## Guide to AOTS Japanese Government Funded Program



## -Live in Harmony Together, Grow Together-

The Association for Overseas Technical Corporation and Sustainable partnerships The Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS)

## Contents

- 1. Introduction ... p. 3
- 2. Program Outline ... p. 6
- 3. Technical Training ... p. 11
- 4. Management Training ... p. 19
- 5. Overseas Training ... p. 27
- 6. Experts Dispatch ... p. 35
- Industry-Academia collaborative programs ... p. 44
- 8. Reference Data ... p. 53

## 1. Introduction

## **Overview of the Organization**

Established	August 10, 1959 (establishment date of the surviving merging corporation (former AOTS))	
Aims	To promote mutual economic development of Japan and other countries and friendly relationships between them by conducting activities to facilitate industrial globalization, trade, investment, and international economic cooperation.	
Endowment of the organization	JPY 700,000,000	
Main activities	Training, experts dispatch, internship, business promotion, etc.	
Scale of operations	Approximately JPY 7,600,000,000 (FY2020 budget)	
Offices	Domestic bases: Higashi-Ginza Office, Kitasenju Office, Tokyo Training Center, Kansai Trainin Center Overseas bases: Bangkok, Jakarta, New Delhi, Yangon	g
Number of staff	150 (as of June 2020)	
Results	Training of overseas industrial human resources: 400,000 persons; Dispatch of Japanese experts: 10,000 persons Japanese internship in overseas countries: 1,000 persons	1
Brief history		11 F.
AOTS	From the establishment in 1959, implementing training in Japan and overseas countries to engineers, administrators, etc. in the industry of developing countries (170 countries and regions, total 360,000 persons)	
JOUC	From the establishment in 1970, dispatching Japanese experts to the industry of developing countries to implement technical guidance (60 countries and regions, total 7,100 persons)	LE
HIDA	AOTS and JODC merged on March 30, 2012, and the Overseas Human Resources and Industry Development Association (HIDA) was established and approved as a general foundation on April 1, 2013.	
新生 AOTS	Its English name has been changed to AOTS, effective July 1, 2017. Expanding technical cooperation globally combining training and experts dispatch programs by utilizing public funds of the Japanese government in order to respond to diversified needs of the industry of developing countries for technical transfer, including Japanese local corporations, promptly and intensively.	

## What kind of challenges do you have in your overseas bases?

We established a new overseas factory upon request from our customer. However, the operation rate has not been improved, and if this goes on, it will generate only a loss.

We would like to transfer design and development functions to our overseas subsidiary. However, since only manufacturing has been carried out locally, they have no design and development technology itself, so that the transfer makes no progress.



The defect rate of parts being manufactured in our overseas subsidiary is extremely high, which is consuming electric power uselessly.

## Solution by AOTS's [Japanese Government Funded Program]

# 2. Program Outline

## **Japanese Government Funded Program**

#### What is the Japanese government funded program?

A program that is carried out by local governments such as prefectures, and local public bodies, foundations, special corporations, etc. and of which costs are partially borne by the Japanese government. With respect to the government fund, it shall be endeavored to conduct the funded program faithfully in accordance solely with the purpose of accommodation based on the Act on Regulation of Execution of Budget Pertaining to Subsidies, etc.

(from "Article 3-2 of the Act on Regulation of Execution of Budget Pertaining to Subsidies, etc.")

## **Program Purposes**

## Technical cooperation utilization type/emerging market development program (training/experts dispatch program) Aims

The aims of this program are to develop local human resources of private companies, etc. in developing countries in order to support the reinforcement of local bases required for overseas expansion of Japanese companies and to **improve the standard of local industry technology and develop the economy**.

