(3) The 3rd Joint Coordinattion Committee (JCC) Minutes of Meeting (M/M)

MINUTES OF MEETING
FOR
THE THIRD JOINT COORDINATION COMMITTEE (JCC)
ON
PROGRESS REPORT
AND
RECENT DEVELOPMENT OF EKI
FOR
THE PROJECT ON THE CAPACITY BUILDING FOR DISSEMINATION OF QUALITY AND PRODUCTIVITY IMPROVEMNET (KAIZEN)
IN
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Meeting Room of Ministry of Industry
Addis Ababa

9:45 a.m. – 12:00 a.m.
12th December 2012

H.E. Mr. Newai Gebre-ab
Chairperson of Joint Coordinating Committee
Senior Economic Advisor to the Prime Minister

H.E. Mr. Tadesse Haile
Deputy Chair Person
State Minister, Ministry of Industry

Mr. Koji Ota
Chief Representative
JICA Ethiopia Office

Mr. Getahun Tadesse
Director General
Ethiopian KAIZEN Institute (EKI)

Mr. Tsuyoshi Kikuchi
Chief Advisor
JICA Expert Team

1. Agenda for the Meeting

i. Progress Report on the Project.
ii. Project Management of JICA
iii. Short & Long Term Plans of EKI
iv. Current Status of EKI

2. Proceedings

The meeting was called to order at 9:45 a.m. and was chaired by H.E. Mr. Newai Gebre-ab, Senior Economic Advisor to the Prime Minister.

The meeting began with the opening speech made by H.E. Mr. Tadesse Haile, State Minister of MoI.

After the opening speech, H.E. Mr. Newai Gere-ab briefly introduced the agenda of the meeting.

This was followed by a presentation by Mr. Tsuyoshi Kikuchi, Chief Advisor of the Project, on the Progress of the Project. The presentation comprised four sections: i) Outline of the Project, ii) Work Plan, iii) Progress of the Project, and iv) Prospects. The part of section iv), which is related to PDM indicators, was skipped. Regarding the omitted part, Ms. Miho Oikawa, Project Formulation Advisor, JICA Ethiopia Office, briefly explained on the Project Management of JICA. Subsequently, Mr. Getahun Tadesse, EKI Director General, reported both the Short & Long Term Plan and the Current Status of EKI.

3. Progress of the Project

i. Mr. Tsuyoshi Kikuchi briefly explained the progress of the Project. The presentation summarized the results of Project activities for the first year by category which consisted of impact survey, PR (Public Relations), and trainings for MSEs and LMEs. The progress of the Project reported by Mr. Kikuchi was appreciated by all parties involved and the parties confirmed the importance of the solid foundation of EKI for the success of the Project as well as EKI's future sustainability.
ii. H.E. Mr. Newai commented that project management considering sustainability after the Project has been completed is expected. As for this point, Mr. Kikuchi explained the cascade system of EKI consultants' training course by referring to page 20 of his presentation documents.
iii. There were five discussion issues pointed out: i) Involving ECCSA and AACCSA as

members of JCC, ii) Improving ICT company selection process for both MSEs and LMEs (Distribution of ICT companies by the sub-sector), iii) Distribution of TTTs by region, iv) Necessity of follow-up activities for ICT companies, and v) Delay of use of three cars provided by JICA. The issues discussed in JCC are summarized as follows.

<Involving ECCSA and AACCSA as members of JCC>

i. Involving ECCSA and AACCSA as members (not as observers) of JCC was approved by JCC members to strengthen the network for KAIZEN dissemination in the private sector.

<Improving ICT company selection process for both MSEs and LMEs>

i. H.E. Mr. Newai suggested that during the selection of ICT companies, particularly LMEs, .exporting companies should be prioritized.

ii. H.E. Mr. Taddesse agreed with H.E. Mr. Newai's comment and appreciated the progress achieved by the Project. Mr. Tadesse added that it is important to involve institutes (Leather Institute, Textile Institute, Metal Institutes and other relevant organizations) during selection process of companies for ICT so that companies from various sectors can be selected. The selection process has to be done carefully for a good result to be attained.

<Distribution of TTTs by region>

i. H.E. Mr. Tadesse appreciated the involvement of many TVET colleges from all over the regions of the country, because this helps the dissemination of KAIZEN. He appraised the plan for creating young KAIZEN consultants and suggested that the number can be increased.

4. Project Management of JICA

i. Ms. Miho Oikawa briefly explained about the Project Management of JICA. A point that is noteworthy in terms of the PDM indicators is;
OVIs (Objectively Verifiable Indicators) on PDM are usually different from the numbers defined in the Work Plan. This point should be considered when setting the number of PDM indicators in the Project.

ii. Ms. Oikawa also explained that OVIs need to be decided by both EKI and the Japanese side (Project Expert Team and JICA) as soon as possible because the mid-term review will be held in May 2012. Then, it was agreed that OVIs will be decided until the end of January by both EKI and the Japanese side and discussion results will be reported to JCC members.

iii. Consensus was reached on the idea that realistic figures should be employed for the indicators on PDM and the Project should carefully examine their feasibility before deciding

them.

5. Short & Long Term of Plans & Current Status of EKI

i. Mr. Getahun Tadesse reported both the Short & Long Term Plans based on the BSC (Balanced Score Card) methodology that the country (Ethiopia) is pursuing, and the Current Status of EKI.

ii. Mr. Getahun Tadesse explained about scaling-up the knowledge gained through the Project by implementing KAIZEN in the manufacturing sector.

iii. In Mr. Getahun Tadesse's explanation, he appreciated JICA for allowing the involvement of 20% public enterprises in each batch.

6. Other

Mr. Koji Ota, Chief Representative of JICA Ethiopia Office, addressed the importance of cooperation between Ethiopian and Japanese sides to organize the KAIZEN side-event in High Level Meeting for TICAD preparation held in March in Addis Ababa.

7. Conclusion

H.E. Mr. Newai announced that the third JCC was officially closed at 12:00 a.m.

[END]

[ANNEXES]

ANNEX I Participants of the Third Joint Coordinating Committee

[Annex I] Participants of the Third Joint Coordinating Committee

<Ethiopian Side>

- H.E. Mr. Newai Gebre-ab, Senior Economic Advisor to the Prime Minister
- H.E. Mr. Tadesse Haile, State Minister, Ministry of Industry
- H.E. Mr. Sisay Gemchu, State Minister, Ministry of Industry
- Mr. Getahun Tadesse, Director General, EKI
- Mr. Sientayehu Gashaw, Lead K. Consultant, A/Director of Metal Industries, EKI.
- Mr. Yegedeb Abay, Lead K. Consultant, A/Director of Leather and Textile Industries, EKI.
- Mr. Selamawit Kiros, Senior K. Consultant and A/Director of Agro-Industry, EKI

<Japanese Side>

- Mr. Yoshihisa Shiraishi, Second Secretary, Japan Embassy of Ethiopia (EoJ)
- Mr. Daisuke Komori, Second Secretary, Japan Embassy of Ethiopia (EoJ)
- Mr. Koji Ota, Chief Representative, JICA Ethiopia Office
- Ms. Miho Oikawa, Project Formulation Advisor, JICA Ethiopia Office
- Mr. Fekadu Nigussie, PSD In-House Consultant, JICA Ethiopia Office

- Prof. Tetsushi Sonobe, Project Advisor, GRIPS

- Mr. Tsuyoshi Kikuchi, Chief Advisor, JICA Expert Team
- Mr. Hideo Sonoda, JICA Expert Team
- Ms. Kiyomi Eguma, JICA Expert Team

(4) Project Design Matrix Minutes of Meeting (M/M)

MINUTES OF MEETING
FOR
THE INDICATORS OF
PROJECT DESIGN MATRIX
FOR
THE PROJECT ON THE CAPACITY BUILDING FOR DISSEMINATION OF QUALITY AND PRODUCTIVITY IMPROVEMNET (KAIZEN)
IN
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Based on the discussion in Joint Coordinating Committee held on 12th December, 2012, respective parties discussed and mutually agreed upon the matters referred to in the document attached hereto.

Addis Ababa, 21th February, 2013

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H.E. Mr. Newai Gebre-ab
Chairperson of Joint Coordinating Committee
Senior Economic Advisor to the Prime Minister

H.E. Mr. Tadesse Haile
Deputy Chair Person
State Minister, Ministry of Industry

Mr. Koji Ota
Chief Representative
JICA Ethiopia Office

H.E. Mr. Wondwossen Kiflu
State Minister, Ministry of Education

Mr. Tsuyoshi Kikuchi
Chief Advisor
JICA Expert Team

Mr. Gebemeskel Challa Montalo
Director General, FeMSEDA

Mr. Getahun Tadesse
Director General
Ethiopian KAIZEN Institute (EKI)

Attached Document

1. PDM Indicator

In accordance with the discussion in the 3rd Joint Coordinating Committee (JCC) held on 12th December, 2012, the indicators of Project Design Matrix (PDM) are set up and changed as indicated in the ANNEXI. The history of discussions regarding the changes in PDM is summarized in the ANNEX II. Along with the setting up the indicators of PDM, the criteria of selecting enterprises to participate in In-Company Training are also revised as described the ANNEX III.

[END]

[ANNEXES]

ANNEX I	Project Design Matrix (PDM) ver.1.1
ANNEX II	PDM Revision History
ANNEX III	Criteria for Selecting Enterprises to Participate in Training

Annex I: Project Design Matrix (PDM)

Project Title: Project on Capacity Building for Dissemination of Quality and Productivity Improvement (KAIZEN)
Project Period: November 2011-October 2014 (36 months)
Target Area: All over Ethiopia (Addis Ababa, Oromia, Amhara, Tigray, SNNPR, Harar and Dire Dawa, but the major part of the activities for LMEs and MSEs is to be undertaken in Addis Ababa and its vicinity.)[1]
Target Group: Ethiopian KAIZEN Institute (EKI) staff members including EKI Consultants[2], TVET Trainers' Trainers (TTTs)[3], private enterprises which participate in in-company training.

Ver. no: PDM1.1

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumptions
Super Goal[4] Quality and productivity of the Ethiopian private sector will be improved.			
Overall Goal An increased number of private enterprises will implement quality and productivity improvement (KAIZEN).	1) 5% of private enterprises implementing KAIZEN 2) 75% of the enterprises implementing KAIZEN answer that KAIZEN is effective.	1) Questionnaire survey in selected areas 2) Questionnaire survey in selected areas or surveys at the chambers of commerce and sectoral associations	- Economic situation in Ethiopia does not deteriorate drastically.
Project Purpose The system is established to disseminate quality and productivity improvement (KAIZEN) to private enterprises in a sustainable manner.	1) 60 qualified EKI Consultants 2) 170 qualified TTTs 3) 5 times of training batch completed for EKI Consultants 4) 8 times of training batch completed for TTTs 5) 75% of enterprises participated in in-company trainings answer the results of consulting services as satisfactory 6) Accumulation of good practices of participating enterprises as model cases	1)~4) EKI records of activities 5) Client feedback reports 6) EKI reports	- The Government policy regarding quality and productivity improvement (KAIZEN) does not change drastically. - The business environment for Ethiopian private enterprises does not deteriorate drastically.
Outputs 1 The institutional and organisational foundation of Ethiopian KAIZEN Institute (EKI) is established as the core and lead organisation for the dissemination of quality and productivity improvement (KAIZEN).	1) Short- and long-term plans for KAIZEN dissemination in place 2) 20 meetings held with relevant organizations. 3) Monitoring and annual evaluation reports on progress of KAIZEN implementation and achievement 4) 600 attendants of KAIZEN seminars	1) EKI short- and long-term plans and periodical activity reports 2) EKI reports of activities 3) Monitoring and annual evaluation reports 4) EKI reports of activities	- EKI Consultants will not leave the position or will not be moved to other entities. - Current structure in which TTTs provide training of trainers (TOT) to TVET teachers is maintained. - Industrial Extension Services for MSEs is undertaken continuously in Ethiopia.
2 The system of human resource development for dissemination of quality and productivity improvement (KAIZEN) to large and medium enterprises (LMEs) is functionalised in EKI.	1) EKI Consultants' training curriculum in use 2) Course materials including customised KAIZEN Manuals for EKI Consultants 3) The criteria and methodology to assess skill level of EKI Consultants in place 4) 50 LMEs participated in in-company training	1) EKI Consultants' training curriculum 2) EKI Consultants' course materials 3) EKI Consultant's assessment guideline 4) EKI reports of activities	
3 The model system for EKI to foster TVET Trainers' Trainers (TTTs) is developed for quality and productivity improvement (KAIZEN) for micro and small enterprises (MSEs).	1) TTTs' training curriculum in use 2) Course materials including customised KAIZEN Manuals for TTTs 3) The criteria and methodology to assess skill level of TTTs in place 4) TTTs' training guideline shared with FeTA and ReTAs 5) 170 MSEs participated in in-company training	1) TTTs' training curriculum 2) TTTs' course materials 3) TTTs' assessment guideline 4) TTTs' training guideline and EKI reports of activities 5) EKI reports of activities	

[1] The limited number of medium enterprises newly graduated from the status of MSE can be selected as participating enterprises for the TTTs' in-company training.

[2] "EKI Consultant" refers to a staff member of EKI who is engaged in the dissemination of quality and productivity improvement (KAIZEN).

[3] Those TVET trainers who are trained and perform the function to transfer the skill of disseminating quality and productivity improvement (KAIZEN) to other TVET trainers shall be referred to TVET trainers' trainers (TTTs).

[4] The level of achievement of the Super Goal which indicates the direction of the Project will not be evaluated in the Project.

Activities		Inputs		Important Assumptions
1-1	Based on the discussion between relevant organisations and agencies, EKI develops short- and long-term KAIZEN dissemination plans and institutional frameworks including necessary budget, human resource allocation, business plans and service structure.	<Ethiopian Side> [C/P personnel] - Project Director - Project Manager - EKI staff members - EKI support service staff including secretary(s), driver(s), accountant(s) - Any other staff if necessary [Facility] - Office space and necessary facilities for the Japanese experts and C/P - Necessary office equipment for the Japanese experts and C/P - Meeting rooms and training venues [Local costs] - The salary and remuneration, travel expenses and daily allowances of C/P, TTTs and other necessary personnel - Maintenance expenditure of facilities and equipment - Utility costs - Fuel and maintenance expenses for project vehicles - Other necessary administrative expenses	<Japanese Side> [Japanese experts] - Chief Advisor/Institutional Development(1) - Inter-Agency Coordination / Dissemination Facilitation(1) - Quality and Productivity Improvement(6) - Activity Coordination(1) - Other necessary short-term expert(s) [Machinery and equipment] - Project vehicle (3) -Other equipment [Training for C/P] - Training in Japan - Training in the third-countries	- Necessary cooperation framework between ministries (MoI, Ministry of Urban Development and Construction (MoUDC), and Ministry of Education (MoE)) and agencies (including FeTA, ReTAs, FeMSEDA and ReMSEDAs) is maintained.
1-2	EKI establishes a network with relevant organisations including the private sector for quality and productivity improvement (KAIZEN).			
1-3	EKI evaluates the effectiveness of quality and productivity improvement (KAIZEN) to the enterprises which participate in in-company training.			
1-4	EKI carries out necessary publicity activities including seminars to promote quality and productivity improvement (KAIZEN) and reviews the current situation and direction for awareness building including the awarding system.			
2-1	EKI formulates the training plan for EKI Consultants.			
2-2	EKI develops the training curriculum for EKI Consultants.			
2-3	EKI develops course materials of the training for EKI Consultants (including the customisation of KAIZEN Manual based on various needs of specific sub-sectors and the translation into Amharic).			
2-4	EKI establishes the criteria and methodology to assess skill levels of EKI Consultants and undertakes initial assessment.			
2-5	EKI establishes the selection criteria and methodology, and selects LMEs which participate in in-company training in collaboration with the institutes and directorates of the Ministry of Industry (MoI).			
2-6	EKI conducts classroom training for EKI Consultants.			
2-7	EKI conducts in-company training for EKI Consultants.			
2-8	EKI undertakes periodical evaluations of the achievement levels of EKI Consultants.			
2-9	EKI monitors and evaluates the results of the activities from 2-1 to 2-8.			
3-1	**EKI formulates the plan of model training for TTTs based on consultation with Federal TVET Agency (FeTA) and Regional TVET Agencies (ReTAs).**			
3-2	EKI develops the training curriculum for TTTs.			
3-3	EKI develops the course materials of training for TTTs (including the customisation of KAIZEN Manual for MSEs and the translation into Amharic) .			
3-4	EKI establishes the methodology to assess skill levels of TTTs and sets the selection criteria of training participants with the support of FeTA.			
3-5	EKI selects training participants and undertakes initial assessment in collaboration with ReTAs.			
3-6	EKI establishes the selection criteria and methodology to select MSEs which participate in in-company trainings with the support of Federal MSE Development Agency (FeMSEDA).			Pre-conditions EKI is established and inaugurated officially with physical presence including personnel and budget allocation. Details of necessary cooperation framework between ministries and agencies are agreed.
3-7	EKI selects MSEs which participate in in-company training in collaboration with Regional MSE Development Agencies (ReMSEDAs).			
3-8	EKI conducts classroom training for TTTs.			
3-9	EKI conducts in-company training for TTTs.			
3-10	EKI evaluates the achievement levels of trained TTTs.			
3-11	EKI monitors and evaluates the results of the activities from 3-1 to 3-10, and develops the TTTs' training guideline to share with FeTA and ReTAs.			

