

Project for Enhancing Regional Integrated SME Promotion (RISMEP) Mechanism in the Kingdom of Thailand

Project Completion Report (Second Phase)

April 2016

Japan International Cooperation Agency

UNICO International Corporation

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Project for Enhancing Regional Integrated
SME Promotion (RISMEP) Mechanism
in the Kingdom of Thailand

Project Completion Report
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Abbreviations

ATSME	Association for the Promotion of Thai Small and Medium Entrepreneurs
BDS	Business Development Services
BDSP	BDS Provider
BIMD	Bureau of Industrial Management Development (DIP)
BOC	Business Opportunity Center (DIP) * Renamed as BSC in October 2015
BOI	Board of Investment
BSC	Business Service Center (DIP) * Renamed from BOC in October 2015
BSM	Bureau of Strategies Management
BSPD	Bureau of Service Provider Development (DIP) * Merged into the BIMD in February 2014
CDD	Community Development Department (MOIT)
CWG	Central Working Group
DBD	Department of Business Development (MOC)
DIP	Department of Industrial Promotion (MOI)
DITP	Department of International Trade Promotion (MOC)
FTI	Federation of Thai Industries
GPP	Gross Provincial Product
iP	Industrial Partner
IPC	Industrial Promotion Center (DIP)
JCC	Joint Coordinating Committee
JICA	Japan International Cooperation Agency
KPI	Key Performance Indicator
METI	Ministry of Economy, Trade and Industry of Japan
MOC	Ministry of Commerce
MOI	Ministry of Industry
MOIT	Ministry of Interior
MOU	Memorandum of Understanding

NaSPA	Nakhonchaiburin Service Provider Association
NCNA	Northern Consultant Network Association
NESDB	National Economic and Social Development Board
NNSPSME	Northern Network of Service Providers for SMEs
NSTDA	National Science and Technology Development Agency
OJT	On-the-Job Training
OSMEP	Office of Small and Medium Enterprises Promotion
OTOP	One <i>Tambon</i> One Product
PCDO	Provincial Community Development Office (MOIT)
PCO	Provincial Commerce Office (MOC)
PDM	Project Design Matrix
PIO	Provincial Industry Office (MOI)
PR	Public Relations
R/D	Record of Discussions
RISMEP	Regional Integrated SME Promotion
RWC	Regional Working Committee
SME	Small and Medium Enterprise
SMEDB	Small and Medium Enterprise Development Bank of Thailand
SNS	Social Networking Service
SOP	Standard Operating Procedure
SP	Service Provider
SPC	SP Center (Chiang Mai)
SSC	Support Service Coordinator
TCC	Thai Chamber of Commerce
TCG	Thai Credit Guarantee Corporation
THB	Thai Baht
TICA	Thailand International Cooperation Agency
UBI	University Business Incubator
W/S	Workshop

Currency Conversion Table (yearly average)

	THB→JPY	JPY→THB
2013	3.17	0.3142
2014	3.25	0.3069
2015	3.53	0.2824
2016	3.19	0.3123

	THB→USD	USD→THB
2013	0.0325	30.6545
2014	0.0307	32.4222
2015	0.0292	34.1884
2016	0.0284	35.1087

Note: Figures for 2016 are averages of the period from January 1 to March 31.

Source: OANDA (Interbank rate)

1. Planned Framework of the Project

1.1 Background

In response to the economic crisis in 1997, the government of Thailand, with continued assistance from Japan under a comprehensive agreement between the two governments, implemented a series of small and medium enterprise (SME) development measures. Among the accomplishments are: preparation of the SME Promotional Master Plan in 1999 based on the recommendations by an expert dispatched from the Ministry of Trade and Industry (currently the Ministry of Economy, Trade and Industry (METI)) of Japan; establishment of the Small and Medium Enterprise Development Bank of Thailand (SMEDB); development of the SHINDAN-SHI (SME management consultant) training and utilization system; enactment of the SME Promotional Law in 2000; and establishment of the Office for Small and Medium Enterprises Promotion (OSMEP) as provided in the law.

In Thailand, services to improve the performance of the enterprise, its access to markets, and its ability to compete are called Business Development Services (BDS). The government distinguishes organizations and individuals which provide BDS by calling them BDS providers (BDSPs) and Service Providers (SPs) respectively. SMEs in regional areas rarely have an opportunity to consult a BDSP or SP, while local SHINDAN-SHIs are small in number and having fewer chances to upgrade the skills compared to their counterparts in Bangkok, as found in the “Project Formulation Study on the Strengthening Mechanisms for Regional SME Promotion and Consultancy Service Quality Development in the Kingdom of Thailand” which was conducted by the Japan International Cooperation Agency (JICA) in June 2009.

Under these circumstances, based on the request made by the Thai government, JICA conducted a project named “Technical Cooperation for Development Planning on the Strengthening Mechanisms for Regional SME Promotion and Consultancy Service Quality Development in the Kingdom of Thailand” from September 2009 to September 2011.

In the project the JICA Study Team ran pilot projects in Chiang Mai and Surat Thani for training and utilizing local SPs, developing BDS delivery networks, and creating a one-stop consultation service for SMEs. The developed network involved BDSPs and SPs in the province and served for efficient matching of client SMEs and suitable BDS. The general consultation counter was opened for SMEs at the Industrial Promotion Center (IPC), the regional office of the Department of Industrial Promotion (DIP), to function as a connecting point between the network and SMEs. As a result, the SMEs provided with BDS through the network improved their performance, while the network successfully encompassed around 80% of the BDSPs operating in the province.

Content with the results, the Thai government developed an intention to expand the BDS delivery system consisting of a one-stop consultation service and an SME support network, which had been verified through the pilot project and named as “Regional Integrated SME Promotion (RISMEP) mechanism,” to other regions. Also, the government saw the need to further enhance the

mechanism in Chiang Mai and Surat Thani by improving performance of BDSPs and SPs and promoting SMEs' utilization of the one-stop consultation service. Accordingly, the Ministry of Industry (MOI) of Thailand requested JICA for technical cooperation through the "Project for Enhancing RISMEP Mechanism."

1.2 RISMEP Mechanism

The RISMEP mechanism was defined as follows for the purpose of the current Project.

(1) Effective integration of locally accessible SME support services

Historically, a variety of BDSPs¹ have provided different types of SME support services that are specialized in a specific field. SMEs do not have an entire picture of support services available from each BDSP; they have to make inquiry to the Ministry of Industry, the Ministry of Commerce, or other agencies to learn about support services provided by each of them. SMEs are required to know what kind of service is appropriate for their needs and consult a BDSP specialized in the corresponding field.

In contrast, RISMEP is a service delivery method to improve convenience of service users (SMEs) and efficiency of service delivery through integrating information on all SME support services available in the region and introducing a set of services that meet the needs of each SME. RISMEP creates a single list of SME support services provided by different BDSPs from which an optimum combination of services can be found (Figure 1-1).

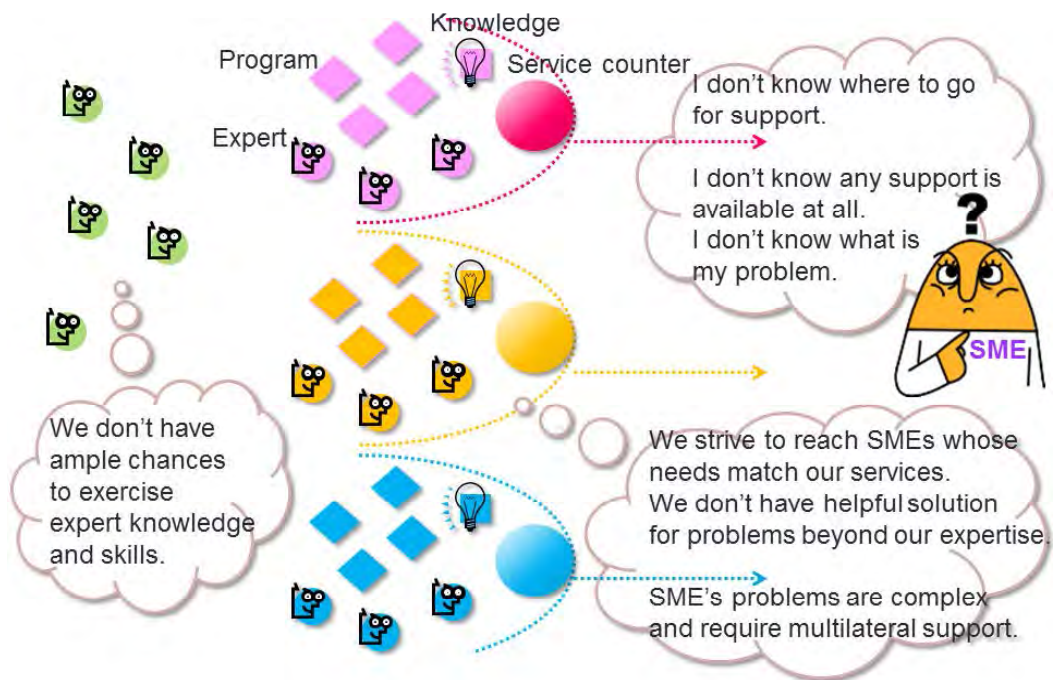
(2) Long lasting service delivery platform

The RISMEP mechanism is to deliver SME support services in an effective and efficient manner, consisting of an SME support network (the cooperation system among the individuals and organizations engaged in SME support), and a general consultation counter (the function to select and introduce a set of appropriate support services from an integrated list of BDSPs and their services).

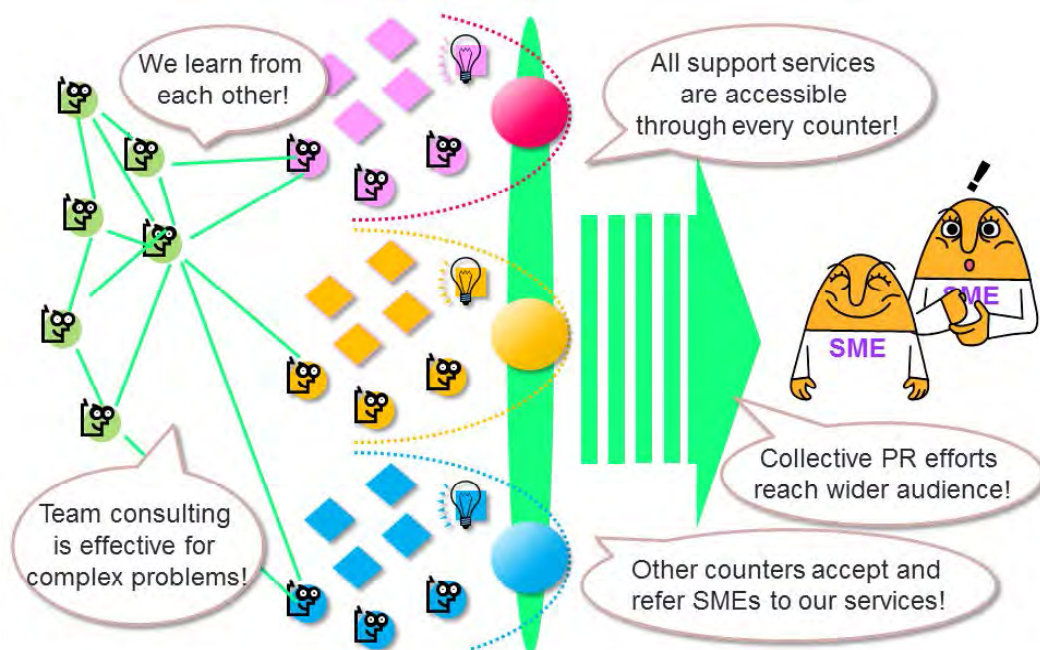
At the same time, the RISMEP mechanism is positioned as a permanent SME support platform that serves a local area, rather than a temporary or short-term project. Therefore, it needs to be sustained under committed efforts of SME support professionals and organizations and should not be treated as a one-time event or project.

¹ BDSPs include financial institutions. Although financial services are not included in the general concept of BDS, they are considered to form an integral part of BDS for the purpose of this Project by following the policy established in the "Technical Cooperation for Development Planning on the Strengthening Mechanisms for Regional SME Promotion and Consultancy Service Quality Development in the Kingdom of Thailand." Similarly, SME support services include financial services.

< as-is >



< to-be >



Source: Prepared by the JICA Project Team

Figure 1-1 Concept of RISMEP Mechanism

(3) RISMEP project to build and operate the mechanism

A set of activities conducted by the SME support network and the general consultation counter to build and maintain the RISMEP mechanism is referred to as the RISMEP project. To achieve the purpose of creating the RISMEP mechanism, the project has to be planned systematically on the basis of a long-term vision and strategy focusing on building a permanent platform.

In particular, the RISMEP project should consist of sub-projects that help promote the overall objective of building the mechanism, including development of the general consultation counter, integration of SME support service information, training of human resources responsible for coordination of different actors (BDSPs and SPs), promotion of use of SME support services, and improvement of the service quality. Note that existing BDSPs will continue to provide individual SME support services even after the RISMEP mechanism is established; the RISMEP project will not cover provision of a specific SME support service.

1.3 Framework for Project Implementation

(1) Objectives and outputs of the Project

Overall goal: The RISMEP mechanism will be maintained in the target provinces and further disseminated to other provinces.

Project purpose: The RISMEP mechanism will be established by the IPCs in the target provinces, and will function effectively.

Output 1: SME-friendly referral networks of BDS providers and SPs will be developed in each of the target provinces.

Output 2: Quality and quantity of BDS that local SPs can deliver to SMEs in the target provinces will be improved.

Output 3: The SME support networks and the contents of BDS in the target provinces will be widely recognized by local SMEs.

Output 4: A system for disseminating the RISMEP mechanism to other provinces will be set up by DIP in cooperation with IPCs.

The Project Design Matrix (PDM) of the Project is shown in Appendix 3-1. To realize the four outputs, total 18 activities were planned.

(2) Project sites

Bangkok, Chiang Mai (continued from the pilot projects), Nakhon Ratchasima, Suphanburi, and Surat Thani (continued from the pilot projects)

(3) Stakeholders on the Thai side

- Counterpart organizations
 - Central level: DIP, Ministry of Industry (MOI)
 - Provincial level: IPCs, the regional offices of the DIP, in the target provinces
 - IPC1 (Chiang Mai)
 - IPC6 (Nakhon Ratchasima)
 - IPC8 (Suphanburi)
 - IPC10 (Surat Thani)
- Beneficiaries
 - DIP
 - IPCs, BDSPs, SPs, SMEs, and local offices of government agencies in the target provinces

1.4 Organizational Setup for Project Implementation

The organizational setup for project implementation is shown in Figure 1-2. The list of members is provided in Appendix 1-1.

The following summarizes the composition and roles of key organizations.

(1) Joint Coordinating Committee (JCC)

The JCC was established pursuant to the Record of Discussions (R/D), chaired by the Project Director (Director General of DIP, Ministry of Industry) and composed of representatives of related organizations on the Thai and the Japanese sides. It approved work plans relating to the Project, examined the progress of the project activities, and discussed key issues, while promoting linkage among related ministries and agencies to facilitate the smooth progress of the Project.

(2) Regional Working Committee (RWC)

Pursuant to the R/D, the RWC was established in each of the target provinces. The committee was chaired by the Director of IPC and consisted of representatives of related organizations at the provincial level. It discussed and approved activity plans in the province, monitored the progress of planned activities, and discussed key issues, while promoting linkage among stakeholders at the provincial level in order to facilitate the smooth progress of the Project.

(3) Department of Industrial Promotion (DIP)

The DIP served as the leading agency of project implementation: the DIP was responsible for overall project management and worked in cooperation with related government organizations at the central and the provincial levels as well as with the Japanese side. The Director General of

DIP acted as the Project Director who assumed overall responsibility for project implementation and management. The Deputy Director General of DIP acted as the Project Manager responsible for day-to-day operation and management of the Project. The Director of Bureau of Industrial Management Development (BIMD)², DIP, acted as the Deputy Project Manager and assisted the Project Manager. Under direction and supervision of the management team, the staff members of the BIMD as well as the directors and staff members of the four IPCs in the target provinces implemented project activities on a daily basis. The Central Working Group (CWG) was formed to coordinate the activities across the target sites. The CWG consisted of the staff members of the BIMD, two representatives from the Bureau of Strategies Management (BSM) in relation to the Business Service Center (BSC)³ and the DIP's planning and strategic management, and representatives of the IPCs in the target provinces.