#### ♦ Outline

To support training of human resources for overseas facilities and development of the core human resources needed to establish manufacturing facilities, sales facilities, and other facilities in <u>developing countries</u> and to enhance management, for purposes such as promotion of international advancement of Japanese companies, activities will be implemented dynamically in accordance with the circumstances of developing countries and with corporate needs. These include <u>practical training and lectures conducted in Japan to</u> <u>train core human resources of facilities in developing countries</u>, utilizing resources such as private-sector technological capabilities, specialized capabilities, and manufacturing workplaces, as well as <u>guidance provided by experts</u> utilizing manufacturing workplaces and other facilities in developing countries collaborative program at local universities.

## Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)

#### 🔷 Aims

The aims of this program are to promote overseas expansion of energy-saving technologies of Japan, improve the efficiency of energy usage in industrial fields of emerging countries, etc. and contribute to the <u>reduction of greenhouse effect gas emissions</u>, by developing local human resources that will be responsible for overseas manufacturing bases of Japanese companies.

#### ♦ Outline

In this program, approaches such as <u>practical training conducted by inviting core human resources in overseas bases to Japan</u> and <u>guidance provided by experts</u> utilizing manufacturing sites, etc. in overseas bases are implemented in order to support the development of local human resources required for promotion of the improvement of efficiency in the use of energy, such as Japanese style review of a production process and installation of machinery with high energy-saving performance, in production bases of Japanese companies located in <u>Asia and Middle East</u>.

## **Outline of Tools for Development of Local Human Resources**

## Outline of tools for development of local human resources

Japanese government funded program	Tools for human resources development	Site for human resources development
	(1) Technical Training	
Technical cooperation utilization	(2) Management Training	Japan
type/emerging market development program (training/experts dispatch	(3) Overseas Training	
program)	(4) Experts Dispatch	Overseas
	(5) Industry-Academia collaborative programs	
	(1) Technical Training	_
Support program for human resources development to export carbon	(2) Management Training	Japan
reduction technology(carbon reduction technology promotion program)	(3) Overseas Training	
	(4) Experts Dispatch	Overseas

Principal Essential Requirements for Usage of Technical Cooperation Utilization Type/Emerging Market Development Program (Training/Experts Dispatch Program) \*FY2020

 Technical cooperation utilization type/emerging market development program (training/experts dispatch program)

Item	Essential requirements
Target countries/regions	Developing countries/regions
Implementation purpose *1	Technology transfer that would contribute to the industrial development of a developing country/region (implementation purposes are introduction of <u>new</u> <u>technology that has no previous satisfactory results in a local</u> <u>corporation</u> , handling of a model change to a product/service that has <u>higher performance than before</u> and so on).
	Viewpoints of problem solution according to the actual situation of a developing country/region are included.
Japanese side company	It holds a legal personality in Japan and the capital of Japanese side accounts for more than 50%.
Local side	It holds a legal personality in a developing country/region. (= branch or office of Japanese side is not acceptable).
company	Investment from developed countries (excluding Japan) accounts for less than 50%.

\*1 Necessary conditions of the purposes of implementation are not limited when not including on-site training in management training or for overseas training.

Principal Essential Requirements for Usage of Support Program for Human Resources Development to Export Carbon Reduction Technology (Carbon Reduction Technology Promotion Program) \*FY2020

Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)

ltem	Essential requirements
Target countries/regions	Countries/regions in Asia and Middle East *1
Target industries *2 *3	<ul> <li>Not the business content of an applying company but the product subject to training falls under any of the following:</li> <li>(1) Automobile field (automobiles, automobile parts, etc.)</li> <li>(2) Industrial machinery field (machine tools, machinery for production and business use, etc.)</li> <li>(3) Electric machine field (heavy electrical machinery, electronics and information communication equipment, precision equipment, home appliances, etc.)</li> </ul>
Energy-saving effect	<b>Energy-saving effect in the local production process</b> (energy conservation by improvement of line and process, installation of new equipment, introduction of manufacturing and management techniques, etc.) is expected through implementation of the project, and it can be explained and presented quantitively.
Japanese side company	It holds a legal personality in Japan. (= branch or office of Japan side is not acceptable).
Local side company	It holds a legal personality in a country/region in Asia and Middle East.