Annex II: PDM Revision History

PDM Revision History

	Items Modified	Contents	Reason	Timing
1	Target Area	①The target areas of activities for the Training for TTTs and EKI Consultants (LMEs and MSEs) are changed to A.A. and its surrounding areas as opposed to the initial target areas covering throughout Ethiopia. ②The "target area" is increased from 5 regions to 7 regions.	①In November 2011, the state minister of Ministry of Education requested the Project to convoke the trainees from all the regions to A.A. and thereby implement the training in A.A. In doing so, the Japanese Expert Team are no longer required to travel to each region to implement the training. ②The list of candidate TTTs for the training submitted from FeTA contained persons from Harar and Dire Dawa provinces. Although these two provinces are not included in the original PDM due to a security reason, security is no longer a matter of concern since all the trainees are now convoked to A.A. for the training. Therefore, these two areas are to be included in the PDM.	Jan. 2013
2	Overall Goal 1	The percentage of enterprises implementing KAIZEN is set at **"5 %."** (At 3 years after the completion of the Project)	The number of enterprises registered at the Investment Agency is around 7,500. The total number of both LMEs and MSEs participated in the ICT is 220 (50+170) 220/7500=0.03 (3%) Furthermore, there is information that three fourths enterprises of 7500 are only registered but not operating. In the case, 220/7500/4=0.1173 (11.73%)	Jan. 2013
3	Overall Goal 2	The percentage of the enterprises implemented KAIZEN that confirm the effectiveness of KAIZEN is set at **"75%."** (At 3 years after the	The original sentence was "xx% of the respondents who answers that KAIZEN is effective." In this sentence, the meaning of 'respondents' was unclear. To make it clear, the sentence was changed. Also the percentage is assumed based on	Jan. 2013

<table>
<tr><th></th><th>Items Modified</th><th>Contents</th><th>Reason</th><th>Timing</th></tr>
<tr><td></td><td></td><td>completion of the Project)</td><td>the results of the surveys by questionnaire conducted for the enterprises (both LMSs and MSEs) participated in the ICT.</td><td></td></tr>
<tr><td>4</td><td>Project Purpose 1</td><td>The number of "qualified consultants" is set at <u>"60 EKI consultants."</u></td><td>The number includes EKI consultants qualified in the 5th Batch Training for EKI consultants (LMEs) which will be started by the end of the Project (November 2014) though the 5th Batch Training are to be completed after the completion of the Project.
Also the number includes 5 consultants from the Pilot Project conducted from 2009 to 2011 (5 out of 9 original persons) and additional 3 MSEs members who were hired at EKI as MSEs trainers from the 3rd Batch Training for TTTs (MSEs).
It is expected from experience of the previous trainings that some of the consultants under or after the training leave the training or quit their job.
<table>
<tr><th>LMEs</th><th>No. of session</th><th>No. of qualified consultant</th></tr>
<tr><td>Previous phase</td><td>--</td><td>5</td></tr>
<tr><td>Additional MSEs trainers</td><td>--</td><td>3</td></tr>
<tr><td>1st batch</td><td>2</td><td>10 (0)</td></tr>
<tr><td>2nd batch</td><td>2</td><td>10 (△?)</td></tr>
<tr><td>3rd batch</td><td>3</td><td>15 (△?)</td></tr>
<tr><td>4th batch</td><td>3</td><td>15 (△?)</td></tr>
<tr><td>5th batch</td><td>3</td><td>15 (△?)</td></tr>
<tr><td>Total</td><td>13</td><td>73 (△?)</td></tr>
</table>
* The meaning of "qualified" is to complete the training course with fulfilled completion criteria.</td><td>Jan. 2013</td></tr>
</table>

<table>
<tr><th></th><th>Items Modified</th><th>Contents</th><th>Reason</th><th>Timing</th></tr>
<tr><td>5</td><td>Project Purpose 2</td><td>The number of qualified TTTs is set at <u>"170 TTTs."</u></td><td>The final (8th) Batch Training for TTTs (MSEs) can be completed by the end of the Project (November 2014). However, it is expected from experience of the completed training that some of the TTTs under or after the training leave the training or quit their job.
<table>
<tr><th>MSEs</th><th>No. of session</th><th>No. of qualified consultant</th></tr>
<tr><td>1st batch</td><td>4</td><td>20(△2)</td></tr>
<tr><td>2nd batch</td><td>4</td><td>20(△2)</td></tr>
<tr><td>3rd batch</td><td>3</td><td>15(△?)</td></tr>
<tr><td>4th batch</td><td>3</td><td>15(△?)</td></tr>
<tr><td>5th batch</td><td>6</td><td>30(△?)</td></tr>
<tr><td>6th batch</td><td>6</td><td>30(△?)</td></tr>
<tr><td>7th batch</td><td>6</td><td>30(△?)</td></tr>
<tr><td>8th batch</td><td>6</td><td>30(△?)</td></tr>
<tr><td>Total</td><td>38</td><td>190 (△4+α)</td></tr>
</table></td><td>Jan. 2013</td></tr>
<tr><td>6</td><td>Project Purpose 3</td><td>The number of training batches completed for EKI consultants (LMEs) is set at <u>"5 times."</u></td><td>Please refer to No.4 above.</td><td>Jan. 2013</td></tr>
<tr><td>7</td><td>Project Purpose 4</td><td>The number of training batches completed for TTTs (MSEs) is set at <u>"8 times."</u></td><td>Please refer to No. 5 above</td><td>Jan. 2013</td></tr>
<tr><td>8</td><td>Project Purpose 5</td><td>The percentage of enterprises participated in in-company trainings answers the results of consulting services as satisfactory is set at <u>"75%."</u></td><td>The percentage is assumed based on the results of the surveys by questionnaire conducted for the enterprises (both MESs and LMEs) participated in the training.</td><td>Jan. 2013</td></tr>
<tr><td>9</td><td>Outputs1~2</td><td>The number of meetings held with relevant organizations is set at <u>"20."</u></td><td>The number is assumed based on the meetings which the Project has already held.</td><td>Jan. 2013</td></tr>
</table>

<table>
<tr><th></th><th>Items Modified</th><th>Contents</th><th>Reason</th><th>Timing</th></tr>
<tr><td></td><td></td><td>is set at <u>"20."</u></td><td>held.</td><td></td></tr>
<tr><td>10</td><td>Outputs1−4</td><td>The number of attendances to KAIZEN seminars is set at <u>"600 attendances."</u></td><td>The number is assumed based on the number of the scheduled meetings as well as their expected attendances.
<table>
<tr><th>Date</th><th>City</th><th>Participants</th></tr>
<tr><td>2012.11</td><td>A.A.</td><td>200 (180)</td></tr>
<tr><td>2013.3</td><td>Nazret</td><td>80 (64)</td></tr>
<tr><td>2013.6</td><td>Awasa</td><td>80 (64)</td></tr>
<tr><td>2013.10</td><td>Dire Dawa</td><td>150 (120)</td></tr>
<tr><td>2013.12</td><td>Bahir Dar</td><td>150 (120)</td></tr>
<tr><td>2014.3</td><td>Mekelle</td><td>80 (64)</td></tr>
<tr><td colspan="2">Total</td><td>740 (600)</td></tr>
</table>
() indicates the number of participants multiplied by 80 percent to the original number.</td><td>Jan. 2013</td></tr>
<tr><td>11</td><td>Outputs2−4</td><td>The number of enterprises (LMEs) participated in in-company training is set at <u>"50 LMEs."</u></td><td>Please refer to No.4 above and also following table.
<table>
<tr><th>LMEs</th><th>No. of session</th><th>No. of ICT company</th></tr>
<tr><td>1st batch</td><td>2</td><td>10 (△1)</td></tr>
<tr><td>2nd batch</td><td>2</td><td>10 (△?)</td></tr>
<tr><td>3rd batch</td><td>3</td><td>15 (△?)</td></tr>
<tr><td>4th batch</td><td>3</td><td>15 (△?)</td></tr>
<tr><td>5th batch</td><td>3</td><td>15 (△?)</td></tr>
<tr><td>Total</td><td>13</td><td>65 (△ 1+α)</td></tr>
</table>
*One company initially participated in the training dropped out from the training.</td><td>Jan. 2013</td></tr>
<tr><td>12</td><td>Outputs3−5</td><td>The number of enterprises (MSEs) participated in in-company training is set <u>"170 MSEs."</u></td><td>Please refer to No.5 above.</td><td>Jan. 2013</td></tr>
<tr><td>13</td><td>Activities3−1</td><td>The sentence, "Selected regions and Cluster Resource</td><td>The Target Area associated with the Training for TTTs (MSEs) is limited to</td><td>Jan. 2013</td></tr>
</table>

	Items Modified	Contents	Reason	Timing
14	Note	Deleted	Indicators on PDMs are re-scheduled to be decided this time.	Jan. 2013
15	Important Assumption to Outputs	"in CRCs" is deleted.	Please refer to No. 13 above.	Jan. 2013

Annex III: Criteria for Selecting Enterprises to Participate in Training

Criteria for Selecting Enterprises to Participate in Training

	Common Items to LMEs and MSEs
1	Balanced sub-sectors that enable diverse and efficient implementation to be secured are selected. *1)
2	The enterprise does not receive support from other donors and is not implementing business process reengineering or benchmarking.
3	The enterprise owners or top managements have interest in KAIZEN and are willing to introduce it.
4	The enterprise has consented to provide data for utilization in the monitoring and evaluation of KAIZEN implementation.
5	The enterprise has no relation to the military sector.
6	**The enterprise is willing to bear some of the costs of KAIZEN implementation.**
	LMEs Items
1	The enterprise belongs to GTP priority sub-sector.
2	The enterprise belongs to the private **and public sector.** *2) ~~(government stock holding is no higher than 50 percent).~~
3	The enterprise is in the manufacturing sector.
4	The enterprise is in or around Addis Ababa.
5	The enterprise is formal.
6	The enterprise side can organize a KAIZEN team or assign full-time staff.
~~7~~	~~The enterprise is willing to bear some of the costs of KAIZEN implementation.~~
8	There is room for improvement in quality and productivity and there is a high possibility that a KAIZEN effect can be raised during the training period.
9	The issues tackled in KAIZEN are different.
10	The category business is dispersed.
	MSEs Items
1	The enterprise belongs to priority sub-sector for new MSE development strategy. *1)
2	The selection gives consideration to balance between the target areas. *1)
3	The enterprise belongs to the private sector.
4	The enterprise is in the manufacturing sector (other sectors may be selected according to the needs of the local area).
5	The enterprise is within 20 km of ~~the target CRC~~ **A.A.**
6	The enterprise is officially registered.
7	It is a small enterprise according to the definition given in the new MSE development strategy.
8	The enterprise owners or top management become fully devoted to KAIZEN.
9	It can be amply anticipated that effect can be had through applying basic KAIZEN technologies.
10	The category of business is dispersed. *1)

Note:

*1) When it is difficult to fully follow these criteria, the selection should be adjusted based on the discussion between EKI and JICA Expert team.

*2) The proportion of state-owned enterprises to the selected enterprises for each batch is 20 percent at the maximum.
State-owned enterprises to be selected have to be in the privatization process or to have the privatization plan.

(5) The 4th Joint Coordination Committee (JCC) Minutes of Meeting (M/M)

MINUTES OF MEETING
FOR
THE FOURTH JOINT COORDINATING COMMITTEE (JCC)
FOR
THE PROJECT ON CAPACITY BUILDING FOR DISSEMINATION OF QUALITY AND PRODUCTIVITY IMPROVEMNET (KAIZEN)
IN
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Meeting Room of Ministry of Industry
Addis Ababa

2:30 p.m. – 5:20 p.m.
24th July 2013

H.E. Mr. Tadesse Haile
Project Director and Acting Chairperson of Joint Coordinating Committee
State Minister, Ministry of Industry

H.E. Mr. Dessalegn Ambaw
State Minister
Ministry of Urban Development and Construction

Mr. Kimiaki Jin
Chief Representative
JICA Ethiopia Office

Mr. Gebremeskel Challa
Director General
Federal MSE Development Agency

Mr. Tsuyoshi Kikuchi
Chief Advisor
JICA Expert Team

Mr. Endalkachew Sime
Deputy Secretary General and Advocacy Department Manager
Ethiopian Chamber of Commerce and Sectoral Association (ECCSA)

Mr. Getahun Tadesse
Project Manager
Director General
Ethiopian KAIZEN Institute (EKI)

Mr. Gebeyehu Zemhun
Manager of Quality Management Service
Addis Ababa Chamber of Commerce and Sectoral Association (AACCSA)

1. Agenda for the Meeting

i. Report on Progress of the Project.
ii. Current Status of EKI
iii. Mid-Term Evaluation of the Project

2. Proceedings

The meeting was called to order at 2:30 p.m. and was chaired by H.E. Mr. Tadasse Haile, State Minister of the Ministry of Industry (MoI).

The meeting began with the opening remark made by H.E. Mr. Tadesse, expressing his gratitude for the progress of the Project, which is well recognized by the Government of Ethiopia, and introducing today's agenda.

This was followed by a presentation by Mr. Tsuyoshi Kikuchi, Chief Advisor of the Project, on the Progress of the Project. The presentation consisted of three sections: i) Progress of the Project, ii) Future Plan of the Project, and iii) Issues to be discussed and solved. A question and answer session and a discussion on issues followed (See Annex II).

Due to time constraints, the second agenda item, "Current Status of EKI," was skipped. Mr. Toru Homma, JICA Senior Advisor from JICA Headquarters briefly explained the tentative results of the on-going Mid-Term Review of the Project.

3. Report on Progress of the Project

i. The Project is at the halfway mark. Mr. Tsuyoshi Kikuchi explained the progress and the future plans of the Project, summarized by each Project output, which consisted of the short- and long-term plans, public relations (PR) seminars, impact survey, training abroad, and trainings for LMEs and MSEs. The progress of the Project was highly appreciated and the strong commitment of EKI and JICA was highly appraised by all parties participating in the meeting.

ii. Under the Question and Answer session following the presentation of Mr. Kikuchi, several topics were raised as follows:

iii. Requests were made by H.E. Mr. Tadesse and H.E. Mr. Dessalegn Ambaw, State Minister of the Ministry of Urban Development and Construction (MoUDC) to increase the number of seminars by squeezing the planned schedule, introduce follow-up activities after seminars, and include participants from regional offices in the future overseas trainings conducted by the Project through increasing the number of participants. These requests are due to the increasing demands for kaizen from regions. It was explained that the objectives of seminars were to disseminate kaizen knowledge and collect information on the gaps

between already exercised kaizen and what EKI/JICA was conducting is to revise the training curriculum of EKI. Although the needs exceed the current resources of EKI and the Project, the importance of following up seminars and the participation by regional offices in the future overseas trainings were noted by EKI and the Project.

iv. The importance of establishing a certification system was raised by H.E.Mr.Tadesse. Then, Mr. Kikuchi replied that this should be out of the Project scope and it was imperative to establish the evaluation system to measure the capability of each EKI consultant first. H.E. Mr.Tadesse mentioned that however, since Mr. Seiji Sugimoto, JICA expert, had an experience in establishing a certification system in Argentina, his experience could be shared with EKI if time allows. Dr. Fasil Taddese, Assistant Professor at Mekelle University, agreed on the importance of establishing a certification system, especially for the project sustainability.

v. H.E. Mr. Tadesse raised a concern about the low and inconsistent results of the TTTs training. Mr. Sugimoto explained that most EKI consultants had an Industrial Engineering (IE) background, while TVET teachers had various backgrounds. The importance of recruiting graduates from IE or relevant engineering in TVET was emphasized because IE graduates show a stronger ability to understand kaizen concepts and tools than the other graduates.

vi. H.E. Mr. Dessalegn from MoUDC mentioned that he was satisfied with the progress of the Project. After confirming the meaning of "model training system" mentioned in PDM, he suggested that TTTs' level of understanding should be measured so as to ensure the outputs of KAIZEN implementation in MSEs and therefore a 'model TVET' should be established as part of capacity building of TVET system. Responding to this request, Mr. Getahun Tadesse, Director General of EKI, suggested to internally discuss the possibility of modifying in-company training (ICT) to be implemented at TVETs in Addis Ababa as well to make a model TVET system.

vii. Dr. Fasil of Mekelle University addressed the point that the companies he visited such as the Wenji Sugar Factory and Adama Polytechnic College have not succeed in the utilization of appropriate kaizen tools to solve problems. They were only using oral discussion but not using any basic kaizen tools such as fish bone diagram etc. There are lots of kaizen tools that can be used to solve problems related to quality and productivity.

viii. Regarding the questions raised by Dr. Fasil of Mekelle University on the selection of MSEs mainly in the wood and metal industries despite the government's priorities of the agro food processing and leather and textile industries, Mr. Kikuchi explained the difficulty of finding appropriate MSEs in the agro and textile sectors with the long list given by the FeMSEDA. The Project has been trying to select ICT companies from the government's targeted sectors; however, the companies in food processing sector on the long list, for example, are

mostly restaurants, which are not appropriate for ICT. Mr. Kikuchi will discuss this matter next week at a mini-workshop organized by EKI and attended by FeMSEDA, ReMSEDA, FeTA, and the JICA Expert Team.

ix. Mr. Endalkachew Sime, Deputy Secretary General and Advocacy Department Manager from the Ethiopian Chamber of Commerce and Sectoral Association (ECCSA) gave a suggestion on collaboration between the kaizen PR seminars held in major regional cities and the workshops conducting by ECCSA, in order to have more frequent and cost effective dissemination of kaizen concepts.

<Discussion on the Transportation Issue>

i. Since the beginning of the Project, the Project has been facing a serious issue with transportation. According to the R/D agreed upon at the beginning of the Project, the Ethiopian side has to provide any facilities required for the training including transportation. However, vehicles were not properly provided by the relevant agencies from the onset of the Project so as to conduct trainings in a timely manner. Fifth session of ICT in MSEs are starting shortly and the Project needs at least three additional vehicles from the Ethiopian side to conduct ICT.

ii. Mr. Getahun of EKI suggested two options to deal with this issue: do not change PDM or the number of trainees, but increase the proportion of trainees from TVET in Addis Ababa who do not need additional transportation and/or conduct ICT in workplaces in TVET.

iii. Mr. Gebremeskel from FeMSEDA indicated that the facility of the government and the alternative option will be discussed with the relevant agencies and H.E. Mr. Dessalegn from MoUDC addressed that this issue must be solved within the Ethiopian government.

<Discussion on the Long-term Plan>

i. H.E. Mr. Tadesse mentioned that the importance of quality and productivity would surely be emphasized in the Growth and Transformation Plan 2 (GTP-2) and EKI and the Project should proceed to draft the long-term plan.

ii. Mr. Getahun of EKI articulated that the formulation of the long-term plan had been agreed between the Government of Japan and the Government of Ethiopia and hence the plan has to be strong enough to assist the national plan. Expanding kaizen to national level and building capacity in Mekelle University, for instance, need to be described in the plan. Despite the difficulty to formulate the plan in one year, EKI will organize workshops, which involve EKI management staff, to do so within the given time.

iii. H.E. Mr. Tadesse mentioned that the goal of Ethiopia was to reach the status of 'middle income country' by 2025 with annual growth rate at 11%. The role of manufacturing sector, particularly MSEs, will be significant to achieve the target. Thus, the TVET system will be

the key. Currently, 'planning commission' is being established to prepare the GTP-2 and the long-term development plan stating targets over next 15 years. The word of 'kaizen' will surely be mentioned in the plans.

iv. Dr. Fasil of Mekelle University commented that targeting might be necessary in the long term plan in terms of how much the Ethiopian industry should be improved after implementing kaizen, for example, in industrial competitiveness. In addition, Dr, Fasil pointed out that most of the training materials provided to the trainees were power point slides, which need to be prepared appropriate curriculum in order to make smooth transfer of knowledge once the Project is phased out.

4. Mid-term Review Report

i. Mr. Toru Homma, Senior Advisor from JICA Headquarters, stated that the impact of the Project has already been beyond JICA's expectations and briefly explained the tentative summary of the mid-term review, which were being conducted from 10th to 28th July.

ii. The overall result of the mid-term review shows good progress of the Project.

iii. From the viewpoints of the "Five Evaluation Criteria", the "relevance" of the Project is very high for both the Government of Ethiopia and the Government of Japan, the "effectiveness" of the Project is high with strong commitment from the Government of Ethiopia, and the "efficiency" of the Project is fairly high in that inputs are well utilized. However, there are some operational issues, such as transportation, that need to be solved.

iv. Although mid-term review does not usually assess the "impact" of projects as it is normally too early to see any visible impacts, the "impact" of this Project has already been shown in many forms by kaizen activities outside of the Project. The "sustainability" has also been positive, as kaizen has already been incorporated into the national policy plan and EKI is well funded.

v. Based on the result of the mid-term evaluation, ten recommendations were shared and noted by the participants (see ANNEX III).

vi. Some modifications were suggested by Mid-term Review Mission in PDM.

vii. The result of the mid-term review was appreciated by all the participants.

viii. The Joint Evaluation Report will be finalized soon and signed by H.E. Mr. Tadesse, Project Director, and Mr. Homma, Mid-term Review Mission Leader, on 26th July, 2013.

<Modifications of PDM>

In response to the challenges raised in the presentation by Mr.Kikuchi with regard to lack of proper arrangement of vehicles as well as difficulty in selecting appropriate enterprises for ICT for TTTs/MSEs, Ethiopian side proposed a possible solution, that is, to include some of TVETs in Addis Ababa in ICT as target ICT sites through modifying PDM and thereby solve the issue of transportation and decreasing the difficulty in selecting enterprises. This suggestion was

supposed by Japanese side and relevant indicator and activity on PDM are revised accordingly with an approval by JCC members.. (see Annex III for details)

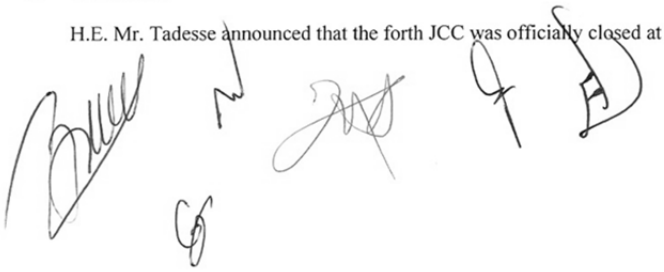
5. Other

Mr. Kimiaki Jin, Chief Representative of JICA Ethiopia Office, thanked the participants for a constructive meeting. He recognized the progress of the Project has been made while acknowledging the challenges it still faces.

6. Conclusion

H.E. Mr. Tadesse announced that the forth JCC was officially closed at 17:20 p.m.