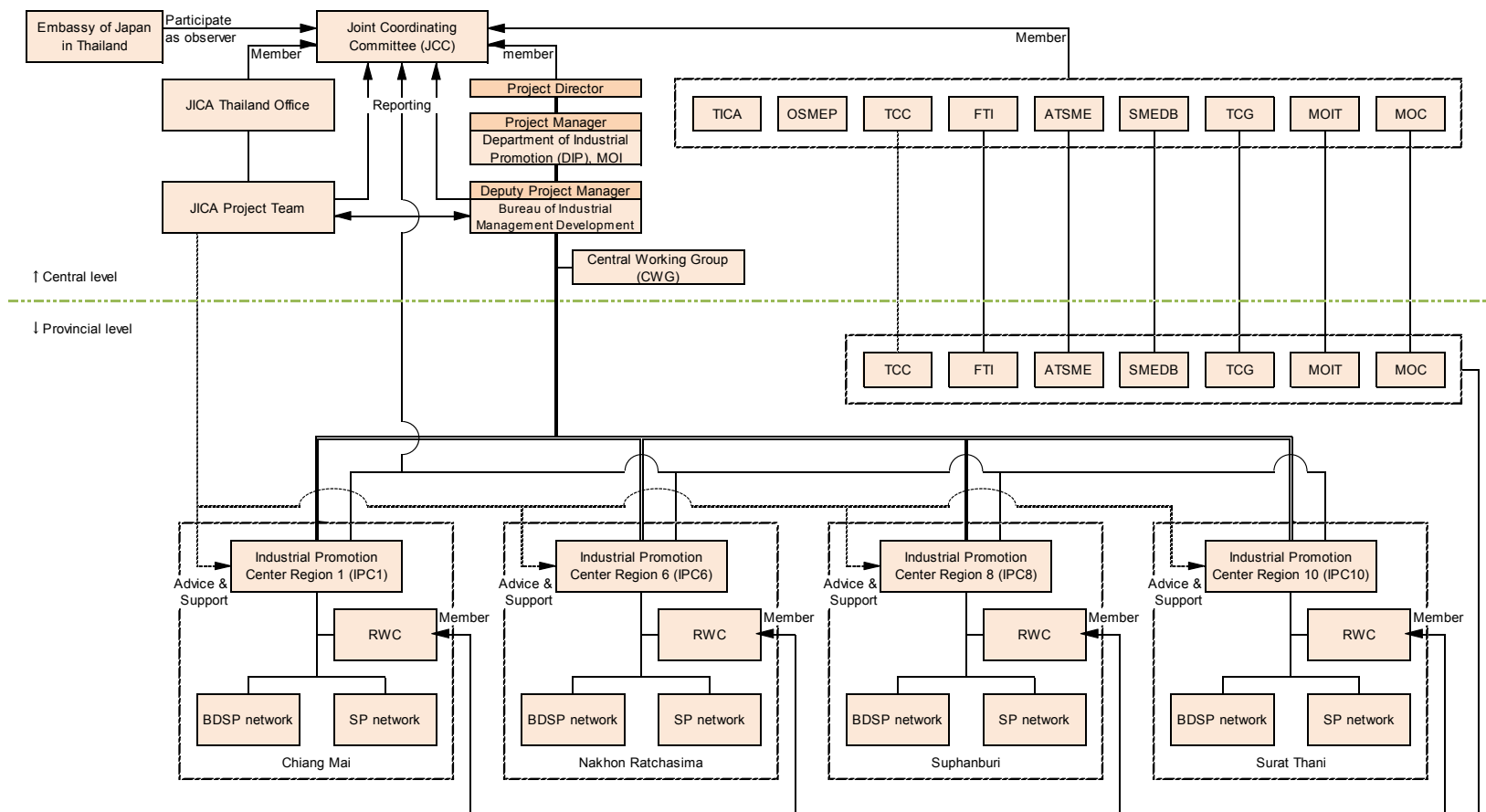
(4) JICA Project Team

The JICA Project Team provided support and assistance for the DIP in the course of project implementation. It gave technical advice, when required, in all aspects of the Project. The Team consisted of six experts dispatched from Japan who were specialized in the following six fields.

- 1) Team leader/human resource development
- 2) SME support network development
- 3) Consulting service tool development
- 4) Business skills
- 5) Local industry development/one *tambon* one product (OTOP)
- 6) Coordinator/assistant to SME support network development

² Incorporated the Bureau of Service Provider Development (BSPD), which was originally in charge of the Project, in February 2014.

³ Renamed from Business Opportunity Center (BOC) in October 2015. Under the control of the BSM, the BSC operates service counters at the IPCs and the DIP's central office in Bangkok to connect SMEs and entrepreneurs to support services of the department. The BSC is the primary section that requires close cooperation with the Project.



Note: ATSME: Association for Promotion of Thai Small and Medium Entrepreneurs; FTI: Federation of Thai Industries; MOC: Ministry of Commerce;
 MOI: Ministry of Industry; MOIT: Ministry of Interior; SMEDB: Small and Medium Enterprise Development Bank of Thailand; TCC: Thai Chamber of Commerce;
 TCG: Thai Credit Guarantee Corporation; TICA: Thailand International Cooperation Agency;
 Source: Prepared by the JICA Project Team

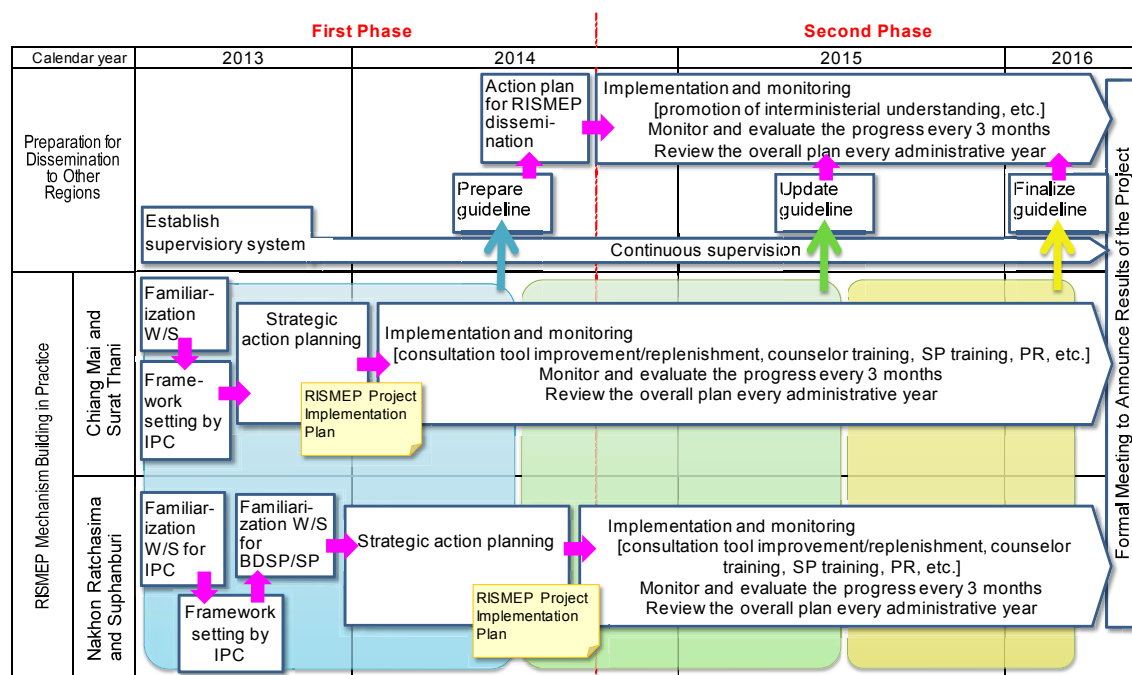
Figure 1-2 Organizational Setup for Project Implementation

1.5 Project Implementation Process

The overall process of project implementation is illustrated in Figure 1-3. The project implementation flowchart shown in Figure 1-4 delineates the series of activities in detail.

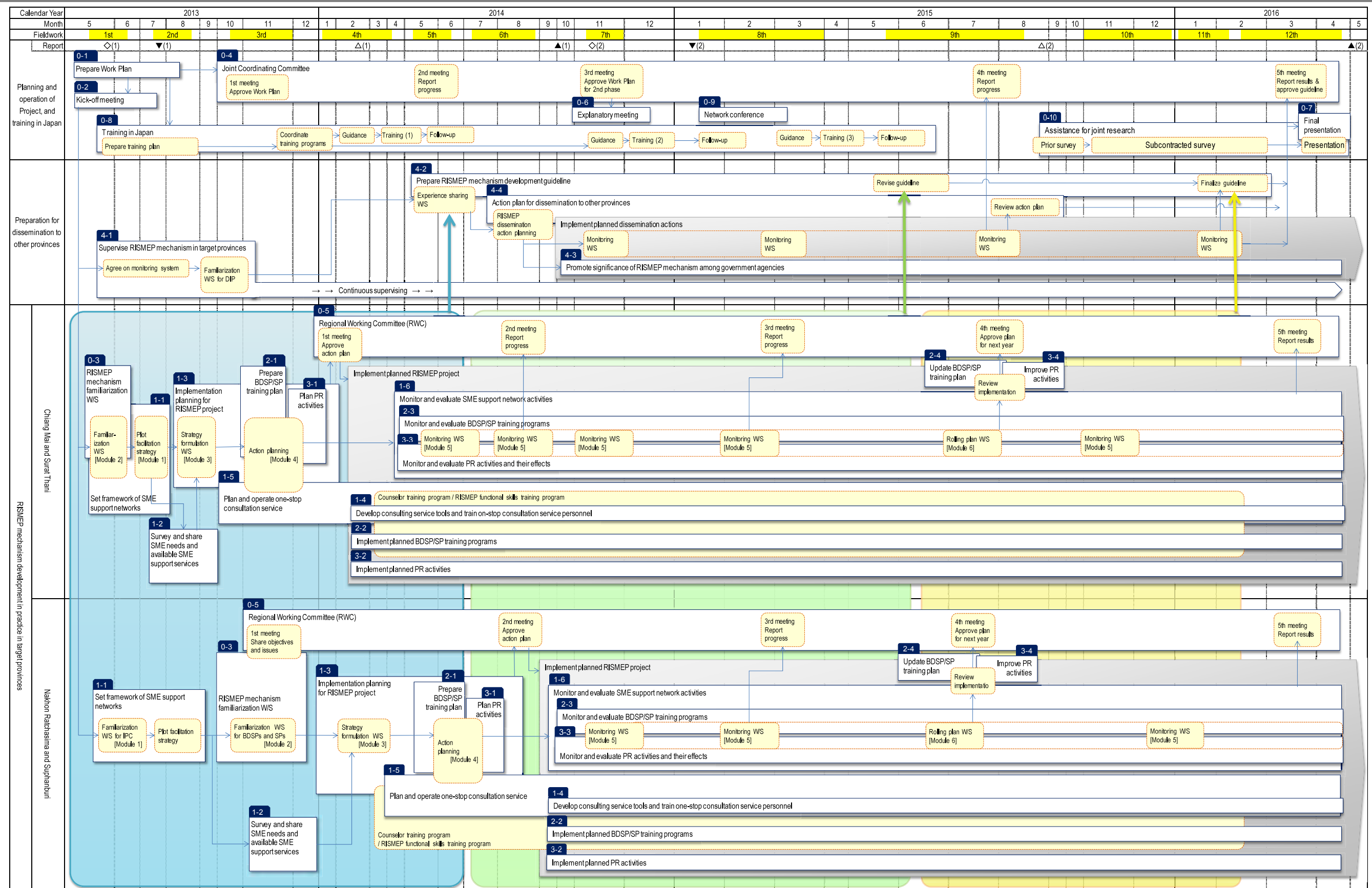
The first phase, from May 2013 to October 2014, covered provincial-level activities of setting off the RISMEP mechanism and planning and launching the RISMEP project as well as central-level activities of compiling the first edition of the RISMEP mechanism development guideline based on experiences in the provinces. The guideline was to serve as a manual for expanding the RISMEP mechanism beyond the target provinces and contained instructions on the method of mechanism building.

In the second phase, from November 2014 to May 2016, the RISMEP project was implemented and monitored in each of the target provinces as well as extended to additional seven provinces, while in Bangkok the DIP prepared for wider dissemination of the RISMEP mechanism.



Source: Prepared by the JICA Project Team

Figure 1-3 Overall Process of Project Implementation



Note: W/S: Workshop ◇ Project Implementation Plan ▼ Work Plan △ Project Progress Report ▲ Project Completion Report

Source: Prepared by the JICA Project Team

Figure 1-4 Project Implementation Flowchart

2. Results of Project Activities

2.1 Actual Inputs

2.1.1 Human Inputs

The Thai side (DIP) and the Japanese side (JICA Project Team) made human inputs to the Project as shown in Table 2-1.

Table 2-1 Human Inputs

Thai side				Japanese side	
Bureau / Center		Project staff		Responsibility	Man-month
		Maximum at a time	Accumulated		
Management ^a		9	24	Team Leader / Human Resource Development	12.50
Working level	BIMD	7	10	SME Support Network Development	9.50
	IPC1	4	5	One-stop Consultation Tools Development	8.10
	IPC6	4	5	Business Skills	4.00
	IPC8	5	6	Local Industry Development / OTOP	3.40
	IPC10	5	6	Coordinator / Assistant to SME Support Network Development	8.70
				Training in Japan	2.00
Total		34	56	Total	48.20 ^b

Note: ^a Director-General, Deputy Director-General, Director, and Division Director who did not directly engage in daily operation but took part in the Project.

^b The amount includes work in Japan and excludes 14.43 man-months of hired local interpreters.

Source: Prepared by the JICA Project Team

2.1.2 Financial inputs

Financial inputs were made by the Thai and the Japanese sides as shown in Table 2-2.

Table 2-2 Financial Inputs

Item		Thai side (THB)	Japanese side (THB) ^a	Total (THB)
Expenses for implementing the Action Plan	Chiang Mai	1,241,000	103,500	1,344,500
	Nakhon Ratchasima	1,143,500	65,000	1,208,500
	Suphanburi	823,500	82,600	906,100
	Surat Thani	1,005,000	205,200	1,210,200
Expenses for implementing the workshops		1,350,000	57,400	1,407,400
Other direct expenses ^b		6,255,500	884,900	7,140,400
Domestic travel expenses		1,220,000	1,037,200	2,257,300
Training in Japan		172,000	788,300	960,300
Total		13,210,500	3,34,200	16,434,700

Note: ^a Expenses paid in Japanese yen or US dollar are converted by the yearly average rate for the year of payment.

^b Expenses for the network conferences, training courses and seminars, PR materials the BIMD developed, etc.

Source: Prepared by the JICA Project Team based on information provided by the DIP

2.2 Actual Performance

2.2.1 RISMEP Mechanism Development Support Modules

The steps of developing the RISMEP mechanism were structured in the RISMEP mechanism development support modules that guided the steps through workshops participated in by local SME support organizations and professionals (Figure 2-1). The modules were designed to help the participants follow the process of analyzing the local situation (modules 1 and 2), planning activities (modules 3 and 4), implementing the planned activities, reviewing the results (module 5), and improving the plan (module 6), along with gradually developing a self-managed SME support network.

Module to be applied	Workshop to be implemented	
Module 1 Actor Relationship Analysis	IPC	One workshop for the IPC (half day)
Module 2 Environmental Scan	BDSP SP	One workshop for BDSPs and SPs together (half day)
Module 3 Strategy Planning	IPC BDSP SP	Three workshops for the IPC, BDSPs, and SPs separately (two days each)
Module 4 Action Planning	IPC BDSP SP	Three workshops for the IPC, BDSPs, and SPs separately (half day each)
Module 5 Monitoring and Evaluation	IPC BDSP SP	Three workshops for the IPC, BDSPs, and SPs separately (half day each) * to be implemented every three months
Module 6 Action Plan Updating (Rolling Plan)	IPC BDSP SP	Three workshops for the IPC, BDSPs, and SPs separately (one day each) * to be implemented every year

Source: Prepared by the JICA Project Team

Figure 2-1 RISMEP Mechanism Development Support Modules

The BIMD and the IPCs applied the modules in sequence and facilitated building the RISMEP mechanism in each of the target provinces. First, BDSPs and SPs developed their three-year plans of networking activities. Then, the IPC developed a three-year activity plan to facilitate the local RISMEP mechanism by supporting activities of BDSPs and SPs. Finally, a RISMEP project implementation plan was compiled to cover the BDSPs' networking activities (such as cooperation between different consultation services and joint events), the SPs' networking activities (such as

voluntary study sessions and joint order receiving), and the IPC's RISMEP facilitation activities (including human resource development and PR). The RISMEP mechanism was realized and operated through the implementation of the consolidated plan.

2.2.2 Results of Activities

The following describes the results of the project activities along the project implementation flowchart shown in Figure 1-4. The record of workshop implementation is shown in Appendix 1-2.

<All outputs> Activities relating to project planning and management, and training in Japan

0-1 Development of and discussion on the Work Plan

The Work Plan was finalized by the end of June 2013 for the first phase and by the end of December 2014 for the second phase, following discussion with the related parties and improvement of the draft prepared by the JICA Project Team.

0-2 Kick-off meeting

The kick-off meeting was held in May 2013 in Bangkok with participation of the DIP/BSPD and IPC staffs in charge of the Project.

0-3 RISMEP familiarization workshop

The RISMEP familiarization workshop was held for the IPC staff, SPs, and BDSPs together in Chiang Mai and Surat Thani in May 2013.