\*1 Target countries and regions specified as "Asia" or "Middle East" region in the website of the Ministry of Foreign Affairs (https://www.mofa.go.jp/mofaj/area/index.html)

\*2 The target industries depend on not the principal business of an applying company but <u>what the product subject to training/guidance is used for</u>. For example, when a textile related company implements <u>training/guidance limited to</u> the manufacturing of textile for automobile seats (general purpose products are not acceptable), although textile is not included in the target industries, the target industry becomes automobiles because the product is used for automobiles, and therefore, requirements are fulfilled.

\*3 In case where practical training is not conducted in management training, industries other than those included in essential requirements are also acceptable.
10

## 3. Technical Training

## (1) Training in Japan (Technical Training) [Human Resources Development in Japan]

## Human resources development in Japan

#### ♦ Training in Japan (technical training)

Human resources that become a key part of overseas subsidiaries, etc. are invited to Japan to acquire technologies peculiar to each company.



### (1) Training in Japan (Technical Training) [Human Resources Development in Japan]: Usage Example

#### Training in Japan (technical training)

- Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)
- To teach employees at an overseas subsidiary about manufacturing and production control techniques in order to reduce cycle time.
- A subsidiary in Philippines of a Japanese side company manufactures and sells printers. Although production transfer from a subsidiary in China is being advanced, manufacturing at the process does not reach even the level of the Chinese subsidiary.

In order to solve this problem, a section chief and a subsection chief in the production technique division and the production control division of a dispatching company were invited to Japan, and a training program to have them acquire knowledge and techniques for integrated production technology/management, from the structure of products to inspection, process design and operation flow, was implemented. Such program was implemented in order to <u>reduce the cycle time by 18%</u> as the result.



### (1) Training in Japan (Technical Training): Principal Essential Requirements for Usage \*FY2020

<ul> <li>(1) Training in Japan (Technical Training)</li> </ul>	
Japanese side company (receiving company)	Local side company (dispatching company, trainee)
<ul> <li>To be able to bear expenses associated with acceptance of a trainee.</li> </ul>	<ul> <li>Employment agreement has been made with the local side.</li> </ul>
<ul> <li>To have a financial and/or business relationship with a local side company.</li> <li>As a rule, one trainee is accepted for 20 employees at Japanese side.</li> </ul>	<ul> <li>The age is between 20 and 50 years old.</li> <li>As a rule, university graduate or having equivalent academic ability (= vocational school/junior college graduate) or professional experience.</li> </ul>
<ul> <li>Instructors have five years or more operational experience of the relevant technology.</li> </ul>	<ul> <li>Assuming a supervising or instructive role locally or being expected to assume such role.</li> </ul>
<ul> <li>There is no technical service agreement for value with the local side company.</li> </ul>	<ul> <li>Not armed forces personnel.</li> </ul>

## Training implemented in Japan

- Technologies that are appropriate to be trained in Japan (= the aim is to acquire knowledge and techniques that are unable or difficult to acquire locally).
- Technologies that are not diverted for military purposes such as arms and weapons.
- Training through practice (= practical training) is 2/3 or less of the entire training period.
- Repetition of a simple task or the same work is not permitted.

## (1) Training in Japan (Technical Training): Usage Flow/Advantages



#### ♦ Advantages in the period from application to examination

• Support can be provided by a contact person of AOTS from the preparation stage, such as confirmation of the background for implementation of training and the program content, explanation of a system itself, and preparation of documents.

#### ♦ Advantages in the period from approval to arriving in Japan

• Procedures for visa application can be performed with a personal reference issued by AOTS without obtaining a certificate of eligibility at Japanese side.

#### Advantages during the general orientation course

- · General orientation course for Japanese language, culture, etc. can be received in the safe and secured environment of AOTS Training Center (nonattendance can be also selected).
- The government subsidy can be granted for domestic transportation cost, expenses during the stay and participation fees for the general orientation course of a trainee.