[END]



[ANNEXES]

ANNEX I Participants of the Fourth Joint Coordinating Committee

ANNEX II Presentation on Progress of the Project by Mr.Kikuchi

ANNEX III Draft Minute of Meetings between the Japanese Mid-Term Review Team and Authorities Concerned of the Government of the Federal Democratic Republic of Ethiopia on Japanese Technical Republic of Ethiopia on Japanese Technical Cooperation for the Project on Capacity Building for Dissemination of Quality and Productivity Improvement (KAIZEN)

[Annex I] Participants of the Fourth Joint Coordination Committee

<Ethiopian Side>

- H.E. Mr. Tadesse Haile, State Minister, Ministry of Industry (Chairman by deputy)
- H.E. Mr. Dessalegn Ambaw, State Minister, Ministry of Urban Development & Construction
- Mr. Gebremeskel Challa, Director General, Federal MSE Development Agency (FeMSEDA)
- Mr. Endalkachew Sime, Deputy Secretary General and Advocacy Department Manager, Ethiopian Chamber of Commerce and Sectoral Association (ECCSA)
- Mr. Gebeyehu Zerihun, Manager of Quality Management Service, Addis Ababa Chamber of Commerce and Sectoral Association (AACCSA)
- Mr. Getahun Tadesse, Director General, EKI
- Mr. Bekalu Worku, Director of High Education Institutions Capacity Building Directorate, EKI
- Dr. Fasil Taddese, Assistant Professor, Mekelle University

<Japanese Side>

- Mr. Kazuhiko Sasaki, Second Secretary, the Embassy of Japan
- Mr. Kimiaki Jin, Chief Representative, JICA Ethiopia Office
- Mr. Toru Homma, Senior Advisor, Private Sector Development: Trade, Investment & Industry, JICA
- Mr. Keiji Ishigame, Advisor, Private Sector Development Division 1, JICA
- Mr. Izumi Sakaya, Evaluation Consultant
- Mr. Atsushi Nakagawa, Senior Representative, JICA Ethiopia Office
- Ms. Miho Oikawa, Project Formulation Advisor, JICA Ethiopia Office
- Mr. Fekadu Nigussie, PSD In-House Consultant, JICA Ethiopia Office
- Mr. Tsuyoshi Kikuchi, Chief Advisor, JICA Expert Team
- Mr. Seiji Sugimoto, JICA Expert Team
- Mr. Tomoyoshi Koume, JICA Expert Team
- Mrs. Misa Tamura, JICA Expert Team

(6) The 5th Joint Coordination Committee (JCC) Minutes of Meeting (M/M)

MINUTES OF MEETING
FOR
THE FIFTH JOINT COORDINATING COMMITTEE (JCC)
FOR
THE PROJECT ON CAPACITY BUILDING FOR DISSEMINATION OF QUALITY AND PRODUCTIVITY IMPROVEMNET (KAIZEN)
IN
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Meeting Room of Ministry of Industry
Addis Ababa

9:20 a.m. – 11:15 a.m.
18th December 2013

H.E. Mr. Tadesse Haile
Project Director and Acting Chairperson of Joint Coordinating Committee
State Minister, Ministry of Industry

Mr. Gebremeskel Challa
Director General
Federal MSE Development Agency

Mr. Kimiaki Jin
Chief Representative
JICA Ethiopia Office

Mr. Getahun Tadesse
Project Manager
Director General
Ethiopian KAIZEN Institute (EKI)

Mr. Tsuyoshi Kikuchi
Chief Advisor
JICA Expert Team

1. **Agenda for the Meeting**

i. Report on Progress of the Project.

ii. Presentation on the Framework of Long Term Plan

iii. Discussion on issues raised.

2. **Proceedings**

The Joint Coordinating Committee meeting was started at 9:20 a.m. and was chaired by H.E. Mr. Tadesse Haile, State Minister of the Ministry of Industry (MoI) in the absence of H.E. Mr. Newai Gebre-ab, Chief Economic Advisor to the Prime Minister, who is a Chairperson of Joint Coordinating Committee.

The meeting began with the opening remark made by H.E. Mr. Tadesse, and he expressed his gratitude for the progress and that the Ethiopian Government will continue to provide well organized support to the Project.

3. **Report on Progress of the Project**

Following, Mr. Tsuyoshi Kikuchi, Chief Advisor of the Project, delivered his presentation on the Progress of the Project. Mr. Kikuchi's presentation consisted of five sections: i) Overview of Project Activities for the last 2 years, ii) Outline of the Ethiopian KAIZEN project, iii) Progress and Performance, iv) Future of the Project, and v) Some Issues. A question and answer session and a discussion on issues followed the presentation (See Annex II).

i. Mr. Tsuyoshi Kikuchi explained the progress and "some impeding issues" of the Project. Following Mr. Kikuchi's presentation, H.E. Mr. Tadesse expressed his gratitude for the achieved implementation of the Project and also extolled the effectiveness of the Project. In addition, he said that the results achieved gave Ethiopian side confidence. H.E also extolled the Mid-term review team's recommendations saying that they made pertinent recommendations to the direction in which the Ethiopian government aspiring to (i.e.to extend kaizen implementation not only in Addis Ababa but also regional areas).

<Results of ICT for MSEs >

ii. Referring to the variation of record of achievement of kaizen implementation in MSEs (illustrated in slide number 21 in Annex II), H.E. Mr. Tadesse raised a question based on the discrepancy he noted between the results shown in this presentation and the overall evaluation results reported by the Mid-team evaluation team. H.E. further illustrated his points based on the seemingly contradicting findings indicated by the Mid-term evaluation

team report, which generally showed "high" effectiveness and "many positive" impacts of the Project, as opposed to the findings indicated in the slide 21 of Annex II of the presentation, which depicted that the results of Kaizen implementation in problem solving activity is relatively limited in MSEs. Then H.E. Tadesse asked to Mr. Kikuchi to explain the reason for the observed discrepancies. Mr. Kikuchi replied that the limitations observed in MSEs are stemmed from the time constrain, particularly for the In-Company Training (ICT). Mr. Kikuchi added that the objective of MSE training is to train TTT's not as such focused on problem solving objective.

<Difficulty of Selecting an Appropriate MSEs in Terms of Sectors Distribution>

iii. With regard to the selection of MSEs for ICT, Mr. Kikuchi explained that most of the shortlisted enterprises are inappropriate and some enterprises do not even exist at all. For example enterprises shortlisted in the food processing sector are mostly restaurants, which are inappropriate and difficult to include them for ICT. As a result, the enterprise chosen for ICT from MSEs are dominated by wood and metal sectors. In this respect, the Project Team is facing enormous difficulty in selecting appropriate enterprises, he said. Accordingly, H.E. Mr. Tadesse noted that MSEs from other sectors besides wood and metal should be included.

iv. Mr. Gebremeskel Challa, Director General of FeMSEDA, supported Mr. Kikuchi's comment saying that enterprises selection for ICT has been one of the problems identified by FeMSEDA too. The cause of the problem is that the shortlist was handled by ReMSEDA or technical officers, not managements or leaders in FeMSEDA, who have better understanding about kaizen project. Furthermore, he said that many enterprises in garment and leather sector have only five to six workers, which effectively make those enterprises illegible for ICT, due to the Project's criterion. There is some confusion with regard to the criteria for MSEs selection within FeMSEDA, which we need to clarify in the future.

v. Mr. Gebremeskel stated that MSEs' demand for kaizen is increasing not only in Addis Ababa, but also in regions. Follow-up issue, however, is the problem. TVET's are trying to implement kaizen, but kaizen activities have not been sustained in MSEs, which is a problem or responsibility of TVET.

vi. In conclusion, H.E. Mr. Tadesse emphasized that there will be a high demand for kaizen from MSEs, for there is abroad advertisement in radio and TV. He depicted that enterprises participating in ICT should not be restricted to specific sectors such as wood and metal sectors, only. The implementation should be widely distributed to other sectors like leather, textile, food processing etc. On the way forward, H.E. informed to Mr.

Gebremeskel to collaborate further with relevant institutes to select an appropriate MSEs from different sectors.

<Discussion on Transportation problem for MSEs/TTTs training>

i. Mr. Kikuchi elaborated on his presentation about the seriousness of transportation problem for MSEs. FeTA and MoUDC failed to provide transportation vehicle despite the fact that EKI has been requested repeatedly to FeTA as well as MoUDC to provide a vehicle for the training, said Mr. Getahun. Mr. Getahun argued that "we should not take this (reducing the number of enterprises) as a drawback of the Project". Mr. Getahun suggested that due to the transportation problem the number of enterprises (MSEs) participating in the ICTs would be decreased from 60 to 30 for the forthcoming 7th and 8th batches training. However, Mr. Getahun said the suggestion he made needs to be considered further by the Ethiopian side.

ii. Mr. Kimiaki Jin, Chief Representative of JICA Ethiopia Office, commented that this problem has been discussed in the last JCC, and we should consider the possibility to utilize other resources if available. He articulated that this should not be considered as a solely problem of Ethiopian side, but it is also a problem of Japanese sides.

iii. H.E. indicated that he personally believes that there could be a room for solving this transport problem, and Mr. Gebremeskel and Mr. Getahun will further discuss on the issue, said H.E.

iv. Mr. Endalkachew Sime, Deputy Secretary General and Advocacy Department Manager of Ethiopian Chamber of Commerce and Sectoral Association (ECCSA), suggested that training implemented by the Project in TVET's and the one implemented by EKI to be integrated together in order to sustain kaizen activities. Mr. Getahun assured that the two are integrated, but the only difference is that the EKI model is customized to Ethiopian context.

< Allocation of EKI staff to the LMEs Course>

i. Mr. Kikuchi requested EKI to allocate appropriate numbers of EKI staff to the Project when needed.

ii. H.E. Mr. Tadesse requested Mr. Getahun to address this problem and give a priority to the Project than EKI's independent activities.

iii. Mr. Getahun acknowledged the issue and promised to improve the allocation problem, accordingly.

<Any Other Businesses>

i. Mr. Endalkachew raised several questions with regard to the progress of the Project. First, on the sustainability issue, Mr. Endalkachew said that it is not too early to judge the sustainability of the Project at this moment. Second, it is important to assess the impact of kaizen in enterprises participated in the ICT as it is indicated in Mr. Kikuchi's presentation. Third, regarding the model system indicated to disseminate kaizen for MSEs in the presentation, Mr. Endalkachew taught it will be too late if the model system established at the end of the Project.

ii. In response to Mr. Endalkachew concern, Mr. Kikuchi replied that the current training would be one of the model training systems, but "we review as well as revise at the end of each Training system for TTTs".

4. Discussion on the Long-term Plan

Mr. Kikuchi presented the framework of the Long Term Plan for disseminating kaizen, which he said it is one of the deliverables of the Project. The presentation consisted of six sections: i) Directions of National Development, Industrial Development Policies and KAIZEN Dissemination Activities, ii) The Ethiopian KAIZEN Institute (EKI), iii) Strategic Direction of Future KAIZEN Dissemination, iv) Implementation, v) Evaluation and Monitoring and vi) Accumulating Best Practices.

i. Mr. Kikuchi briefly touched his presentation on the framework of the Long Term Plan due to the time constrain (see details attached Annex III).

ii. Mr. Endalkachew recommended that the schedule for formulating the Long Term Plan should be expedited. Mr. Kikuchi replied that the draft version of the plan is to be agreed on the next JCC and the final version will be approved at the last JCC of the Project.

iii. H.E. Mr. Tadesse stated that the Long Term Plan has to be in line with the future plan and the GTP-II (See Annex II).

5. Closing Remark

i. H.E. Mr. Tadesse concluded the meeting thereby reiterating and giving direction on the following issues:

(1) In terms of additional staff to the LMEs training, Mr. Getahun will take the arraignment.

(2) Regarding the selection of appropriate MSEs for ICT, Mr. Gebremeskel shall consider to select appropriate MSEs.

(3) Considering the number of MSEs/TTTs to be trained in the future, we should not conclude this issue at this time and the Ethiopian side needs to discuss further.

(4) The Long Term Plan should be in line with relevant national plan of Ethiopia and is to ensure the sustainability of kaizen in Ethiopia.

ii. Mr. Kimiaki Jin expressed that JICA is satisfied with the progresses and the achievements of the Project, by far. Ethiopia has rapidly changing environment. JICA will be flexible enough to cope-with the dynamism and contribute to the development of Ethiopia.

6. Conclusion

H.E. Mr. Tadesse once again expressed his gratitude for JICA and Japanese Expert Team for their achievements and announced that the fifth JCC was officially closed at 11:15 a.m.

[END]

[ANNEXES]

ANNEX I	Participants of the Fifth Joint Coordinating Committee
ANNEX II	Presentation on Progress of the Project.
ANNEX III	Presentation on Outline of Long Term Plan for Disseminating KAIZEN in Ethiopia.

[Annex I] Participants of the Fifth Joint Coordination Committee

<Ethiopian Side>

- H.E. Mr. Tadesse Haile, State Minister, Ministry of Industry (Chairman by deputy)
- Mr. Gebremeskel Challa, Director General, Federal MSE Development Agency (FeMSEDA)
- Mr. Getahun Tadesse, Director General, EKI
- Mr. Endalkachew Sime, Deputy Secretary General and Advocacy Department Manager, Ethiopian Chamber of Commerce and Sectoral Association (ECCSA)
- Mr. Gebeyehu Zerihun, Manager of Quality Management Service, Addis Ababa Chamber of Commerce and Sectoral Association (AACCSA)

<Japanese Side>

- Mr. Kimiaki Jin, Chief Representative, JICA Ethiopia Office
- Mr. Takusaburo Kimura, Senior Representative, JICA Ethiopia Office
- Ms. Yuko Ikeda, Project Formulation Advisor, JICA Ethiopia Office
- Mr. Fekadu Nigussie, PSD In-House Consultant, JICA Ethiopia Office
- Mr. Tsuyoshi Kikuchi, Chief Advisor, JICA Expert Team
- Mr. Tomoyoshi Koume, JICA Expert Team
- Ms. Akane Morimoto, JICA Expert Team

[Annex II] Presentation on Progress of the Project by Mr. Kikuchi

A Progress on Ethiopian KAIZEN Project
(November 2011~December2013)

The 5th Joint Coordinating Committee (JCC)
18th December 2013

Tsuyoshi Kikuchi
Chief Advisor / JICA Expert

Contents

Prelude
Part I. Overview of Project Activities for the last 2 years
Part II. Outline of the Ethiopian KAIZEN Project
Part III. Progress & Performance
Part IV. Future of the Project
Part V. Some Issues
Epilogue

Prelude

Two years have passed since the Project started on 27th November 2011

1st Year	2nd Year	3rd Year
Nov.'11~Nov.'12	Nov.'12~Nov.'13	Nov.'13~Nov.'14

Present

What has been done until now?

What should be done from now ?

PART I Major Activities for 2 years
(Contents of PART I)

1. Joint Coordinating Committee (JCC)
2. KAIZEN PR Seminars
3. Total Quality Management(TQM) Seminar
4. Training Courses for LMEs and MSEs
5. Training Abroad for EKI Consultants
6. Mid-Term Evaluation
7. Basic Policy adopted for Project Implementation
8. [Examples] Impacts/Results of the Project

I-1. Joint Coordinating Committee (JCC)

JCC were held twice a year.

	Date	Venue
1	26th December 2011	MoI
2	5th July 2012	MoI
3	12th December 2012	MoI
4	24th July 2013	MoI
5	18th December 2013	MoI

I-2. KAIZEN PR Seminars

Four KAIZEN PR Seminars were held.

	Month/Year	Venue	Participants
1	27 Nov. 2012	Addis Ababa (Hilton Hotel)	150
2	12 Feb. 2013	Adama (Nazaret) (Adama German Hotel)	130/280
3	23 May 2013	Hawassa(Central Hotel)	137/417
4	5 Dec. 2013	Dire Dawa (Samrat Hotel)	146/563
5	March 2014	Bahir Dar	
6	May 2014	Mekelle	
7	Sept. 2014	Addis Ababa	

I-3. Total Quality Management (TQM) Seminar

TQM Seminars by Prof. Hiroshi Osada were held in Addis Ababa and Mekelle.

Date	Subjects	Venue
27th Aug.	Total Quality Management (TQM)	Ethiopian Hotel
29th Aug.	Total Quality Management (TQM)	Mekelle Univ.
30th Aug.	Innovation	Mekelle Univ.
2nd Sept.	Deming Prize	EKI

[Remarks] Prof. Hiroshi Osada is a researcher of TQM and the chairman of Deming Prize Committee in Japan.

I-4. Training Courses for LMEs & MSEs

Training Courses for EKI Consultants/LMEs and TTTs/MSEs are being conducted.

Training Course		EKI Consultants/LMEs	TTTs/MSEs
Trainees [Results/Target]		EKI Consultants [34/60]	TTTs [105/170]
Enterprises [Results/Target]		LMEs [34/50]	MSEs [101/170]
Duration	CRT	One month in EKI	One month in EKI
	ICT	Five month in LMEs	Two month in MSEs
No. of Batches (Sessions)		5 (13)	8 (34)

I-5. Training Abroad for EKI Consultants

Training Programs for EKI Consultants were conducted in Japan and Malaysia

Country	Training Content	Period	Participants	
			Past	Future
Japan	KAIZEN Training for Director Level	2 weeks (Feb. 2013)	5	
Japan	KAIZEN Training for Trainer Level	2 weeks (Oct. 2013)	5	
Malaysia	KAIZEN Training for EKI Consultants	2 weeks (June 2013)	16	
Total	----	----	26	

I-6. Mid-Term Evaluation

Mid-Term Evaluation was conducted from five view points in July 2013.

Five Criteria	Evaluation
1. Relevance	Very high
2. Effectiveness	High
3. Efficiency	Fairly high
4. Impact	Many positive impacts
5. Sustainability	Too early to judge

I-5. Training Abroad for EKI Consultants

Training Programs for EKI Consultants were conducted in Japan and Malaysia

Country	Training Content	Period	Participants	
			Past	Future
Japan	KAIZEN Training for Director Level	2 weeks (Feb. 2013)	5	
Japan	KAIZEN Training for Trainer Level	2 weeks (Oct. 2013)	5	
Malaysia	KAIZEN Training for EKI Consultants	2 weeks (June 2013)	16	
Total	----	----	26	

[Quotation] Joint Evaluation Report, 26 July 2013, p.27

Generally, it appears that technical transfer is in good progress as main parts of trainings for both EKI consultants and TTTs have been gradually transferred from Japanese experts to Ethiopian C/P. Particularly in the CRT of the both trainings, *EKI consultants conduct lectures with much confidence*. It is questionable at the moment, however, after completion of the Project without Japanese experts, if EKI consultants will be able to provide KAIZEN trainings with the same quality as present, *especially in ICT, as they are less experienced at a moment*. Although all EKI consultants will have finished receiving training as trainees by the fifth batch of training for EKI consultants and many of them are involved in EKI's own KAIZEN consultation services, *many of them will still remain with the basic skills and knowledge of KAIZEN at the time of termination of the Project and require further training to upgrade their capacity* for dissemination of KAIZEN.

I-7. Basic Policy for Project Implementation

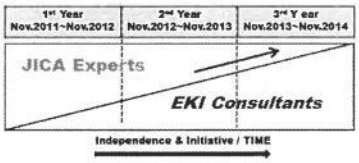
Project have been implemented based on a basic policy from mainly four view points.

1. **Respect for EKI people's "Independence".**
2. **Development of "Trainers' Trainers" in addition to "KAIZEN Trainers".**
3. **"Quality" rather than "Quantity".**
4. **Project Implementation with "*PDCA*".**

Key word of the Basic Policy :"*Sustainability*"

I-7-1. Respect for EKI people's independence(1)

Independency of EKI Consultants become higher gradually and JICA Experts will be replaced by them by the end of the Project.



I-7-1. Respect for EKI people's Independence(2)

EKI Consultants are taking over as "KAIZEN Trainers" of Class-Room Training (CRT).

	1st Batch	2nd Batch	3rd Batch	4th Batch	5th Batch
CRT Duration	9 days	17 days	13 days	***	***
JICA Experts	100 %	78 %	15 %	0 %	0 %
EKI Consultants	0 %	22 %	85 %	100 %	100 %

Subjects of CRT	5S, KAIZEN Basics, Various ways of thinking & tools about productivity improvement, quality improvement, cost reduction, delivery time, etc.