The workshop was held in Nakhon Ratchasima and Suphanburi in June 2013 targeting the IPC staff members first to encourage them to take the local facilitator's role, followed by another workshop for SPs and BDSPs conducted in November 2013.

0-4 Joint Coordinating Committee (JCC) meeting

The JCC meeting was held in November 2013 for the first time and then approximately every six months, which totaled five times. The minutes of meetings are shown in Appendix 4.

0-5 Regional Working Committee (RWC) meeting

The first RWC meeting was held in November 2013 in Nakhon Ratchasima and Suphanburi and in January 2014 in Chiang Mai and Surat Thani. The meeting was held approximately every six months, which reached five times in total in each of the provinces.

0-6 Explanatory meeting on Work Plan for second phase

The explanatory meeting was held jointly with the JCC meeting in November 2014.

0-7 Final presentation meeting

A formal meeting to announce the project results was held in March 2016. Besides the actors and stakeholders having participated in the Project, the audience was invited from the broad range of organizations and individuals related to SME development including government agencies, industrial associations, academic institutions, researchers, consultants, and the press.

0-8 Planning and implementation of training in Japan

Table 2-3 summarizes the training programs in Japan that were participated in by 37 persons in total.

Upon the implementation, synergy effects were pursued by linking the training programs and the project activities. Each of the programs had a session in the final stage of the curriculum to review the learning achievements and plan how to utilize them in Thailand. The trainees' final presentations on the closing day showed that, while the depth of learning differed depending on the personal interests and the progress of local network building, the trainees generally acquired knowledge as intended. The following project activities reflected what was learned in Japan. The participants in the first program conveyed the concrete figure and effects of the SME support network which they witnessed personally, thereby convincing BDSPs and SPs of the concept of RISMEP mechanism and involving them in the local activities. The second program was participated in by BDSPs and SPs from the four provinces, which accelerated their networking activities afterwards. The program offered them an opportunity to form a clear vision of network development. On top of that, the program exposed the participants to the Japanese professionals who were uninterested in short-term rewards but committed to the great cause of SME development and to the fact that the SME support network would benefit all the involved parties in the long run. There had been a fear among the IPCs, BDSPs, and SPs in the target provinces that the RISMEP project would have difficulty in retaining the participants without directly rewarding them by allocating a budget to the BDSPs and offering compensation or job to the SPs. Some of the trainees returning from the second program started acting as a role model to engage oneself voluntarily in strengthening the network and serving local SMEs. Further, the participants in the third program became keenly aware of the significance of informal relationship among the network members and later rolled out extensive relationship-building activities in each province. In addition to these explicit learning achievements, the training course promoted exchange of views and sharing of experiences among the trainees from different provinces, which developed into continuous interaction between the provinces and promoted growth of the networks later on.

Table 2-3 Training Programs in Japan

First program	Period	April 2014 (16 days)			
	Purpose	To study planning and promoting systems and measures to disseminate the RISMEP mechanism nationwide			
	Contents	<ul style="list-style-type: none">- SME development at the national, provincial and municipal levels and cooperation among the levels- Service counters and one-stop service operation- Systems and examples of referring the client from general consultation to the advanced support programs- Collaborative projects by local SME support professionals and organizations- Programs and examples of promoting traditional craft industries- Role of experts in town management and regional revitalization			
	Major sites	Tokyo Metropolitan SME Support Center and Japan Traditional Crafts Industry Promotion Association			
	Participants	Those who are expected to work for dissemination of the RISMEP mechanism	BIMD/IPC	9 persons	
Second program	Period	December 2014 (16 days)			
	Purpose	To study practical development of the SME support networks			
	Contents	<ul style="list-style-type: none">- SME development measures and accelerated cooperation in Japan- Support systems and examples of new business creation- Facilitation techniques- Activities of regional SME support networks- Operation of one-stop service counters and counselling and consultation techniques- Linkage and collaboration among SME support professionals- Practices of local industry promotion and regional revitalization- Cooperation in town management and regional revitalization			
	Major sites	SME Consultation counter at <i>Minato City</i> and <i>RIKEN WAKO</i> Incubation Plaza			
	Participants	Those who are working for development of the RISMEP mechanism at the provincial level	IPC/BDSP/SP	14 persons	16 persons
		Those who are to be a liaison between the central and the provincial level	BIMD	2 persons	
Third program	Period	April 2015 (9 days)			
	Purpose	To study practical operation and sustainable development of the SME support networks			
	Contents	<ul style="list-style-type: none">- Value proposition and market expansion by the SME support network- Practices of SME support and regional revitalization by the network- Service development through cooperation of SME support professionals and organizations- Organization for continuity, self-reliance and growth of the network- Potential of the network beyond SME support functions			
	Major sites	Japan Finance Corporation and Creative Network Center Osaka			
	Participants	Those who are expected to take leadership in the SME support networks	IPC/BDSP/SP	12 persons	

Source: Prepared by the JICA Project Team

A follow-up survey of the 37 trainees was conducted in June 2015 to reveal how the lessons learned in Japan were shared and applied in Thailand. Out of the 34 respondents, only one who participated in the third program failed to make oral presentation of training results in the workplace or to the local network members before the survey. Seemingly the trainees did not confine what they learned in Japan to themselves but shared it with colleagues in Thailand. Further, 95% said that they had applied what they learned in Japan to the RISMEP project. In a broader scope that includes application to work and activities outside the RISMEP project, all the respondents reported specific utilization of the lessons.

The outline of training programs and the summary of follow-up survey results are shown in Appendix 1-4.

It is worth noting that a total of six persons who were involved in the Project participated in the Training Program for Young Leaders provided by the JICA Hokuriku Branch Office in November-December 2013 and September-October 2014. The training courses were about SME development and gave the participants an opportunity to see and hear the Japanese SME support system on site, thereby motivating them in the project activities.

0-9 Network conference

The DIP and the JICA Project Team jointly conducted the network conference in Nakhon Pathom, a Bangkok suburban province, in February 2015. The conference offered an opportunity for the network members in the four provinces to meet face to face and share each other's experience. In light of the assuring results that participants generally motivated themselves through the activity, the BIMD decided to continue holding the conference annually. The second network conference was organized in March 2016.

0-10 Assistance for joint research between JICA and University of Tokyo

JICA conducted a joint research with the Graduate School of Frontier Science, University of Tokyo, titled "Empirical Study on Networking of Business Development Service Providers in Thailand." The JICA Project Team, with support of the DIP, assisted field activities of the researchers and collected necessary data through a subcontracted survey. The preparatory study was conducted by the researchers in September 2015. Based on the results of the study, the JICA Project Team finalized the specifications of the interview survey to be subcontracted, selected the local consultant to conduct the survey, and signed the contract. A prior guidance session was organized in November 2015 where the researchers gave instructions to the interviewers before the launch of the survey. The JICA Project Team inspected and accepted the final deliverables of the survey at the end of February 2016. The outline of the subcontracted survey is shown in Appendix 1-7.

The interim results of the joint research were presented by the researchers in March 2016 at the fifth JCC meeting.

<Output 1> Activities for development of SME support networks in target provinces

1-1 Building of a framework for SME support networks

The IPC staff in charge of the Project held a workshop and discussed the framework of RISMEP mechanism in the province. The workshop was organized for Chiang Mai and Surat Thani in May 2013; Nakhon Ratchasima and Suphanburi, August 2013.

1-2 Survey and information sharing of SMEs' needs and available SME support services

Local SPs worked for the SME needs survey in each of the target provinces. The survey was conducted in Chiang Mai and Surat Thani from September to October 2013; Nakhon Ratchasima and Suphanburi, from December 2013 to January 2014. The results were shared at the strategy planning workshop which immediately followed the survey conclusion.

The survey of available SME support services was conducted as part of the activities of the RISMEP project in each province that consolidated the service lineup of the network.

1-3 Development of RISMEP project implementation plan

The RISMEP project implementation plan was approved in Chiang Mai and Surat Thani at the first RWC meeting in January 2014; in Nakhon Ratchasima and Suphanburi, the second RWC meeting in August 2014.

Partial lagging was observed in Chiang Mai and Surat Thani. While the RISMEP project implementation plan should cover the BDSPs' networking activities, the SPs' networking activities, and the IPC's RISMEP facilitation activities, the BDSPs and SPs in Chiang Mai did not actually implement the networking activities of theirs. After a period in which the IPC solely implemented its activity plan, the BDSPs and SPs started reorganizing their activity plans in around June 2014, had the renewed plans approved at the third RWC meeting in March 2015, and finally implemented the approved plans. On the other hand, the SPs in Surat Thani did not reach consensus on the strategy, as interrupted by skeptical opinions about networking activities, and thus did not submit their activity plan to the first RWC meeting. A handful of SPs who were willing to strengthen their network renewed the activity plan and finally had it approved at the second RWC meeting in August 2014.

The RISMEP project implementation plans of the target provinces were developed by the local actors independently. The components, however, were largely common to all four provinces. Specifically, the common features were 1) networking (meetings and communication channels), 2) database (consolidated information of available services and experts), 3) training and capacity enhancement, and 4) public relations targeting SMEs. The activities performed in each province are presented in detail in Appendix 1-5.

1-4 Development of consulting service tools and technical training for one-stop consultation service personnel

BDSPs which accepted SMEs' inquiries directly were considered to have a consultation service counter regardless of availability of a designated space for the service, while the persons who attended the client and provided advice and information were considered to be a counselor. The consultation service counters were encouraged to cooperate with each other and enable themselves to accommodate a broader range of inquiries, and such counters with enhanced functions through mutual cooperation were called one-stop service counters.

The activities to realize the one-stop service counter consisted of consulting tool development and technical skills training. Some activities were commonly implemented in the four provinces under the BIMD's initiative and other activities were independently planned and implemented within each province. Common activities included development of one-stop service manuals as one of the consulting service tools and provision of counselor training programs based on the manuals.

The one-stop service manuals were prepared in two volumes: a basic-level manual for all consultation counters nationwide and an advanced-level manual for one-stop consultation counters in the provinces where the RISMEP mechanism is fully operated. The basic-level manual instructed basic manner and techniques to operate the consultation counter never making the client unpleasant. The BIMD and the JICA Project Team completed it in February 2014 and distributed it not only to the target provinces but to all IPCs nationwide. The advanced-level manual was expected to be a primer for coordinators who would identify true challenges for the client and arrange an effective combination of support services. The manual covered a range of subjects including coordinator's role and responsibilities, business counseling techniques, coordination procedure, and model cases of collaborative support services. The manual was comprised of three parts: common knowledge and skills for all provinces, province-specific tools and procedures, and practical techniques for collaborative projects. The BIMD and the JICA Project Team completed the "common knowledge and skills" part in May 2015 and the four IPCs completed the rest in February 2016. The outline of manuals is shown in Appendix 2-2.

In accordance with the manuals, a counselor training curriculum which targeted the IPC staff, BDSP staff, and SPs was developed as shown in Table 2-4. The 30 hours of basic-level training was provided in the period from March to October 2014 by the BIMD which was responsible for the first ten hours and the IPCs which were responsible for the remaining 20 hours. The JICA Project Team delivered part of the advanced-level training program; the lecture programs in the curriculum were organized in July 2014 through June 2015 as part of the RISMEP functional skills training seminars to be described later. The site visit and on-the-job training (OJT) programs, on the other hand, were conducted in conjunction with team consulting practices of the network. The network members formed a support team responding to the need of an SME and assisted the client by mobilizing the knowledge and skills of the participating IPC, BDSPs, and SPs. The JICA Project Team gave advice only when needed. What they learned

through the actual practice of team consulting was documented and consolidated by the IPC to constitute the third part of the advanced-level one-stop service manual.

Table 2-4 Counselor Training Curriculum

Category		Content	Training form / hours	
Basic-level	Basic knowledge	(1) Characteristics and typical issues of SME management	Lecture	2
		(2) SMEs in the major local industries: performance and support needs	Lecture	2
		(3) Role and professional ethics of counselor	Lecture / Discussion	2
	Basic skills	(4) Counseling skills	Lecture / Exercise	5
		(5) Business counseling tools and techniques	Lecture	6
	Referral and cooperation	(6) Cases of SMEs supported by SPs	Lecture	1
		(7) Function and support programs of BDSPs	Site visit	9
		(8) Review of site visits to BDSPs	Discussion	3
Advanced-level	Common knowledge and skills	(1) Role and responsibility of coordinator	Lecture	1
		(2) Process of coordination and management	Lecture	2
		(3) Structure of typical management problems SMEs face	Lecture / Site visit	10+
	Province-specific tools and procedures	(4) Referral procedure	(Independent study)	
		(5) Database/guidebook user's guide	(Independent study)	
	Practical skills to be shared	(6) Coordinated SME support models	OJT	30+
		(7) Supplementary reading (case studies)	(Independent study)	

Source: Prepared by the JICA Project Team

Activities specific to each province included development of databases of support programs and experts (including SPs) as one of the consulting service tools, which are outlined in Table 2-5.

Training programs and study sessions were organized independently by the province to supplement the counselor training program. The major form of such training was that the BDSPs took turn to present their own programs at the network's regular meeting. Other forms included a lecture in Nakhon Ratchasima in which an SP instructed BDSPs on analysis of the financial statements and a seminar at which SPs from Surat Thani lectured BDSPs and SPs from Suphanburi and Nakhon Ratchasima about how to utilize the *Shindan* Checklist, a simplified assessment tool for SME management, to name a few.

Table 2-5 Databases of Support Programs and Experts (including SPs)

		Chiang Mai	Nakhon Ratchasima	Suphanburi	Surat Thani
Support program database	Completion date	July 2015 ^a	May 2015	February 2015	November 2014
	Form	- Website and printed documents filed in a binder - Programs of 47 BDSPs covered	- Website and printed documents filed in a binder - Programs of 19 BDSPs covered	- Website and printed documents filed in a binder - Programs of 17 BDSPs covered	- Website and printed documents filed in a binder - Programs of 14 BDSPs covered
Expert database	Completion date	July 2015 ^a	June 2015	March 2015	November 2014
	Form	- Website - 33 experts registered	- Website - 8 experts registered	- Website and printed documents filed in a binder - 27 experts registered	- Website - 6 experts registered

Note: ^a Update of the databases developed in the Pilot Project (September 2010 – February 2011)

Source: Prepared by the JICA Project Team

In practice, the consulting service tools, regardless of whether developed by the BIMD's or the local initiative, were not used as frequently as expected. There are several reasons⁴ for the low utilization, all of which seem to stem from simple duplication of the tools prepared in the pilot projects in Chiang Mai and Surat Thani. Thoughtful design was lacking about how the tool would be used in what situation. Nevertheless, the desired end was accomplished; the process of developing the tools surely promoted referral practices in the network by consolidating the service information and formulating the referral procedure. Now that the tools have concrete shapes, it is easier to improve them into truly useful ones.

1-5 Planning and implementation of one-stop consultation service

The functional design of the one-stop consultation service and its operation plan were developed in "1-3 Development of RISMEP project implementation plan" as part of the plan, reflecting the level of network development that had been realized in each of the target provinces.

Members of the SME support network, as they learned each other's support programs, gradually began to refer client SMEs to each other so that the SME would receive the right service for its need. The network in each province created a client referral form as a means of handover communication that would convey information about the profile and support need of the client. The form was not fully established, however, and most of the referrals were made over the LINE⁵ group or the telephone instead. The need for written transmission of referral information was not

⁴ Refer to 3.1 (1) in Chapter 3.

⁵ LINE is an instant messenger that enables voice call and text messaging via the internet. It was one of the most popular smartphone applications in Thailand at the time of the project implementation.

recognized among the member BDSPs. Referrals were not as many as several a day and telephone and other simultaneous means of communication worked well enough.

1-6 Monitoring and evaluation of activities of SME support networks

Periodical review of the RISMEP project activities started in Chiang Mai and Surat Thani in June 2014 while it started in Nakhon Ratchasima and Suphanburi in November 2014. The monitoring workshops were conducted six and four times respectively by the end of the Project. The final round was implemented as a joint workshop with the IPC, BDSPs, and SPs, which had previous workshops separately, to promote communication and cooperation between the groups.

Amendments were made to the plan when the periodical monitoring workshop revealed such a need. The revised plan was submitted to the RWC for approval.

<Output 2> Activities for qualitative and quantitative enhancement of SME support service in target provinces

2-1 Development of training plans for BDS providers and SPs

Training plans for BDSPs and SPs were included in the plan prepared in “1-3 Development of RISMEP project implementation plan.”

Besides, in response to the BIMD’s request, the JICA Project Team planned the RISMEP functional skills training seminars to enhance abilities of the counterpart staff and the network members to fulfill their respective roles in the RISMEP mechanism.

2-2 Implementation of training plans for BDS providers and SPs

Training for SPs and BDSPs has been conducted according to the RISMEP project implementation plan in the four provinces. Practically, it took either of the three forms: 1) counselor training planned and implemented under “1-4 Development of consulting service tools and technical training for one-stop consultation service personnel” (refer to Table 2-4), 2) the IPC’s pre-existing training programs for SPs (on subjects like Business Model Canvas), or 3) the IPC’s pre-existing seminars and other training opportunities which had been primarily offered for SMEs and were made open to SPs (such as the “Roundtable for Sustainable Palm Oil Certification” seminar).

