Japan's New Development Initiative for Trade

3 Pillars

PRODUCE

Supply-side support
in production and processing
that benefit those engaged
in farming, forestry, fishing and
operation of SMEs and
micro- businesses

SELL

Distribution and export support that directly benefits producers including assisting establishment of marketing channels

BUY

access for LDCs
Positive differentiation of
LDC products
Response to erosion of
preferential margin

Duty-free quota-free

Methods

Knowledge, Technology

- Technical cooperation
- Information exchange among farmers
 - Use of private-sector knowledge

Financial Assistance

- Concessionary loans for Infrastructure
 - Grant aid

People

- Dispatch of experts
- Acceptance of trainees

Systems

- Preferential tariffs
- Trade and investment insurance
- Coordination with Integrated Framework (IF)

Duty- free and quota-free access for LDCs

Enhancement of productivity

Expansion of marketing channels

Export promotion

Expansion of South-South trade

Support through neighboring countries

Partnership with NGOs and private sector

Close consultation on assistance with developing countries

Knowledge, Technology

- Technical cooperation
- Information exchange among farmers (incl. JA)

Financial Assistance

- Concessionary loans for Infrastructure
- Grant aid, incl. for grassroots projects

People

- Dispatch of experts (coordination with Senior Volunteers)
- Acceptance of trainees

Systems

- Partnership with IF
- Utilization of 3Js*

Village Initiative

• Comprehensive support for higher living standards and autonomy of Regional villages through infrastructure improvement and capacity development

Enhancement of Agricultural, Forestry, and Fishery Productivity

- Dissemination of NERICA rice in Africa and promotion of fruits and cash crops
- Agricultural infrastructure improvements, such as farm roads, irrigation systems, and processing facilities
- Assistance in self-supply of plows, hoes, pushcarts and other farming and transport equipment
- Support for organized farming (cooperation among agricultural cooperatives)
- Partnership with international organizations (WFP, CGIAR, FAO, UNDP, etc.) and development of agricultural researchers
- Assistance for LDCs through neighboring countries and through South-South cooperation
- Development of fishing ports and villages and strengthening of aquaculture and sustainable management of marine resources
- Cooperation in the forestry sector, including afforestation, nurturing of seedlings, and forest preservation

Helping Africa Learn from Asia's Experience

- Dispatch of Asian Young Overseas Cooperation Volunteers
- Dissemination of experience and good practice of the Asian productivity movement to Africa

Aid Package for Cotton Producing and Small-Scale Economies

• Combined package for agricultural diversification, including policy advice, infrastructure improvements, and technical cooperation.

Assistance for SME and Micro-businesses

- Product development assistance for processed agricultural, forest and fish products, etc.
- Private-sector assistance through EPSA for Africa

Assistance with Designation, Introduction of Export Products

• Direct survey, project research and formulation

JBIC Policy Recommendations (Bluebook)

• Policy recommendations on institutional reform for Uganda, Kenya, and Tanzania to promote trade and investment (also scheduled in Ghana)

PRODUCE

Supply-side support in production and processing that benefit those engaged in farming, forestry, fishing, and operation of SMEs and micro- businesses

(*3Js = JICA, JBIC, and JETRO)

Knowledge, technology

- Technical cooperation
- Information exchange among farmers (incl. JA)

Financial Assistance

- Concessionary loans for Infrastructure
- Grant aid, incl. for grassroots projects

People

- Dispatch of experts (coordination with Senior Volunteers)
- Acceptance of trainees

Systems

- Partnership with IF
- Trade insurance
- Utilization of 3Js*

Assistance for SME and Micro-businesses

- "One-village, one-product" initiative (product development and export promotion)
- Development of SME and Micro-business managers

Improvement of Markets, Roads, Harbors, and Other Infrastructure

• Improvement of transport networks; farming, forestry, and fishing markets; and processing-distribution facilities to reinforce links between villages, cities, and harbors

Enhanced Private Sector Assistance for Africa (EPSA for Africa)

• Providing up to \$1.2 billion over five years to foster SMEs and microbusinesses and improve investment climate in partnership with the African Development Bank Group

Distribution and Preservation Assistance

• Technical cooperation regarding refrigeration, freezing, and distribution

<u>Comprehensive Assistance for WTO Agreement Implementation</u> <u>Capacity Development</u>

- Assistance with implementation of trade-related systems and development of specialists
- Development of specialists on sanitary and phytosanitary measures
- Contribution to the Global Trust Fund

Assistance with Establishment of Marketing Channels and Exports

- Export promotion through partnership with trading companies and NGOs (e.g., sale of LDC-produced flowers or fruits to third countries)
- Promotion of personnel exchange among private companies
- Assistance for increasing local procurement ratios and establishment of export promotion organizations
- Provision of information to supermarkets and other distribution firms in Japan
- Export expansion through assistance for enhanced information access (through the use of IT networks)

Relaxation of Terms of Coverage by Nippon Export and Investment Insurance (NEXI)

• Assistance through expanded terms of coverage towards Africa

SELL

Distribution and export support that directly benefits producers including assisting establishment of marketing channels

Knowledge, Technology

- Technical cooperation
- Partnership with trading firms and NGOs

BUY

Duty-free and quota-free access for LDCs
Positive differentiation of LDC products
Response to erosion of preferential margin

People

- Dispatch of experts (coordination with Senior Volunteers)
- Acceptance of trainees

Systems

Preferential tariffs

Duty-Free and Quota-Free Access for LDCs

 Providing duty free and quota free market access for essentially all products originating from all LDCs

Response to Erosion of Preferential Margins

- Hosting of symposiums
- Assistance for South-South trade
- Cooperation in market cultivation and sharing of market information
- Expansion of production and trade through technical cooperation

Establishing "Development Aid" Brands for LDC Products

 Positive differentiation of LDC products through partnership with NGOs and the private sector

Developing New Markets in Japan

• "One village, one product" initiative (Promotion of exports to Japan and other countries through assistance for trade exhibitions of processed farm and fish products from LDCs.)