[Remarks] The above case is EKI Consultants/LMEs Training course. In case of TTTs/MSEs Training Course, almost the same.

I-7-2. Basic Policy for Project Implementation

How are EKI Consultants as "Trainers" involved in conducting LMEs Training Course?



I-1-3. "Quality" rather than "Quantity"
I-1-4 . Project Implementation with PDCA

PDCA Cycle, one of KAIZEN tools, has been applied to implementation of Training Program to improve the Quality.



Example 1 : Impact/Results of the Project

A Shoe Company could increase production volume by 38% per day using "Line Balancing".

Parameters	Before	After	Targets
LINE BALANCE RATIO	46.5%	81.2%	80.0%
LONGEST OPERATION TIME	140 sec/2 pair	75 sec/2 pair	72sec/2 pair
PRODUCTION VOLUME	555 pair/8 hour	768 pair/8 hour (+213 pair, 38%)	800 pair/8 hour
NO. OF WORKERS	59	59	*****

Example 2 : Impacts/Results of the Project

EKI and FeTA themselves have launched "Training Program for TTIs/MSEs" with modification of JICA Approach.

Training Course		JICA/EKI Training Program for TTIs/MSEs	EKI/FeTA Training Program for TTIs/MSEs
Target Trainees (Target Numbers)		TTIs (175)	TTIs (50 X 7 Regions= 350)
Target Enterprises		MSEs	MSEs
Type of Training & Period	CRT	One month (30 Days) in EKI	15 Days in Each Region
	ICT	Two month (60 Days) In MSEs in AA	30 Days In MSEs in Region
Target Areas		All Regions (TTIs nominated)	7 Regions (TTIs nominated in Region)
Trainers		- JICA Experts - EKI Consultants	- EKI Consultants * - FeTA Technical Staff * - TTIs in the Region *

* *All of them finished JICA/EKI Training Course.*

Example 3 : Impacts/Results of the Project

Most of ICT companies, LMEs and MSEs, could enjoy the various results of KAIZEN activities.

	KAIZEN Basics			Problem Solving			
	Layout Improv.	Space Creation	Waste Eliminat.	Producti-vity Impr.	Quality Improv.	Cost Reduct.	Delivery
LMEs 2nd Batch	N.A.	8/8 *	8/8	7/8	6/8	6/8	6/8
MSEs 4th Batch	10/10	10/10	2/10	3/10	1/10	0/10	0/10
MSEs 5th Batch	21/23	20/23	7/23	5/23	4/23	0/23	0/23

[Remarks] The ICT period is 8 months for LMEs and 2 months for MSEs.
The ICT for MSEs focuses on KAIZEN Basics due to a short period.
* Numerator: No. of respondents who have confirmed effective results. Denominator: No. of a total respondent.

Example 4 : Impacts/Results of the Project

ICT Companies' Satisfaction and Needs for Follow-up Activities.

< Satisfaction by ICT LMEs >

	Total Number of ICT Companies	Number of Respondent ①	"Yes" ②	②/①(%)
1st Batch	10 Companies	5 Companies	5 Companies	100 %
2nd Batch	10 Companies	8 Companies	8 Companies	100 %

< ICT LMEs' Needs for Follow-up Activities >

	Total Number of ICT Companies	Number of Respondent	"Yes" ②	②/①(%)
1st Batch	10 Companies	4 Companies	3 Companies	75 %
2nd Batch	10 Companies	8 Companies	8 Companies	100 %

PART II
Outline of the KAIZEN Project

1. Overall Goal
2. Purpose of the Project
3. Expected Outputs
4. Planned Activities
   (to be explained in Part III : Progress & Performance)

II-1&2. Overall Goal and Project Purpose

Overall Goal & Project Purpose are stated in the Work Plan which was approved at the first JCC held in December 2011.

1. Overall Goal
   "An increased number of private enterprises will implement KAIZEN."

2. Project Purpose
   "The system is established to disseminate KAIZEN to private enterprises in a sustainable manner."

II-3. Expected Outputs

Expected Output 1~3 are stated in the Work Plan approved at the first JCC.

Output 1:
Solid Foundation of EKI for Sustainable Development

Output 2:
Workable Training System of HRD for LMEs.

Output 3:
Model Training System for EKI to foster TTTs for MSEs.

Part III
Progress & Performance
What has been done until now ?

1. **Solid Foundation of EKI** (Output 1)
2. **EKI Consultants / LMEs Training Course** (Output 2)
3. **TTTs / MSEs Training Course** (Output 3)

Part III. Progress & Performance
Regarding Expected Output 1:
Institutional & Organizational Foundation of EKI

III-1. Solid Foundation of EKI: Formulation of Long-Term Plan (1)

Direction of LTP is in line with National Development Plan (GTP) and Industrial Development Policy (2013~2025).

<Proposed Role of Ethiopian KAIZEN Institute (EKI)>

1. **Human Resource Development**
   EKI as "Training Institute"
2. **Technical Guidance and Consultation**
   EKI as "Consulting Institute"
3. **Networking at Various Levels**
   EKI as "Coordinating Institute" at National and Regional levels and African countries.
4. **Center of Excellence**
   EKI as Various Centers: R&D, Information, Policy Recommendation, National Movement, etc.

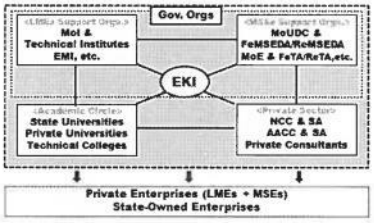
III-1. Solid Foundation of EKI: Formulation of Long-Term Plan (2)

The Long-Term Plan is scheduled to be finalized by the end of Project (November 2014).

Schedule	Agenda for JCC
December 2013	The Plan to be directed at 5th JCC.
May 2014	Draft of the Plan to be approved at 6th JCC.
Nomember 2014	Final draft of the Plan to be approved at the last JCC.
After the Project	The Plan to be proposed to EKI Council for approval.

III-1. Solid Foundation of EKI: Networking at Various Levels

Networking among Related Organizations at National Level.



III-1. Solid Foundation of EKI: Impact Survey

Impact Survey is being conducted by EDRI and will be finalized in July 2014.

Time	Activities
January 2012	Contract with Ethiopian Institute
March 2013	Progress Report submitted
Mar.'12 ~ July '14	Survey being conducted by the Institute.
July 2014	Final Report on the results of the Survey to be submitted.
August 2014	Seminar on the results of the Survey to be held.

III-1. Solid Foundation of EKI: Training Abroad

Training Abroad (Japan and Malaysia)

Country	Training Content	Period	Participants	
			Past	Future
Japan	KAIZEN Training for Director Level	2 weeks (Feb. 2013)	5	
Japan	KAIZEN Training for Trainer Level	2 weeks (Oct. 2013)	5	
Malaysia	KAIZEN Training for EKI Consultants	2 weeks (June 2013)	16	
Total	——	——	26	

Part III.
Progress & Performance
Regarding Expected Output 2 :
EKI Consultants / LMEs Training

III-2. EKI Consultants / LMEs Training Course

***34 EKI Consultants** were trained and **34 LMEs** were involved in the Project for the last two years.*

Batch	Session	Training Period	Trainees (/total sum)	Enterprises (/total sum)
1	2	May ~ Nov. '12	10/10	9/9
2	2	Nov.'12~May'13	9/19	10/19
3	3	June ~ Dec. '13	15/34	15/34
4	3	Feb. ~ Aug. '14	15/49	15/49
5	3	Sept. ~ Mar.15	15/64	15/64
Total	13	——	64	64 [Target 60]

III-2. EKI Consultants / LMEs Training Course

How were EKI Consultants trained ? (1)

1. Type of Training [training period]	Class Room Training (CRT) [one month]	In-Company Training (ICT) [five months]
2. Way of Learning	Theoretical Learning	Practical learning = Application of what learned with CRT.
3. Contents of Training Course	KAIZEN Basics, Various ways of thinking & tools about productivity improvement, quality improvement, cost reduction, delivery, etc.	
4. Trainers	JICA Experts (Advisors), EKI Trainers (Experienced EKI Technical Staff)	
5. Trainees (= Recipient of KAIZEN Technology)	EKI Consultants (EKI Technical Staff)	EKI Consultants (= Potential Trainers) Company People

III-2. EKI Consultants / LMEs Training Course

How were EKI Consultants being trained ?



(Note) 1 : Transfer of Technology on "How to train EKI Consultants (= trainees) and "How to conduct KAIZEN in factories/workshop with company people".
2 and 3 : Training about KAIZEN way of thinking and various tools
4 : Learning through theoretical and practical training.

III-2. EKI Consultants / LMEs Training Course

What KAIZEN tools are applied to LMEs ?

KAIZEN Basics for All ICT Companies	Problem Solving Based on the Request of ICT Companies
5 S MUDA Elimination At the Result of 5S, -Layout Improvement -Stock Reduction	Establishment of SOP* System, Productivity Improvement of Process, Shortening of Delivery Time, Energy Efficiency Measures, Reduction of Defective Products, etc.

*SOP : Standard Operation Procedures

III-2. EKI Consultants / LMEs Training Course

How are EKI Consultants as "Trainers" involved in conducting LMEs Training Course?

EKI Consultants / LME Course

2 Advisors (J) + 1 Advisor (E)

< Group A >		< Group B >		< Group C >	
1 Trainer	1 Assist	1 Trainer	1 Assist	1 Trainer	1 Assist
3 Trainees	3 Trainees	3 Trainees	3 Trainees	3 Trainees	3 Trainees
Problem Solving	KAIZEN Basics	Problem Solving	KAIZEN Basics	Problem Solving	KAIZEN Basics
5 ICT Companies		5 ICT Companies		5 ICT Companies	

III-2. EKI Consultants / LMEs Training Course

How are EKI Trainers trained in ICT ?

Training Course / Subjects	EKI Consulting/LMEs Training Course (Five Months for ICT)	TTTs/MSEs Training Course (Two Months for ICT)
KAIZEN Basics (KB)	<KB Team> One Assistant Trainer Two Trainees (being supervised by Advisor)	<KB Team only> One Trainer Five Trainees (being supervised by Advisor)
Problem Solving Approach (PSA)	<PSA Team> One Trainer Three Trainees (being supervised by Advisor)	If time is available, PSA is tried. But the curriculum is busy.

III-2. EKI Consultants / LMEs Training Course

How about the Results of the Training ?

< Level of Understanding of the Subjects>

1st Batch	Before	After
Average	42.6 / 100	61.5 / 100
Highest	48 / 100	66.4 / 100
Lowest	36 / 100	51.9 / 100

2nd Batch	Before	After
Average	55.0 / 100	65.5 / 100
Highest	62 / 100	70.3 / 100
Lowest	44 / 100	60.0 / 100

< Subjects >
1st Batch: IE Basics, Motion Study, Time Study, Productivity, Quality, Delivery, Cost.
2nd Batch: KAIZEN Basics, QC 7 Tools, Standardization, IE Basics, Productivity, Quality, Delivery, Cost.

Part III Progress & Performance

Regarding Expected Output 3 :
TTTs / MSEs Training

III-3. TTTs/ MSEs Training Course

105 TTTs were trained and 101 MSEs were involved in the Project for the last two years.

Batch	Session	Training Period	Trainees (/total sum)	Enterprises (/total sum)
1	4	Feb. ~ May. '12	18/18	20
2	4	June'12~Aug. '12	18/36	17/37
3	3	Oct. ~ Dec. '12	15/51	15/52
4	3	Feb. ~ Apr. '13	12/63	10/62
5	5	July ~ Sept.'13	26/89	25/87
6	6	Nov. ~ Jan. '14	16/105	15/102
7	6	Feb. ~ Apr. '14	30?/135	30?/132
8	6	July ~ Sept. '14	30?/165	30?/162
Total	37	Feb.'12 ~Aug. '14	102? [Target 170]	102? [Target 170]

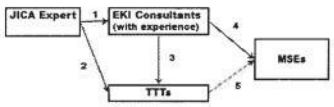
III-3. TTTs/ MSEs Training Course

How were TTTs trained ? (1)

1. Type of Training [training period]	Class Room Training (CRT) [one month]	In-Company Training (ICT) [two months]
2. Way of Learning	Theoretical Learning	Practical learning = Application of what learned with CRT.
3. Contents of Training Course	KAIZEN Basics, Various ways of thinking & tools about productivity improvement, quality improvement, etc.	
4. Trainees	JICA Experts and EKI Consultant	
5. Trainees (= Recipient of KAIZEN Technology)	TVET Trainers' Trainers (TTTs)	TTTs Company People

III-3. TTTs/ MSEs Training Course

How were TTTs trained ? (2)



[Note] 1 : Transfer of Technology on "How to train TTTs (= trainees) and "How to conduct KAIZEN in factories/workshop with company people".
2 and 3 : Training about KAIZEN way of thinking and various tools
4 : Learning through theoretical and practical training.

III-3. TTTs/ MSEs Training Course

How about the Results of the Training ?

< Level of Understanding of the Subjects >

	1st Batch	2nd Batch	3rd Batch	4th Batch	5th Batch	6th Batch
Average	53.0/100	61.8/100	53.0/100	53.1/100	57.8/100	In Progress

[Subjects] KAIZEN Basics, IE Basics, Motion Study, Time Study, Layout/ Line Balance, QC Circle, Process of Consulting, etc.

III-3. TTTs/ MSEs Training Course

How about the Results of KAIZEN Activities in MSEs?

< Evaluation of KAIZEN Results and Level of Satisfaction >

Evaluation target	Evaluator	Average [Full Point=5]	
		4th Batch	5th Batch
KAIZEN Results	EKI Consultant	3.60	3.67
	Company	4.27	4.93
Satisfactory Degree of KAIZEN Activities	Company	4.67	4.80

Part IV. Future of the Project

What should be done from now?

1. **Solid Foundation of EKI** (Output 1)
2. **EKI Consultants / LMEs Training Course** (Output 2)
3. **TTTs / MSEs Training Course** (Output 3)

IV. Future of the Project :

Solid Foundation of EKI

1. ***" Long-Term Plan for KAIZEN Dissemination"*** *will be drafted by the final Evaluation of the Project and submitted to the last JCC.*
2. ***" Networks "*** *centered around EKI will be established at National and Regional levels.*
3. ***" KAIZEN PR Seminars "*** *are scheduled to take place in Bahir Dar (March 2014), Mekelle (May 2014) and* ***"Panoptic Seminar"*** *in Addis Ababa before the end of the Project.*
4. *Report on the Result of* ***" Impact Survey "*** *will be completed by the end of July 2014 and Seminar will be held in August 2014.*

IV. Future of the Project

EKI Consultants / LMEs Training Course (1)

1. **Two batches** of training course will be conducted as follows,
   - 4th batch : from Feb. to Aug. 2014
   - 5th batch : from Sept. 2014 ~ **Feb. 2015***

   Each batch has 3 sessions.
   30 EKI Consultants will be trained.
   *** The Project is scheduled to be completed in November 2014.**
2. **The Training System** for EKI Consultants / LMEs Training Course will be established based on the experiences during the Project period and on the industrial needs.

IV. Future of the Project

TTTs / MSEs Training Course (1)

1. **Three batches** of training course will be conducted as follows,
   - 6th batch : Nov. ~ Jan. 2014 (in progress)
   - 7th batch : Feb. ~ Apr. 2014
   - 8th batch : June ~ Aug. 2014
2. **The Model Training System** will be established based on the experiences during the Project period and the MSE's needs.

Part V. *Some Issues*

Issues to be discussed and solved.

1. Sometimes it is difficult for EKI to assign EKI technical staff as ***"Trainers/Assistant Trainers"*** for the EKI Consultants/LMEs Training Course due to increasing EKI's Own Projects (regarding Output 2).
2. It is very difficult to ***select Appropriate Companies*** for ICT (regarding Output 3).
3. It is extremely difficult for FeTA to arrange ***Transportation*** for the trainees and ICT (regarding Output 3.)
4. Needs for ***Follow-up Activities*** after the Training Program are very high (regarding Output 2 and 3).

Part V. Some Issues

Distribution of ICT Companies by Sector

Sector	1st	2nd	3rd	4th	5th	Total	%
Wood	7	6	3	3	7	26	30
Metal	4	3	4	1	3	14	16
Wood & Metal	6	3	7	7	6	29	33
Agro Process	1	2	0	0	1	4	5
Textile	0	2	0	0	1	3	3
Leather	1	0	1	1	1	4	5
Construction	1	3	0	0	2	6	7
Chemical	0	0	0	0	1	1	1
Handicraft	0	0	0	0	1	1	1
Total	20	17	15	12	23	87	100

Epilogue : *Toward the Expected Goal*

The same Basic Policy on the Project implementation will be maintained for next year.

<Basic Policy for one year left>

1. **EKI people's " Independence ".**
2. **Training of "Trainers' Trainers".**
3. **"Quality" rather than "Quantity".**
4. **"PDCA" as Project Management tool.**

Key word of the Basic Policy : *"Sustainability "*

JICA Expert Team needs your continuous cooperation toward our "Expected Goal."

Thank You for Your Kind Attention

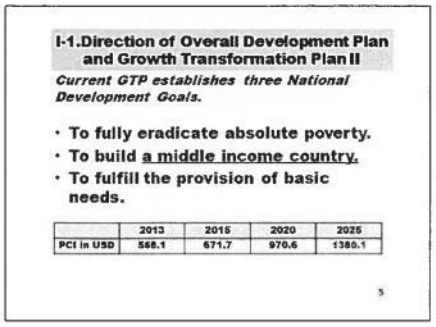
[Annex III] Presentation on Outline of Long-Term Plan for Disseminating KAIZEN in Ethiopioa













I-2. Directions of Industrial Development Policies and Strategies (2/3)

Development Direction of Manufacturing Sector

- *Upgrading and capacity enhancement of major priority industries*
- *Diversification of manufacturing sector to new sector*
- *Enterprise cultivation and entrepreneurship*
- *Enhancing private and public investment*

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I-2. Directions of Industrial Development Policies and Strategies (3/3)

What are the Priority Industries ?

<Major Priority Industries>

Agro processing Industries, Textile and Garment Industries, Footwear, Leather and Leather Products Industries, Metal and Engineering Industries, Chemical and Pharmaceutical Industries,

<New (Priority) Industries>

Packaging Industries, Bio-Technology Industries, Electrical and Electronics Industries, ICT(hardware manufacturing)

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I-3. History of KAIZEN Transfer and Dissemination Activities and its Current Status (1/2)

Prime Minister showed deep concern in KAIZEN.

- Former Prime Minister participated in TICAD-IV in Yokohama.
- Former Prime Minister attended Japan/Ethiopia Joint Forum in July 2008 in AA
- Pilot Project (Phase I) assisted by JICA (Oct.2009~May 2011)
- Establishment of Ethiopian KAIZEN Institute (EKI) (28 Oct. 2011)
- Capacity Building Project (Phase II) being assisted by JICA (Nov.2013 ~Nov.2014)
- KAIZEN Dissemination started by EKI itself
- KAIZEN Master Course in MiE at Mekelle University (2013)
- TICAD-V in Yokohama (June 2013)

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I-3. History of KAIZEN Transfer and Dissemination Activities and its Current Status (2/2)

JICA Assistance Project and EKI own Projects are being implemented at present. The later is growing rapidly.

<JICA Assistance Project = Capacity Building >

- **Institution Building**
- **Training System for EKI Consultants/LMEs**
- **Model Training System for TTTs/MSEs**

<EKI Own Projects>

- **Technical Guidance & Consulting for Factories (Sugar, Textile, Leather, Housing, etc.)**
- **Training & Support for Training/Higher Education Institutions (TVET, Universities, etc.)**
- **Others (PR, Lectures, etc.)**

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II. The Ethiopian KAIZEN Institute (EKI)

<Contents of Part II>

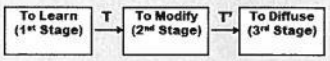
1. Basic Approach of Ethiopian KAIZEN
2. Roles and Functions of EKI

What role should EKI play for KAIZEN Dissemination in Ethiopia ?