The RISMEP functional skills training seminars formally started in July 2014, while a few pilot programs were provided in February-March 2014. The seminars resulted in offering 132 hours of training opportunities from which a total of 1,181 persons benefited. The record of implementation and the training materials used in the seminars are presented in Appendix 1-3.

2-3 Monitoring and evaluation of the BDS provider and SP training program

Monitoring and evaluation of the SP/BDSP training programs was conducted as part of “1-6 Monitoring and evaluation of activities of SME support networks.”

2-4 Updating of training plans for BDS providers and SPs

The status of training implementation was reviewed at the monitoring workshops. When any problem was recognized in the progress or the results, corrective actions were formulated and the training plan was adjusted accordingly.

In May-July 2015, the RISMEP project implementation plan of every target province, which included the training plans for BDSPs and SPs, was reviewed thoroughly, updated to cover the next three years (according to the rolling plan system⁶), and submitted to the RWC for approval. The BDSPs and SPs in Chiang Mai did not update their plans of networking activities, as the two groups had been implementing their plans for only a few months.

<Output 3> Activities for public recognition of SME support networks and services in target provinces

3-1 PR activity plan

The public relations (PR) activity plan was included in the RISMEP project implementation plan prepared in “1-3 Development of RISMEP project implementation plan.”

3-2 Implementation of PR activities

The PR activities were undertaken according to the RISMEP project implementation plan in each of the target provinces. The centered PR activity was presenting a booth at events for SMEs to promote recognition of support functions the network could offer. In addition, the network members carried out a range of advertisement from distribution of leaflets and newsletters to display of signboards and banners, operation of a website, publication of video files on the internet, and broadcasting of radio spots. The websites accumulated 67,000 accesses in total and other means of PR reached a total of 17,000 targets. The PR materials prepared in the Project are summarized in Appendix 2-1.

3-3 Monitoring and evaluation of PR activities and their effect

Monitoring and evaluation of the PR activities was conducted as part of “1-6 Monitoring and evaluation of activities of SME support networks.”

3-4 Upgrading of PR activity plan

As is the case with “2-4 Updating of training plans for BDSPs and SPs,” the PR activity plans were adjusted at the monitoring workshops and substantially reviewed and updated toward September 2015, the end of the Thai fiscal year.

⁶ The rolling plan system is a method of managing a mid-term plan that updates the plan by shifting the planning period forward before the end of the original plan. The RISMEP project implementation plan at any time contains an outline plan for the coming three years and a detailed plan for the first year.

<Output 4> Activities for consolidation of framework for RISMEP dissemination to other regions

4-1 Supervision on RISMEP mechanism in target provinces

Consensus on the outline of project monitoring system was made at the kick-off meeting held in May 2013. The monthly report form to be submitted from the IPC to the BIMD was finalized in October 2013. The IPCs started submission of the monthly report to the BIMD once the RISMEP project implementation plan was approved by the RWC; the IPC1 and the IPC10 submitted the first report in January 2014, and the IPC6 and the IPC8 in August 2014.

The BIMD provided remote support from Bangkok in response to the monthly report in parallel with periodic on-site support by the staff member visiting the province. The BIMD staff in charge of the Project first organized themselves into two teams of three officers each and allotted two provinces to each team's supervision. The BIMD revised the framework of supervision in June 2014 in such a way that four officers closely monitored the provinces one-on-one and two oversaw the whole Project so that the local developments would be monitored precisely. In view of expansion of the RISMEP mechanism, the BIMD revised the project monitoring system in September 2015 to increase the efficiency of monitoring activities. The monthly report form was modified and a new form was created for the BIMD to share results of on-site support internally.

The monthly report, however, was not fully utilized. While the IPCs were expected to summarize results of the month and plans for the next month and submit the report at the end of each month, they rarely did so and the reports hardly helped the BIMD provide timely support for the IPCs. The early version of report form was not straightforward to show progress as compared to the schedule or achievements as compared to the planned target, which also placed a strain on the BIMD when reading the report to understand the actual situation. The revision of the report form eased the burden on both the IPCs preparing the report and the BIMD reading the report, and the monthly reporting system is becoming to function better.

4-2 Preparation of RISMEP mechanism development guideline

A workshop was held in May 2014 by the BIMD staff, with participation of the IPC staff members who had joined the first training program in Japan, for extracting and sharing the lessons from experiences in the target provinces. Based on the workshop results, the BIMD compiled the first edition of the RISMEP mechanism development guideline in July 2014. The second edition of guideline was completed in June 2015, making significant improvement from the first edition. The BIMD carefully reviewed the guideline once again before finalizing it in March 2016 for approval at the fifth JCC meeting. The final edition provided definitions for the concept and the actors in the RISMEP mechanism and instructions for each of the six steps that constituted the process of mechanism development. The full text is provided in Appendix 2-3.

4-3 Promotion of importance of RISMEP mechanism among related agencies

Efforts made by the BIMD and the JICA Project Team included complete explanation of the RISMEP mechanism at the JCC meetings and visits to the central-level stakeholders where the advantage of SME support networks was detailed and discussed with the executives. The visits gained positive feedbacks and offers of cooperation from the stakeholders. Besides, following the plan prepared in “4-4 Development of action plans for dissemination to other areas,” the BIMD developed materials to promote better understanding of the RISMEP mechanism. Specifically, the materials included a leaflet and a video explaining the RISMEP concept, the RISMEP newsletter, and a brochure and a booklet presenting a collection of success cases (Appendix 2-1).

4-4 Development of action plan for dissemination to other areas

The action plan for dissemination, originally prepared by the BIMD in August 2014, was intended for launching RISMEP mechanism development in newly selected four provinces soon after the current Project is completed in May 2016.

The BIMD and the JICA Project Team had a meeting with the Director General of DIP in March 2015 to report the project status and propose future dissemination of the RISMEP mechanism. As a result, the Director General immediately decided to introduce the RISMEP mechanism to the remaining seven IPCs from October 2015. The Director General deemed that the mechanism would fit and benefit the DIP’s new SME support service delivery system which was on the table at that time. The decision was announced officially in April 2015.

Responding to the decision to accelerate the dissemination, the BIMD reconstructed the action plan thoroughly. The plan was updated in August 2015 to cover the next three years. Following minor corrections, the plan was submitted to and approved at the fifth JCC meeting. The latest version of the action plan is presented in Appendix 2-4.

2.3 RISMEP Mechanism Development in Target Provinces

2.3.1 Course of RISMEP Mechanism Development

This section will discuss what the actors in the four provinces did and how their actions resulted in the context of establishing the RISMEP mechanism. The discussion will be made for each of the components of the RISMEP mechanism, namely the SME support network and the one-stop service.

Table 2-6 outlines RISMEP mechanism development in the target provinces. The results of activities in each of the four provinces are described in Appendix 1-5.

Table 2-6 RISMEP Mechanism Development in Target Provinces

		Chiang Mai (IPC1)	Nakhon Ratchasima (IPC6)	Suphanburi (IPC8)	Surat Thani (IPC10)
Outline of RISMEP mechanism	Characteristics	BDSPs promote one-stop service under the shared logo of “iP.” Little cooperation is realized in SP-SP and BDSP-SP linkages.	Financial institutions took the lead in cooperation among BDSPs to provide loans to SMEs. SPs founded an association that joined the BDSP network.	Growing relationship between BDSPs and SPs has promoted referrals of clients. Many of leading members of the SP network reside in Bangkok.	BDSPs’ participation is reliable but few referrals are made. SPs are on the way to develop the ability to independently conduct a simple business assessment.
	Process of BDSP and SP networks development	The original plans of networking activities approved in January 2014 were not executed, which called for rebooting the process.	The process went as scheduled.	The process went as scheduled.	SPs needed longer time than scheduled to agree on the strategy and completed the plan of networking activities.
	Kick-off (module 2)	May 2013	November 2013	November 2013	May 2013
	Approval of activity plans	March 2015	August 2014	August 2014	January 2014 * August 2014 for the SPs
	Duration of implementation	12 months	19 months	19 months	26 months * 19 months for the SPs
	Membership (as of March 2016)				
	BDSP network	13 organizations	20 organizations	18 organizations	25 organizations
	SP network	Those engaged in the project: 11 persons SPC membership: approximately 30 persons	12 persons	Active participants: 10 persons Those registered in the SP database: 27 persons	5 persons
	Facilitator (IPC)	4 persons	4 persons	3 persons	5 persons
	Regular meeting	BDSP: monthly SP: every two months	BDSP: every two months SP: monthly	BDSP: every two months SP: every two months	BDSP: every two months SP: quarterly
Pre-existing conditions	Land area ^a / Population ^b	20,107 km ² 1,737,041 persons	20,494 km ² 2,525,975 persons	5,358 km ² 845,561 persons	12,891 km ² 1,009,351 persons
	GPP (million THB) ^c	147,561	187,963	59,546	161,164
	Number of establishments (units) and employees (persons) ^d	86,279 (100.0%) 301,244 (100.0%)	84,118 (100.0%) 259,830 (100.0%)	22,341 (100.0%) 76,234 (100.0%)	58,667 (100.0%) 147,786 (100.0%)
	Small enterprises	85,769 (99.4%) 253,244 (84.1%)	83,663 (99.5%) 195,715 (75.3%)	22,216 (99.4%) 72,506 (95.1%)	58,369 (99.5%) 131,465 (89.0%)
	Medium enterprises	332 (0.4%) 24,006 (8.0%)	253 (0.3%) 23,495 (9.0%)	84 (0.4%) 2,266 (3.0%)	232 (0.4%) 12,729 (8.6%)
	Major industries ^e	Food and beverage processing, textiles and apparel, wood processing and furniture, nonmetallic mineral manufacturing (ceramic)	Food processing (tapioca, sugar, rice, corn, meat), textiles and apparel, nonmetallic mineral manufacturing, wood processing and furniture	Food processing (rice, sugar, vegetables, fruits, tapioca), textiles and apparel	Food processing (seafood, palm oil), wood processing and furniture (parawood [removed old rubber trees] processing), rubber processing
	IPC	Staff: 76 (as of September 2012) Project budget: 26,023,317 THB (FY2013)	Staff: 49 (as of May 2013) Project budget: 29,771,760 THB (FY2013)	Staff: 76 (as of May 2013) Project budget: 17,502,387 THB (FY2012)	Staff: 43 (as of September 2012) Project budget: 8,539,325 THB (FY2012)
	BOC	Staff: 4 Beneficiaries: 150 (FY2013 target)	Staff: 1 Beneficiaries: 100 (FY2013 target)	Staff: 3 Beneficiaries: 100 (FY2013 target)	Staff: 4 Beneficiaries: 150 (FY2012)
	SP development	Budget: 1,190,000 THB (FY2013) No. of SPs to be trained: 30 (FY2013)	Budget: 350,000 THB (FY2012) No. of SPs trained: 13 (FY2012)	Budget: 815,000 THB (FY2013) No. of SPs to be trained: 30 (FY2013)	Budget: 331,000 THB (FY2012) No. of SPs trained: 6 (FY2012)
	BDS provider	Existing networks of BDSPs, namely the NNSPSME established in 2001 and the iP established in 2010, are still active.	Cooperation with the provincial agricultural office and the provincial health office is important as the food processing industry is the primary focus.	The IPC8 has established strong relationship with the ATSME, the rice mill association, and other trade associations.	The Business Service Network established in 2010 has been maintained.
	Consultation counters	Nine members of the iP network (BOC, PCO, and universities), BOI, DITP, NSTDA, and other provincial offices of government ministries	BOC, provincial offices of government ministries, universities (UBI, science park), etc.	BOC, provincial offices of government ministries, universities (UBI), etc.	BOC, BOI, DITP, provincial offices of government ministries, universities (UBI), etc.
	SP	Existing networks of SPs, including NCNA established in 2011, are active.	A network was built in the past but has dissolved already.	A network of SPs called “SP Net” was established in 2001 and is active to date.	A network called Southern Business Service Club was about to be established in 2010 but dissolved.
	SPs who have completed at least 60 hours of OJT	10 persons	6 persons	10 persons	4 persons

Note: The Thai fiscal year starts in October of the previous calendar year and ends in September of the current year; FY2012 covers from October 2011 to September 2012, FY2013 from October 2012 to September 2013, and FY2014 from October 2013 to September 2014.

BOI: Board of Investment; DITP: Department of International Trade Promotion; iP: Industrial Partner (common name for one-stop service counters at the member BDSPs); NCNA: Northern Consultant Network Association; NNSPSME: Northern Network of Service Providers for SMEs; NSTDA: National Science and Technology Development Agency; PCO: Provincial Commerce Office; SPC: SP Center (name of a group SPs established and of a consultation counter the group operated); UBI: University Business Incubator

Source: Prepared by the JICA Project Team based on information provided by the BIMD and the IPCs and in reference to:

^a National Statistical Office (NSO), “Statistical Yearbook Thailand 2012”

^c Office of National Economic and Social Development Board (NESDB), “Gross Regional and Provincial Product” (2010 preliminary data)

^e Report of the Detail Planning Survey on the Enhancing Regional Integrated SME Promotion (RISMEP) Mechanism

^b NSO, “The 2010 Population and Housing Census”

^d OSMEP, “The White Paper on SMEs of Thailand in 2011 and Trends 2012”

(1) Formation of SME support networks

The first building block of the RISMEP mechanism is a network of collaboration that allows the SME support organizations and professionals consult and refer clients to each other to take advantage of varied expertise. For the purpose of creating such a network, the Project 1) connected local actors and encouraged them to learn support programs and specialties available through the network and 2) promoted sustainability of the intangible personal relationship by formalizing the network and giving an official ground to it.

1) Building personal relationship at working level

The RISMEP project induced a change to the nature of cooperation among local BDSPs. Local BDSPs did cooperate before the Project in a topically and temporary manner as in co-sponsored events typically. Many cross-sectoral committees were organized for varied purposes, nurturing relationships between BDSPs at the management level which attended the committee meetings. The RISMEP project linked the working-level employees of as many as 20 BDSPs so that they communicate on the daily basis to make use of the extended linkages in their regular duties. A trusted relationship built upon accepting strengths and weaknesses of the other is a prerequisite for a BDSP to refer its client to another BDSP/SP or to form a consulting team with another BDSP/SP. The other side also requires a sense of fellowship to accept a referred client and allocate time and money to helping the client.

Table 2-7 summarizes the measures taken to develop human relationship as the foundation for work-related cooperation. Rotating the host of regular meeting among BDSPs became a prevalent practice in all the provinces. The practice created an opportunity to enhance a favorable atmosphere for cooperation by letting the visiting attendees personally know the facilities, support programs, and the people of the inviting host organization. Casual gatherings of BDSPs and SPs turned out effective in Suphanburi and Surat Thani; the IPCs addressed a problem that participants were hesitant to speak out in the formal meetings by inviting them for a coffee to have relaxed conversation. The “coffee forum” in Suphanburi served as a place to plan and arrange team consulting projects. In addition, seminar camps fostered friendly relationships among BDSPs and SPs in the provinces except Nakhon Ratchasima through icebreaking exercises⁷ and a sociable dinner woven into workshops.

⁷ Icebreaking exercises refer to a simple game, quiz competition or physical exercise which the group of people play for the purpose of easing the tension, creating a friendly atmosphere, and promoting mutual communication.

Table 2-7 Measures Taken to Build Friendly Human Relationships

	Chiang Mai	Nakhon Ratchasima	Suphanburi	Surat Thani
Meeting and training program	Workshops / Counselor training programs / RISMEP functional skills training seminars			
	Regular meetings of the network			
	Knowledge management workshops of SPs	Joint training program for BDSPs and SPs Participation of the SP association in BDSP meetings	Joint training program for BDSPs and SPs	Joint training program for BDSPs and SPs Visits to the Governor by a group of BDSPs (3 times)
Informal gathering and entertainment	Seminar camp of BDSPs and SPs (July 2015)	One-day seminar of BDSPs and SPs (September 2015)	Seminar camp of BDSPs and SPs (September 2015)	Seminar camp of BDSPs and SPs (3 times since March 2014)
	Three-day study tour to Bangkok and the vicinity (February 2016)	Convivial dinner with BDSPs and SPs (September and November 2015) Occasional gathering of interested members	“Coffee forum” for conversation over snacks and drinks (Monthly)	“Coffee meeting” for conversation over snacks and drinks (Occasionally) Sport events joined by IPC, BDSPs and SPs (4 times since May 2015)
Mutual visit	Rotation of the host of regular meeting between BDSPs ^a			
		BDSPs and SPs accompanying the IPC to visit a BDSP	BDSPs and SPs accompanying the IPC to visit a BDSP	BDSPs and SPs accompanying the IPC to visit a BDSP
	SPC's visits to individual BDSPs	SPs' visits to individual BDSPs Participation of SPs in the UBI meetings		
Use of SNS ^b	LINE group			

Note: ^a Rotation of the meeting host has been discontinued in Chiang Mai since October 2014.

