu, 24 April 2013
Waktu : 10.00 – selesai
Tempat : Ruang rapat Batik
Gedung Kemenperin Lantai 15
Jl. Jend. Gatot Subroto Kav. 52 – 53 Jakarta
Agenda : Evaluasi dan Pemberdayaan Shindanshi

Mengingat pentingnya subtansi yang akan dibahas, kami harapkan saudara hadir tepat waktu.

Demikianlah, atas perhatian dan kehadiran Saudara kami ucapkan terima kasih.

Direktur Jenderal
Industri Kecil dan Menengah

Euis Saedah

Tembusan :
1. Menteri Perindustrian (sebagai laporan);
2. Pertinggal.

Lampiran
Memo Dinas No. : /IKM/4/2013
Tanggal : April 2013

Kepada Yth :

1. Para Eselon II di Lingkungan Ditjen IKM;
2. Kepala Biro Perencanaan;
3. Kepala Pusdiklat Industri;
4. Sesditjen KII;
5. Direktur KII Wilayah II dan Regional, Ditjen KII;
6. Para Kabag di Lingkungan Sesditjen IKM;
7. Expert JICA, Mr. Okada Takuya;
8. Lembaga Sertifikasi Profesi (LSP);
9. Lusiana Mohi, Ditjen IKM Wilayah III.

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL INDUSTRI KECIL DAN MENENGAH
Jalan Jenderal Gatot Subroto Kav. 52-53 JAKARTA 12950
Telp. 5251761 (Langsung), 5255509 (Sentral) Fax. : 5251449
http://ikm.kemenperin.go.id

MEMO - DINAS

No: 217 /IKM/4/2013

Kepada Yth	:	(terlampir)
Dari	:	Direktur Jenderal Industri Kecil dan Menengah
Perihal	:	Ralat Surat Undangan
Lampiran	:	1 Lembar
Tanggal	:	23 April 2013

Menyusuli surat kami nomor: 207/IKM/4/2013 perihal Rapat Koordinasi Program Shindan-Shi, dengan ini kami sampaikan perubahan jadwal pelaksanaan acara dimaksud sebagai berikut :

I. Jadwal semula

Hari/tanggal	:	Rabu, 24 April 2013
Waktu	:	**10.00 - Selesai**
Tempat	:	Ruang Rapat Batik, Gedung Kementerian Perindustrian L.15 Jln. Jenderal Gatot Subroto Kav. 52-53, Jakarta
Agenda	:	Evaluasi dan Pemberdayaan Shindan-Shi

II. Perubahan Jadwal

Hari/tanggal	:	Rabu, 24 April 2013
Waktu	:	**15.00 - Selesai**
tempat	:	Ruang Rapat Batik, Gedung Kementerian Perindustrian L.15 Jln. Jenderal Gatot Subroto Kav. 52-53, Jakarta
Agenda	:	Evaluasi dan Pemberdayaan Shindan-Shi

Demikian kami sampaikan, atas perhatian dan kerjasamanya disampaikan terimakasih

Direktur Jenderal
Industri Kecil dan Menengah

Euis Saedah

Tembusan :
1. Menteri Perindustrian (sebagai laporan)
2. Pertinggal

Daftar Undangan

1. Para Eselon II di Lingkungan Ditjen IKM;
2. Kepala Biro Perencanaan;
3. Kepala Pusdiklat Industri;
4. Sekretaris Direktorat Jenderal KII;
5. Direktur Jenderal KII Wilayah II dan Regional, Ditjen KII;
6. Para Kabag di lingkungan Setditjen IKM;
7. Expert JICA, Mr. Okada Takuya;
8. Lembaga Sertifikasi Profesi (LSP);
9. Lusiana Mohi, Ditjen IKM Wil III.

Attachment III

Materials used in the 3rd Coordination Meeting
on *Shindan-shi* Program

POINTER RAPAT SHINDAN-SHI

I. Shindan telah berjalan 7 angkatan dimana sampai dengan tahun 2012 telah telah dicetak sebanyak 477 orang tenaga Shindanshi.
   - Shindan yang berada pada unit kerja Dinas Perindag Provinsi dan Kabupaten/Kota sebanyak 324 orang (67,9%), dimana sebanyak 129 orang (27 %) diantaranya masih aktif melaksanakan pendampingan IKM pada Unit Pendampingan Langsung (UPL-IKM) Provinsi, Kabupaten/Kota

II. Shindan memiliki sertifikat kompetensi sebagai Konsultan IKM yang berlaku selama 3 tahun, pada tahun 2013 telah dilakukan perpanjangan kepada 21 orang shindan oleh LSP dan sebanyak 169 orang shindan masih berlaku sertifikat kompetensinya. (data terlampir)

III. Konsep Shindanshi berasal dari PNS.

   1. Pemberian insentif kepada Shindanshi berupa biaya operasional meliputi honor, tarnspor ke lapangan, ATK, dan Penyusunan Laporan, sebesar Rp.1.500.000,- (satu juta lima ratus ribu rupiah) per bulan, melalui alokasi dana Dekon.
   2. Tahapan Implementasi :
      a. Pembentukan Tim Kecil pengkajian teknis pemberian insentif tersebut, yang terdiri dari :
         - Ditjen IKM;
         - Biro Perencanaan;
         - Ditjen KII;
         - Pusdiklat Industri;
         - Lembaga Sertifikasi Profesi (LSP).
      b. Penyusunan Petunjuk Tenis (Juknis) dan Petunjuk Pelaksanaan (Juklak) meliputi :
         - Peranan, tugas-tugas pokok dan fungsi (Tupoksi) Shindanshi;
         - Mekanisme pelaksanaan tugas dan pelaporan;
         - Mekanisme penilaian dan monitoring kinerja Shindanshi;
         - Penganggaran.
      c. Sosialisasi kepada para Shindanshi dan Aparat Daerah.

IV. Konsep Shindanshi berasal dari Non PNS.

   1. Perekrutan peserta shindanshi yang berasal dari Non PNS, meliputi :
      - Purnabakti;
      - Mantan TPL Beasiswa;

- Mantan PFPP;
- Para lulusan pada unit pendidikan di lingkungan Kemenperin;
- Usulan daerah;
- Masyarakat luas.