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II-1. Basic Approach of Ethiopian KAIZEN(1/4)

Technology Transfer Process consists of three stages.



T : Technology learned from technically advanced countries.
T' : Technology modified (= customized) in order to adapt it to local needs and business climate.

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II-1. Basic Approach of Ethiopian KAIZEN(2/4)

1st Stage	To learn advanced technologies /tools and way of thinking from foreign countries.
2nd Stage	To modify(=customize) them (learned technologies) according to local conditions.
3rd Stage	To diffuse them (modified technologies) among enterprises.

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II-1. Basic Approach of Ethiopian KAIZEN (3/4)

There are various activities for 3rd stage.

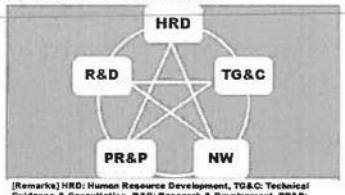
3rd Stage	To diffuse them (modified or Customized technologies) among enterprises.

1. KAIZEN Training,
2. Technical Guidance & Consultation,
3. KAIZEN Information & Data-Base,
4. KAIZEN R&D,
5. Certification,
6. Awarding,
7. Symposium & Seminars,
8. PR and Publications,
9. Network consisting of Related Organizations ~Domestic and Foreign,
10. National Movement, etc.

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II-1. Basic Approach of KAIZEN Dissemination(4/4)

The activities of 3 stages for technology transfer are divided into five categories.



[Remarks] HRD: Human Resource Development, TG&C: Technical Guidance & Consultation, R&D: Research & Development, PR&P: Public Relation & Publications, NW: Networking.

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II-2. Role and Function of EKI (1/2)

What is the objective of EKI ?

- "The Institute shall have the objective to carry out broad based activities of ongoing quality and productivity improvement and thereby enhance the expansion of competitive industries." (quoted from *Federal Negarit Gazeta, Reg. No.256/2011*)

- To carry out EKI's objective is to contribute to implementation of new Industrial Development Policies and Strategies.

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II-2. Role and Function of EKI (2/2)

The fore-mentioned basic approach, i.e., "3 Stages of Technology Transfer" is one of useful tools. EKI should make the " 3 Stages of Technology Transfer" work taking into consideration new Industrial Development Policy.

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III. Strategic Direction of Future KAIZEN Dissemination

< Contents of Part III >

III-1. Enhancing Human Resource Development Capabilities
III-2. Strengthening of Technical Guidance & Consulting Capabilities
III-3. Establishment of KAIZEN Dissemination System
III-4. Towards a Center of Excellence

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III- 1. Enhancing Human Resource Development Capabilities

Various Training Courses should be arranged.

For the persons who disseminate KAIZEN;
- EKI Consultants, TVET Trainers/TTTs, etc.

For the persons who implement KAIZEN;
- Company people, i.e., Top Managers/Owners, Middle Managers/Factory Managers, Workers

For the persons who conduct KAIZEN consultation(on commercial basis);
- EKI Consultants, Private Consultants, etc.

For University Students
- KAIZEN Mater Course, Internship, etc.

For the persons who wish to learn and implement KAIZEN at remote areas;
- Correspondence Course, E-Training, etc.s

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III-2. Strengthening of Technical Guidance & Consulting Capabilities

Services provided by EKI should be commercialized.

1. Technical Guidance for KPT.
   From formation of KPT to training of KPT leaders
2. Consulting Services to Private as well as Public Companies, especially to Priority Industries.
3. Consulting Fee System should be established.

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III-3. Establishment of KAIZEN Dissemination System

1. Cooperation among EKI and relevant organizations is required to promote KAIZEN dissemination all over the country.
2. The Cooperation network should be established at national level and regional level.
   - At national level EKI should be the Center of network.
   - At regional level Regional KAIZEN Institute should be the center receiving from support from EKI.

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III-3. Establishment of KAIZEN Dissemination System

3. African network, especially in English speaking African countries, should be also established to exchange information and experience.
   - EKI should be "(Third Country)Training Center" for English speaking countries.
   - EKI should be a secretariat of Conference for KAIZEN transfer and dissemination in Africa.
4. International Network
   Developing countries as well as developed countries

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III-4. Towards a Center of Excellence

EKI becomes various centers(in addition to III-1~3).

1. **KAIZEN R&D Center:** Development and Customization of New Technology, Evaluation and Measurement of Quality and Productivity, Evaluation of Consultant Capability, etc.
2. **KAIZEN Information Center:** KAIZEN Technology Information & Data Base, Accumulation of Best Practices, etc.
3. **Certification System**
4. **National Awarding System**
5. **Formulation of Policy Recommendation**
6. **Popularization & PR**

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III. Strategic Direction of Future KAIZEN Dissemination [Summary]

How should EKI play the role in " Strategic Direction of Future KAIZEN Dissemination" ?

EKI as a KAIZEN Training Institution.
EKI as a KAIZEN Consulting Institution.
EKI as a Coordinating Institution.
EKI as a Center of Excellence.

24

IV. Implementation of the Plan

The Plan should be " feasible " from view pints of implementation structure, human power, financial resources, information and time.

25

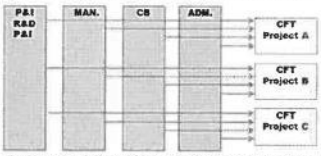
IV. Implementation

IV-1. Implementation System
IV-2. Method of Implementation
IV-3. Schedule of Implementation
IV-4. Resources for Implementation

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IV-1. Implementation System

Cross-Functional Management Team is formed project by project. Team members participate in the teams as the needs arises.



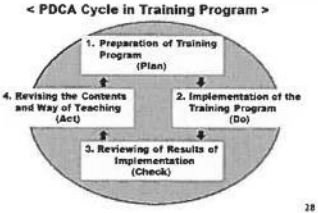
[Remarks] P&I : Planning & Information, R&D: Research & Development, MAN.: Manufacturing, CB : Capacity Building, ADM.: Administration (Human Resource, Corporate Communication, Finance & Supply)

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IV-2. Method of Implementation

The Plan will be implemented with PDCA.

< PDCA Cycle in Training Program >



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IV-3. Schedule of Implementation

The Long-Term Plan keeps pace with GTP 2.

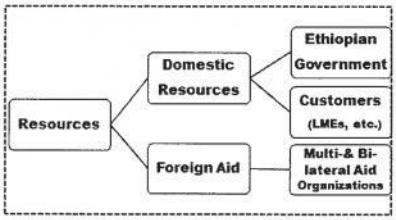
	~2015	2nd Growth and Transformation Plan (GTP 2)					2020~
		2015/16	2016/17	2017/18	2018/19	2019/20	
HRD							
TG&C							
KDS							
COE							

[Remark] HRD: Human Resource Development, TG&C: Technical Guidance & Consultancy, CON: Coordination of Networking, COE: Center of Excellence

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IV-4. Resources for Implementation

EKI should earns its own income in future.



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Part V. Evaluation and Monitoring

Evaluation and monitoring should be made periodically and objectively by EKI itself as well as by the auditor.

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Part VI. Accumulating Best Practices

- The best practices of KAIZEN are a kind of effective tools for companies to conduct further KAIZEN activities.
- EKI should collect and analyze information on the best practices tried in the country as well as foreign countries.

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Conclusion(1/2)

1. Cross-Functional Management Team should be established to prepare the draft of the Plan.
2. The Team members should be selected from EKI as well as relevant organizations.
3. The division of the role among members should be clarified.

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Conclusion(2/2)

4. The secretariat should be established in EKI.
5. Time schedule should be prepared.
   The draft should be prepared by the end of June 2014.
   The final draft should be submitted to the last JCC of this Project.

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An Outline of Long-Term Plan for KAIZEN Dissemination in Ethiopia

END

Thank You for Your Attention.

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(7) The 6th Joint Coordination Committee (JCC) Minutes of Meeting (M/M)

MINUTES OF MEETING
FOR
THE SIXTH JOINT COORDINATION COMMITTEE (JCC)
FOR
THE PROJECT ON CAPACITY BUILDING FOR DISSEMINATION OF QUALITY AND PRODUCTIVITY IMPROVEMNET (KAIZEN)
IN
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Meeting Room of Ministry of Industry
Addis Ababa

9:00 a.m. – 11:30 a.m.
29th July 2014

H.E. Ato Newai Gebreab
Chairperson of Joint Coordination Committee,
Senior Economic Advisor to the Prime Minister

Mr. Getahun Tadesse
Project Manager
Director General
Ethiopian KAIZEN Institute (EKI)

Mr. Kimiaki Jin
Chief Representative
JICA Ethiopia Office

Dr. Tsuyoshi Kikuchi
Chief Advisor
JICA Expert Team

1. Agenda for the Meeting

i. Progress and Prospects of the Project.
ii. Terminal Evaluation of the Project.
iii. Suggestions for the next phase included the in concepts of the Human Resources Development Centre.

2. Proceedings

The Sixth Joint Coordination Committee meeting was chaired by H.E. Mr. Newai Gebreab, Senior Economic Advisor to the Prime Minister, who is a Chairperson of Joint Coordination Committee.
The Chairman of Joint Coordination Committee opened the meeting at 9:00 am, and welcomed all present.

The meeting was followed by a presentation of Mr. Tsuyoshi Kikuchi, Chief Advisor of the Project, on the "Progress and Prospect of the Project". (See Annex II)

Followed by the presentation of Mr. Kikuchi, Mr. Akihisa Tanaka, Director of Private Sector Development Division 2, JICA Tokyo Headquarters who is also Leader of the Terminal Evaluation Team introduced the team members. Followed by the greeting of Mr. Tanaka, Mr. Shinichi Mori, JICA Consultant from IMG Inc. presented the result of the "Joint Terminal Evaluation Report" (see Annex III).

After the presentation of Mr. Mori, Mr. Atsuki Sakamoto, Deputy Director of Private Sector Development Division 2, JICA Tokyo Headquarters, made a presentation on the suggestions for the next phase (see Annex IV).

3. Report on Progress of the Project and Prospects

i. Mr. Kikuchi's presentation focused on the two major questions: "What have we done" and "what do we do in the future" and consisted of 4 sections i) Outline of the Project, ii) Progress and Performance, iii) Remaining Activities, vi) Recommendations. In the conclusion of the presentation, Mr. Kikuchi highlighted the followings 5 points. i) Company owners' / managers' positive attitude toward KAIZEN implementation, ii) Government policy on KAIZEN dissemination, iii) Leading and independent organization for KAIZEN dissemination (EKI), iv) KAIZEN Promotion Team (KPT), v) Customization of KAIZEN tools and way of

thinking to local needs.

ii. Followed by the gratitude of H.E. Mr. Newai to the presentation made by Mr. Kikuchi, the floor was opened for questions and observations. As no one raised a question, H.E. Newai asked opinions to the consultants regarding the preciseness in terms of measuring changes (for example, duration of time reduced by minutes) produced before and after the training course in factories. H.E. Mr. Newai also expressed the importance of conducting the university level training. As for measuring the small changes, Mr. Sonoda replied to H.E. Mr. Newai that KAIZEN is an accumulation of small improvement; therefore even a small change like "one second" is important. H.E. Mr. Newai asked if the students have captured the precise changes. Mr. Sonoda explained that it is important for students to have such opportunities to observe and find small changes. Mr. Getahun Tadesse, Director General of EKI added that EKI now measures KAIZEN technical capacity of basic KAIZEN, and explained that this process is organized to measure "before and after" KAIZEN implementation. Mr. Getahun said, although the consultants are still in training, they have acquired the basic KAIZEN technique and they have a pride to implement, and continue to the advanced KAIZEN level.

iii. As for the involvement of the university, Mr. Getahun mentioned that Japanese scholars are involved in the industrial development (for example JUSE, JMA, JPC etc.) in Japan. Mr. Getahun explained that EKI has introduced the idea of the Japanese capacity building to our higher institutes for strengthening the analytical knowledge of young generation, and filling in the needs for deep learning and commitment lacking in Ethiopia. Mr. Getahun also manifested that in association with universities, carrier development of the civil servants, EKI with the support of the Japanese scholars, and technical capability of KAIZEN will bring also changes for the universities in the future.

iv. H.E. Mr. Newai expressed his gratitude to the Project.

4. Report on Terminal Evaluation of the Project.

i. After Mr. Tanaka commented that KAIZEN Project in Ethiopia is the best one in Africa, Mr. Mori presented the result of the Terminal Evaluation Report. Mr. Mori announced that although some of the Objectively Verifiable Indicators (OVIs) for the Project Purpose are yet to be achieved at the time of the terminal evaluation, it

is envisaged that the Project Purpose will be achieved by the end of the Project period. Also, the team has evaluated that the prospect for achieving the Overall Goal within three to five years after project completion is relatively high. Mr. Mori announced in the Report as the Project Purpose is envisaged to be achieved by the end of the Project period; it is recommended that the Project be terminated in November 2014 as originally scheduled, but reminded at the same time to complete the remained "homework" before terminating the Project. Mr. Mori also presented recommendations, *inter area,* that EKI's management needs further strengthening in order to efficiency Centre to KAIZEN's fast growing demand, EKI should compile information on the individual companies as a database, the capacity of EKI consultants needs to be strengthened in order for them to be able to cater to higher-level quality and productivity problems faced by enterprises.

ii. Expressing gratitude to the Team for presenting the comprehensive report, H.E. Mr. Newai also commented that the evaluation has both positive achievements and some short comings, but the improvement of the Project is expected.

iii. Mr.Getschew Regassa, Secretary General of Addis Ababa Chamber of Commerce and Sectoral Association (AACCSA) said that there is a growing demand of KAIZEN in private industries, and asked opinions to EKI, as a result of attending the KAIZEN Conference held in Kenya, whether the Chamber of Commerce should opt the assistance from KAIZEN Institute in Africa or EKI in Ethiopia, also if EKI is actually capable of assisting KAIZEN for the Ethiopian companies. Mr. Mori recalled the history of EKI that EKI started only with 10 people, but EKI now made a remarkable progress and the number of staff has been increased to 100 in three years, Mr. Mori also added that it takes 10 years for the enterprise to develop KAIZEN consultants in Japan. Mr. Mori also clarified that the EKI consultants are now serving for the companies, yet they are supported by the Japanese experts. It means that the basic KAIZEN is transferred, but in order to serve effectively, another phase is necessary to contribute to the companies in Ethiopia. Mr. Getahun agreed the comment made by Mr. Mori. Mr. Getahun explained that KAIZEN contribute to the priority of GTP2 (Growth and Transformation Plan 2), and the priority is manufacturing sector. If the Chamber of Commerce will work with the Mauritius based KAIZEN Institute or others, EKI will not deny it, but they must pay. EKI is a public institute to assist the private sector in Ethiopia; however, EKI has to work with the priority and has to be selective at the federal and regional level.

Mr. Getahun advised the Chamber of Commerce to use both of them.

iv. In terms of the alignment with national policy, Mr. Tanaka manifested, compared to other institutions in Africa EKI is strongly backed up by the government like Singapore, and it is very important.

v. H.E. Mr. Newai raised a question why five members of EKI have left and where did they go. Mr. Getahun explained that 3 persons have joined the sugar cooperation and 1 person has joined the Metal Industry, but all of them are in industry.

vi. H.E. Mr. Newai appreciated the presentation of the Evaluation Report.

5. Suggestion for the Next Phase

i. Mr. Sakamoto explained, in the presentation of the suggestions for the next phase, about the objectives and expected activities of TICAD Human Resource Development Centre, how the Centre is launched in Ethiopia, and activities expected at the Centre in Ethiopia.

ii. Mr. Kikuchi agreed with the contents of Mr. Sakamoto's presentation. Mr. Kikuchi confirmed, as mentioned in the recommendations in Mr. Kikuchi's presentation, almost all the recommendations are included in the next phase. Mr. Kikuchi raised the question whether EKI could conduct the 3rd country training or not. Mr. Kikuchi expects that EKI should strengthen such capacity in the next phase period of 5 years. Mr. Tanaka informed that JICA is preparing the 3rd country training in the next phase, and explained that JICA will organize an exchange programme with other countries, which will not be training but a type of workshop on the second year or third year.

iii. Mr. Sakamoto explained that TICAD is going to launch Human Resources Development Centre in 10 locations for 25 countries, and expects Ethiopia to be the first one. Mr. Getahun said that Ethiopia will become the first, working on the industrial transformation with the private sector, providing service that they require. Mr. Getahun promised EKI to complete the task, and expect JICA's continuous support.

iv. Before closing the meeting, in relation with EKI which provide service to industries, H.E. Mr. Newai mentioned about the agricultural extension programme for the development of efficiency and productivity of small farmers. H.E. Mr. Newai said that many farmers are trying to plant the seeds optimizing the high seeding rate in the agricultural sector. In the manner of improving the productivity, there some similarities in KAIZEN, H.E. Mr. Newai expressed wishes that EKI and agriculture sector will one day make an exchange. H.E. Mr. Newai thanked Mr. Kikuchi for the support during the last two and a half year, and take opportunity to thank EKI, in particular to thank Mr. Getahun, the head of EKI for his dedication and commitment to KAIZEN. Finally, thanked the Japanese Team who worked for the evaluation of the project, with the sensitivity and objectivity of the task.

6. Closing Remark

i. Mr. Kimiaki Jin, representative of JICA Office in Ethiopia, made a closing remark. Mr. Jin expressed his appreciation to the effort of all people with strong guidance of Ethiopia, EKI's proactive and dynamic operation, and the experts' commitment to the KAIZEN philosophy, and the staff members of JICA. JICA Ethiopia Office is satisfied with the performance and Mr. Jin is sure to create further productive relation between Japan and Ethiopia. At the same time, Mr. Jin stated the concept of the next phase of the project needs further elaboration. In terms of the long term plan, Mr. Jin believe that 5 year plan made by the Japanese Expert team will be properly incorporated to EKI's 10 year plan. However, Mr. Jin is concerned, that there seems to be a slight difference between the JICA Tokyo and the Ethiopian side, although the difference is not profound. It is important to create a better understanding for the next phase of the project. Mr. Jin concluded to believe that KAIZEN is important for Ethiopian industry.

ii. H.E. Mr. Newai thanked Mr. Jin, and reminded that his office is open for smooth and deepen the issue, if need intervention.

iii. As for the new phase, Mr. Tanaka said that they have deepen the discussion and reiterated that JICA Tokyo wants to initiate the next phase as soon as possible as it is an agreement made at the highest level. Mr. Tanaka also reminded that on the upcoming policy dialogue, Professor Ohno will include KAIZEN issue, for example how to create the national slogan etc., and many activities which are align with the national policy will be expected to be implemented in the next phase.

iv. Mr. Getahun clarified that one of the major differences that EKI has been discussing with JICA is the inclusion of the training complex within the Centre of Excellency, and the second point related to the Centre is, as JICA's resource is limited, EKI wants to consider the involvement of other international partners with the collaboration of JICA. He extended his thanks to JICA, JICA Expert Team and his colleague for the achievements recorded.

The Sixth JCC was officially closed at 11:15am.