^b SNS: Social Networking Service

Source: Prepared by the JICA Project Team based on information provided by the IPCs

2) Establishing firm scheme of cooperation

While the friendly relationship among the direct participants in the RISMEP project is crucial, it is also important to establish a system of referral and cooperation. A linkage totally depending on personal relationships may not be stable but easily vanish upon personnel transfer in the BDSP. The BDSP network that mainly consists of public organizations may need to be institutionalized by some relevant arrangement. The SP network that consists of private-sector consultants, on the other hand, should be flexible to adapt to the changing need of SMEs. It is natural and should be encouraged that SPs seek mutually benefiting relations with other SPs and update personal connections in response to the business environment.

Table 2-8 shows how the cooperative relationship was systemized and formalized in the target provinces⁸. The BDSP network in Chiang Mai advanced farthest in formalizing itself. The participating BDSPs signed a memorandum of understanding (MOU) on cooperation and made the membership visible to the public by every consultation counter putting up the logo of “iP,” the common name referring to the one-stop service through the network. The network is recognized by the provincial administration and granted a budget allocation from the province. In comparison, the BDSP networks in other three provinces remained less structured. Nevertheless, the governor’s directive issued only in Surat Thani smoothed the way for participation in the network activities, according to the BDSPs in the province. It seems to have resulted in the rate of BDSPs’ attendance to the workshops and meetings which was apparently higher than in the other provinces.

Table 2-8 Measures Taken to Formalize Cooperation

	Chiang Mai	Nakhon Ratchasima	Suphanburi	Surat Thani
Recognition by provincial administration	A provincial budget of 2.15 million THB was allocated in the fiscal year 2016.	N.A.	N.A.	A governor’s directive was issued in February 2013 that appointed 17 BDSPs to establish a working committee on RISMEP.
Organization	An MOU was signed by six BDSPs in January 2011 and 13 BDSPs in October 2015 on cooperation for iP.	SPs established an association in May 2015.	An MOU was signed by 18 BDSPs in March 2016.	An MOU was signed in November 2010 by 31 BDSPs that do not necessarily coincide with the current participants in the network.
Involvement of directors	The working-level participant reported the activities to the superior.			
	The MOU was signed by the directors of 13 BDSPs who attended the MOU signing ceremony.	Meeting invitations were addressed to the directors. The RWC meetings were attended mostly by the directors.		Meeting invitations were addressed to the directors.
Use of logo as a symbol of network	The “iP” logo was shown on the banner and other signs to indicate members’ service counters as well as used on the PR materials. The logo of SPC was used on the PR materials and business cards of the members.	The logos of the BDSP network and NaSPA were used on the PR materials and put up at events. Business cards with the NaSPA logo were prepared and used by the members.	The logo of “RISMEP Suphan” was used on the PR materials and put up at events.	The logo of the BDSP network was used on the PR materials and put up at events.

⁸ Relevant accomplishments of the Pilot Projects (September 2010 – February 2011) in Chiang Mai and Surat Thani are included in the table.

	Chiang Mai	Nakhon Ratchasima	Suphanburi	Surat Thani
Procedure of referral and cooperation	<p>A client referral form was developed but underutilized. Handover communication was done over LINE and the telephone.</p> <p>The IPC recorded the information of referred clients when it made or accepted the referral. As for other referral cases, the IPC was informed by the BDSPs only on the number of referrals made.</p>	<p>A web-based client referral form was developed but underutilized. Handover communication was done over LINE and the telephone.</p> <p>The IPC consolidated information posted on LINE to record and track the referred cases.</p>	<p>A client referral form was developed but underutilized. Handover communication was done over LINE and the telephone.</p> <p>The IPC consolidated information posted on LINE to record and track the referred cases.</p>	<p>A client referral form was developed but gradually lost usage due to limited number of referrals. The members referred clients to other BDSPs/SPs over LINE and the telephone.</p> <p>The IPC recorded the information of referred clients when it made or accepted the referral. Other referral cases were not captured by the IPC.</p>

Note: SPC: SP Center; NaSPA: Nakhonchaiburin Service Provider Association

Source: Prepared by the JICA Project Team based on information provided by the IPCs

(2) Development of one-stop service

The second component of the RISMEP mechanism is the one-stop service which mobilizes the wide variety of resources available through the network. The one-stop service counter accepts SMEs with diversified needs and arranges support services best suited for the particular problem which the client wishes to solve. For the purpose of realizing such a function, the Project 1) transformed the way that BDSPs and SPs used to offer SMEs specialized services independently into that they would offer access to a full range of services through the referral network and 2) developed the role of coordinator who would facilitate collaboration among BDSPs and SPs and manage team consulting projects.

1) Integrating support services

An SME support network which covers diversified specialties would not fully display its force unless the members went beyond the self-sufficient style of service delivery. Counselors at the consultation counter should say, “I will refer you to another organization that has the expertise to fulfill your need,” instead of saying, “I am afraid I cannot fulfill your need here,” and terminating the possibility of help. They should be encouraged to add, “Do you have any other concern? I can refer you to relevant organization in case I am not in the best position to assist you for it,” after completing their own service. They need to be equipped with proper tools and knowledge to do so. The tools may include consolidated service information and extended referral networks while the knowledge may cover issues in SME management and the lineup of support programs. Besides, SPs should be positioned as the persons to take care of the cases

which are difficult to be solved at the service counters. They need to improve their ability to provide expert consultation services.

Table 2-9 summarizes how the support services are integrated in the target provinces. The primary action which was common to all the provinces was to have the BDSPs take turn to explain the own support programs. Combined with the rotation of the meeting organizer, the series of presentations enhanced the members' knowledge; the rough and shallow labeling like "the IPC for manufacturing" and "the PCO for marketing" was replaced by detailed descriptions of individual programs. Presentation of support programs was also part of the seminar camp agenda in Suphanburi and Surat Thani.

Table 2-9 Measures Taken to Integrate Support Services

	Chiang Mai	Nakhon Ratchasima	Suphanburi	Surat Thani
Contact information	Database of support programs / Table of BDSPs' specialties Database of experts (SPs)			
Counselors' knowledge of support programs	Counselor training programs / Mutual visits among BDSPs Presentation of support programs at regular meetings of the BDSP network			
			Presentation of support programs at the seminar camp of BDSPs and SPs	Presentation of support programs at the seminar camps of BDSPs and SPs
Counselors' business counseling skills	Counselor training programs / One-stop service manual Team consulting projects through which BDSPs and SPs learn practical skills			
	Development of practical ability through having a case conference after visiting the client SME together	Lecture by an SP (how to analyze the financial statements) Participation in SP training programs (OJT)	Lecture by a financial institution (how to support startups)	Participation in training programs (OJT) on the simplified business assessment tool
SPs' ability for collaboration	The IPC's SP training programs Regular meetings of the SP network			
	Client visits by experienced SPs accompanying less-experienced SPs	Client visits by experienced SPs accompanying less-experienced SPs		
	SPC's booth presentation at events SPC's visits to BDSPs outside the network and SMEs in the province SPC's visits to BDSPs in the surrounding provinces	Study sessions by and for the SPs Participation of the SP association in the BDSP meetings SPs' voluntary participation in (paid) training programs offered outside the network	The requirement in the IPC's contract that SPs perform the job as a team instead of an individual.	Introduction of the simplified business assessment tool to cooperate with the service counters of BDSPs

	Chiang Mai	Nakhon Ratchasima	Suphanburi	Surat Thani
Extended referral network	The network members' visits to related organizations to invite participation			
	Support organizations and programs outside the network also covered in the database and referred clients to Introduction of iP services at seminars and other occasions organized outside the network		Promotion of related organizations' awareness of network activities through booth presentation at events	

Source: Prepared by the JICA Project Team based on information provided by the IPCs

2) Introducing coordinator functions

In addition to the frequent client referrals between the SME service counters, it is another form of effective cooperation among BDSPs and SPs that a multiple number of them provide collaborative support to a high-potential SME to strongly assist its problem solving. Such a team consulting project requires a coordinator who bridges the client and BDSPs/SPs and arranges combination of BDSPs/SPs to manage the whole project.

Each of the four IPCs assigned one officer from those in charge of the RISMEP project as the Support Service Coordinator (SSC). Out of the four SSCs, two had studied in a postgraduate business management course and had experience in business counseling at the BOC/BSC. The other two had completed a business *shindan* training program by the DIP. The SSCs, aiming for creating successful cases of team consulting, selected a target SME, identified problems with its business management, devised possible solutions to the problems, formulated a support plan, and monitored implementation and results of the planned support services. Appendix 1-5 includes reports on some of the success cases realized in each province. The SSC was also expected to play a major role in maintenance and reinforcement of the SME support network for the purpose of preparing the basis for team consulting. Table 2-10 describes how the SSCs behaved to fill the expected role.

Table 2-10 Activities of Coordinators

	Chiang Mai	Nakhon Ratchasima	Suphanburi	Surat Thani
Coordination of team consulting projects	<p>Select a target SME from the iP clients and conduct a personal interview on site.</p> <p>Identify problems from a global viewpoint, consider urgency of problem-solving and time constraint, and decide the support strategy.</p> <p>Propose the solutions to the client SME and arrange the right BDSPs and SPs to provide support for implementing the solution.</p>	<p>Identify management problems based on the information gathered at the service counter or through on-site interview.</p> <p>Contact and arrange the BDSPs and SPs when needed.</p> <p>Accompany the BDSP/SP to the client SME and verify the results of support.</p> <p>Call for cooperation to address unsolved problems at the regular meeting of the BDSP network.</p>	<p>Select a target SME mainly from those referred to by the BDSPs.</p> <p>Gather information from the BDSP having referred the client, from the client, etc. and identify problems.</p> <p>Discuss solutions at the regular meeting of the BDSP network or at the “coffee forum” and arrange the support services.</p> <p>Accompany the assigned BDSP/SP to the client SME.</p>	<p>Select an SME from the past clients of the IPC and ask it to accept a team of SPs participating in the OJT program on the simplified business assessment tool.</p> <p>Contact SPs, prepare for and pay a visit to the SME, and preliminarily gather information.</p> <p>Facilitate SPs’ discussion to identify problems and devise solutions.</p> <p>Organize a meeting with the SME to report the results of analysis and present the recommendations.</p>
Maintenance and reinforcement of network	<p>Requested and acquired a budget from the province.</p> <p>Plan and implement a seminar and other activities that BDSPs and SPs can jointly participate in.</p>	<p>Conduct a joint project with an active member and show the other members how effective it is.</p> <p>Encourage the members to attend the regular meeting by using not only the invitation letter but also the LINE group and telephone calls.</p> <p>Promote use of the LINE group for frequent communication.</p> <p>Invite participation of BDSPs which are expected to cover needed support areas or are highly motivated toward network activities.</p>	<p>Offer the member BDSPs help in their work to win trust before asking their cooperation to the RISMEP project.</p> <p>Monitor the LINE group and respond to messages left unanswered. Respond to the content of message rather than making generic remarks.</p>	<p>Assist the network in inviting a new member.</p> <p>Assist the network with both formal and informal activities.</p>

Source: Prepared by the JICA Project Team based on information provided by the IPCs

2.3.2 Benefits of RISMEP mechanism

The following describes the benefits which the RISMEP mechanism brings to local BDSPs, SPs, and SMEs, citing examples from the target provinces.

(1) Benefits to BDSPs

The RISMEP mechanism will:

- Enable wider service provision to an increased number of SMEs;
- Develop systems and tools to realize the one-stop service;
- Enhance the ability of BDSP staff to assist SMEs; and
- Increase the client SMEs' satisfaction with improved services of BDSPs.

Many of the BDSPs admit that they recognized the benefit of networking when distributing information and recruiting clients. They have a set number of beneficiaries for each program that needs to be filled. Before the RISMEP project, in case the actual beneficiaries fell short of the quota, they made telephone calls to potential clients one by one or took other time-consuming measures to recruit additional beneficiaries. Now they have more efficient ways to recruit clients; an announcement from a member BDSP can be distributed through other members to their clients and a BDSP can introduce its program at a crowd-drawing event organized by another member.

Qualitative advantages are also observed in client recruitment through the network. In Suphanburi, the PCO, introducing local SMEs to a major supermarket chain, called for nomination of clients from the IPC, the Provincial Industry Office (PIO), and the Provincial Community Development Office (PCDO). As many as 25 out of the 32 businesses nominated by the three organizations came to make a contract with the supermarket, which was above the usual effectiveness of similar support interventions.

(2) Benefits to SPs

The RISMEP mechanism will:

- Construct the basis of SPs' self-help efforts to improve abilities and enlarge job opportunities;
- Develop a cooperation network among SPs that enables them to collectively accommodate various support needs; and
- Expand the market for consulting service through strengthened one-stop service functions.

The RISMEP mechanism allowed the SPs to secure a position in the dominantly public circle of SME support workers. It is not likely that an SP works as a support professional instantly after completing a training program by the DIP. She/he must go through, before winning a consulting project, the period of gaining good reputation and building trustful relations with SMEs and BDSPs while improving practical skills through experience. Meanwhile, not a few SPs hardly have chance to gain practical experience and are left without adequate skills or, needless to

say, a job contract. The RISMEP mechanism encouraged the SPs to make collective efforts to break through the adverse conditions and linked them to the BDSPs for untapped job opportunities.

The SPs in Nakhon Ratchasima and Suphanburi successfully acquired new clients through a simple activity of accompanying a BDSP visiting its client SMEs. The SME will not be unnecessarily alarmed by the BDSP's companion and possibly convinced by some useful advice from the SP of the need for continued support.

The JICA Project Team introduced a simplified business assessment tool in Surat Thani to strengthen linkages between the consultation service counters and the SPs. Using the tool, the SME answered a self-assessment questionnaire on management practices provided at the consultation service counter, and the SP analyzed the answers and conducted on-site data collection to make recommendations for improvement. The recommendations served as a proposal of follow-up consulting projects.

(3) Benefits to SMEs

The RISMEP mechanism will:

- Realize more convenient and prompt service delivery in public support programs; and
- Allow the SME to utilize a variety of services as well as highly-specialized services according to its need for support.

As the practice of referring clients to an appropriate BDSP or SP became common in the SME support network, fewer support requests were left unserved. The diversified channels of client recruitment described in “(1) Benefits to BDSPs” also created a benefit to SMEs that a wider range of support services were made accessible.

The team consulting projects coordinated by the SSCs in the target provinces successfully assisted 29 businesses in total to improve the business performances (Appendix 1-6). In Chiang Mai, for instance, an entrepreneur consulted the IPC about starting a business in food processing (chili paste production) and was referred to Chiang Mai Rajabhat University Business Incubator (UBI) for assistance with sales planning, logo design, and new business registration. In parallel, two SPs specialized in industrial engineering and production management respectively were introduced to help with factory design and registration to the Thai Food and Drug Administration. Furthermore, Maejo UBI, which has strength in food processing, supported packaging and extension of the shelf life. Finally the PCDO let the client present its products at the exhibition of local specialties. The entrepreneur was so grateful for the team consulting services that she posted on the SNS encouraging other business owners to utilize the service. The network acquired new clients in consequence. Similarly, among the success cases reported from Suphanburi is a food processing business which contacted the IPC after so suggested by another client SME.

In Nakhon Ratchasima, on the other hand, the IPC, the TCG, and the SMEDB cooperated to hold a seminar on loan application targeting local SMEs which were not familiar with the

application procedure or unsuccessful in obtaining loan approvals. The IPC put the problem on the table at the regular meeting of BDSPs and drew cooperation from the government financial institutions. The seminar was held in December 2014 and February 2015 and assisted 33 SMEs to obtain loans of 96 million THB in total.

2.4 Consolidation of Framework for Dissemination to Other Areas

Triggered by the BIMD's presentation to the Director General of DIP which described the effects of the RISMEP mechanism and suggested future expansion of the mechanism, the DIP's decision was made to start disseminating the RISMEP mechanism to other areas before the end of the present Project. To be specific, the remaining seven IPCs launched RISMEP mechanism development from October 2015 to join the four IPCs already running the local RISMEP project, which made all the 11 IPCs nationwide installed with RISMEP. The DIP reserved a budget of 8.4 million THB⁹ for the expansion. The BIMD responded to the acceleration of dissemination schedule by paralleling the systemization of experience in the precedent four provinces and the assistance of RISMEP mechanism development in the subsequent seven provinces. The Japanese side increased the input of JICA Project Team by five man-months to support the BIMD's multiple tasks.

Achievements in preparation for dissemination are summarized in Table 2-11.