2. Tahapan Implementasi :

   a. Pembentukan Tim Kecil pengkajian teknis perekrutan peserta shindanshi , yang terdiri dari :
      - Ditjen IKM;
      - Biro Perencanaan;
      - Ditjen KII;
      - Pusdiklat Industri;
      - Lembaga Sertifikasi Profesi (LSP).

   b. Penyusunan Petunjuk Tenis (Juknis) dan Petunjuk Pelaksanaan (Juklak) meliputi :
      - Mekanisme pengajuan usulan daerah meliputi kompetensi shindan, jumlah shindanshi yang dibutuhkan dan lokasi sentra/IKM yang akan dibina;
      - Perekrutan peserta;
      - Pelaksanaan Diklat Shindan;
      - Konsep Kontrak Kerja paska Diklat Shindan;
      - Peranan, tugas-tugas pokok dan fungsi (Tupoksi) Shindanshi;
      - Mekanisme pelaksanaan tugas dan pelaporan;
      - Mekanisme penilaian dan monitoring kinerja Shindanshi.
      - Penganggaran;

   c. Sosialisasi kepada Aparat Daerah dan Masyarakat Luas.

   d. Tahapan Kontrak Kerja, meliputi ;
      - Paska lulus diklat Shindan;
      - Shindan ditempakan pada lokasi sentra/ IKM yang telah diusulkan daerah;
      - Penandatanganan Kontrak Kerja.

DATA POSISI SHINDAN

NO	PROVINSI	JUMLAH SHINDAN	SHINDAN DI DINAS PERINDAG	SHINDAN YANG DI UPL
1	Aceh	32	26	1
2	Sumatera Utara	38	24	8
3	Sumatera Barat	37	29	2
4	Sumatera Selatan	11	2	2
5	Riau	7	2	2
6	Kepulauan Riau	6	3	
7	Bangka Belitung	10	9	6
8	Jambi	12	8	7
9	Bengkulu	12	10	4
10	Lampung	2	2	
11	Jawa Barat	26	15	3
12	Banten	3	1	
13	DKI Jakarta	4	3	
14	Jawa Tengah	37	26	20
15	D.I. Yogyakarta	17	-11	1
16	Jawa Timur	33	27	26
17	Bali	11	33	1
18	Kalimantan Selatan	2	1	
19	Kalimantan Tengah	6	1	
20	Kalimantan Timur	14	-14	5
21	Kalimantan Barat	13	1	1
22	N T B	10	8	6
23	N T T	17	11	10
24	Sulawesi Selatan	39	3	0
25	Sulawesi Tengah	14	. 9	2
26	Sulawesi Utara	9	8	1
27	Sulawesi Tenggara	21	15	15
28	Sulawesi Barat	7	4	
29	Gorontalo	3		
30	Maluku	9	2	2
31	Maluku Utara	4	7	
32	Papua	6	4	4
33	Irian Jaya Barat	5	5	
JUMLAH		**477**	**324**	**129**

SHINDAN YANG MASIH VALID SERTIFIKAT KOMPETENSINYA

NO	PROVINSI	SHINDAN YANG MASIH AKTIF SERTIFIKAT KOMPETENSINYA	YANG TELAH DIPERPANJANG SERTIFIKAT KOMPETENSINYA
1	Aceh	11	
2	Sumatera Utara	18	1
3	Sumatera Barat	15	
4	Sumatera Selatan	2	
5	Riau	1	2
6	Kepulauan Riau	2	
7	Bangka Belitung	3	
8	Jambi	4	3
9	Bengkulu	2	2
10	Lampung	0	
11	Jawa Barat	3	2
12	Banten	1	
13	DKI Jakarta	3	
14	Jawa Tengah	14	
15	D.I. Yogyakarta	6	5
16	Jawa Timur	13	
17	Bali	6	
18	Kalimantan Selatan	0	
19	Kalimantan Tengah	2	
20	Kalimantan Timur	6	
21	Kalimantan Barat	3	1
22	N T B	1	
23	N T T	6	
24	Sulawesi Selatan	13	
25	Sulawesi Tengah	7	
26	Sulawesi Utara	3	
27	Sulawesi Tenggara	9	5
28	Sulawesi Barat	4	
29	Gorontalo	0	
30	Maluku	8	
31	Maluku Utara	1	
32	Papua	1	
33	Irian Jaya Barat	1	
JUMLAH		**169**	**21**

Pemahaman mengenai Kinerja Shindan-shi

berdasarkan

Hasil Monitoring/ Evaluasi yang dilaksanakan oleh LSP/ Pusdiklat

24 April 2013, Ditjen-KII

Fakta/ Isu teridentifikasi	Alasan/ Penyebab yg dimungkingkan	Solusi/ Penanggulangan yg dimungkinkan
Rendahnya Pemanfaatan Shindan-shi 23% di posisi tepat x 25% berfungsi = 6% dari seluruh Shindan-shi beraktif (±25 orang)	- Kepengaruhan dari Otonomi Daerah - Ketidaktepatan/ kietidaktransparanan dalam penggunaan anggaran pemerintah (DEKON)...[A]	1. **MoU di antara Kemenperin dan Pemda** memungkinkan kurangi jumlah Shindan-shi yg ditugaskan di posisi yg tidak tepat. 2. (1 diatas bukan solusi sempurna yang menghentikan penugasan yang tidak tepat maka..) **Kemenperin berwajib secara terusmenerus menambah jumlah Shindan-shi** agar jumlah Shindan-shi dapat diamankan.
Sedikit jumulah Shindan-shi yang memperbaharui Sertifikasi 28 orang dari 260 orang (2006~2009)	- Biaya tinggi untuk diperbaharui - Sama dengan [A]	
Ketidakketahuan ttg Manfaat Shindan-shi Sedikit jumulah Shindan-shi dilaporkan aktif dalam mengsupport / membina IKM namun fakta ini tidak begitu diketahui secara tepat/ luas diantara pelaku-pelaku bersangkutan.	- Kurangnya sosialisasi ataupun PR (humas) mengenai bagaimana Shindan-shi membantu untuk pertumbuhan IKM secara efektif	3. **Introduksi/ peningkatan system monitoring dan/atau pelaporan** mengenai kinerja Shindan-shi diterpadukan dengan aspek penggunaan anggaran. 4. **Pelaksanaan sosialisasi dan/ atau peningkatan humas** supaya Shindan-shi dapat diketahui diantara pelaku-pelaku terkait.
Firasat ketidakpuasan/ frustrasi bersebar di antara Shindan-shi Sebagian dari semua Shindan-shi memiliki opini/ perasaan negative seperti: ketidak-cukupan dalam biaya kegiatan/ honor, tidak dihormati/ dihargai sebagai ahli profesi, dsb.	- Sama dengan [A] - Status Shindan-shi tidak cukup dijaminkan secara resmi.	5. **Perundang-undangan** yang efektif saat ini tentang status Shindan-shi sebaiknya direview/ direvisi sebagaimana mestinya.