[END]

[ANNEXES]

ANNEX I	Participants of the Sixth Joint Coordination Committee
ANNEX II	Presentation on Progress and Prospects of the Project
ANNEX III	Presentation on Terminal Evaluation of the Project
ANNEX IV	Presentation on Next Step KAIZEN Project (tentative)

[Annex I] Participants of the Sixth Joint Coordination Committee

<Ethiopian Side>

- H.E. Ato Newai Gebreab, Senior Economic Advisor to the Prime Minister
- Mr. Getahun Tadesse, Director General, EKI
- Mr.Getachew Regassa, Secretary General, Addis Ababa Chamber of Commerce and Sectoral Association (ECCSA)
- Mr. Geshaw Debebe, Secretary General, Ethiopian Chamber of Commerce and Sectoral Association (AACCSA)

<Japanese Side>

- Mr. Kazuhiro Sasaki, Second Secretary, Embassy of Japan in Ethiopia
- Mr. Akihisa Tanaka, Evaluation Team Leader/ Director of Private Sector Development Division 2, JICA HQ
- Mr.Atsuki Sakamoto, Evaluation Planner/Deputy Director of Private Sector Development Division 2, JICA HQ
- Mr.Shinichi Mori, Evaluation Consultant, IMG Inc.
- Mr. Kimiaki Jin, Chief Representative, JICA Ethiopia Office
- Ms. Yuko Ikeda, Project Formulation Advisor, JICA Ethiopia Office
- Dr. Tsuyoshi Kikuchi, Chief Advisor, JICA Expert Team
- Mr. Seiji Sugimoto, Deputy Chief Advisor, JICA Expert Team
- Mr. Masaaki Hanai, JICA Expert Team
- Ms. Yukiko Haneda, JICA Expert Team
- Mr. Hideo Sonoda, JICA Expert Team
- Mr. Nobuo Kanai, JICA Expert Team
- Mr. Naoya Nishigaki, JICA Expert Team
- Mr. Hideki Tabuchi, JICA Expert Team
- Ms. Yoko Ichikawa, JICA Expert Team
- Ms. Akane Morimoto, JICA Expert Team

[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi

Progress & Prospects "Ethiopia KAIZEN Project"

(Nov. 2011~Nov. 2014)

The 6th Joint Coordination Committee (JCC)
29th July 2014

Tsuyoshi Kikuchi
Chief Advisor / JICA Expert

Contents

Introduction
I. Outline of the Project
II. Progress & Performance
III. Remaining Activities
IV. Recommendations
Conclusion



Introduction: Where Are We Now ?

2 years and 8 months have passed since the Project started on 27th November 2011

1st Year	2nd Year	3rd Year
Nov.'11~Nov.'12	Nov.'12~Nov.'13	Nov.'13~Nov.'14

Present

What have we done until now?

What do we do from now on?

Introduction : Progress Summary by Figures (1)

- **Number of People Trained by the Project :**
  - **49** + 8~12 :EKI Consultants (6 Month Course)
  - **46** (= **26** + 20) : EKI Consultants trained abroad
  - **131** (1~8 **Batch**) : TTTs (3 Month Course)
  - 175 : TTTs trained by EKI/FeTA (45 days Training Course)

Cumulative Total : ***about 400 (EKI Consultants & TTTs)***

- **Number of Companies Involved in the Project**
  - **47** + 4~6 (= 51~53) : LMEs
  - **129** + 14 (= 143) : MSEs
  - 69 + : MSEs (EKI & FeTA)

Cumulative Total: ***about 250 Companies (LMEs & MSEs)***

Introduction: Progress Summary by Figures (2)

JCC
- **6** + 1 (= 7): Number of Times of JCC

KAIZEN Seminars
- **5** + 2 : Number of Seminars (Major Cities)
- **701** + 350 (= 1,000 +) : Number of Participants

JICA Experts
- **26** : Some of them involved in TICAD-V preparation in AA, and some in Malaysia.

KAIZEN Manual
- **1** : Training Manual for LMEs and MSEs (about 1,000 pages = PP Materials regarding KAIZEN Tools and Explanatory Note, Case Studies, Guideline, etc.)

1

[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi



I. Outline of the Project (1)

Can Overall Goal & Project Purpose be attained by the end of the Project ?

1. Overall Goal
   "An increased number of private enterprises will implement KAIZEN."
2. Project Purpose
   "The system is established to disseminate KAIZEN to private enterprises in a sustainable manner."
3. Output
   Output 1~3 (See the next three slides)

I. Outline of the Project (2)

Output 1

"The institutional and organisational foundation of Ethiopian KAIZEN Institute (EKI) is established as the core and lead organisation for the dissemination of quality and productivity improvement (KAIZEN)".

Has the Output 1 been realized ?

I. Outline of the Project (3)

Output 2

"The system of human resource development for dissemination of quality and productivity improvement (KAIZEN) to large and medium enterprises (LMEs) is functionalised in EKI".

Has the Output 2 been realized ?

I. Outline of the Project (4)

Output 3

"The model system for EKI to foster TVET Trainers' Trainers (TTTs) is developed for quality and productivity improvement (KAIZEN) for micro and small enterprises (MSEs)".

Has the Output 3 been realized ?



2

[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi

II. Progress & Performance (1)

1. General and Output-1 related
1-1. Joint Coordination Committee
1-2. Long-Term Plan (Output 1)
1-3. KAIZEN PR Seminars (Output 1)
1-4. Training Abroad for EKI Consultants
1-5. Impact Survey (Output 1)
1-6. Higher Education Support(Output)
1-7. Impact of the Project
1-8. Independency of EKI Consultants
1-9. Project Evaluation

II-1-1. Joint Coordination Committee

JCC has been held twice a year.

	Date	Venue
1	26th December 2011	MoI
2	5th July 2012	MoI
3	12th December 2012	MoI
4	24th July 2013	MoI
5	18th December 2013	MoI
6	29th July 2014	MoI
7	September 2014	MoI

II-1-2. Long-Term Plan(1)

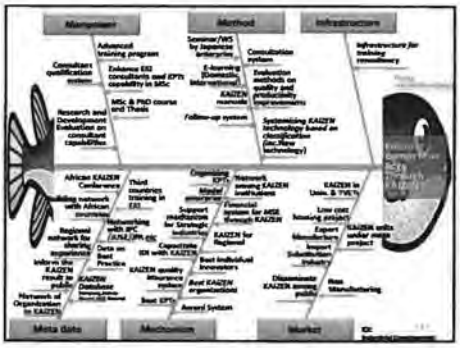
1. Two Drafts of Long-Term Plan for KAIZEN Dissemination
   I) Draft prepared by JICA Expert Team
   "Long-term Plan for KAIZEN Dissemination in Ethiopia (2015/6~2019/20), April 2014"
   II) Draft prepared by EKI
   "KAIZEN Movement : Strategic Directions and Action Plan(2015~2025), May' 14"
2. Workshop (WS) for Harmonization (11th July 2014)
3. New Draft Contents based on the WS

II-1-2. Long-Term Plan(2)

The eight (8) Goals of KAIZEN Movement "Strategic Directions and Action Plan" in line with STP-2

1. Implement KAIZEN in strategic industries for bringing transformation
2. Implement KAIZEN in educational institutions and vocational training schools
3. Implement KAIZEN in strategic service sectors
4. Maintain the quality and sustainability of KAIZEN
5. Anchor KAIZEN on solid foundation
6. Enhance KAIZEN capability of EKI's consultants and KPT standing in for EKI's consultant
7. Build well-organized training and consultancy infrastructure
8. Disseminate KAIZEN among the public

Explanatory Materials: See the next Diagrams and Table.





3

[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi

Goal	Objective
1. Implement KAIZEN in strategic industries for bringing transformation	1-1 15-20 export manufacturing industries each year 1-2 5-7 strategic import-substitution manufacturing industries each year 1-3 Non-manufacturing industries
2. Implement KAIZEN in educational institutions and vocational training schools	2-1 3-5 universities each year 2-2 7-10 technical and vocational education and training institutions each year
3. Implement KAIZEN in strategic service sectors	3-1 5-7 urban low cost housing projects each year 3-2 Public sectors such as electric power, water, telegraphy, tourism and private consulting firms 3-3 Industrial Development Institutes

Goal	Objective
4. Maintain the quality and sustainability of KAIZEN	4-1 Establishment of quality assurance of KAIZEN 4-2 Award system for distinguished organizations, groups and individuals in KAIZEN 4-3 Consultant certification system
5. Anchor KAIZEN on solid foundation	5-1 Establishment of national and regional institutional network 5-2 Regional network for sharing experience 5-3 Establishment of database

Goal	Objective
6. Enhance KAIZEN capability of EKI's consultants and KPT standing in for EKI's consultant	6-1 Advanced training system 6-2 MSc & PhD course 6-3 Systemizing KAIZEN technologies based on classification 6-4 Enhancement of EKI consultants and KPTs' capability 6-5 Research and development of evaluation for EKI consultant capability
7. Build well-organized training and consultancy infrastructure	7-1 Consultation system 7-2 Follow up system 7-3 Support mechanism for strategic industries 7-4 Customization of KAIZEN manual 7-5 e-learning 7-6 Infrastructure for training and consultancy 7-7 Establishment of regional KAIZEN institutes by 2016. 7-8 Reorganization of EKI by 2015 7-9 Center of excellence

Goal	Objective
8. Disseminate KAIZEN among the public	8-1 Dissemination of KAIZEN among the public 8-2 Informing of the KAIZEN result to the public 8-3 Networking of organizations in KAIZEN

II-4-3. KAIZEN PR Seminars

KAIZEN PR Seminar has been held 5 times.

	Month/Year	Venue	Participants
1	27 Nov. 2012	Addis Ababa (Hilton Hotel)	150
2	12 Feb. 2013	Adama (Nazret) (Adama German Hotel)	130/280
3	23 May 2013	Hawassa(Central Hotel)	127/407
4	5 Dec. 2013	Dire Dawa (Samrat Hotel)	148/555
5	24 Apr. 2014	Bahir Dar (Homland Hotel)	146/701
6	9 Aug 2014	Mekelle	150/831
7	Sept. 2014	Addis Ababa	200/1,051

II-4-4. Training Abroad for EKI Consultants

Overseas Training Programs for EKI Consultants conducted in Japan and Malaysia

Country	Training's name	Period	Participants
Japan	KAIZEN Training for Director Level	2 weeks (Feb. 2013)	5
Malaysia	KAIZEN Training for Advanced Consultants Level	2 weeks (Oct. 2013)	5
Malaysia	KAIZEN Training for EKI Consultants	2 weeks (June 2013)	16
Malaysia	KAIZEN Training for EKI Consultants	2 weeks (Aug 2014)	20
Total	——	——	46

4

[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi

II-1-5. Impact Survey

Impact Survey is being conducted by EDRI and will be finalized in September 2014.

Time	Activities
January 2012	Contract with Ethiopian Institute
March 2013	Progress Report submitted
Mar.'12 ~ Aug.'14	Survey being conducted by the Institute.
[illegible]	Final Report on the results of the Survey to be submitted.
[illegible]	Seminar on the results of the Survey to be held.

II-1-6. Higher Education Support

The first KIZAN MSc Course in Africa already under way

1. **KAIZEN MSc Course conducted by Ethiopian Institute of Technology-Mekelle (EIT-M)**
   - Course Period: one year and a half (31st March 2014 ~ Mid 2015)
   - Place : EKI in AA
   - Graduate Students: 23 EKI Consultants (including FeTA staff)
2. **Assistance from JICA**
   - One Japanese Professor
   - One Expert

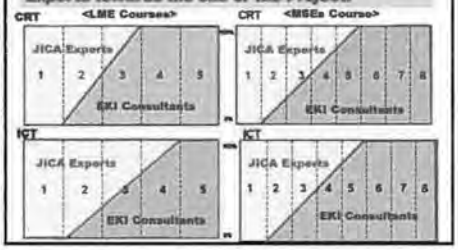
II-1-7. Impact of the Project (1)

EKI and FeTA themselves have launched "Training Program for TTTs/MSEs" with modification of JICA Approach.

Region	Period(2013~2014)	No. of Trainees	No. of Companies
A.A	Dec 30 – Feb 24	42	15
Dire Dawa	Nov 2 – Dec 17	38	12
Harar	Dec 23 – Feb 8	39	10
Nazareth	Dec 23 – Feb 7	27	16
Mekelle	Mar 24 – May 13	29	16
Total	——	175	69

II-1-8. More Independent Consultants in EKI

More EKI Consultants has become independent now and EKI consultants is replacing JICA Experts towards the end of the Project.



II-1-9. Project Evaluation

Mid-Term Evaluation was conducted in July 2013 and Terminal Evaluation in progress.

Five Criteria	Mid-Term	Terminal
1. Relevance	Very High	
2. Effectiveness	High	
3. Efficiency	Fairly High	
4. Impact	Many Positive Impacts	
5. Sustainability	Too Early to Judge	



5

[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi

II-2&3. Training Courses for LMEs and MSEs

Training Courses for EKI Consultants/LMEs and TTTs/MSEs conducted since 2011.

Training Course		EKI Consultants/LMEs	TTTs/MSEs
Trainees (Results/Target)		EKI Consultants [49+/60] (except 3rd batch)	TTTs [131/170]
Enterprises (Results/Target)		LMEs [47+/60] (except 3rd batch)	MSEs [129/170]
Duration	CNT	One month in EKI	One month in EKI
	IGT	Five month in LMEs	Two month in MSEs
No. of Batches (Sessions)		5 (13)	8 (28)

II-2-1. EKI Consultants / LMEs Training Course

49 EKI Consultants were trained and 47 LMEs were involved in the Project by July 2014.

Batch	Session	Training Period	Trainees (/total sum)	Enterprises (/total sum)
1	2	May ~ Nov. '12	10/10	9/9
2	2	Nov.'12~May'13	9/10	10/10
3	3	June ~ Dec. '13	15/34	15/34
4	3	Feb. ~ July. '14	15/49	13/47
5	3	Aug. ~ Jan.15	8~12/61	8~12/59
Total	13	—	61 [Target 60]	59 [Target 50]

Pasqua Giuseppe PLC (LMEs 1st Batch)



●Continuous Kaizen shortened the Delivery Time.
Days required to make one tank ;
During ICT: 8days→5days
After ICT: 5days→3days
(worth of 78,000Birr cost down)

●KAIZEN impact
Enhanced awareness of KAIZEN between the owner and workers
Every Monday
"Kaizen Day"
Every Thursday
"Safety Day"

Educational Materials Production and Distribution Enterprise (LMEs 3rd batch)





●Governmental Agency
● **The productivity** was improved by 15 % through the introduction of new tools.
The process defect rate was reduced to 10 % from 65 %.

●SOP(Standard Operation Procedure) : Drawings of Manufacturing did not exist in the begining, but as a result of efforts to work steadily, a foundation of quality assurance has been established.

●KAIZEN Impact
1. Solidarity between the workers has improved. **Organizational Management has** becomes better.
2. Governance between the agency and the its customer has improved.
3. Appropriate work environment.

FINFIN FURNITURE FACTORY (LME 4th Batch)

Before



After





●KAIZEN has applied 20 items during the ICT.
The productivity has increased by 57%. 7 doors /day → 11 doors/day

ex. By introducing the electric tools to the sanding, sanding time has been shortened.
Before : 148min 19sec/1 door
After : 62min/1 door
(Reduced 86min19sec /1door)

●Bottle neck element work : 20 works
Production lead time of the bottle neck was shortened by 65%



EKI Consultant is presenting the performance made by one ICT company at Symposium held at EKI on 25th July 2014.
(Photo by H. Kanai)

[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi



General Manager of one ICT company is receiving Certificate from Mr. Tanaka, JICA Director, at Symposium held in EKI on 25th July 2014. (Photo by N. Kanai)

II-3-1. TTTs' MSEs Training Course (1)

131 TTTs were trained and 129 MSEs were involved in the Project.

Batch	Session	Training Period	Trainees (/total sum)	Enterprises (/total sum)
1	4	Feb. ~ May. '12	18/18	20/20
2	4	June12~Aug. '12	18/36	17/37
3	3	Oct. ~ Dec. '12	15/51	15/52
4	3	Feb. ~ Apr. '13	12/63	12/64
5	5	July ~ Sept.'13	26/89	24/88
6	3	Nov. ~ Jan. '14	16/105	15/103
7	3	Mar. ~ May. '14	12/117	12/115
8	3	July ~ Sept. '14	14/131	14/129
Total	36	—	131 [Target 170]	129 [Target 170]

NINA TEXTILE AND TEXTILE PRODUCTS GROUP ENTERPRISE (MSE 2nd batch)



- **5S**
  Provide work environment
- **Defect Rate**
  8%(No QCC)→3% (QCC formed)
- **Productivity**
  450/day → 760/Day
- **Distance from store**
  7m → 3m

Friendship Agro Industry PLC(Feed)



- **6S now** provide 43㎡ of free space, result in the reduction of 55% of the transportation work. Materials worth of 75,000Birr were also discovered.
- **Productivity** has been increased by 39%.

Hammer dry food Enterprises (Injera Baking) (MSEs 7th Batch)



- **3S**
  Free working area obtained 8.5 ㎡
- **Layout Change**
  Transportation between each process has been reduced from 6 m to 2m.



After Certificate Giving Ceremony at MSE

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[Annex II] Presentation on Progress and Prospects of the Project by Dr.Kikuchi



III. Remaining Activities

[Output 1]
1. Long-Term Plan (Final JCC, Sept.)
2. KAIZEN Seminars : Mekelle (Aug.) , AA (Sept.)
3. Impact Survey Report (Sept.)

[Output 2]
1. 5th Batch of Training for EKI Consultants/LMEs (Aug.'14 ~ Feb.'15)
2. Preparing Manual for LMEs/MSEs* (Sept.)

[Output 3]
1. 8th Batch of Training (July ~ Sept. '14)
2. Preparing Manual for LMEs/MSEs* (Sept.)

[Output 1~3] Some assignments given by Terminal Evaluation Team.

* The same Manual

IV. Recommendations

EKI's Capacity Development should be furthermore enhanced towards "Center of Excellence".

1. Advanced Capacity Development for Training and Consultancy
2. Management Capacity Development
3. R & D and Information Capacity Development
4. Collaboration & Net Working at Regional, National and International level.
5. Follow-up after Training and Consultation.
6. Enhancement of Public Relations Activities.

Conclusion

Key factors for KAIZEN dissemination in Ethiopia

1. Company owners'/managers' positive attitude toward KAIZEN implementation.
2. Government policy on KAIZEN dissemination.
3. Leading and independent organization for KAIZEN dissemination (EKI).
4. KAIZEN Promotion Team (KPT).
5. Customization of KAIZEN tools and way of thinking to local needs.



II-1-7. Impact of the Project (2)

EKI and FeTA have launched "Training Program for TTIs/MSEs" by themselves with the modified JICA approach.

Training Course		JICA/EKI Training Program for TTIs/MSEs	EKI/FeTA Training Program for TTIs/MSEs
Target Trainees (Numbers of Participants)		TTIs (131)	TTIs (170)
Target Enterprises		MSEs	MSEs
Type of Training & Period	CRT	One month (30 Days) in EKI	10 Days in Each Region
	ICT	Two months (60 Days) in MSEs in AA	30 Days in MSEs in Region
Target Areas		All Regions (TTIs come to AA)	7 Regions (TTIs are trained in Region)
Trainers		- JICA Experts - EKI Consultants	- EKI Consultants * - FeTA Technical Staff * - TTIs in the Regions *

* All of them finished JICA/EKI Training Course.

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ANNEX III Presentation on Terminal Evaluation of the Project

Joint Terminal Evaluation

The Project on Capacity Building for Dissemination of Quality and Productivity Improvement (KAIZEN)

29 July 2014

1

Objectives of Evaluation

- To confirm the achievement levels of Outputs, the Project Purpose and Overall Goal (prospect);
- To identify factors or issues that have promoted or hindered the implementation of project activities;
- To conduct a comprehensive evaluation from the viewpoints of five evaluation criteria; Relevance, Effectiveness, Efficiency, Impact and Sustainability; and
- To draw up recommendations for the measures to be taken for the Project's further improvement.

2

Membres of the Evaluation Team

<Japanese side>

- Mr. Akihisa Tanaka (Director, PSD Dev. Div. 2, JICA)
- Mr. Atsuki Sakamoto (Deputy Director, PSD Dev. Div. 2, JICA)
- Mr. Shinichi Mori (Consultant, IMG Inc.)