Table 2-11 Preparation for Dissemination of RISMEP Mechanism

Preparation	Achievements
RISMEP mechanism development guideline	<ul style="list-style-type: none"> - The RISMEP mechanism development guideline was finalized and approved by the JCC in March 2016. The guideline defines the concept of and the actors in the RISMEP mechanism and provides instructions for each of the six steps that constitute the process of mechanism development (Appendix 2-3).
Action plan for dissemination	<ul style="list-style-type: none"> - Expansion to seven additional provinces has been started already. - The BIMD planned and has been implementing actions to promote dissemination of the RISMEP mechanism, having in mind the possibility of extending to provinces where any one of the 11 IPCs is not located. The actions are intended to intensify support and cooperation at the central level, promote interaction of local actors between the provinces, and train the facilitators. - The latest action plan was approved by the JCC in March 2016 (Appendix 2-4).
Organization	<ul style="list-style-type: none"> - The organizational setup was designed to facilitate continuous development and maintenance of the RISMEP mechanism in each province even after the current Project is over. Each province is to establish a committee which consists of the directors of related organizations and agrees on the RISMEP project implementation plan. The implementation plan agreed on at the provincial level will be funded through the IPC after the approval of the Director-General of DIP. - The committee was established in each of the subsequent seven provinces in March 2016. The committee will be established in the precedent four provinces at the time of termination of the current Project when the RWC is dissolved.

⁹ As part of the 32 million THB allocated for upgrading the DIP's SME support system including enhancement of the BOC for its evolution into the BSC. Another 1.5 million THB is allocated to continuation of the RISMEP project activities in the four target provinces.

Preparation	Achievements
Budget	<ul style="list-style-type: none"> - The BIMD has worked to position the RISMEP project as one of the regular programs of the DIP and establish a key performance indicator (KPI), the target figures of which will be determined in conjunction with the budget allocated to the IPCs. It is expected that such an arrangement will be realized starting in the Thai fiscal year 2017 (October 2016 – September 2017), which will ensure the continuity of budget and work related to the RISMEP project. - The IPCs in the four provinces sought to diversify the source of funding for the local RISMEP project by share-riding on the activities budgeted in other BDSPs and requesting the province to allocate a budget for the RISMEP project. The successes and know-hows in this field were shared to the facilitators nationwide through the BIMD's advice and the LINE group.
Advisor training	<ul style="list-style-type: none"> - In August 2015, the BIMD evaluated knowledge and skills necessary for the BIMD staff to fill the role of advisor and for the IPC staff to fill the role of facilitator and coordinator. The result revealed common weakness of communication skills and strategic planning skills. In response, the JICA Project Team planned and implemented supplementary training programs as part of the RISMEP functional skills training seminars. - The BIMD staff members have become able to illustrate the RISMEP mechanism with confidence and to smoothly administer the workshops as prescribed. - The standard operation procedures (SOPs) and the on-site support report form were developed by the BIMD so as to standardize the advisor's work.
Gaining support from related parties	<ul style="list-style-type: none"> - The BIMD and the JICA Project Team jointly visited central-level organizations closely related to the RISMEP mechanism development. The Community Development Department (CDD) of the Ministry of Interior, The Department of Business Development (DBD) of the Ministry of Commerce, NESDB, OSMEP, and SMEDB received the visits. - The BIMD made additional visits to DBD, OSMEP, TCC, and Kasikorn Bank to discuss specific collaboration projects. - Materials to promote better understanding of RISMEP including the promotional leaflet, video, the RISMEP newsletter, and collection of successful cases have been developed and utilized at the central and the provincial levels (Appendix 2-1).

Source: Prepared by the JICA Project Team

2.5 Technical Transfer through Project Activities

Technical transfer from the JICA Project Team to the Thai counterpart and beneficiaries was carried out in two ways: delivering knowledge systematically through lectures and imparting techniques and know-hows through actual practice on site. The Team provided a series of lectures organized as the RISMEP functional skills training seminars. The seminar series covered broad subjects such as basic knowledge and skills required in the process of RISMEP mechanism development, business counseling skills, methodologies of SME business consulting (“consulting tools”), and communication skills, to name a few, as shown in Appendix 1-3.

The preparation-implementation-review cycle was established for effective learning from doing. The review session at the end of each batch of the project activities, such as a workshop, a visit to the province, or a period of fieldwork, provided chances to identify points to be improved for the next time and plan corrective or reinforcing actions to be taken. The monitoring workshops also provided ample learning opportunities in the field of project planning.

Table 2-12 summarizes the results of the technical transfer. Achievements varied between individuals, rather than between provinces. The table states achievements which generally apply to the individuals included in each target group.

Throughout the project implementation, the Thai side played the major role and the JICA Project Team stayed in the supporter's role. The BIMD and the IPCs conducted all the activities involved in the process of RISMEP mechanism development, except that the JICA Project Team gave instruction at workshops in the very early stages of the Project until August 2013. Activities handled by the BIMD and the IPCs include organization of workshops and meetings, coordination and facilitation of network activities based on the RISMEP project implementation plan, selection of candidate clients for success case generation, consolidation of cooperation from the parties engaged in success case generation, planning and implementation of PR activities, and development of PR materials, among others. The JICA Project Team provided the RISMEP mechanism development support modules and other tools to lay the basis for such activities. The Team also accompanied the BIMD and the IPCs visiting network members and client SMEs and filled sporadic need for technical clarification and explanation about the overall Project.

Table 2-12 Technical Transfer through Project Activities

	Expected Function	Achievements
BIMD	1. As an advisor, guide the process of RISMEP mechanism development properly in the area newly adopting RISMEP.	<ul style="list-style-type: none"> - The BIMD staff members have acquired adequate knowledge and skills to illustrate the RISMEP mechanism properly with confidence and administer the workshops smoothly as prescribed. - They have improved the ability to observe the factors affecting local mechanism development and intervene where necessary.
	2. Provide practical advice to the IPC and network members.	<ul style="list-style-type: none"> - The BIMD has accumulated a substantial number of examples and can present one that best supports the particular advice. - They have improved the ability to assess the developmental stage of the network by applying the team development theories and to know how the network should be assisted.
IPC	1. As a facilitator, provide appropriate support for the stage of networking in a way that promotes continuity and functionality of the network.	<ul style="list-style-type: none"> - The IPC staff members have acquired adequate knowledge and skills to exercise workshop facilitation skills with confidence, involve participants, and make discussion productive. - They have built sheer understanding of what the RISMEP mechanism is intended for and can take autonomous actions to narrow the gap between the vision and the reality. - They have accumulated know-hows of planning and implementing collective activities and improved the ability of project management.
	2. As a coordinator, arrange and facilitate collaboration of the BDSPs and SPs according to the need of individual SMEs	<ul style="list-style-type: none"> - The IPC staff members appointed as the SSC established the role of mediating between the client SME and the network members and arranging the whole process of team consulting. - They have improved the ability to gain cooperation from the network members, arrange a combination of services to meet the objectives, and prepare a written support plan.

	Expected Function	Achievements
BDSP / SP	Equip themselves with SME support methodologies or consulting tools that can mobilize wider service options availed through the network.	<ul style="list-style-type: none"> - The BDSPs and SPs recognized the benefit of knowing services and expertise of each other and become positive to consult and cooperate with one another. - The SPs, who had worked almost solely with the IPC, began to work with other BDSPs as they visited client SMEs together and referred clients to each other. - The network members became aware of the synergetic effect that coordinated support services would better ensure the growth of client SMEs. They started to think how to utilize the network to increase the effectiveness of SME support programs.

Source: Prepared by the JICA Project Team

3. Achievements Compared to Plan

Table 3-1 summarizes the JICA Project Team's observations on the achievements made by the end of the Project. Detailed data of the indicators are provided in Appendix 3-2.

Table 3-1 Achievements Compared to Planned Targets

Narrative Summary	Objectively Verifiable Indicators	Prospects (++: almost certainly achievable; +: good chance of achievement; -: slight fear of failure)	
Overall Goal The RISMEP mechanism will be maintained in the target provinces and further disseminated to other provinces.	1. The number of provinces in which the RISMEP mechanism is operated will increase.	The RISMEP mechanism was newly introduced in seven provinces from October 2015.	++
	2. Positive effects of the RISMEP mechanism will be recognized.	Local stakeholders appreciated benefits of the RISMEP mechanism while particular success cases were generated and published. Advantages of the RISMEP mechanism became visible and convincing.	++
	3. The guideline of the RISMEP application and the action plan for dissemination of the RISMEP mechanism will have been maintained valid and effective.	The DIP regards the RISMEP mechanism as an integral part of its emerging SME support system along with the physical consultation counters and the online support portal of the BSC. Thus the RISMEP project is expected to continue as one of the DIP's policy measures.	++
	4. Adequate budget for the RISMEP projects in the target provinces and other provinces will be allocated.	The DIP allocated 9.9 million THB in total to the RISMEP project in the fiscal year 2016. While the budget amount in 2017 is not determined as of March 2016, it is fairly probable that the RISMEP project will be positioned as a legitimate project that requires the IPCs to achieve the KPI targets linked to the budget.	+

Narrative Summary	Objectively Verifiable Indicators	Achievement (+: achieved; -: unachieved)	
Project Purpose The RISMEP mechanism will be established by the IPCs in the target provinces, and will function effectively.	1. The annual total number of inquiries to the general consultation counters in the target provinces will increase by 25% from the fiscal year 2013 to 2015.	The number of inquiries in the fiscal year 2015 recorded a 48% increase from 2013. Every province achieved its target.	+
	2. The general consultation counters in the target provinces will receive first-time clients which totals the number of at least 0.1% of the target local SMEs assumed in the RISMEP project implementation plans during the period from the launch of the RISMEP project to the end of the project.	Since the total number of target SMEs assumed in the RISMEP project implementation plan of the four IPCs was 99,963, the target figure was set as 100. As of the end of February 2016, the target was met with the record of 1,096 first-time clients.	+

Narrative Summary	Objectively Verifiable Indicators	Achievement (+: achieved; -: unachieved)	
	3. The SMEs referred to appropriate BDS through the general consultation counter(s) will evaluate the whole set of services at the level of 80% or above in the satisfaction questionnaire on average in each of the target provinces.	Satisfaction of the SMEs referred to support services after using consultation counters was 87-93% on average in the fiscal years 2014-2015.	+
	4. Members of the SME support networks in each of the target provinces evaluate the facilitation activities by the IPC as satisfactory.	In the questionnaire survey asking the SP and the BDSP network members if the facilitation activities by the IPCs were satisfactory on a scale of 1 “not at all agree” to 5 “strongly agree,” both the median and the mode are 4 “agree” in all the four target provinces. The IPCs’ facilitation activities achieved a measure of legitimacy although there was room for improvement.	+
	5. Management of the RISMEP mechanism will be recognized as effective by the Joint Coordinating Committee (JCC).	According to the questionnaire survey in which the JCC members were requested to evaluate the effectiveness of management of the RISMEP mechanism on a scale of 1 “not at all effective” to 5 “extremely effective,” both of the median and the mode are 4 “very effective” in all the four evaluation items, namely organization, leadership, management cycle, and overall rating.	+
Outputs			
1. SME-friendly referral networks of BDS providers and SPs will be developed in each of the target provinces.	1-1 Networks of BDS providers and SPs will be established in each of the target provinces.	The SP network and the BDSP network in each of the target provinces are pursuing the mid-term activity plan and collaboration between the two networks is getting more dynamic. Therefore, the networks are very likely to be sustainably developed.	+
	1-2 Consulting service tools will be developed by the networks and used by the BDS providers, SPs, and SMEs in each of the target provinces.	Service directories (guidebooks and websites) and manuals (one-stop service manuals and consulting tools) were developed but not fully utilized. On the other hand, mutual understanding and ties have been built to enable the members to refer their clients each other without relying on the tools.	-
	1-3 The trained counselors will be able to refer SMEs inquiring at the general consultation counter to appropriate BDS using the developed consulting service tools properly to identify the needs of the SMEs.	A telephone survey on counselors who had attended at least one counselor training session was conducted. The results show that, among respondents who are aware of the presence of the consulting service tools, almost 80% of them have ever referred SMEs to BDS using the tools.	+

Narrative Summary	Objectively Verifiable Indicators	Achievement (+: achieved; -: unachieved)	
2. Quality and quantity of BDS that local SPs can deliver to SMEs in the target provinces will be improved.	2-1 At least 70 unique local SPs will have participated in seminars or workshops held in the target provinces by the end of the project.	The fiscal year 2014 saw 77 unique SPs participating in seminars or workshops and thus the target figure was reached at this point.	+
	2-2 At least 70 unique local SPs will have completed at least 60 hours of On-the-Job Training (OJT) provided in the target provinces by the end of the project.	In the fiscal years 2014 and 2015, 46 and 51 unique SPs, respectively, completed 60 hours of OJT. The figure was 12 as of the end of February 2016, five months after the beginning of the fiscal year. Given the usual percentage of repeat participants in the OJT programs every year, the number of unique SPs who completed the 60-hour OJT by the end of the project is estimated to be 75.	+
	2-3 The service of the SPs participating in OJT will be evaluated by the receiving SMEs at the level of 70% and over in each section of the satisfaction questionnaire.	In Chiang Mai, the service of the SPs participating in OJT was evaluated at the level of 100% by 13 SMEs in the IPC1's own satisfaction survey. On the other hand, for other three IPCs which did not have their own survey results, the JICA Project Team carried out a telephone survey. All the 20 surveyed SMEs on average rated their level of satisfaction with the service of the OJT team as over 70% in each of the 11 evaluation sections.	+
	2-4 At least 25 SPs in the target provinces who participate in seminars, workshops, or OJT provided by the project will have completed at least three consecutive hands-on SME support practices by the end of the project with average 80% or higher satisfaction of the client.	Among SPs who participated in seminars, workshops, or OJT provided by the Project, 27 of them completed at least three hands-on SME support practices in the four target provinces. However, among those whose client satisfaction survey results were available, five out of 27 received lower than 80% satisfaction of the client.	-
3. The SME support networks and the contents of BDS in the target provinces will be widely recognized by local SMEs.	3-1 The PR activities by the SME support networks in each of the target provinces will have reached in total at least 10% of the target local SMEs assumed in the RISMEP project implementation plans by the end of the project.	All the provinces achieved the target figure, but a series of PR activities was not sufficiently focused on their target segments.	+
	3-2 At least 40 success stories of the SMEs provided with BDS through the RISMEP mechanism in the target provinces will have been published by the end of the project.	A total of 62 success cases appeared in the success case publications issued in November 2015 and March 2016.	+

Narrative Summary	Objectively Verifiable Indicators	Achievement (+: achieved; -: unachieved)
4. A system for disseminating the RISMEP mechanism to other provinces will be set up by DIP in cooperation with IPCs.	4-1 A guideline of the RISMEP application will have been completed and accepted by the JCC.	The final edition of RISMEP mechanism development guideline was approved at the JCC meeting in March 2016. +
	4-2 An action plan for disseminating the RISMEP mechanism to other provinces will have been completed and accepted by the JCC.	The latest version of action plan was endorsed at the JCC meeting in March 2016. +

Source: Prepared by the JICA Project Team based on the PDM (version 1.0) agreed on by the JCC on December 4, 2013 and performance data provided by the IPCs in the target provinces

3.1 Degree of Achievement of Outputs

(1) Output 1

Two out of the three planned indicators were achieved.

1) Indicator 1-1

The Indicator 1-1, “Networks of BDS providers and SPs will be established in each of the target provinces,” had been already achieved by the end of the first phase of the Project. Since the beginning of the second phase, the collaboration between the SP network and BDSP network has been in effect and is gathering momentum. In this way, it is promising that the SME support networks established in each province will be further developed.

2) Indicator 1-2

The Indicator 1-2, “Consulting service tools will be developed by the networks and used by the BDS providers, SPs, and SMEs in each of the target provinces,” was not achieved. Validity of this point can be derived from the results of questionnaire surveys conducted on the network members including IPC staff (2.2 (1) of Appendix 3-2). There were some tools relatively frequently utilized, such as the service guidebook (approximately half of the holders responded they use it more than once a month), whereas concerning the database on the website, which was surveyed regardless of possession, almost half of the respondents answered “never used.” In this manner, it is difficult to insist that the consulting service tools were fully utilized based on the survey results.

There are three possible reasons as follows. First, opportunities to use the tools did not arise as often as anticipated. Assuming that each counter originally receives a few clients a week¹⁰, the number of consulting cases that require referral to other counters would be a handful a month.

¹⁰ For example, BOC/BSCs’ annual target number of beneficiaries is between 100 and 150 and it is acceptable to take by means other than consultation over the counter, such as seminars, up to half of the target. Although the number of clients varies according to BDSPs, apart from PCO, which receives applications for business registration and consumer consultation, actual number should be on a level with or less than that of BOC/BSCs.

Second, occasions to use the tools were different from the expectation. It was anticipated that the databases and manuals would be necessary to search for appropriate support services and specialists when counselors referred cases that they were not able to deal with. In reality, however, there were not many organizations and individuals in collaboration and thus they were remembered without help of the tools. Third, the specifications as well as means of distribution of the tools did not match actual needs. As mentioned by multiple participants during the group interviews, carried out along with the questionnaire surveys, the desk-size tool, which was developed on the supposition to be used at counters, was not portable or suited to the members' need to use it when visiting SMEs. Also, due to the insufficient guidance, some tools were misunderstood to be a one-time seminar handout. Additionally, some participants of the group interviews pointed that the information was not up-to-date and the contents were not substantial.