Understanding of Shindan-shi's Performance

Based on

Results of Monitoring/ Evaluation conducted by LSP/ Pusdiklat

24 April 2013 Okada Takuya

Facts/ Issues Identified	Possible Reason/ Cause	Possible Solution/ Countermeasure
Very low utilization of Shindan-shi 23% in right position x 25% in function = 6% of Shindan-shi is active (±25 persons)	- Decentralization in governmental authority - Improper/ less-transparent utilization of governmental budget (DEKON)...[A]	1. **MoU between the MoI and Local Government** may help decreasing number of improper personnel affairs 2. (as 1 above is not a perfect solution to stop improper personnel affairs) **the MoI must continuously produce Shindan-shi** thereby to increase the total effective number.
Small number of Shindan-shi Updating Certification 28 persons of 260 persons (2006~2009)	- Possibly high cost for updating - Same as [A]	
Little-known performance of Shindan-shi Some of the Shindan-shi are reported to be active for supporting/ guiding SMEs but this fact is not appropriately/ widely known among the people concerned.	- Luck of socialization nor public relation of how Shindan-shi effectively supports the SMEs' growth	3. **Introduction/ improvement of monitoring and/or reporting system** of Shindan-shi's performance in conjunction with budget implementation. 4. **Implementation of socialization and/or enhancement of public relation** to let the people concerned know well about Shindan-shi.
Dissatisfaction/ frustration prevailing among Shindan-shi Some of the Shindan-shi have negative opinions such as less allowance/ activity budget, less likely to be respected as professional, etc.	- Same as [A] - Official status of Shindan-shi is not appropriately ensured	5. **Review/ revise the current relevant law and regulation** with respect to the official status of Shindan-shi.

Attachment IV

Outline of JICA Study Team's Activity
for Project Formulation of Technical Cooperation in Metalworking

Japan International Cooperation Agency

The Mission for Detailed Planning Survey on the Project for Development of Metalworking Technology to Support the Indonesia Heavy Equipment Industry (7^{th} Apr, 2013 – 26^{th} Apr, 2013)

1. Purpose of The Mission

In response to the official request of the Government of Indonesia in June 2012, the Government of Japan decided to conduct the Project for "The Development of Metalworking Technology to Support the Indonesia Heavy Equipment Industry" as a technical cooperation by the Government of Japan.

Accordingly, Japan International Cooperation Agency (JICA), official agency responsible for implementation of technical cooperation programs of Japan, will undertake the Project jointly with the authorities concerned of the Government of the Indonesia.

The Detailed Planning Survey mission is aiming at recognizing needs and background of the request, collecting relevant information and formulating the framework of the Project. For this purpose, field survey and discussions with authorities and stakeholders concerned will be conducted. Outcome of the Detailed Planning Survey will be summarized in a minutes of meeting (M/M), which will be signed by both Japanese and Indonesian sides at the end of the Survey.

2. List of Mission Members

＜Annex 1＞

3. Tentative Schedule of Mission

＜Annex 2＞

4. Tentative Project Framework (to be discussed)

（1） Project Title (JICA proposal)

Project for Capacity Enhancement of Metalworking Technical Service for Supporting Industries of Construction Machinery

（2） Responsible Organization / Implementing Organizations

MOI / MOI, MIDC, UI, POLMAN Bandung, HINABI and GAMMA

（3） Project Duration

From October 2013

（4） Target Area / Group

Jakarta and its suburbs and Bandung / Staffs of Implementing Organizations and the (existing and potential) supporting industries which supply parts for the construction machinery industry

（5） Outlines of the Project

＜Annex 3＞

END

The Mission for Detailed Planning Survey
on the Project for The Development of Metalworking Technology
to Support The Indonesia Heavy Equipment Industry
(7th Apr, 2013 – 26th Apr, 2013)

List of Mission Members

No.	Name	Job title	Occupation	Period (arr. – dep.)
Mission members from JICA HQs				
1	Mr. Toru HOMMA	Mission Leader	Senior Advisor (Private Sector Development: Trade, Investment & Industry), JICA	14-Apr – 25-Apr
2	Mr. Takuma HORI	Machine Parts and Tooling Industries	Deputy Director Machine Parts and Tooling Industries Office Manufacturing Industries Bureau Ministry of Economy, Trade and Industry	14-Apr – 20-Apr
3	Mr. Sadato HIRATSUKA	Training Planning	Professor Dept. of Materials Science and Engineering Die-Mold and Casting Engineering IWATE University	15-Apr – 20-Apr
4	Mr. Akihiro KIMURA	Cooperation Planning	Private Sector Development Division, Industrial Development and Public Policy Department, JICA	14-Apr – 25-Apr
5	Mr. Yoshiaki TAKEMOTO	Supporting industry of construction machinery	Senior Consultant, Consulting Division Japan Development Service Co., Ltd.	7-Apr – 25-Apr
6	Mr. Kyoji UZUKA	Metal working technology	Senior Consultant, Consulting Division Japan Development Service Co., Ltd.	7-Apr – 25-Apr
7	Mr. Takayuki KURITA	Evaluation Analysis	Senior Consultant, ICONS Inc.	7-Apr – 25-Apr