#### ♦ Advantages during the period from practical training to returning home

- The government subsidy can be granted for expenses during the stay of a trainee and expenses required for practical training (practical training expenses).
- There will be no medical expense burden by taking out overseas travel insurance.

## (1) Training in Japan (Technical Training): Expenses

## Subsidy rate from Japanese government subsidy/Corporate cost burden and bearers

	marke	eration utilizatior t development pr experts dispatch	ogram	Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)				
Company scale	Leading medium- sized and small and medium-sized enterprises *1	General companies	Priority projects	Leading medium- sized and small and medium-sized enterprises*1	General companies	Priority projects		
Subsidy rate from Japanese government subsidy *2	2/3	1/3	1/2	2/3	1/3	1/2		
Corporate cost burden *2	1/3	2/3	1/2	1/3	2/3	1/2		
Bearers	As a rule, to	be borne by a Ja company	panese side	As a rule, to	be borne by a Ja company	apanese side		

\*1 Leading medium-sized enterprises: companies of which capital is less than 1 billion yen; Small and medium-sized companies: based on the definition of the Small and Medium-sized Enterprise Basic Act

\*2 The subsidy rate from Japanese government subsidy and Corporate cost burden are applicable only to the expenses subject to a subsidy (= not all actual expenses incurred in the implementation of training are covered by the subsidy).

\*3 Priority projects: Projects for general companies only, in which the normal government subsidy rate of 1/3 may be increased to 1/2. Technical cooperation utilization type/emerging market development program (training/experts dispatch program) To fall under any of the following:

(1) to be regarded as technical transfer that would significantly contribute to the industrial development of developing countries/regions (implementation purpose is handling of <u>launch</u> of a new corporation or factory and <u>advanced</u> new products/service, etc.)

(2) When the destination country or region of overseas advancement is in Africa.

Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program) In case where the amount of CO2 reduction per application is <u>500t-CO2/year or more</u>.

#### \* We ask for your cooperation for expenses incurred in the operation of AOTS organization separately.

## (1) Training in Japan (Technical Training): Expenses

## Expenses subject to a subsidy

					type/emerging	al cooperation u market develop experts dispatch	lopment program				
Company scale				Leading medium- sized/small and medium-sized enterprises	General companies	Priority projects	Leading medium- sized/small and medium-sized enterprises	General companies	Priority projects		
	During the general orientation course (AOTS)				<b>6,820</b> yen/night (	actual cost in the cas remote area)	e of a plant visit in a	6,820 yen/night visi	(actual cost in the t in a remote area		
		Accom-		AOTS		6,820 yen/night		6	<b>5,820</b> yen/night		
	Fynancia	modation expenses	During practical	Company facility		1,570 yen/night		1	,570 yen/night		
	Expenses during the stay		training	External accommoda- tion facility	Actual cost (	up to 6,170 yen/night	at the maximum)	Actual cost (up to 6,170 yen/night at the maximum)			
Expenses for		Meal	Arriv	al day		<b>1,780</b> yen/day			<b>1,780</b> yen/day		
receiving a trainee (base amount)		expenses	Afte	er that		<b>2,620</b> yen/day			<b>2,620</b> yen/day		
(base amount)		Mis	cellaneous exp	oenses		<b>1,040</b> yen/day			<b>1,040</b> yen/day		
		Practical tra	aining expense	s	<b>5,190</b> yen/day	3,360	<b>)</b> yen/day	<b>5,190</b> yen/day <b>3,360</b> yen/day			
		Trave	lexpenses		Not c	covered by a su	bsidy	Actual cost (based on the AOTS standards) Not covered by a subsidy			
	Dome	estic transport	ation expense	s (partial)	Actual cos	St (based on the AO <sup>-</sup>	TS standards)	Actual cost (based on the AOTS standards)			
	Medica	•	verseas travel emium	insurance	Actual	l cost (purchased b	y AOTS)	Actual c	OSt (purchased b	y AOTS)	
	J13W		nese language /inspection)	e lesson +	<b>602,000</b> yen/person	<b>781,000</b> yen/person	<b>711,000</b> yen/person	<b>617,000</b> yen/person	<b>798,000</b> yen/person	<b>731,000</b> yen/person	
Burden shared for	J6W d		nese language /inspection)	lesson +	<b>347,000</b> yen/person	<b>459,000</b> yen/person	<b>405,000</b> yen/person	<b>359,000</b> yen/person	<b>474,000</b> yen/person	<b>420,000</b> yen/person	
implementation of training	9D cours	se, A9D cours	se (lecture/insp	ection only)	<b>162,000</b> yen/person	<b>204,000</b> yen/person	<b>179,000</b> yen/person	<b>167,000</b> yen/person	<b>214,000</b> yen/person	<b>189,000</b> yen/person	
	Non-attendance				1	<b>104,000</b> yen/perso	n	122,000 yen/person 17			