Nevertheless, from another perspective, the network members already knew about each other's support programs so well that it was not necessary to use the tools every time they made a referral. For instance, the basic-level counselor training programs, where the basic-level one-stop service manual is distributed as a training material, includes a curriculum to learn support services from each other. In addition, the members form a connection and mutually deepen their understanding about functions as SME support organizations through tool development activities. In this sense, this Indicator which measures the usage of the tools alone may not have been adequate to evaluate the effects of support tool development.

Use of tool is not a goal in itself but a means to identify SMEs' needs and refer them to suitable BDS. Thus, besides this Indicator, it is suggested to give consideration to such points as 1) the number of referrals regardless of whether or not tools were used, 2) SMEs' evaluation of the section "meeting the company's needs" on the satisfaction questionnaire, and 3) the number of cases where SMEs' support request was refused because their problems and challenges could not be addressed by the BDSP or its network.

Meanwhile, the database published on the website was the only tool which was developed regarding SMEs as potential users, but no fact of significant database usage by SMEs was confirmed.

3) Indicator 1-3

With regard to the Indicator 1-3, "The trained counselors will be able to refer SMEs inquiring at the general consultation counter to appropriate BDS using the developed consulting service tools properly to identify the needs of the SMEs," it can be judged as attained. In order to measure its achievement, a telephone survey was conducted on BDSP network members who had participated in at least one counselor training session in the past and served as counselors at the time of survey (2.2 (2) of Appendix 3-2). According to the results, approximately 90% of respondents answered that they knew the consulting service tools developed by the Project. In addition, four out of five of them responded that they had ever referred SMEs to support services using the tools. Considering the Indicator 1-2 together, trained counselors have learnt how to refer

the client to other BDSPs by using the tools when necessary, although such a case does not happen very often.

Looking at the results by the number of trainings each counselor attended, whereas the number of one-time attendees who answered that they had referred remained about 60%, the percentage jumped to 90% with regard to those who participated in more than half of all the scheduled trainings. Furthermore, as the respondents were asked to give a concrete example of such references, a wide variety of cases were reported. As seen above, the survey finds that the series of trainings helped the counselors acquire skills to use the tools and refer SMEs to appropriate BDS. In addition, the more they attended the trainings, the more they were motivated to make references.

(2) Output 2

Three out of the four planned indicators were attained.

1) Indicator 2-1

Regarding the Indicator 2-1, “At least 70 unique local SPs will have participated in seminars or workshops held in the target provinces by the end of the project,” the target figure was achieved by the end of the fiscal year 2014.

2) Indicator 2-2

In the case of the Indicator 2-2, “At least 70 unique local SPs will have completed at least 60 hours of On-the-Job Training (OJT) provided in the target provinces by the end of the project,” it is considered to be attained. In the fiscal year 2014, a total of 46 SPs completed the training in the four target provinces. While 51 in 2015 and 12 during the first five months in 2016 finished this training, respectively, given the percentage of annual repeaters in each province¹¹, the number of trainees is estimated to be 21 in 2015 and eight in 2016 (as of February 29, 2016), respectively. Thus, the estimated total number of unique SPs who completed more than the prescribed training hours by the end of the project is 75.

3) Indicator 2-3

In respect of the Indicator 2-3, “The service of the SPs participating in OJT will be evaluated by the receiving SMEs at the level of 70% and over in each section of the satisfaction questionnaire,” the target figure was met. In Chiang Mai, their own satisfaction questionnaire survey results showed that all the 13 SMEs which had received OJT evaluated their satisfaction as 100%. On the other hand, for other three provinces that did not make such a survey, the JICA Project Team undertook a telephone survey and obtained answers from 20 SMEs (2.2 (3) of Appendix 3-2). The respondents were asked over the telephone to evaluate their satisfaction level on a five-point scale in ten sections as well as overall satisfaction and their responses were

¹¹ Every year, approximately 90% of SPs in Chiang Mai, three quarters in Nakhon Ratchasima, one third in Suphanburi, and 70% in Surat Thani are repeaters who receive 60-hour OJT.

converted to percentage. According to the results, while the evaluation varies with each section, all the surveyed SMEs on average rated their level of satisfaction as over 70% in all the sections. Additionally, the section which got the lowest mark was “report form.” If the networks wish to raise the satisfaction of SMEs receiving OJTs in the future, it would be worth considering making structure and format of reports more reader-friendly.

4) Indicator 2-4

The Indicator 2-4, “At least 25 SPs in the target provinces who participate in seminars, workshops, or OJT provided by the project will have completed at least three consecutive hands-on SME support practices by the end of the project with average 80% or higher satisfaction of the client,” was not achieved. Among SPs who participated in seminars, workshops, or OJT provided by the project, 27 of them completed at least three hands-on SME support practices in the four target provinces, but survey results of SME’s satisfaction were not available on all the SPs. However, among 10 SPs whose clients’ satisfaction survey results were obtained, five of them received lower than 80% satisfaction, and thus the target was not achieved.

A possible cause is that, with limited opportunities to gain practical experiences, SPs are not able to fully apply knowledge and know-how that they acquired through trainings at SMEs’ satisfactory level. In order to address this problem, it would be effective to actively create opportunities for novice SPs to gain hands-on experiences to support SMEs under senior SPs’ mentorship and to improve the follow-up system after trainings.

(3) Output 3

Both of the planned indicators were accomplished.

1) Indicator 3-1

Indicator 3-1, “The PR activities by the SME support networks in each of the target provinces will have reached in total at least 10% of the target local SMEs assumed in the RISMEP project implementation plans by the end of the project,” was reached in the four provinces (3 of Appendix 3-2). The actual performance was much higher than the planned value in those targeting a narrowly focused SME segments in the action plan, namely Nakhon Ratchasima (agricultural products processing and textile), Suphanburi (agricultural products processing), and Surat Thani (rubber and palm oil processing).

The actual PR activities in the three provinces, however, were implemented without specific targets. More appropriate media could have been selected according to the segments. On the other hand, in Chiang Mai, which had not narrowed down its target sectors, the PR activities were not designed to reach a vast number of SMEs in every sector. In short, the method and manner of implemented PR activities did not differ in any of the provinces. It is preferable hereafter to plan and implement PR activities going back to the basic approach of optimizing messages and channels towards clear targets.

2) Indicator 3-2

Concerning the compilation of “success stories of the SMEs provided with BDS through the RISMEP mechanism in the target provinces” (Indicator 3-2), the goal was attained. For the Project, a support case that meets the following four conditions is defined as a success case: 1) the SME had a problem which could not been addressed by a single BDSP/SP, 2) the SME has been assisted by two or more BDSPs/SPs, 3) the SME is satisfied with the support provided by the BDSPs/SPs, and 4) the SME has implemented the measures identified through the support provided by the BDSPs/SPs. As a result of compilation of cases based on IPCs’ reports in July 2015 and February 2016, a total of 62 cases were collected (Appendix 1-6). Multiple cases are combination of supports on such themes as acquisition of certificates of codes and standards, development of market, and financing. In addition, all of them were carried in the success case publications issued twice in November 2015 and March 2016.

(4) Output 4

Both of the planned indicators were attained.

1) Indicator 4-1

The Indicator 4-1, “A guideline of the RISMEP application will have been completed and accepted by the JCC,” was reached. The first version of the RISMEP mechanism guideline, issued in July 2014, underwent improvement and was updated to the second edition in May 2015. Furthermore, it was reviewed and finalized by the end of March 2016 with incorporation of experiences and lessons gained thereafter. Its contents were presented in the fifth JCC meeting in March 2016 and obtained the members’ approval. In the final edition, roles and definition of the project stakeholders were clarified. Additionally, the RISMEP network building process was reorganized into six steps and the process now embodies the general consultation counter development process and success case generation process.

2) Indicator 4-2

The Indicator 4-2, “An action plan for disseminating the RISMEP mechanism to other provinces will have been completed and accepted by the JCC,” was also achieved. The BIMD updated the action plan in August 2015 to reflect the accelerated expansion of the RISMEP mechanism that the seven IPCs, which were left after the four out of eleven IPCs were targeted in the Project, would start developing the mechanism in October 2015. In light of the increasing importance of knowledge sharing between provinces, creation of an interregional exchange system was newly added as one of the official activities. Reflecting the results of trials, the reviewed and finalized action plan was approved in the JCC meeting in March 2016.

3.2 Degree of Achievement of Project Purposes

All of the five planned indicators were achieved.

1) Indicator 1

With regard to the Indicator 1, “The annual total number of inquiries to the general consultation counters in the target provinces,” recorded a 48% increase from 2013. In addition, led by Chiang Mai, which showed an 81% increase, every province achieved the target figure.

2) Indicator 2

The Indicator 2 “the general consultation counters in the target provinces will receive first-time clients which totals the number of at least 0.1% of the target local SMEs assumed in the RISMEP project implementation plans during the period from the launch of the RISMEP project to the end of the project” was fulfilled. On the other hand, this Indicator was developed based on the scenario that PR activities of Output 3 would reach a certain percent of target SMEs and a certain percent of the reached SMEs would actually use the service. Despite the goal attainment, it is unclear whether things went according to the scenario. There were certainly other factors contributed to the rise of clients visiting the counter, such as recommendation by a BDSP, an SP, or a peer business owner. Those factors might have had a bigger impact than the PR activities did. The networks in the four provinces have not measured return on PR activities in quantitative terms. However, if the networks ask visitors to the consulting counters and supported SMEs what motivated them to visit the counter as well as how they found out the RISMEP network and tally up the count, it will be possible to visualize the performance of PR activities. By doing so, they will be able to more precisely select the media to reach desired target groups and accomplish good results with limited budget.

3) Indicator 3

In regard to the Indicator 3, “The SMEs referred to appropriate BDS through the general consultation counter(s) will evaluate the whole set of services at the level of 80% or above in the satisfaction questionnaire on average in each of the target provinces,” according to the survey results reported from each of the target provinces, every province exceeded the goal.

4) Indicator 4

The Indicator 4, “Members of the SME support networks in each of the target provinces evaluate the facilitation activities by the IPC as satisfactory,” was attained. In order to verify the achievement of the Indicator, a series of questionnaire surveys was conducted on the SP and BDSP network members. Even though there was a difference by province and group, IPCs’ facilitation generally achieved a degree of appreciation from the members (2.2 (4) of Appendix 3-2). In the questionnaire, the respondents were asked if IPC’s facilitation activities were satisfactory on a scale of 1 (“not at all agree”) to 5 (“strongly agree”). In each of the four provinces, none of the respondents chose 1 (“not at all agree”). Additionally, both median and mode of the evaluation were 4 (“agree”) in all the provinces.

5) Indicator 5

The Indicator 5, “Management of the RISMEP mechanism will be recognized as effective by the Joint Coordinating Committee (JCC),” was achieved. In order to assess the performance, a questionnaire survey with the JCC members who are not directly involved in the implementation of the Project was carried out and answered by a total of nine external organizations and a bureau of DIP (2.2 (5) of Appendix 3-2). The questionnaire asked the respondents to evaluate how effective the organization, leadership, and management cycle of the RISMEP mechanism are on a scale of 1 (“not at all effective”) to 5 (“extremely effective”) and also asked an overall rating. According to the results, there were no JCC members who rated 1 (“not at all effective”) in any of the sections. Additionally, both mean and mode were 4 (“very effective”) in all the sections. As the questionnaire also invited recommendations to improve the management effectiveness of the RISMEP mechanism, some constructive comments, such as “since RISMEP activities are not obligatory but voluntary, participants should actively communicate advantages of the mechanism to SMEs and promote the use of services in order to stimulate and sustain the networks,” were provided.

3.3 Prospects for Achievement of Overall Goal

Given the status quo is maintained, achievement of the overall goal is promising.

1) Indicator 1

The Indicator 1, “The number of provinces in which the RISMEP mechanism is operated will increase,” has been already attained. It is because the RISMEP mechanism was newly introduced in seven provinces from October 2015, in addition to the existing four provinces, through initiative of the former Director General of DIP.

2) Indicator 2

The Indicator 2, “Positive effects of the RISMEP mechanism will be recognized,” is highly achievable because local stakeholders appreciate benefits of the RISMEP mechanism. For instance, some SMEs supported by the networks were so satisfied as to create positive word of mouth. Also, multiple BDSP members said that participation in the networks had made it easier for them to draw a lot of attendees to their own events. Besides, as mentioned above, practical success cases have been generated in the target provinces and publicized in the success case publications as well as RISMEP newsletters. Additionally, during the final presentation meeting in March 2016, the Director General of DIP presented the achievement of the Project as well as the plan to disseminate the mechanism nationwide and received media coverage. Thus it is expected that the effects of the RISMEP mechanism build higher recognition in the future.

3) Indicator 3

Furthermore, there is little doubt that the Indicator 3, “The guideline of the RISMEP application and the action plan for dissemination of the RISMEP mechanism will have been maintained valid and effective,” will be attained. DIP is aiming to realize a one-stop service in order to advance the SME support system. The nucleus of this service will be coordination between three systems, namely physical BSC consultation counters that models Japan’s Yorozu support centers¹², a BSC online support portal that resembles J-Net 21¹³ and *Mirasapo*¹⁴, and nationwide development of the RISMEP mechanism. Under these circumstances, BIMD is gradually pushing forward collaboration with other two systems, including the initiation of deliberation with a contracted consultant, who is in charge of development of the online platform and dispatch of experts to selected BSCs. In this way, as the RISMEP mechanism is going to be an integral part of the SME support system, the mechanism is expected to continue as one of the DIP’s policy measures.

4) Indicator 4

Lastly, with regard to the Indicator 4, “Adequate budget for the RISMEP projects in the target provinces and other provinces will be allocated,” there is a good chance to achieve. The RISMEP project has been operated on a temporary and extraordinary budget, which is not a reliable source of continuous funding in nature. Starting in the fiscal year 2017, however, the RISMEP project is expected to be one of the DIP’s regular budget programs and then a steady annual allocation of budget will be secured.

¹² Yorozu support centers are national government-funded consultation centers established in each of Japan’s 47 prefectures. The centers deal comprehensively with all kinds of consultations from SMEs, closely cooperating with regional support agencies.

¹³ J-Net 21 is a portal site hosted by the Organization for Small and Medium Enterprises and Regional Innovation, Japan (SME Support Japan). It provides a wide range of contents, including support information of public sector agencies, Q&A about business management, and corporate case studies.

¹⁴ *Mirasapo* is a portal site operated by a private consortium, commissioned by the Small and Medium Enterprise Agency. By becoming members, users can participate in a forum to exchange information with SME managers and certified specialists, electronically apply for subsidies, and request to dispatch experts for free of charge up to three times a year.

4. Lessons and Recommendations

4.1 Recommendations of Consultation Mission and Actions that Followed

JICA dispatched the Consultation Mission for the Project in September 2015 for the purpose of reviewing the progress of activities and the level of achievement as compared to the planned targets. Recommendations of the Mission and the actions taken afterwards are shown in Table 4-1.