			Mission Leader	Machine Parts and Tooling Industries	Training Planning	Cooperation Planning	Supporting industry of constructi	Metal working technology	Evaluation Analysis
			Mr. Toru HOMMA	Mr. Takuma HORI	Mr. Sadato HIRATSUKA	Mr. Akihiro KIMURA	Mr. Yoshiaki TAKEMOTO	Mr. Kyoji UZUKA	Mr. Takayuki KURITA
7-Apr	Sun	1					●09:50 Leave Narita ●15:30 Arrive at Jakarta		
8-Apr	Mon	2					●09:00 [C] Meeting with JICA Indonesia Office ●10:30 [C] Ministry of Industry (MOI) ●14:00 [C] HINABI (Place: PT. Komatsu Indonesia, Jl. Raya Cakung Cilincing Km. 14 Jakarta Utara; (T) 021-4400611) ●15:00 [C] PT. Komatsu Indonesia		
9-Apr	Tue	3					●09:00 [C] PT. Prima Mulia Engineering - Jl. Bintara Jaya VIII No. 69 Bekasi Barat ●14:00 [C] PT. Arkha Jayanti Persada - Karawang		
10-Apr	Wed	4					●09:00 [C] PT. Hitachi Construction Machinery / Mr. Okawara (Deputy GM of Production Engineering) - Jalan Raya Cibitung Km. 48,8 Cibitung; (T) 021-8900515 ●13:00 [C] TV Meeting at JICA Indonesia Office ●15:00 [C] APLINDO / Mr. Wikarta Soekotjo- Gedung Manggala Wanabakti Blok IV 3rd Fl., Jl. Gatot Subroto No. 303A Senayan Jakarta; (T) 021-5733832		
11-Apr	Thu	5					●09:00 [C] PT. Mitrindo Duta Perkasa - Jl. Dusun Kelapa Nunggal RT. 26/06 Desa Gintungkerta, Klari, Karawang, Jawa Barat; (T) 0267-434850 ●13:00 [C] PT. Sumitomo Construction Machinery - Jl. Maligi VIII Lot T-1, Kawasan Industri K II C, Karawang; (T) 0267-8631764		
12-Apr	Fri	6					●08:30 [C] PT. Daya Baru Agung / Mr. Handriana Halim (Plant Manager) - Jl. Pulogadung No. 2 Pulogadung Indsutrial Estate, Jakarta; (T) 021-4601886 ●13:00 [C] PT. Morita Tjokro Gearindo / Mr. Okamura (Advisor) - Jl. Rawa Terate I No. 9 Pulogadung Industrial Estate, Jakarta; (T) 021-4609011 ●16:00 [C] Meeting with UI		
13-Apr	Sat	7							
14-Apr	Sun	8	●09:50 Leave Narita ●15:30 Arrive at Jakarta	●09:50 Leave Narita ●15:30 Arrive at Jakarta		●09:50 Leave Narita ●15:30 Arrive at Jakarta			
15-Apr	Mon	9	●09:00 [C] Team Meeting with JICA Indonesia Office ●10:30 [C] Meeting with Japanese Embassy ●14:00 [C] PT. Bakrie Tosanjaya - Jl. Raya Bekasi Km. 27 Pondok Ungu, Bekasi; (T) 021-88976601 ●16:00 [C] PT. Geteka Founindo / Mr. Hiroshi Sato (President Director) - Jl. Rawa Sumur Timur No. 1 Pulogadung Industrial Estate; (T) 021-4603936	●09:00 [C] Team Meeting with JICA Indonesia Office ●10:30 [C] Meeting with Japanese Embassy ●14:25 Leave Jakarta (GA240), ●15:40 Arrive Semarang --> Go to Tegal by car, stay at Tegal	●09:50 Leave Narita ●15:30 Arrive at Jakarta	●09:00 [C] Team Meeting with JICA Indonesia Office ●10:30 [C] Meeting with Japanese Embassy ●14:00 [C] PT. Bakrie Tosanjaya - Jl. Raya Bekasi Km. 27 Pondok Ungu, Bekasi; (T) 021-88976601 ●16:00 [C] PT. Geteka Founindo / Mr. Hiroshi Sato (President Director) - Jl. Rawa Sumur Timur No. 1 Pulogadung Industrial Estate; (T) 021-4603936	●09:00 [C] Team Meeting with JICA Indonesia Office ●10:30 [C] Meeting with Japanese Embassy ●14:25 Leave Jakarta (GA240), ●15:40 Arrive Semarang --> Go to Tegal by car, stay at Tegal	●09:00 [C] Team Meeting with JICA Indonesia Office ●10:30 [C] Meeting with Japanese Embassy ●14:00 [C] PT. Bakrie Tosanjaya - Jl. Raya Bekasi Km. 27 Pondok Ungu, Bekasi; (T) 021-88976601 ●16:00 [C] PT. Geteka Founindo / Mr. Hiroshi Sato (President Director) - Jl. Rawa Sumur Timur No. 1 Pulogadung Industrial Estate; (T) 021-4603936