## (1) Training in Japan (Technical Training): Example of Trial Calculation of Expenses

#### Example of trial calculation: Preconditions

- ♦ Company scale  $\Rightarrow$  Small and medium-sized enterprise
- ♦ Training period  $\Rightarrow$  6 months (183 days)
- ♦ Number of trainees  $\Rightarrow$  1
- ♦ Training field ⇒ Technical cooperation utilization type/emerging market development program (training/experts dispatch program)
- ♦ General orientation course  $\Rightarrow$  J6W course
- $\diamond$  Accommodation during the practical training  $\Rightarrow$  Company facility

Example of trial calculation Training in Japan (technical training)



# 4. Management Training

## (2) Training in Japan (Management Training) [Human Resources Development in Japan]

#### Human resources development in Japan

#### Training in Japan (management training)

Various management and administration methods are acquired by inviting managers and administrators at overseas subsidiaries, etc. to Japan. It is a seminar style training course implemented by AOTS for about two weeks, covering a wide range of training themes such as quality control, production control and energy conservation.



#### Training in Japan (management training)

Technical cooperation utilization type/emerging market development program (training/experts dispatch program)

 $\diamond$  To teach a general manager at an overseas subsidiary about leadership skills.

• A subsidiary in Thailand (local side) invested by a Japanese side company sells seasonings and food products.

As part of localization promotion for management, they made a general manager at the local subsidiary receive a "lecture for improvement of leadership skills being implemented by Japanese companies," and thereby he could develop his own theory of leadership.



#### (2) Training in Japan (Management Training): Principal Essential Requirements for Usage \*FY2020

<ul> <li>(2)Training in Japan (management training)</li> </ul>								
Japanese side company (receiving company)	Local side company (dispatching company, trainee)							
<ul> <li>To be able to bear expenses associated with acceptance of a trainee.</li> <li>To have a financial and/or business relationship with a local side company.</li> <li>As a rule, one trainee is accepted for 20 employees at Japanese side.</li> <li>Instructors have five years or more operational experience of the relevant technology.</li> <li>There is no technical service agreement for value with a local side company.</li> </ul>	<ul> <li>To be capable of listing lectures, discussing, presenting and preparing a report in the training implementation language.</li> <li>To satisfy separate eligibility requirements by course (years of experience, basic knowledge, etc. *1)</li> <li>Not a student.</li> <li>Not armed forces personnel.</li> </ul>							
<ul> <li>*1 Principal examples of separate eligibility requirements by course</li> <li>• Managers and executives at companies</li> </ul>	2							

- The age is 20 years or older.
- University graduates or having equivalent academic ability
- In case where a participant has been in Japan in the past for AOTS training in Japan (technical training or management training), six months or more have elapsed after he/she returned home.