<Ethiopian side>

- Mr. Bekalu Worku (Higher Edu. Cap. Build. Dir, EKI)
- Dr. Abebe Damtew Berlie (Office of Change Management, Addis Ababa University)

3

Output 1: Establishing of the EKI's institutional and organisational foundation: *mostly achieved*

- ✓ Short- and long-term plans for KAIZEN dissemination in place: *mostly achieved*
- ✓ Monitoring and annual evaluation reports on the progress of KAIZEN implementation and achievement: *mostly achieved*
- ✓ 600 attendants of KAIZEN seminars: *achieved*

4

Output 2: Functionalizing of the KAIZEN dissemination system to LMEs: *mostly achieved*

- ✓ EKI Consultants' training curriculum in use: *mostly achieved*
- ✓ Course materials including customised KAIZEN manuals for EKI Consultants: *not yet achieved*
- ✓ 600 attendants of KAIZEN seminars: *achieved*
- ✓ 50 LMEs participated in ICT: *mostly achieved*

5

Output 3: Development of a model system to foster TTTs for KAIZEN dissemination to MSEs: *mostly achieved*

- ✓ TTT's training curriculum in use: *achieved*
- ✓ Course materials including customised KAIZEN manuals for TTTs: *not yet achieved*
- ✓ The criteria and methodology to assess the skill levels of TTTs in place: *achieved*
- ✓ TTTs' training guideline shared with FeTA/ReTAs: *not yet achieved*
- ✓ 170 MSEs and TVETs participated in ICT: *achieved*

6

Project Purpose: Establishing of the system to disseminate KAIZEN in a sustainable way: *will be achieved*

- ✓ 60 professionally trained EKI Consultants: *achieved*
- ✓ 170 professionally trained TTTs: *achieved*
- ✓ KAIZEN dissemination system clearly defined in the long-term KAIZEN dissemination plan: *mostly achieved*
- ✓ Positive reactions by 75% of enterprises that participated in ICT : *mostly achieved*
- ✓ Accumulation of good practices of participating enterprises as model cases: *mostly achieved*

7

Relevance: *high*

The Relevance of the Project is judged as high since:

- The Project is in line with GTP and MSE Development Strategy, and KAIZEN is strongly advocated by the Ethiopian Prime Minister;
- The Project is in line with the needs of the Ethiopian manufacturing sector; and
- The Project is in line with the Japanese aid policy to Ethiopia.

8

Effectiveness: *relatively high*

The Effectiveness of the Project is judged as relatively high since the Project Purpose is envisaged to be achieved by the end of the Project period.

The Outputs represent all three basic constituents required for the system to disseminate KAIZEN: the EKI's institutional and organizational foundation, the human resource development system for KAIZEN dissemination for LMEs, and the system to foster TTTs for KAIZEN dissemination for MSEs.

9

Efficiency: *moderate*

The Efficiency of the Project is judged as moderate.

<Positive aspects>

- Inputs (JICA Experts, EKI Consultants, C/P training, etc.) have been appropriate.
- Implementation of 45-day TTTs training courses.

Pros and cons of the three-month training and 45-day training should be reviewed and the results be reflected in the design of future training.

10

Efficiency (cont.)

<Negative aspects>

- Five of the nine KAIZEN Unit members having left EKI
- 3.5 month delay in the recruitment of new EKI staff
- Delay in the procurement / delivery of vehicles
- Vehicle not sufficiently arranged by FeTA

11

Impact: *high*

The Impact of the Project is judged as high, since:

- Prospect for achieving the Overall Goal (An increased number of private enterprises will implement) is *high*;
- Most of LMEs and MSEs that participated in ICT have showed positive results;
- 3,590 KPT have been formed;
- EKI Consultants promoted KAIZEN in 48 companies (32,950 management staff and workers); and
- KAIZEN has been diffused to other gov. agencies.

12

Sustainability: *relatively high*

The Sustainability of the Project is judged as relatively high since:

- Dissemination of KAIZEN has increasingly become an integral part of the industrial policy, with KAIZEN being most likely to be highlighted in GTP-2;
- EKI shows strong signs in its financial and organizational soundness (EKI's staff members increased from 9 in 2011 to 98 in 2014, while its budget in the fiscal year 2014/15 amounted to ETB 17 million);

13

Sustainability (cont.)

- The transfer of basic KAIZEN technology from JICA Experts to EKI Consultants has been mostly completed; and
- EKI will be able to disseminate basic KAIZEN practices on its own, while the institution's contribution toward the growth of LMEs will be limited unless EKI Consultants' KAIZEN skills are further strengthened.

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Conclusion

As the Project Purpose is envisaged to be achieved by the end of the Project period, it is recommended that the Project be terminated in November 2014 as originally scheduled.

15

Recommandations

<Action to be taken by the completion of the Project>

- Pros and cons of the three-month training and 45-day training for TTIs / MSEs should be reviewed and an optimal training modality be presented in the JICA Expert team's Project Completion Report

16

Recommandations

<Action to be taken after the completion of the Project>

- EKI's management needs further strengthening in order to efficiently cater to KAIZEN's fast growing demand.
- EKI should compile, as a database, information on the individual companies to which KAIZEN has been promoted as well as on the actual KAIZEN practices conducted.

17

Recommandations (cont.)

- The capacity of EKI Consultants needs to be further strengthened.
- A grading system for different levels for consultants to be certified should be developed.
- In order to facilitate the dissemination of KAIZEN skills in regions, the need to prepare another KAIZEN manual much easier for TTIs / MSEs should be investigated.

18

Thank you for your attention



19

ANNEX Ⅳ Presentation on Next Step
KAIZEN Project (tentative)

Next Step for Our KAIZEN Project

Launch of a TICAD Human Resource Development Centre in Ethiopia

The 6th Joint Coordination Committee

29th July, 2014

JICA Terminal Evaluation Team

Japan International Cooperation Agency

State Visit of PM Abe to Ethiopia in January 2014



It has been determined that the "Ethiopian KAIZEN Institute" will expand the content of its programmes and be launched as the first "TICAD Human Resource Development Centre for Business and Industry" in Africa.

(Speech by PM Abe, 14th January 2014)

1. **What is a "TICAD Human Resource Development Centre" ?**
2. **How is the Centre launched in Ethiopia?**
3. **What activities are expected at the Centre in Ethiopia?**

Japan International Cooperation Agency

What is a "TICAD Human Resource Development Centre" ?

- One of Japan's assistance packages committed at TICAD V (June 2013)
- Launch the Centres at 10 locations for 25 countries

1. Objective of the Centre

The Centres are expected to offer training that will effectively:

- meet the needs of local job markets by linking the graduates of the training courses with job opportunities; and
- meet the needs of Japanese companies that are operating (or will operate) in Africa.

2. Expected Activities at the Centre

KAIZEN training, Technical & Vocational training, Higher Education etc.

The Centres are expected to:

- put emphasis on the dissemination and utilization of Japanese knowledge and experiences; and
- facilitate local entities to network with Japanese companies & organizations.

Japan International Cooperation Agency

How is the Centre launched in Ethiopia?

- In Ethiopia, the new KAIZEN project (Phase 3) is implemented to realise a concept of the Centres.
- The launch of phase 3 project is expected to be in January 2015.

- Phase 1 (Oct 2008- Jun 2011): Study on Quality and Productivity Improvement (KAIZEN)
- Establishment of Ethiopian Kaizen Institute (EKI) in 2011
- Phase 2 (Nov 2011- Nov 2014): Project for Capacity Building for Dissemination of Quality and Productivity Improvement (KAIZEN)

⇩

- Phase 3 (Jan 2015 – Dec 2019): Project on Capacity Development for KAIZEN Implementation for Quality and Productivity Improvement and Competitiveness Enhancement

Japan International Cooperation Agency

What activities are expected at the Centre in Ethiopia?

- The Centre (Phase 3 Project) is expected to contribute to strengthening industrial competitiveness to be emphasised in the GTP2 by applying advanced KAIZEN beyond the basic 5S activities.

1. Project Purpose

KAIZEN practitioners (individual, groups and companies) are developed in both private and public sectors.

2. Proposed Activities

(1) Enhance EKI's management capacity in planning and operation

(2) Develop systems for ensuring a quality of KAIZEN consultancy services

Certification & registration of KAIZEN consultants

(3) Provide advanced KAIZEN consultancy services to the private sector

(4) Establish a national-level mechanism for KAIZEN dissemination

Regional KAIZEN Institute, Collaboration with Higher education institutes

Japan International Cooperation Agency

Thank you very much for your attention!



Japan International Cooperation Agency

1

(8) The 7th Joint Coordination Committee (JCC) Minutes of Meeting (M/M)

MINUTES OF MEETING
FOR
THE SEVENTH JOINT COORDINATION COMMITTEE (JCC)
FOR
THE PROJECT ON CAPACITY BUILDING FOR DISSEMINATION OF QUALITY AND PRODUCTIVITY IMPROVEMNET (KAIZEN)
IN
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Meeting Room of Ministry of Industry
Addis Ababa

9:00 a.m. – 11:30 a.m.
2nd October 2014

H.E. Ato Newai Gebreab
Chairperson of Joint Coordination Committee,
Chief Economic Advisor to the Prime Minister

Mr. Getahun Tadesse
Project Manager
Director General
Ethiopian KAIZEN Institute (EKI)

Mr. Kimiaki Jin
Chief Representative
JICA Ethiopia Office

Japan International Cooperation Agency
1

Dr. Tsuyoshi Kikuchi
Chief Advisor
JICA Expert Team

1. **Agenda for the Meeting**

i. Terminal Report of the Project.

2. **Proceedings**

i. The Seventh Joint Coordination Committee (JCC) meeting was opened and chaired by H.E Newai Gabreab, Chief Economic Adviser to the Prime Minister, at 9:20 am with his apology of having arrived late. Followed by confirming the meeting agenda, H.E. Ato Newai requested Ato Getahun, Director General of EKI, to give a few words.

ii. Ato Getahun confirmed that this is the last JCC meeting, to review the work of the Project. He regretted that some of the important members were unfortunately absent because they were in another region, but promised to communicate with them later.

iii. The meeting was followed by a presentation of Mr. Tsuyoshi Kikuchi, Chief Advisor of the Project, entitled "the Results of the Project II for KAIZEN Dissemination in Ethiopia" (See Annex II).

3. **Terminal Report of the Project**

i. Mr. Kikuchi's presentation consisted of four (4) parts. Mr. Kikuchi focused on the second part in his presentation, entitled "the Results of the Project II". In his conclusion, Mr. Kikuchi thanked for the participants' attention to his presentation, and attention to his Team.

ii. Followed by the gratitude of the H.E Newai to the presentation of Mr. Kikuchi, the floor was opened to the questions and comments of the meeting participants.

iii. Upon Mr. Kikuchi's request to Ato Getahun to provide more information about the formulation of the Long Term Plan, Ato Getahun confirmed that Ato Getahun and the Project Team have worked on the Long Term Plan for the last half a year as mentioned in the presentation of Mr. Kikuchi. Ato Getahun explained that the EKI have implemented the Project in different companies in different industries: The EKI staff were new to KAIZEN before, but they now have experience of two (2) years, and they can spell out the problems of their

industries with respective sector. Ato Getahun manifested that the outcome of this Project contributed to the increase of competitiveness in the major sectors, outlining the problems and the formulation of the Plan (the KAIZEN Movement: Strategic Direction and Acton Plan).

iv. Ato. Getahun also said that he has been discussing about the Plan with Mr. Kimiaki Jin, Chief Representative of JICA Ethiopia Office, and JICA Headquarters and Japanese professors who come to Ethiopia periodically. Ato Getahun emphasized that they made a promise with the Prime Minister, Mr. Abe, to make a successful example, and JICA is looking into the resources for the KAIZEN Complex.

v. Ato Getahun also said that the "KAIZEN Movement: Strategic Direction and Action Plan" was presented at the 1st National KAIZEN Council, and confirmed that it is considered as a working document. Ato Getahun also expressed his appreciation to Professor Osada's intervention.

vi. Ato Getahun manifested that this project is unique, because what Ethiopia wants is unique. The discussion sometimes became heated debate; however Ato Getahun is pleased that the JICA's final evaluation team graded this Project as one of the best ones in Africa. Ato Getahun also mentioned that he held a serious discussion with JICA Headquarters Team who comes twice a year from Japan who assisted him at the high level forum. Ato Getahun confirmed that EKI now has capacity to implement KAIZEN, to provide training and quality control, and assist implementation and evaluation for the sugar industry and other challenging industries. Ato Getahun also shared the news about Ms. Salamawit Kiros, who is trained by the Project, and invited to go to Burundi to implement KAIZEN. Ato Getahun also expressed his appreciation to Professor Osada for his support to establish a linkage with university professors and industries, and facilitate EKI to attend the international conference. "Coming project is unique; grass route dissemination and high level involvement", said Ato Getahun. Finally, Ato Getahun reported that the next project is acknowledged by His Excellency and the Japanese ambassador, and reiterated his appreciation to the Japanese experts for the professional advises.

vii. Followed by the statement of Ato Getahun, H.E. Ato Newai asked the

participants for comments. Since there were no immediate comments, H.E Ato Newai asked Mr. Kikuchi to explain about the Japanese non-profit organizations that he mentioned in the slide No. 28 of his presentation.

viii. Mr. Kikuchi explained that Japan Productivity Center -JPC- was established after the World War II with the assistance of the United States. JPC conducted the national productivity movement learned from the United States while the United States invited the Japanese missions and provided books. Union of Japanese Scientists and Engineers Union -JUSE- was created with the assistance of Dr. William Edwards Deming also after the World War II. Dr. Deming, who is an American statistician, transferred his knowledge in quality improvement, taught statistical methods to the Japanese top management and engineers, and organized seminars in Japan. JUSE also created the Deming Prize, which used to be awarded only to the Japanese companies, but recently the opportunities are also open to other countries. JUSE conducts QC Circle, known as KPT in Ethiopia. KPT and QC Circle are very important system to disseminate KAIZEN. Finally, the Japan Management Association (JMA) was established to improve efficiency and effectiveness of the war-related industries in Japan during the World War II. Mr. Kikuchi concluded that the activities of the three (3) organizations are overwrapped today, although they were created with specific objectives. Mr. Kikuchi added that EKI has a lot of things to learn from these organizations.

ix. Mr. Wubie Mengestu, Director of Research and Advisory, Ethiopian Chamber of Commerce and Sectorial Association (ECCSA) asked Mr. Kikuchi what is the role of the Chamber of Commerce to promote KAIZEN in Japan.

x. Mr. Kikuchi answered that one of the examples for the Chamber of Commerce is to facilitate the KAIZEN consults to provide business consultation for small and medium enterprises (SME), and provide certificates: With the certificate issued from the Chamber of Commerce, SME will have more easy access to financial support.

4. Closing Remark

i H.E. Ato Newai acknowledged, in his final statement, that the Project has made tremendous progress, particularly capacity building, and institutionalized

approach and transfer of the KAIZEN skill to private companies. H.E. Ato Newai also commented that the provision of this kind of assistance is rare and rich on the ground, and praised the presentation of Mr. Kikuchi. After acknowledged the detailed work of the KAIZEN manual, H. E Ato Newai concluded with an anecdote of one Ethiopian runner who made great achievement; "the practitioner run until the very last second", and commented that one should work continuously with details until the last moment like this runner. "If we would succeed the KAIZEN implementation, the application becomes possible for all the criteria" added H.E. Ato Newai. H.E. Finally, Ato Newai expressed his appreciation to the KAIZEN Team for the dedicated service, JICA's continued support, and Ato Getahun.

ii Mr. Kikuchi thanked for providing a favorable working environment where the Team enjoyed very much.

iii Mr. Jin stated that it was his pleasure to be at the meeting, and reiterated JICA's continuous support. He explained that he was a member of the evaluation team to formulate the KAIZEN project 6 years ago, and explained to the late Prime Minister Meles about the Project, but not expected the Project would make such a big achievement. He said that this is still a second stage, and JICA is anxious to promote KAIZEN at least 5 years or more, and added that he expects to invite other donors in the future to create more dynamic environment.

iv The Seventh JCC was officially closed at 11:15am.

[END]

[ANNEXES]

ANNEX I	Participants of the Sixth Joint Coordination Committee
ANNEX II	Presentation on Terminal Report of the Project

[Annex I] Participants of the Seventh Joint Coordination Committee

<Ethiopian Side>

- H.E. Ato Newai Gebreab, Chief Economic Advisor to the Prime Minister
- Mr.Wubie Mengestu, Director of Research and Advisory, Ethiopian Chamber of Commerce and Sectoral Association (ECCSA)
- Mr.Getachew Regassa, Secretary General, Addis Ababa Chamber of Commerce and Sectoral Association (AACSA)
- Mr. Getahun Tadesse, Director General, EKI
- Ms. Selamwit Kiros, Lead KAIZEN Consultant, EKI
- Mr. Samson Kebede, Senior KAIZEN Consultant, EKI

<Japanese Side>

- Mr. Yoshihisa Shiraishi, First Secretary, Embassy of Japan in Ethiopia
- Mr. Kimiaki Jin, Chief Representative, JICA Ethiopia Office
- Ms. Yuko Ikeda, Project Formulation Advisor, JICA Ethiopia Office
- Mr. Fekadu Nigussie, Private Sector Development Programme Officer.
- Dr. Tsuyoshi Kikuchi, Chief Advisor, JICA Expert Team
- Mr. Masaaki Hanai, JICA Expert Team
- Ms. Yukiko Haneda, JICA Expert Team
- Mr. Hideo Sonoda, JICA Expert Team
- Mr. Nobuo Kanai, JICA Expert Team
- Ms. Yoko Ichikawa, JICA Expert Team
- Ms. Akane Morimoto, JICA Expert Team
- Mr.Tomoyuki Yamada, JICA Expert Team

Annex 2



Contents

Introduction

1. JICA Assistance in KAIZEN in Ethiopia
2. Results of the Project II
3. Development Potential of KAIZEN Dissemination in Ethiopia
4. Future of EKI

Introduction (1)

Name of Project :
"Project on Capacity Building for Dissemination of Quality and Productivity Improvement (KAIZEN) in Ethiopia"

Purpose of Project :
"The system is established to disseminate KAIZEN to private enterprises in a sustainable manner."

Terminal Evaluation :
"The Project has High Relevance, assessed from its consistency with the Ethiopian Government's development policies, Japanese Government's aid policies, and the needs of the beneficiaries."
(Joint Terminal Evaluation Report, 1st August 2014)

Introduction (2)

The first meeting of National KAIZEN Council was held and chaired by Prime Minister at the Office of Prime Minister on 16th September 2014.

"Today I declare the month of Meskerm (September) as a KAIZEN Month."

(Prime Minister's Speech at the Meeting)

Abbreviation

Project II: *The Second Phase of KAIZEN Project*
JICA: *Japan International Cooperation Agency*
MoI: *Ministry of Industry*
EKI: *Ethiopian KAIZEN Institutes (Oct. 2011~)*
KU: *KAIZEN UNIT in MoI (Oct. 2009~Oct. 2011)*
FeTA: *Federal TVET Agency*
TTT(s): *TVET Trainers' Trainer(s)*
LME(s): *Large & Medium Enterprise(s)*
MSE(s): *Medium & Small Enterprise(s)*
CRT: *Class Room Training(Theoretical Training)*
ICT: *In-Company Training(Practical Training)*
KPT: *KAIZEN Promotion Team*
NKC: *National KAIZEN Council*

1. JICA Assistance in KAIZEN in Ethiopia (1)

- ***Project I is called "Pilot Project".***
- ***Project II will be terminated soon.***
- ***Project III is scheduled to start from early 2015.***

Annex 2

1. JICA Assistance in KAIZEN in Ethiopia (2)

JICA has been providing technical assistance in KAIZEN dissemination in Ethiopia since October 2009.

Phase	Period	Project Purpose & Targets
I	1 year 8 months (Oct. 2009 ~ May 2011)	*Pilot Project :* 10 KU Members 30 Companies
II	3 years (Nov. 2011 ~ Nov. 2014)	*Basic KAIZEN Capacity Development :* 409*EKI Consultants (57+46) and TTTs (131+175) 249 LMEs (51) and MSEs (129+69) * cumulative total
III	5 years (2015 ~ 2019)	*Advanced Capacity Development : "Center of Excellence in Africa"*

2. Results of Project II

Project II has three Expected Outputs.

- Output 1 for Solid Foundation of EKI
- Output 2 for EKI Consultants/LMEs
- Output 3 for TTTs/MSEs

2. Results of Project II

Output 1 for Solid Foundation of EKI

"The institutional and organisational foundation of Ethiopian KAIZEN Institute (EKI) is established as the core and lead organisation for the dissemination of quality and productivity improvement (KAIZEN)".

2. Results of Project II
Output 1 for Solid Foundation of EKI (1/4)

The First Output is to establish solid foundation of new EKI by various activities.