16-Apr	Tue	10	●10:00[C] Courtesy Call to MOI-DGKII ●13:00[C] Courtesy Call to MOI-DG High Tech Based Industry ●14:30[C] CV. Bakti / Mr. Hendro Tani (President Director) - Jl. Kalimantan Raya Blok F No. 6 Kawasan Industri MM2100 Bekasi; (T) 021-8981035 / 8981037 (Ms. Lina)	●09:00 [C] UD SETIA KAWAN - Jl. K.H. Umar Asnawi RT.04/II Desa Kebasen, Kec. Talang, Kab. Tegal; (T) 0815-4802-0619/Mr. Imron) ●11:00 [C] PT. PUTRA BUNGSU - Jl. K.H. Umar Asnawi II No. 37 Desa Kebasen, Tegal; (T) 0813-9122-9990/Mr. Syaiful Anwar) ●13:00 [T] CV PRIMA LOGAM - Jl. Perintis Kemerdekaan No. 87 Tegal; (T) 0283-359350 ●19:25 Leave Semarang (GA247), Arrive Jakarta 20:35	●10:00 [C] YDBA Showroom - Jl. Gaya Motor I No. 10 Sunter II Jakarta Utara; (T) 021-65310146 ●14:30 [C] CV. Bakti / Mr. Hendro Tani (President Director) - Jl. Kalimantan Raya Blok F No. 6 Kawasan Industri MM2100 Bekasi; (T) 021-8981035	●09:00 [C] UD SETIA KAWAN - Jl. K.H. Umar Asnawi RT.04/II Desa Kebasen, Kec. Talang, Kab. Tegal; (T) 0815-4802-0619/Mr. Imron) ●11:00 [C] PT. PUTRA BUNGSU - Jl. K.H. Umar Asnawi II No. 37 Desa Kebasen, Tegal; (T) 0813-9122-9990/Mr. Syaiful Anwar) ●13:00 [T] CV PRIMA LOGAM - Jl. Perintis Kemerdekaan No. 87 Tegal; (T) 0283-359350 ●19:25 Leave Semarang (GA247), Arrive Jakarta 20:35	●10:00 [C] YDBA Showroom - Jl. Gaya Motor I No. 10 Sunter II Jakarta Utara; (T) 021-65310146 ●14:30 [C] CV. Bakti / Mr. Hendro Tani (President Director) - Jl. Kalimantan Raya Blok F No. 6 Kawasan Industri MM2100 Cibitung Bekasi; (T) 021-8981035
17-Apr	Wed	11	●10:00[C] Kick Off Meeting at MOI (MOI、MIDC、POLMAN Bandung、UI、HINABI) ●14:30 [C] PT. Alcorindo Sejahtera / Mr. Erwin Harjadi (President Director)- Jl. Raya PLP Curug Km. 6,2 Serdang Wetan, Legok, Tangerang; (T) 021- 5981141					
18-Apr	Thu	12	Leave Jakarta, Arrive in Bandung ●09:00 [C] MIDC ●13:00 [C] POLMAN Bandung Leave Bandung, Arrive in Jakarta	●05:55 Leave Jakarta (GA202) ●07:15 Arrive Yogyakarta ●10:00 [C] POLMAN Ceper / Mr. Sumeru (HP: 0857-4797-362) - Desa Tegalrejo Ceper, Klaten; (T) 0272-552968 - Visit Baja Kurnia - Visit Aneka Adhi Logam Karya - Visit Enka Tehnindo (Mr. Agung) ●18:25 Leave Yogyakarta (GA215), 19:40 Arrive Jakarta (Mr. Hori & Mr. Uzuka) ●20:00 Leave Yogyakarta (SJ234), ●20:50 Arrive Surabaya --> stay at Somerset Hotel - Surabaya	Leave Jakarta, Arrive in Bandung ●09:00 [C] MIDC - Jl. Sangkuriang No. 12, Bandung; (T) 022-2504107 / 2503172 ●13:00 [C] POLMAN Bandung - Jl. Kanayakan No. 21 Dago, Bandung; (T) 022-2500241 Leave Bandung, Arrive in Jakarta	●05:55 Leave Jakarta (GA202), ●07:15 Arrive Yogyakarta ●10:00 [C] POLMAN Ceper / Mr. Sumeru (HP: 0857-4797-362) - Desa Tegalrejo Ceper, Klaten; (T) 0272-552968 - Visit Baja Kurnia - Visit Aneka Adhi Logam Karya - Visit Enka Tehnindo (Mr. Agung) ●18:25 Leave Yogyakarta (GA215), 19:40 Arrive Jakarta (Mr. Hori & Mr. Uzuka) ●20:00 Leave Yogyakarta (SJ234), ●20:50 Arrive Surabaya --> stay at Somerset Hotel - Surabaya	Leave Jakarta, Arrive in Bandung ●09:00 [C] MIDC ●13:00 [C] POLMAN Bandung Leave Bandung, Arrive in Jakarta
19-Apr	Fri	13	●05:30 Leave Jakarta (GA302), 07:05 Arrive in Surabaya (Mr. Hori & Mr. Uzuka will start from Somerset Hotel-Surabaya to PT. Aneka Banusakti) ●09:00 [C] PT. Aneka Banusakti / Mr. Bambang Indra Maryono (President Director) - Jl. Raya Wonoayu No. 26B Gempol, Pasuruan; (T) 0343-853110, 859220 ●12:00 [C] Lunch with Mr. Nakagawa @Barata(JICA Silver Volunteer) (T)0811-158-9038 ●14:00 [C] PT. Barata Indonesia / Mr. Sunarno (Operation Director); Mr. Hari Santosa (VP for Production) - Jl. Veteran 241 Gresik; (T) 031-3990526 ●16:00 [C] PT. Agrindo (at Gresik) / Mr. Roni (Staff of Director) - Jl. Raya Bambe Km. 19,3 Driyorejo, Gresik; (T) 031-7507097 ●20:15 Leave Surabaya (GA329), 21:45 Arrive Jakarta					
20-Apr	Sat	14	●M/M Drafting	●M/M Drafting ●21:25 Leave Jakarta		●M/M Drafting	●M/M Drafting	●M/M Drafting	●M/M Drafting
21-Apr	Sun	15	●M/M Drafting	●07:00 Arrive at Narita		●M/M Drafting	●M/M Drafting	●M/M Drafting	●M/M Drafting
22-Apr	Mon	16	●09:00 M/M Discussion at MOI Dir. Machinery ●MOI(DG-KII)			●09:00 M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)	●09:00 M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)	●09:00 M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)	●09:00 M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)
23-Apr	Tue	17	●09:00 M/M Discussion at MOI Dir. Machinery ●Visiting JETRO			●09:00 M/M Discussion at MOI Dir. Machinery ・Visiting JETRO	●09:00 M/M Discussion at MOI Dir. Machinery ・Visiting JETRO	●09:00 M/M Discussion at MOI Dir. Machinery ・Visiting JETRO	●09:00 M/M Discussion at MOI Dir. Machinery ・Visiting JETRO
24-Apr	Wed	18	●Wrap Up Meeting ●M/M Signing			●Wrap Up Meeting ●M/M Signing	●Wrap Up Meeting ●M/M Signing	●Wrap Up Meeting ●M/M Signing	●Wrap Up Meeting ●M/M Signing
25-Apr	Thu	19	(●M/M Signing, if necessary) ●Visiting JJC, HIDA ●Meeting with Japanese Embassy ●Meeting with JICA Indonesia Office			(●M/M Signing, if necessary) ●Visiting JJC, HIDA ●Meeting with Japanese Embassy ●Meeting with JICA Indonesia Office	(●M/M Signing, if necessary) ●Visiting JJC, HIDA ●Meeting with Japanese Embassy ●Meeting with JICA Indonesia Office	(●M/M Signing, if necessary) ●Visiting JJC, HIDA ●Meeting with Japanese Embassy ●Meeting with JICA Indonesia Office	(●M/M Signing, if necessary) ●Visiting JJC, HIDA ●Meeting with Japanese Embassy ●Meeting with JICA Indonesia Office
26-Apr	Fri	20	●07:00 Arrive at Narita			●07:00 Arrive at Narita	●07:00 Arrive at Narita	●07:00 Arrive at Narita	●07:00 Arrive at Narita
27-Apr	Sat	21							