## (2) Training in Japan (Management Training): Usage Flow/Advantages

N-3 moi	nths				N-	1.5 mo	nths						N day	~1	N+2 wee	ks		~N	+120 d	ays
Submission of application form for training (outline) /assignment	D		Guidance about preparation of documents	Preparation of application documents for training		Screening committee		Issuance of personal reference		Training visa application		Training visa acquisition	Arriving in Japan		Management training		Practical training (option)		Returning home/submission of report	
* The writin		ation to e		olvine/	dianct	abing of			o arrivi	ing in J	apan		mai	uring th nagem raining	ent	t	Practica raining urning h	to		

#### **Advantages in the period from application to examination**

• Support can be provided by a contact person of AOTS from the preparation stage, such as confirmation of the background for implementation of training and the program content, explanation of a system itself, and preparation of documents.

#### ♦ Advantages in the period from approval to arriving in Japan

• Visa can be acquired with a personal reference issued by AOTS without obtaining a certificate of eligibility at Japanese side.

#### ♦ Advantages during the management training

- Management training by theme such as quality control, production control and energy conservation inviting external experts can be received in the safe and secured environment of AOTS Training Center.
- The government subsidy can be granted for expenses during the stay of a trainee, etc.

#### ♦ Advantages in the period from practical training to returning home

- The government subsidy can be granted for expenses during the stay of a trainee and expenses required for practical training (practical training expenses).
- There will be no medical expense burden by taking out overseas travel insurance.

## (2) Training in Japan (Management Training): Expenses

### Subsidy rate from Japanese government subsidy/Corporate cost burden and bearers

	mark	peration utilization et development pro /experts dispatch	ogram	Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)				
Company scale	Leading medium- sized/small and medium-sized enterprises *1	General companies	Priority projects	Leading medium- sized/small and medium-sized enterprises *1	General companies	Priority projects		
Subsidy rate from Japanese government subsidy *2	2/3	1/3	1/2	2/3	1/3	1/2		
Corporate cost burden *2	1/3	2/3	1/2	1/3	2/3	1/2		
Bearers	As a rule, to be b	oorne by a Japanes	As a rule, to be b	orne by a Japane	se side company.			

\*1 Leading medium-sized enterprises: companies of which capital is less than 1 billion yen; Small and medium-sized enterprises: based on the definition of the Small and Medium-sized Enterprise Basic Act

\*2 The subsidy rate from Japanese government subsidy/Corporate cost burden are applicable only to the expenses subject to a subsidy (= not all actual costs incurred in the implementation of training are covered by the subsidy).

\*3 Priority projects: Projects for general companies only, in which the normal government subsidy rate of 1/3 may be increased to 1/2. Technical cooperation utilization type/emerging market development program (training/experts dispatching program)

To fall under any of the following:

(1) to be regarded as technical transfer that would significantly contribute to the industrial development of developing countries/regions (implementation purpose is handling of <u>launch</u> of a new corporation or factory and <u>advanced</u> new products/service, etc.)

(2) When the destination country or region of overseas advancement is in Africa.

Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program) In case where the amount of CO2 reduction per application is <u>500t-CO2/year or more</u>.

\* We ask for your cooperation for expenses incurred in the operation of AOTS organization separately.

## (2) Training in Japan (Management Training): Expenses

## Expenses subject to a subsidy

					type/emerging	Il cooperation u market develop xperts dispatch	oment program	Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)			
Company scale			Leading medium- sized/small and General medium-sized companies Priority projects enterprises			Leading medium- sized/small and medium-sized enterprises	General companies	Priority projects			
	During the general orientation course (AOTS)			<b>6,820</b> yen/night (	actual cost in the cas remote area)	e of a plant visit in a		ht (actual cost in th isit in a remote area			
		Accommod		AOTS		6,820 yen/night			6,820 yen/night		
	-	ation expenses	During practical	Company facility	<b>1,570</b> yen/night			1,570 yen/night			
	Expenses during the stay		training	External accommodati on facility	Actual cost (	up to 6,280 yen/night	at the maximum)	Actual cost (up to 6,280 yen/night at the maximum)			
Expenses for		Meal	Arriv	/al day		<b>1,780</b> yen/day			<b>1,780</b> yen/day		
receiving a trainee		expenses	Afte	er that	<b>2,620</b> yen/day				<b>2,620</b> yen/day		
(base amount)		Mis	cellaneous ex	penses		<b>1,040</b> yen/day			<b>1,040</b> yen/day		
		Practical tra	aining expense	es	<b>5,190</b> yen/day	5,190 yen/day 3,360 yen/day			5,190 yen/day 3,360 yen/day		
	Travel expenses			Not c	Not covered by a subsidy			Actual cost (based on the AOTS standards) Not covered by a subsidy			
	Dome	stic transport	ation expense	s (partial)	Actual cos	st (based on the AO	rS standards)	Actual cos	t (based on the AC	TS standards)	
	Medical expenses/overseas travel insurance premium			Actual	cost (purchased b	y AOTS)	Actual	cost (purchased l	by AOTS)		
Burden shared for implementation of training	Management training			<b>164,000</b> yen/person	<b>204,000</b> yen/person	<b>190,000</b> yen/person	<b>168,000</b> yen/person	<b>214,000</b> yen/person	198,000 <sub>yen/person</sub> 25		