1. **Long-term Plan for KAIZEN Dissemination:**
   The new draft* elabreted by EKI submitted to MoI and NKC in August 2014.
   The Plan to be finalized in line with GTP-2 next year (2015).
   (*taking into account the series of discussions between EKI and JICA Expert Team)
2. **KAIZEN Seminars:**
   More than 1000 Participants in 6 Major Cities (Addis Ababa, Adama, Hawassa, Dire Dawa, Bahir Dar, Mekelle)

2. Results of Project II
Output 1 for Solid Foundation of EKI (2/4)

3. **Support for Higher Education**
   KAIZEN MSc Course in Mekelle University.
   Japanese Professor (TQM) visited Ethiopia 3 times to give advices on the Course.
4. **46 EKI Consultants trained abroad**
   10 in Japan (5 in 2013, 5 in 2014)
   36 in Malaysia (16 in 2013, 20 in 2014)
5. **KAIZEN Training Manual for LMEs and MSEs**
   About 1000 pages (including KAIZEN technologies, case studies, guideline, etc.)

2. Results of Project II
Output 1 for Solid Foundation of EKI (3/4)

6. **Impact Survey (1):**
   A comparative analysis on the differences of impact from KAIZEN training between ICT companies and non-ICT companies has been tried by Ethiopian Development & Research Institute (EDRI).
   225 Ethiopian companies were targeted for the Survey.

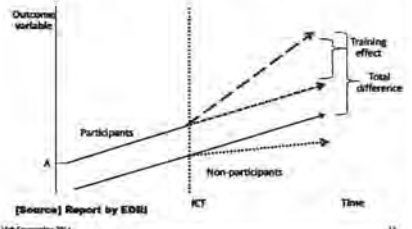
<Target Companies of Impact Survey>

	Total	ICT	Non-ICT
LMEs	118	46	72
MSEs	107	51	56
Total	225	97	128

The Report is to be finalized by the end of September. According to the mid-term report a positive impact is clearly recognized on ICT company group.

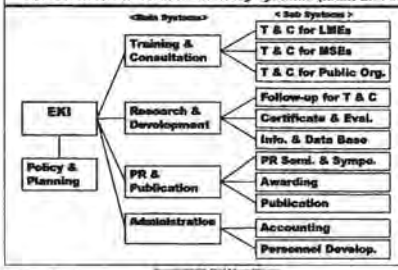
Annex 2

6.Impact Survey (2)
Training Effect Recognized



[Source] Report by EDB

Output 1 for Solid Foundation of EKI (4/4)
Solid Foundation consists of many systems (main and sub)



2. Results of Project II
Output 2 for EKI Consultants/LMEs

"The system of human resource development for dissemination of quality and productivity improvement (KAIZEN) to large and medium enterprises (LMEs) is functionalised in EKI".

2. Results of Project II
Output 2 for EKI Consultants/LMEs (1)

The Second Output is to establish "Workable Training System" for EKI to train consultants for LMEs.

57 EKI Consultants were trained as "KAIZEN Trainers" for Basic KAIZEN.
What capacity have been developed ?

51 LMEs participated in KAIZEN implementation in their factories.
How much of their targets have been achieved ?

The Training System for KAIZEN Consultants and LMEs has been established by the end of Phase II.

Output 2 for EKI Consultants/LMEs (2)
The Results of KAIZEN Implementation in LMEs

About 70% of LMEs have achieved the targets established at the beginning of ICT.

Achievement of Targets	Basic KAIZEN		Problem Solving	
	No. of LMEs	Rate (%)	No. of LMEs	Rate (%)
5 Highly Achieved	11	23.4	10	21.9
4 Achieved	21	44.7	15	32.3
3 Relatively Achieved	13	27.7	11	23.4
2 Little Achieved	2	4.2	3	6.4
1 Not Achieved	0	0	0	0
Total	47	100.0	47	100.0

Output 2 for EKI Consultants/LMEs(3)
KAIZEN Technology Learned by EKI Staff

No.	KAIZEN Subject	KAIZEN Skills / Way of Thinking
1	KAIZEN Basic	KAIZEN Philosophy, 5S, MUDA Elimination, QC 7 Tools, QC Story, Small Group Activities.
2	Productivity Improvement	IE Basic, Process Analysis, Time Study, Motion Study, Layout, Line Balancing, Ratio-Delay Study.
3	Quality Improvement	In-Process QC, Process Capability, Control Chart, QC Process Chart.
4	Cost Reduction	Cost Factors, Break-even Point Analysis, ABC Analysis, VE/VA.
5	Shortening of Delivery Time	Definition of Delivery Time, Method of Shortening of Delivery Time, Production Planning, ERP(Enterprise Resource Planning).

Procedure of ICT Implementation: Selection of Companies, Preliminary Survey, Selection of Subjects (Problems to be solved), Preparation of the Plan, Implementation, Reporting & Recommendation, Follow-up Activities.

Annex 2

Output 2 for EKI Consultants/LMEs(3)
KAIZEN Technology Applied by EKI Staff

KAIZEN Basics for All ICT Companies	Problem Solving Based on the Request of ICT Companies
5 S MUDA Elimination The Results by 5S, - Layout Improvement - Stock Reduction	Establishment of SOP* System, Productivity Improvement in Process, Shortening of Delivery Time, Energy Efficiency Measures, Reduction of Defective, Products, etc. *SOP : Standard Operation Procedures

Output 2 for EKI Consultants/LMEs(4)
KAIZEN Technology Modified/Standardized

Some KAIZEN technologies were modified or standardized to meet the needs of Ethiopian companies.

1. **Standard Operation Procedure (SOP)**
   SOP or Standardized Documentation is being applied to many companies after the 2nd batch.
2. **Preventive Maintenance (PM)**
   PM was used in *Addis Ababa Tannery* (3rd batch) and *ZACK* (4th batch). Big demand for PM exists in many companies.
3. **Productivity Improvement with Conveyor-Belt Machinery.**
   Bottlenecks in the process were eliminated at *Peacock Shoe Factory* and now the method of Line Balancing is being used in many companies.

Output 2 for EKI Consultants/LMEs(3)
Problem Solving Capacity Developed

Rank	Capacity Level for Solving Problems	Before	After
F	No experience in solving problems.	48	0
E	Problems can be solved with help.	2	20
D	Problems can be solved without help.	0	34
C	Specific problems can be recognized and defined.	0	3
B	Specific problems can be recognized, defined and solved.	0	1
A	Structural and constitutional problems can be recognized and defined.	0	0
S	Structural and constitutional problems can be recognized, defined and solved.(= systematic solution)	0	0
Total		51	47(+4)

2. Results of Project II

Output 3 for TTTs/MSEs

"The model system for EKI to foster TVET Trainers' Trainers (TTTs) is developed for quality and productivity improvement (KAIZEN) for micro and small enterprises (MSEs)".

2. Results of Project II

Output 3 for TTTs/MSEs (1)

The Third Output is to establish " Model Training System" for EKI to train TTTs and consultants for MSEs.

EKI / FeTA developed a modified training system for TTTs utilizing EKI consultants and TTTs who finished JICA/EKI Training Program. The EKI/FeTA Training Program was conducted in 5 major cities (AA, Dire Dawa, Harar, Hawassa, Mekelle).

306 TTTs (131+175) were trained as KAIZEN trainers for Basic KAIZEN.

198 MSEs(129+69) participated in KAIZEN implementation in their work place.

The Model Training System for TTTs, consultant and MSEs have been established during the Project.

Output 3 for TTTs/MSEs (3)
The Effectiveness of KAIZEN Implementation in MSEs

About 90 % of MSEs are enjoying the fruits from KAIZEN implementation by " Two Months Training " in the factories.

< The Results of KAIZEN Implementation in MSEs >

Effective or Non-Effective ?	No. of MSEs	No. of MSEs excluding NA	Rate (%)
Effective Results	107	107	89.2
Stopped in the Middle	5	5	4.2
No Effective Results	8	8	6.6
No Availability of Data (NA)	9	*****	*****
Total	129	120	100.0

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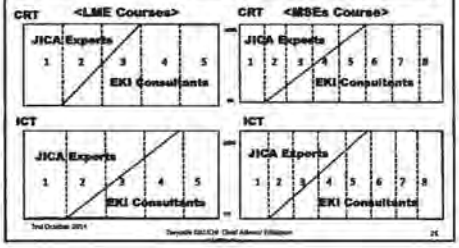
Output 3 for TTTs/MSEs (4) Outputs/Impacts More Than Expected

In parallel with Project II, EKI Consultants and TTTs who had finished JICA/EKI Training Program, have been conducting various activities.

Activities	Targets
Training & Consultation	State Owned Companies (Sugar Factories, etc.), National Project (Low Cost Housing)
Guidance & Promotion of KPTs	Private & Public Companies
KAIZEN PR Seminar	Public & Private Organizations, Enterprises, Medias, etc.
KAIZEN Master Course	EIT-Mekelle University
KAIZEN Awarding	July 2013 (Sheraton Hotel), June 2014 (Capital Hotel)
Public Relations & Publication	Home Page, Newspaper, Magazines, Radio Program, TV Program (Panel Discussion), KAIZEN Song, etc.

Result of Project II: Output 3 & Output 4 More Independent Consultants in EKI

More EKI Consultants have become independent now and JICA Experts were replaced by them by the end of the Project.



The Results of the Project II for KAIZEN Dissemination in Ethiopia

1. JICA Assistance in KAIZEN in Ethiopia
2. Results of the Project II
3. Development Potential of KAIZEN Dissemination in Ethiopia
4. Future of EKI

3. Development Potential of KAIZEN Dissemination in Ethiopia(1/3)

Many factors suggest that Ethiopia has a big development potential in KAIZEN Dissemination.

1. Strong Government Policy and Support for KAIZEN Dissemination.
   - *National KAIZEN Council*
   - *September as "KAIZEN Month"*
2. Existence of Independent Organization with Strong Management.
   - *Ethiopian KAIZEN Institute (EKI)*

3. Development Potential of KAIZEN Dissemination in Ethiopia(2/3)

Many factors suggest that Ethiopia has a big development potential in KAIZEN Dissemination.

3. Positive Attitude of Ethiopian Companies toward KAIZEN Activities.
4. Widely Accepted KPT Activities in Ethiopian Companies.
5. Customization of KAIZEN Technologies learned from Foreign Countries.
6. Cooperative Medias

4. Future of EKI (1/2)

EKI should be "Center of Excellence" in KAIZEN dissemination in line with GTP-2 and in Africa in future.

1. JICA Assistance in Advanced KAIZEN Capacity Development for the Next Five Years (2015 ~2019) .
2. Reorganization of EKI to Strengthen Consulting Functions focusing on Strategic Industries and Associated Service Sectors.
3. KAIZEN Networking at National and Regional Levels in Ethiopia.

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4. Future of EKI (2/2)

EKI should be "Center of Excellence" in KAIZEN dissemination in Africa in future.

4. **Conduct of KAIZEN Training for Neighboring African Countries**
5. **Establishment of Network for KAIZEN Dissemination in African Countries**
6. **Organization of African Conference /Symposium**



[For Your Reference]

1. Outline of Project II
2. Joint Coordination Committee (JCC)
3. Development Long-Term Plan
4. KAIZEN PR Seminars
5. Training Abroad for EKI Consultants
6. Higher Education Support
7. Training Program for LMEs and MSEs
8. Training Program for EKI Consultants/LMEs
9. Training Program for TTTs/ MSEs
10. EKI/FeTA Training Program for TTTs/MSEs
11. The Impact of KAIZEN Implementation in MSEs
12. Comparison: JICA/EKI Training Program and EKI/FeTA Training Program
13. Project Evaluation

I. Outline of Project II (1)

1. **Name of Project II**
   "Project on Capacity Building for Dissemination of Quality and Productivity Improvement (KAIZEN) in Ethiopia"
2. **Overall Goal**
   "An increased number of private enterprises will implement KAIZEN."
3. **Project Purpose**
   "The system is established to disseminate KAIZEN to private enterprises in a sustainable manner."
4. **Output**
   Output 1~3: See the next slides.

I. Outline of the Project (2)

Project II has three expected outputs.

Output 1 : The institutional and organisational foundation of Ethiopian KAIZEN Institute (EKI) is established as the core and lead organisation for the dissemination of quality and productivity improvement (KAIZEN).
Output 2 : The system of human resource development for dissemination of quality and productivity improvement (KAIZEN) to large and medium enterprises (LMEs) is functionalised in EKI".
Output 3 : The model system for EKI to foster TVET Trainers' Trainers (TTTs) is developed for quality and productivity improvement (KAIZEN) for micro and small enterprises (MSEs).

2. Joint Coordination Committee

JCC has been held twice a year.

	Date	Venue
1	26th December 2011	MoI
2	5th July 2012	MoI
3	12th December 2012	MoI
4	24th July 2013	MoI
5	18th December 2013	MoI
6	29th July 2014	MoI
7	2nd October 2014	MoI

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3. Development of Long-Term Plan (LTP) (1)

1. Discussion Paper presented by JICA Expert Team: *In Pursuit of a Future Image of EKI*, 24th April 2012.
2. Discussion Paper presented by JICA Expert Team : *Short & Long-Term Plan for the Dissemination of KAIZEN in Ethiopia*,14th April 2013.
3. Workshop for EKI Directors was held : 26th August, 2013.
4. LTP was drafted by JICA Expert Team: 29th April 2014.
5. "*Strategic Direction & Action Plan*" was drafted by EKI: May 2014.
6. Workshop for harmonizing two drafts was held, 11th July 2014.
7. Discussion on KAIZEN Capacity Level: 2nd August 2014, Japanese TQM Professor join the discussion.
8. New Draft was prepared by EKI in line with the direction of GTP-2 and submitted to MoI and NKC.

3. Development of Long-Term Plan (2)

"Strategic Directions and Action Plan (2015~2025)" with the under-mentioned goals was prepared by EKI in May 2014. The draft was revised and submitted to MoI in August 2014.

1. Implement KAIZEN in strategic industries for bringing transformation
2. Implement KAIZEN in educational institutions and vocational training schools
3. Implement KAIZEN in strategic service sectors
4. Maintain the quality and sustainability of KAIZEN
5. Anchor KAIZEN on solid foundation
6. Enhance KAIZEN capability of EKI's consultants and KPT standing in for EKI's consultant
7. Build well-organized training and consultancy infrastructure
8. Disseminate KAIZEN among the public

[Reference] The First Version of the above Plan.

4. KAIZEN PR Seminars

KAIZEN PR Seminar were held 7 times.

	Month/Year	Venue	Participants
1	27 Nov. 2012	Addis Ababa (Hilton Hotel)	150
2	12 Feb. 2013	Adama (Nazret) (Adama German Hotel)	130/280
3	23 May 2013	Hawassa(Contral Hotel)	127/407
4	5 Dec. 2013	Dire Dawa (Samrat Hotel)	148/555
5	24 Apr. 2014	Bahir Dar (Homland Hotel)	146/701
6	9 Aug. 2014	Mekelle (Axum Hotel)	135/836
7	10 Oct. 2014	Addis Ababa (Hilton Hotel)	***/1000+

5. Training Abroad for EKI Consultants

Overseas Training Programs for EKI Consultants was conducted in Japan and Malaysia.

Country	Training Content	Period	Participants
Japan	KAIZEN Training for Director Level	2 weeks (Feb. 2013)	5
Japan	KAIZEN Training for Advanced Consultants Level	2 weeks (Oct. 2013)	5
Malaysia	KAIZEN Training for EKI Consultants	2 weeks (June 2013)	16
Malaysia	KAIZEN Training for EKI Consultants	2 weeks (Aug 2014)	20
Total	——	——	46

6. Higher Education Support

JICA sent one Japanese professor to give advice on implementation of MSc in KAIZEN for EIT-Mekelle through EKI.

1. KAIZEN MSc Course conducted by Ethiopin Institute of Technology- Mekelle (EIT-M)
   - Course Period: one year and a half (31st March 2014 ~ June 2015)
   - Place : EKI in AA
   - 22 Graduate Students:
     20 EKI Consultants + 2 FeTA Staff

7.Training Program for LMEs and MSEs

Training Programs for EKI Consultants/LMEs and TTTs/MSEs conducted since 2011.

Training Program		EKI Consultants/LMEs	TTTs/MSEs
Trainees [Results/Target]		EKI Consultants [57+/50]	TTTs [131/170]
Enterprises [Results/Target]		LMEs [51+/50]	MSEs [129/170]
Duration	CRT	One month in EKI	One month in EKI
	ICT	Five month in LMEs	Two month in MSEs
No. of Batches (Sessions)		5 (13)	8 (28)

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8. Training Program for EKI Consultants / LMEs

57 EKI Consultants and 51 LMEs participated in the JICA/EKI Training Prpgram.

Batch	Session	Training Period	Trainees	Enterprises
1	2	May ~ Nov. '12	10	9
2	2	Nov.'12~May'13	9	10
3	3	June ~ Dec. '13	15	15
4	3	Feb. ~ July. '14	15	13
5	3	Sep.'14 ~ Jan.'15	8	4
Total	13	——	57 [Target 60]	51 [Target 50]

9. Training Program for TTTs/ MSEs

131 TTTs and 129 MSEs participated in JICA/EKI Training Program.

Batch	Session	Training Period	Trainees	Enterprises
1	4	Feb. ~ May. '12	18	20
2	4	June12~Aug. '12	18	17
3	3	Oct. ~ Dec. '12	15	15
4	3	Feb. ~ Apr. '13	12	12
5	5	July ~ Sept.'13	26	24
6	3	Nov. ~ Jan. '14	16	15
7	3	Mar. ~ May. '14	12	12
8	3	July ~ Sept. '14	14	14
Total	36	——	131 [Target 170]	129 [Target 170]

10. EKI/FeTA Training Program for TTTs/MSEs

EKI and FeTA themselves have launched "Training Program for TTTs/MSEs" with modification of JICA Approach.

Region	Period(2013~2014)	No. of Trainees	No. of Companies
A.A	Dec 30 – Feb 24	42	15
Dire Dawa	Nov 2 – Dec 17	38	12
Harar	Dec 23 – Feb 8	39	10
Hawassa	Dec 23 – Feb 7	27	16
Mekelle	Mar 24 – May 13	29	16
Total	——	175	69

11.The Impact of KAIZEN Implementation in MSEs

(No. of Companies)

Batch / Results	I	II	III	IV	V	VI	VII	VIII	Total (%)
E.R.	8	15	15	9	22	12	12	14	107(82.9)
SOW	0	1	0	2	1	1	0	0	5(3.9)
NER	3	1	0	1	1	2	0	0	8(6.2)
N.A.	9	0	0	0	0	0	0	0	9(7.0)
	20	17	15	15	12	15	12	14	129(100.0)

[Remarks] E.R. : Effective Results, SOW: Stopped in the Middle, NER: Not Effective Results, N.A.:

12. Comparison: JICA/EKI Program and EKI/FeTA Program

EKI and FeTA have launched "Training Program for TTTs/MSEs " by themselves with the modified JICA approach.

Training Course		JICA/EKI Training Program for TTTs/MSEs	EKI/FeTA Training Program for TTTs/MSEs
Target Trainees (Number of Achievement)		TTTs [131]	TTTs [175]
Target Enterprises		MSEs	MSEs
Type of Training & Period	CRT	One month (30 Days) in EKI	15 Days in Each Region
	ICT	Two months (60 Days) In MSEs in AA	30 Days In MSEs in Region
Target Areas		All Regions (TTTs come to AA)	7 Regions (TTTs are trained in Region)
Trainers		- JICA Experts - EKI Consultants	- EKI Consultants * - FeTA Technical Staff * - TTTs in the Regions *

* All of them finished JICA/EKI Training Course.

13. Project Evaluation

Mid-Term Evaluation in July 2013 and Terminal Evaluation in July 2014 were conducted .

Five Criteria	Mid-Term	Terminal
1. Relevance	Very High	High
2. Effectiveness	High	Relatively High
3. Efficiency	Fairly High	Moderate
4. Impact	Many Positive Impacts	High
5. Sustainability	Too Early to Judge	Relatively High