Japan International Cooperation Agency

Sentral Senayan II 14th Floor, Jl. Asia Afrika No. 8, Jakarta 10270, Indonesia
Tel. : +62-21-5795-2112 (Hunting) Fax: +62-21-5795-2116
Homepage: http://www.jica.go.jp/indonesia/english

No.: 016/PRJ/04/13

Jakarta, April 2, 2013

Ms. Budi Darmadi
Directorate General of Leading Industry Based on High Technology
Ministry of Industry
Jakarta

Detailed Planning Survey Mission on the Project for the Development of Metalworking Technology to Support the Indonesia Heavy Equipment Industry

Dear Sir,

With reference to the above mentioned subject, it is my great pleasure to inform you that the Japan International Cooperation Agency (JICA) is planning to dispatch the above mission to Indonesia on April 7 to 26, 2013.

The mission is aiming at recognizing needs and background of the request, collecting relevant information, analyzing barriers of service provision on metalworking technology for supporting industry of construction machinery to formulate the framework of the Project. For this purpose, field survey and discussions with authorities and stakeholders concerned will be conducted. Outcome of the Detailed Planning Survey will be summarized in a Minutes of Meeting (M/M), which will be signed by both Japanese and Indonesian sides at the end of the Survey.

In this regard, it would be highly appreciated if you could communicate this information to the authorities concerned and please make the necessary arrangement to facilitate their activities during their visit, especially for the following agenda:

Date/Day : April 16, 2013 (Tuesday)
Agenda : - Kick-Off Meeting
- Courtesy Call to DG of Leading Industry Based on High Technology

Attached herewith are the member list and the tentative schedule for your reference.

Thank you very much for your kind assistance and cooperation.

Sincerely yours,

JAPAN INTERNATIONAL COOPERATION AGENCY ★ INDONESIA OFFICE ★

SASAKI Atsushi
Chief Representative
JICA Indonesia Office

CC:

- Director of Machinery and Agriculture Equipment Industry, DG of Leading Industry Based on High Technology, Ministry of Industry
- Secretary, DG of International Industrial Cooperation, Ministry of Industry

Japan International Cooperation Agency

Sentral Senayan II 14th Floor, Jl. Asia Afrika No. 8, Jakarta 10270, Indonesia
Tel. : +62-21-5795-2112 (Hunting) Fax: +62-21-5795-2116
Homepage: http://www.jica.go.jp/indonesia/english

Detailed Planning Survey Mission on the Project for the Development of Metalworking Technology to Support the Indonesia Heavy Equipment Industry
(April 7 - 26, 2013)

MEMBER LIST

No.	Name	Job title	Occupation	Period
1.	Mr. HOMMA Toru	Mission Leader	Senior Advisor, Private Sector Development: Trade, Investment & Industry Division, Industrial Development and Public Policy Department	Apr. 14 - 26, 2013
2.	Mr. HORI Takuma	Machine Parts and Tooling Industries	Deputy Director, Machine Parts and Tooling Industries Office, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry	Apr. 14 - 21, 2013
3.	Mr. HIRATSUKA Sadato	Training Planning	Professor, Dept. of Materials Science and Engineering, IWATE University	Apr. 15 - 21, 2013
4.	Mr. KIMURA Akihiro	Cooperation Planning	Private Sector Development Division, Industrial Development and Public Policy Department	Apr. 14 - 26, 2013
5.	Mr. TAKEMOTO Yoshiaki	Supporting Industry of Construction Machinery	Senior Consultant, Japan Development Service, Co., Ltd. (JDS)	Apr. 7 - 26, 2013
6.	Mr. UZUKA Kyoji	Metalworking Technology	Senior Consultant, Japan Development Service, Co., Ltd. (JDS)	Apr. 7 - 26, 2013
7.	Mr. KURITA Takayuki	Evaluation Analysis	Senior Consultant, ICONS Inc.	Apr. 7 - 26, 2013

The Mission for Detailed Planning Survey on the Project for Development of Metalworking Technology to Support the Indonesia Heavy Equipment Industry (Apr. 7 - 26, 2013)