Table 4-1 Recommendations of Consultation Mission and Actions that Followed

Recommendation ^a	Actions after September 2015 ^b
<p>1. Cooperation and collaboration</p> <p>Now DIP is planning to re-form Business Opportunity Center (BOC) to Business Service Center (BSC) which will be established in 11 IPCs, 2 offices in Bangkok and ceramic center in Lampang province. BSC will be hybrid services which provide physical and nonphysical services through front desk in BSC and portal website. Also, it is informed that DIP is considering establishment of new department or bureau which will be responsible for BSC. Since BSC will be a single window for SMEs to access and receive various services, we would like to emphasize that network established or will be established under RISMEP mechanism is essential for BSC to be functional. Thus, it is important for the new department or bureau and BIMD to share information and cooperate closely to provide proper information and adequate guidance to IPCs.</p> <p>Also, when BSC would be established, it is planned to allocate a new coordinator for each BSC. Since there is Support Service Coordinator (SSC) in each IPC in target provinces already, it is essential to clarify role of new coordinator and SSC to avoid unnecessary confusion inside IPC.</p> <p>In addition, although number of success cases is still not enough, it is observed that RISMEP mechanism seems functioning well in regional level and BDSP/SP networks are effective in the target province in terms of information sharing, referral of inquiries from SMEs and solving issues that SMEs are facing. Network members are satisfied with collaboration among members so far. However it would be challenge for DIP to support SMEs effectively through BSC in Bangkok since there are more organizations related or involved. Therefore it is recommended to promote cooperation and collaboration with other central government ministries and agencies under strong initiative.</p>	<p>The DIP renamed the former BOC as BSC in October 2015, at the beginning of the Thai fiscal year, without making any change to the organizational structure. Measures to strengthen the one-stop service function started with improving the physical facilities of every BSC counter, which was completed by March 2016. Development of the online platform (website) and dispatch of experts to accept clients at the BSC counters in Chiang Mai (IPC1), Khon Kaen (IPC5), and Hat Yai (IPC11) were contracted to an outside consultant. The consultant started the work in January 2016. Recruitment of officers to be stationed at the BSC counters as a counselor and coordinator was not started as of March 2016.</p> <p>On the other hand, the DIP made progress in developing a scheme for cooperation at the central level as visualized by an MOU signed in February 2016 for a special loan program to be provided in cooperation with 18 financial institutions.</p> <p>Under these circumstances, the BIMD repeatedly discussed with the BSC and the contracted consultant and stressed that the BSC service counter was a member of the local RISMEP mechanism, that the SME support network was indispensable for the BSC to realize one-stop service, and that the BSC would lead improvement of the network's service quality with its advanced support resources. Besides, for the purpose of smoothing provincial-level cooperation, the BIMD planned and made individual visits to related organizations and promoted better understanding and cooperation at the central level.</p>

Recommendation ^a	Actions after September 2015 ^b
<p>2. Support structure of BIMD</p> <p>In the last two and a half years, BIMD has spent much effort in supporting IPCs and networks of BDSPs/SPs in four model provinces. Main works have been conducted with six staff of BIMD, two as supervisors and four as coordinators in charge of four different provinces respectively. Now RISMEP is about to be extended to seven other provinces with IPCs, then most probably to 77 provinces all over the country within a few years. It is desirable that BIMD is strengthened in terms of the number of staff to encounter increased burden of supporting many provinces. However, raising the number of officials is not always an easy task for the government due to the budget constraint especially under the condition of low economic growth. Hence, it is necessary to consider how to improve productivity in supporting RISMEP activities.</p> <p>For the purpose of achieving more effective work, it is recommended, first, that BIMD standardizes the support procedure for IPCs and networks. All the steps in the process from the introduction of RISMEP to start activity as a network in model provinces should be scrutinized. Reactions from participants at the regional level including BDSP/SP networks and SMEs should also be reconsidered. Then, the workflow of BIMD staff can be compiled as the standard operation procedure (SOP). Setting SOP also helps in prompt assimilation of new staff once DIP is able to increase the number of supporting staff at BIMD. Second, it is necessary to consolidate RISMEP activities in the preceded four provinces continuously, because involvement of necessary stakeholders into networks can be accelerated if stakeholders are shown the successful cases. Identifying programs used often by SMEs supported through RISMEP mechanism and allocating additional budget for such programs could assist creating more successful cases.</p>	<p>The BIMD, toward securing six working-level staff members to manage the RISMEP project, realized the planned replenishment of the staff shortage. The SOPs were developed in October 2015 for the BIMD's supervising activities. The standardized activities included remote support to be provided from Bangkok responding to the monthly report from the provinces and on-site support to be provided by the staff member traveling to the province. A new form was created to internally report the results of on-site support while the monthly report form was revised to raise efficiency of the monitoring system, in view of increasing number of provinces to be monitored.</p> <p>The practice in the four target provinces was documented in the collection of success cases and the advanced-level one-stop service manual and distributed also to the newly-involved seven provinces. In addition, the kick-off camp organized for the seven IPCs (July 2015), the RISMEP functional skills training seminar for facilitators (August 2015), and the network conference (March 2016) provided opportunities to share the experience and lessons across the IPCs.</p>
<p>3. PR Activities</p> <p>We understand that DIP supports model IPCs in enhancing PR activities so that BDSPs/SPs in the already established networks have more opportunities of supporting SMEs. Unfortunately it seems that such effort is not successful so far since not many SMEs have approached to the networks as a result of advertisement. Therefore, it is recommended to reconsider what SMEs needs to know more precisely. Current PR activity emphasizes promoting RISMEP, the mechanism itself. However, it is not so important for SMEs to know with what mechanism support organizations and personnel work but</p>	<p>The JICA Project Team gave slightly prescriptive advice on the PR activity plan of the four provinces during the tenth and eleventh fieldwork period (October 2015 - January 2016). To be specific, the Team instructed the basics that the message and medium should be finely tuned to the clearly defined target audience, and gave practical tips like posting the local media by press releases and creating a subject to be covered.</p> <p>In Chiang Mai, the service counters in the network</p>

Recommendation ^a	Actions after September 2015 ^b
<p>they want to know the office they should go for receiving services. For example, almost everyone knows Seven Eleven because people see the store in many places in town. People also know that they can buy various kinds of goods there. RISMEP is not a place but BOC, which will be renamed as BSC soon, is the place SMEs need to go first as a single window to any kind of support service. Hence, it is necessary to emphasize promotion of BSC. BSC cannot be located as many place as Seven Eleven, but can be located at least at all members' office of BDSP network for the better access by SMEs. In case all public BDSP show the logo of BSC, more SMEs will recognize it. If SMEs recognize and remember the existence of BSC, the possibility that they contact with BSC will be higher.</p> <p>In addition, according to SME owners and SPs we have interviewed, one of the most effective ways of promoting RISMEP is word-of-mouth. Considering such a fact, providing an opportunity for SME, which benefitted through the network, to be exposed to the public through, for example, an award ceremony of good RISMEP practice, is one idea to stimulate SME disseminating benefit of support. Such an award by the central government can also be an incentive for BDSPs/SPs in the networks to support SMEs in effective manner.</p>	<p>have been promoting their services since 2010 through putting up a uniform name and logo of "iP" and conveying the message to make SMEs "visit a nearby iP for consultation on any field." Following the model, at about the end of the year 2015 the BDSPs in Suphanburi started to consider having a nickname which is easy for SMEs to associate with the one-stop service.</p>
<p>4. Reviewing roles of RWC</p> <p>In the RISMEP mechanism, action plans developed by BDSP and SP networks are authorized in Regional Working Committee (RWC) which is established in the project. Regarding framework succeeding role of RWC, it was explained that BIMD is thinking of utilizing GOROO^c in each region. We recommend that before deciding monitoring and supervising structure in the region, necessity of those functions should be reviewed. We understand the necessity of RWC in the process of approving plans of each network, however, GOROO is larger structure than RWC, therefore careful consideration is needed whether it will function properly.</p>	<p>The BIMD decided in January 2016 to establish a new provincial-level committee which would succeed the functions of the RWC. The committee was proposed to be comprised by the representatives of BDSPs participating in the network for the purpose of building consensus on the RISMEP project implementation plan which covers the plans of BDSPs and SPs. The new committee was designed to invite the BDSP's commitment as an organization, rather than generally promoting awareness and support through the existing Gor-Lor-Or^c joint committee.</p>

Note: ^c The Public-Private Joint Committee on Solving Economic Issues which is established in each province

Source: ^a Consultation Mission, "Recommendation from Consultation Mission for the Project for Enhancing Regional Integrated SME Promotion (RISMEP) Mechanism in the Kingdom of Thailand," September 18, 2015. Notes made by the JICA Project Team

^b Prepared by the JICA Project Team

4.2 Lessons for Project Implementation and Operation

4.2.1 Lessons for Implementation of Similar Projects

(1) Show the process of creating a new model

The Japanese experts should clearly specify the steps to develop a new system or scheme while maintaining flexibility of designing the actual shape of the system/scheme in response to the local reality. That would encourage the counterpart personnel to exercise leadership over taking the steps. The JICA Project Team for the current Project provided the RISMEP mechanism development support modules to guide the process of building the mechanism and promoted autonomous operation of the process by the advisors and the facilitators (the BIMD and the IPCs).

The RISMEP mechanism development support modules were field-tested and verified as the tool to guide formation of SME support networks and development of the one-stop service while incorporating local characteristics into the way the network and the service were shaped. It was also clear that the modules not only helped the local actors go through the plan-do-check-act steps but also contributed to building and retaining the mechanism in quality. For example, the modules brought effects of building human relationships by making the actors repeatedly gather for the workshops, effects of nurturing ownership by letting them plan, execute, and monitor the activities for themselves, and effects of collaborative learning by encouraging them to adjust the activities through trials and improvements and to find what was doable and effective.

Under the situation that the system/scheme to be introduced is new in the local society and no preceding example exists to give a picture of finished model, it should be especially effective to show what will be done by what procedure to produce the very first local model.

(2) Assist doing and then learning

Effective technical transfer occurs when the learner's desire to understand and improve comes first and then advice and training follow to respond to the need. At the beginning of a project neither side of technical transfer is aware exactly what techniques are lacking and needed.

The process of developing the technical capacity of the Thai counterpart in the current Project started with trial and observation that the BIMD and the IPCs implemented the workshops prescribed in the RISMEP mechanism development support modules and the JICA Project Team advised on difficulties and questions that arose along the way. After a year passed, the JICA Project Team provided a classroom training program on workshop facilitation skills in response to the BIMD's request. Subsequently the JICA Project Team planned and implemented the RISMEP functional skills training seminars, to address training needs identified through on-site observation.

The first edition of RISMEP mechanism development guideline was developed by the BIMD in July 2014. The preparation process and the resulting document made the BIMD and the

JICA Project Team aware of the areas of which the BIMD was not fully confident about their comprehension. Accordingly, the BIMD knew what they wanted to learn and the JICA Project Team reacted by giving explication and instruction to fill the gap. The BIMD revised the guideline twice before the final edition. It seems time-consuming to work on the guideline three times, but the process was notably effective for the BIMD to absorb the knowledge and skills related to RISMEP.

The DIP and the JICA Project Team did not hire a local consultant to assist implementation of the modules. The BIMD and the IPCs directly conducted all the activities including the front-line operation such as workshop facilitation in the province. That helped the counterpart personnel to have uninterrupted and complete experience of the whole set of techniques involved in RISMEP mechanism development. As a result, the DIP internalized the ability to demonstrate the techniques as well as to train and supervise outside consultants like SPs when they are utilized in the future and thereby increased continuity of the RISMEP project.

For the purpose of effective technical transfer, it is important that the Japanese experts encourage the counterpart personnel to take initiative in field activities, respond to the learning needs that will emerge from the practice, and promote active learning.

4.2.2 Lessons for SME Support Network Development

(1) Encourage formation of a core team of the network by the completion of the activity plan

In order for the SP network or the BDSP network to prepare and implement an activity plan in accordance with the purpose of RISMEP mechanism development, there must be a core team of several persons who identify with the RISMEP concept and have a strong will to develop a network. The groups that failed to reach the implementation phase in the first attempt, namely SPs and BDSPs in Chiang Mai and SPs in Surat Thani, did not have such a core team. In the case of the BDSP network in Surat Thani, which made good progress, not only the IPC10 but also the TCG and the Provincial Industry Office (PIO) were taking the lead. To form such a core team by the time of the strategic planning (module 3) or activity planning (module 4) phase is a key for the network to set itself in motion.

(2) Foster friendly ties among network members with a hint of entertainment

As the network members get to know each other and build personal relationships across organization and position borders, formal linkage and cooperation will emerge spontaneously. Casual gatherings like the “coffee forum” in Suphanburi and the soccer game in Surat Thani, organized in addition to formal meetings, can strengthen the network unity. It was reported that a subject in which few members showed interest at a meeting turned into a topic of vigorous

discussion at a coffee forum. Local networks should be flexible and creative in setting laid-back opportunities for lively personal exchange among the members.

(3) Create opportunities for facilitators to share ideas and experiences

An occasion that allows the facilitators in the provinces to exchange views is not only beneficial for capacity enhancement through sharing of experiences but also powerful in motivating the facilitators. The training programs in Japan and the workshop held in Bangkok provided such opportunities for the facilitators in the four original target provinces. Once the participants from the IPCs told their experiences and thoughts to each other, valuable interactions occurred; they felt a sense of unity upon recognizing similar problems faced in different provinces, found a clue in how other provinces had addressed the problem, and realized that there was still much room for improvement in their own activities. The interaction developed into the BIMD's setting up a LINE group of RISMEP project members by the request from the IPCs. The facilitators posted and shared activity reports, motivating themselves to compete with each other. To address the increasing need for advice from the facilitators who experienced RISMEP mechanism development earlier to those who follow, the DIP should proactively create chances to connect the facilitators across provinces.

4.3 Recommendations for Achievement of Overall Goal

(1) Establish regular documentation and publication of achievements

The DIP should periodically consolidate achievements of SME support through the RISMEP mechanism into case studies and manuals, as the Project did, and disseminate the lessons and know-hows extracted from local experience. Through this, the RISMEP mechanism will be recognized as effective among SMEs and SME support organizations and professionals and the local actors will have a good chance to improve the quality of services provided through the mechanism. The goal is to promote local support and SMEs' service utilization, which are indispensable to keeping the RISMEP mechanism functional at the provincial level. In particular the following activities are recommended:

- Collect and publish success cases of cooperated SME support by the network (annually)
- Generalize the cooperated support models realized in the success cases, include the models in the advanced-level one-stop service manual, and distribute the manual to the service counters nationwide (annually)
- Cover SME support activities by the RISMEP mechanism in a province on the RISMEP newsletter (quarterly)

- Update the RISMEP mechanism development guideline, manuals, and workshop materials to reflect the latest lessons and distribute them to the RISMEP advisors and the facilitators nationwide (annually)

(2) Promote inter-provincial communication among BDSPs and SPs

The BIMD has established means of promoting inter-provincial communication already. The annual network conference and the LINE groups have proved effective, and the DIP is encouraged to continue these measures. Communicating across the provinces, the IPCs, BDSPs and SPs will learn from each other's experience and gain new ideas for networking activities. Besides, they will be motivated for action by congratulating on achievements mutually and feeling fulfilled. Those from a province where the network is not very active may be inspired by knowing the developments in other provinces. Such benefits of inter-provincial interaction will bring positive effects on maintaining and reinforcing the existing RISMEP mechanism. The four original target provinces have entered the phase to retain the mechanism and the newly-involved seven provinces will reach the same phase within a few years. The DIP should promote and keep lively interaction between the provinces to prevent the RISMEP mechanism from fading away in some province.

(3) Diffuse reference models created in four target provinces

The provinces targeted in the Project, namely Chiang Mai, Nakhon Ratchasima, Suphanburi, and Surat Thani, will be the models for the provinces that pursue RISMEP mechanism development later. Advice of the experienced actors is much sought for in every aspect of the mechanism building process which ranges across the methodology and techniques of guiding the process, the concrete ways of shaping and operating the mechanism, practice of team consulting, and solutions for typical problems encountered by the network. Actually, the four IPCs in the target provinces have shared their experience and lessons at the seminars and the camp participated in from all the 11 IPCs. From some of the provinces which newly launched RISMEP mechanism development the IPC and the SPs have visited an advance province to see and hear the reality. The DIP should reinforce such initiatives of following the examples of the four provinces and facilitate dissemination of the mechanism. The four IPCs should assume a definite role of promoting the dissemination and actively tell their stories from the Project.

(4) Develop and maintain RISMEP mechanism as foundation of DIP's service delivery

The RISMEP mechanism is a foundation that enables the service delivery system currently being developed by the DIP. The RISMEP project should be positioned as one of the regular programs of the DIP and receive adequate budget allocation every year. The DIP is transforming its service delivery system under the BSC project into one that combines an online platform

(website) to provide basic and general support to every businesses and one-stop service counters to provide specialized and individualized support to businesses having a specific need.

Client referrals and cooperation among BDSPs and SPs, which are vital to the one-stop service, will not be accomplished by databases of support programs and experts alone. BDSPs and SPs will not be comfortable to refer their clients each other unless they know each other well and some degree of human relation is established. The RISMEP project fosters such relationships. The referral network of service counters at BDSPs will create a situation as if the BSC has many counters in the province, which will compensate the BSC's comparatively disadvantaged location and broaden the client segments. The BSC will also benefit significantly from interaction with BDSPs and SPs specialized in different fields for capacity enhancement of the staff. In order to make the advanced service delivery system fully functional and spread its merit to the local community, the DIP should continue to invest in development and maintenance of the RISMEP mechanism.

(5) Coordinate collaborative projects at central level

The DIP is advised to discuss with related agencies and organizations in Bangkok and arrange a framework of collaboration between RISMEP and other national-level support programs so as to implement it as part of the service lineup in the RISMEP mechanism across the country.

The DIP strongly hoped that the central government ministries would appreciate advantages of the RISMEP mechanism and announce a policy of cooperation to facilitate smooth operation of the local mechanism which was participated in by their provincial or regional offices. The ministries, however, did not take a concrete action during the Project period. Speculating that general request for cooperation, even through the formal meeting like the JCC, will not produce actions, the BIMD decided not to have a central-level committee to replace the JCC. It will individually discuss specific arrangements of collaboration with related organizations. The DIP is recommended to ensure that the BIMD carries out this policy steadily. As the RISMEP mechanism grows and expands, the DIP gains increased ability of negotiating a scheme of collaboration for RISMEP that will be duplicated in the number of provinces where the RISMEP mechanism is operated. Keeping client referrals flow is the most direct approach to retain the SME support network and maintain the RISMEP mechanism. It is recommended that the DIP reinforce the functions of local RISMEP mechanism by supplying it with collaborative projects coordinated at the central level.