TENTATIVE SCHEDULE

			Mission Leader	Machine Parts and Tooling Industries	Training Planning	Cooperation Planning	Supporting industry of constructio	Metal working technology	Evaluation Analysis
			Mr. Toru HOMMA	Mr. Hori Takuma	Mr. Hiratsuka Sadato	Mr. Akihiro KIMURA	Mr. Yoshiaki TAKEMOTO	Mr. Kyoji UZUKA	Mr. Takayuki KURITA
7-Apr	Sun	1					・9:50 Leave Narita ・15:30 Arrive at Jakarta		
8-Apr	Mon	2					・9:00 Meeting with JICA Indonesia Office ・10:30 Ministry of Industry (MOI) ・14:00 HINABI (Place: KOMATSU) ・GAMMA、APLINDO (for identifying target foundries)		
9-Apr	Tue	3							
10-Apr	Wed	4					13:00 TV Meeting at JICA		
11-Apr	Thu	5							
12-Apr	Fri	6							
13-Apr	Sat	7							
14-Apr	Sun	8	◎9:50 Leave Narita ◎15:30 Arrive at Jakarta	◎9:50 Leave Narita ◎15:30 Arrive at Jakarta		◎9:50 Leave Narita ◎15:30 Arrive at Jakarta			
15-Apr	Mon	9	◎09:00 Team Meeting with JICA Indonesia Office ◎Meeting with Japanese Embassy ◎PT. Bakrie Tosanjaya ◎CV. Bakti		◎9:50 Leave Narita ◎15:30 Arrive at Jakarta	◎09:00 Team Meeting with JICA Indonesia Office ◎Meeting with Japanese Embassy ◎PT. Bakrie Tosanjaya ◎CV. Bakti			
16-Apr	Tue	10	◎Kick Off Meeting at MOI (MOI、MIDC、POLMAN Bandung、UI、HINABI、GAMMA) ◎HINABI (Place: KOMATSU) ◎KOMATSU Indonesia						
17-Apr	Wed	11	7:45 Leave Jakarta (GA306), 9:20 Arrive in Surabaya ◎PT. Aneka Banusakti (at Gempol-Pasuruan) ◎Lunch with Mr. Nakagawa (JICA Silver Volunteer) ◎PT. Agrindo (at Gresik) 19:15 Leave Surabaya (GA327), 20:45 Arrive in Jakarta ◎If this East Java trip is not available, visit three foundries in JABODETABEK such as PT. Geteka Founindo, PT. KSB Indonesia, PT. BUMM (under Bakrie Tosanjaya) etc.						
18-Apr	Thu	12	Leave Jakarta, Arrive in Bandung ◎MIDC ◎POLMAN Bandung Leave Bandung, Arrive in Jakarta	Leave Jakarta, Arrive in Bandung ◎MIDC Leave Bandung, Arrive in Jakarta	Leave Jakarta, Arrive in Bandung ◎MIDC ◎POLMAN Bandung Leave Bandung, Arrive in Jakarta	Leave Jakarta, Arrive in Bandung ◎MIDC ◎POLMAN Bandung Leave Bandung, Arrive in Jakarta	Leave Jakarta, Arrive in Bandung ◎MIDC ◎POLMAN Bandung Leave Bandung, Arrive in Jakarta	Leave Jakarta, Arrive in Bandung ◎MIDC ◎POLMAN Bandung Leave Bandung, Arrive in Jakarta	Leave Jakarta, Arrive in Bandung ◎MIDC ◎POLMAN Bandung Leave Bandung, Arrive in Jakarta
19-Apr	Fri	13	◎9:00 UI △PT. Hitachi Construction Machinery Indonesia △PT. KATSUSHIRO INDONESIA △Parts Showroom of Yayasan Dharma Bhakti Astra (YDBA)	◎9:00 UI △PT. Hitachi Construction Machinery Indonesia △PT. KATSUSHIRO INDONESIA △Parts Showroom of Yayasan Dharma Bhakti Astra (YDBA)		◎9:00 UI △PT. Hitachi Construction Machinery Indonesia △PT. KATSUSHIRO INDONESIA △Parts Showroom of Yayasan Dharma Bhakti Astra (YDBA)			
20-Apr	Sat	14	・M/M Drafting	・M/M Drafting ・21:25 Leave Jakarta		・M/M Drafting	・M/M Drafting	・M/M Drafting	・M/M Drafting
21-Apr	Sun	15	・M/M Drafting	・07:00 Arrive at Narita		・M/M Drafting	・M/M Drafting	・M/M Drafting	・M/M Drafting
22-Apr	Mon	16	・M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)			・M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)	・M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)	・M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)	・M/M Discussion at MOI Dir. Machinery ・MOI(DG-KII)
23-Apr	Tue	17	・M/M Discussion at MOI Dir. Machinery ・Visiting JETRO			・M/M Discussion at MOI Dir. Machinery ・Visiting JETRO	・M/M Discussion at MOI Dir. Machinery ・Visiting JETRO	・M/M Discussion at MOI Dir. Machinery ・Visiting JETRO	・M/M Discussion at MOI Dir. Machinery ・Visiting JETRO
24-Apr	Wed	18	・Wrap Up Meeting ・M/M Signing			・Wrap Up Meeting ・M/M Signing	・Wrap Up Meeting ・M/M Signing	・Wrap Up Meeting ・M/M Signing	・Wrap Up Meeting ・M/M Signing
25-Apr	Thu	19	(・M/M Signing, if necessary) ・Visiting JJC, HIDA ・Meeting with Japanese Embassy ・Meeting with JICA Indonesia Office ・21:25 Leave Jakarta			(・M/M Signing, if necessary) ・Visiting JJC, HIDA ・Meeting with Japanese Embassy ・Meeting with JICA Indonesia Office ・21:25 Leave Jakarta	(・M/M Signing, if necessary) ・Visiting JJC, HIDA ・Meeting with Japanese Embassy ・Meeting with JICA Indonesia Office ・21:25 Leave Jakarta	(・M/M Signing, if necessary) ・Visiting JJC, HIDA ・Meeting with Japanese Embassy ・Meeting with JICA Indonesia Office ・21:25 Leave Jakarta	(・M/M Signing, if necessary) ・Visiting JJC, HIDA ・Meeting with Japanese Embassy ・Meeting with JICA Indonesia Office ・21:25 Leave Jakarta
26-Apr	Fri	20	・07:00 Arrive at Narita			07:00 Arrive at Narita	07:00 Arrive at Narita	07:00 Arrive at Narita	07:00 Arrive at Narita

Attachment V

Letter of Request for Courtesy Call
to Director General of International Industrial Cooperation
and Director General of Leading Industry based on High Technology

Japan International Cooperation Agency

Sentral Senayan II 14th Floor, Jl. Asia Afrika No. 8, Jakarta 10270, Indonesia
Tel. : +62-21-5795-2112 (Hunting) Fax: +62-21-5795-2116
Homepage: http://www.jica.go.jp/indonesia/english

No.: 053/PRJ/04/2013

Jakarta, April 9, 2013

Mr. Agus Tjahajana Wirakusumah
Directorate General of International Industrial Cooperation
Ministry of Industry
Jakarta

Re : Appointment Request

Dear Sir,

On behalf of the Japan International Cooperation Agency, we would like to express our sincere appreciation for your cooperation to our activities in Indonesia.

Taking this opportunity, we would like to have a meeting with you to explain about the current cooperation between JICA and Ministry of Industry.

Regarding this matter, it would be grateful if you could allow a few moment of your busy schedule to accept us on **April 16, 2011 (Tuesday) at 09:00 a.m.**

Thank you very much in advance for your kind cooperation and we are looking forward to your confirmation on the schedule above.

Sincerely yours,

TANAKA Shinichi
Senior Representative

CC.
- Ms. Dyah Winarni Poedjiwati, *Secretary*, DG of International Industrial Cooperation, Ministry of Industry
- Mr. OKADA Takuya, *JICA Expert*

Japan International Cooperation Agency

Sentral Senayan II 14th Floor, Jl. Asia Afrika No. 8, Jakarta 10270, Indonesia
Tel. : +62-21-5795-2112 (Hunting) Fax: +62-21-5795-2116
Homepage: http://www.jica.go.jp/indonesia/english

No.: 071/PRJ/04/2013 Jakarta, April 11, 2013

Mr. Budi Darmadi
Director General of Leading Industry Based on High Technology
Ministry of Industry
Jakarta

Re: Appointment Request (*Permohonan Audiensi*)
The Project for the Development of Metalworking Technology to Support the Heavy Equipment Industry in Indonesia

Dear Sir,

With reference to our letter no. 016/PRJ/04/13 dated April 2, 2013 regarding the visit of the mission from Tokyo, it would be grateful if you could allow a few moment of your busy schedule to have a meeting with us on the following schedule:

April 16, 2013 (Tuesday) at 13:00 p.m.

Thank you very much in advance for your kind cooperation and we are looking forward to your confirmation on the schedule above.

Sincerely yours,

TANAKA Shinichi
Senior Representative
JICA Indonesia Office

Attachment VI

Letter of Invitation for relevant Meetings
on Project Formulation Study

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL INDUSTRI UNGGULAN BERBASIS TEKNOLOGI TINGGI
Jl. Jenderal Gatot Subroto Kav. 52-53, Lantai 12 Jakarta Selatan 12950, Telp. : (021) 5255509, 5252693 Fax. : (021) 5251893
http://iubtt.kemenperin.go.id Email : info-iubtt@kemenperin.go.id

SEKRETARIAT DIREKTORAT JENDERAL | DIT. IND. ALAT TRANSPORTASI DARAT | DIT. IND. MARITIM KEDIRGANTARAAN DAN ALAT PERTAHANAN | DIT. IND. ELEKTRONIKA DAN TELEMATIKA | DIT. IND. PERMESINAN DAN ALAT MESIN PERTANIAN

Nomor : 134 /IUBTT.5/04/2012
Lampiran : 1 (satu) lembar
Perihal : Undangan Rapat

Jakarta, 05 April 2013

Kepada Yth.
(daftar terlampir)
di –
TEMPAT

Sehubungan dengan kerjasama teknis antara Indonesia dan Jepang melalui MIDEC yang telah berjalan hingga tahun 2012, bersama ini kami mengundang Saudara untuk hadir dalam rapat yang akan dilaksanakan pada:

Hari/ tanggal : Senin, 8 April 2013
Waktu : 10.30 – selesai
Tempat : Ruang Rapat Turbin Lt. 11
Gedung Kementerian Perindustrian
Jl. Jend. Gatot Subroto Kav. 52-53
Acara : Pembahasan Kerjasama Pelatihan JICA/MIDEC Bidang *Metal Working*

Demikian, atas perhatian dan kehadiran Saudara kami menyampaikan terima kasih.

Plt. Direktur Industri Permesinan
dan Alat Mesin Pertanian

Ditharso

Tembusan :
1. Bapak Dirjen IUBTT (sebagai laporan);
2. Sesditjen. IUBTT;
3. Pertinggal.

Nomor : 134 /IUBTT.5/04/2013
Tanggal : 05 April 2013

DAFTAR YANG DIUNDANG

1. Sesditjen Kerjasama Industri Internasional
2. Direktur Operasi, PT. Barata Indonesia Gresik
3. Bimo Pratomo, BBLM Bandung
4. Wibowo, POLMAN Bandung
5. Mr. Okada, JICA Representative
6. Kasubdit PEP, Dit. IPAMP
7. Kasubdit IMPPL, Dit. IPAMP
8. Kasubdit IMPLAK, Dit. IPAMP

Kementerian Perindustrian
REPUBLIK INDONESIA

DIREKTORAT JENDERAL INDUSTRI UNGGULAN BERBASIS TEKNOLOGI TINGGI

Jl. Jenderal Gatot Subroto Kav. 52-53, Lantai 12 Jakarta Selatan 12950. Telp. : (021) 5255509, 5252693 Fax. : (021) 5251893
http://iubtt.kemenperin.go.id Email : info-iubtt@kemenperin.go.id

SEKRETARIAT DIREKTORAT JENDERAL | DIT. IND ALAT TRANSPORTASI DARAT | DIT. IND. MARITIM KEDIRGANTARAAN DAN ALAT PERTAHANAN | DIT. IND. ELEKTRONIKA DAN TELEMATIKA | DIT. IND. PERMESINAN DAN ALAT MESIN PERTANIAN

Nomor : 136 /IUBTT.5/04/2013
Lampiran : 1 (satu) lembar
Perihal : Undangan Rapat

Jakarta, 10 April 2013

Kepada Yth.
(daftar terlampir)
di -
TEMPAT

Sehubungan dengan kerjasama teknis di bidang pengembangan teknologi metalworking antara Indonesia dan Jepang melalui MIDEC yang direncanakan akan berjalan selama 3 (tiga) tahun, bersama ini kami mengundang Saudara untuk hadir dalam rapat yang akan dilaksanakan pada:

Hari/ tanggal : Rabu, 17 April 2013
Waktu : 10.00 – selesai
Tempat : Ruang Rapat Turbin Lt. 11
Gedung Kementerian Perindustrian
Jl. Jend. Gatot Subroto Kav. 52-53
Acara : - Pembahasan Kerjasama JICA/MIDEC Bidang *Metal Working*
- *Kick-off Meeting*

Demikian, atas perhatian dan kehadiran Saudara kami menyampaikan terima kasih.

Plt. Direktur Industri Permesinan
dan Alat Mesin Pertanian

C. Triharso

Tembusan :
1. Bapak Dirjen IUBTT (sebagai laporan);
2. Sesditjen. IUBTT;
3. Pertinggal.

Nomor : 136 /IUBTT.5/04/2013
Tanggal : 10 April 2013

DAFTAR YANG DIUNDANG

1. Sesditjen KerjasamaIndustri Internasional
2. Direktur Operasi, PT. Barata Indonesia Gresik
3. Kepala BBLM Bandung
4. Direktur POLMAN Bandung
5. Direktur Polman Ceper
6. Direktur ATMI
7. Ketua Jurusan Metalurgi, Fakultas Teknik, Universitas Indonesia
8. Mr. Okada Takuya, Ditjen KII
9. Ketua APLINDO
10. Ketua HINABI
11. JICA Jakarta Office