## (2) Training in Japan (Management Training): Example of Trial Calculation of Expenses

#### Example of trial calculation

- ♦ Company scale  $\Rightarrow$  Small and medium-sized enterprise
- ♦ Training period  $\Rightarrow$  2 weeks
- ♦ Number of trainees  $\Rightarrow$  1
- ♦ Training field ⇒ Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)



## 5. Overseas Training

## (3) Overseas Training [Human Resources Development in Overseas Countries]

#### Human resources development in overseas countries

#### Overseas training

Group training programs are implemented in overseas countries with lecturers dispatched from Japan side companies, etc. to overseas subsidiaries, etc.



### (3) Overseas Training [Human Resources Development in Overseas Countries]: Usage Example

#### Overseas training

Technical cooperation utilization type/emerging market development program (training/experts dispatch program)

♦ To teach overseas customers about basic techniques for production control in sewing

 Japanese side company implemented a training program focusing on the training of present data analysis and production control in a sawing factory including lectures and practical exercises for 50 people in total including employees of a subsidiary in Ethiopia such as people with three-year or longer experience in the production control division of a local sawing factory, line managers and assistant managers, with a lecturer dispatched from Japan. As the result, they have acquired the foundation of <u>management techniques required for sewing business</u> (grasping the present situation, how to advance improvement, operation analysis, process analysis, action research, production design, etc.) and improved the productivity.



## (3) Overseas Training: Principal Essential Requirements for Usage \*FY2020

## (3) Overseas Training

Japanese side company (cooperating company)	Local side company (overseas cooperating company, trainee)
• To be able to implement and manage a training program as well as bear expenses.	• To have citizenship, a domicile and a workplace in the target country/region.
<ul> <li>There is a company/organization that would assume preparation and implementation of the training program at local side (overseas cooperating company). *1</li> </ul>	<ul> <li>To be belonging to a company, an organization, etc.</li> <li>As a rule, between 18 and 60 years of age.</li> <li>To have enough language ability and experience so as to be able to understand the program content.</li> <li>Not armed forces personnel.</li> </ul>

#### Training implemented in overseas \*2

- Training periods in principle shall be no fewer than two days but no more than 30 days in length.
- As a rule, the number of trainees is between 10 and 50 persons. \*3
- Technologies that are not diverted for military purposes such as arms and weapons.
- Up to two lecturers respectively from the lecturers of the training implementation country and those who are dispatched from Japan and courtiers other than the training implementation country are subject to a subsidy.
- Lectures are 69 years of age or younger at the time of commencement of training with five-year or more operational experience in the guidance field.
- As necessary, training may be conducted in third countries or online.
- \*1 Operations to be assumed by a local side company for preparation and implementation of training are as follows:
  - (1) Cooperation on recruiting and selection of trainees.
  - (2) Preparation and arrangement of textbooks and teaching materials.
  - (3) Management and operation of the overall implementation of training as a local secretariat.
  - (4) Other operations generating in the training implementation country/region in order to prepare and implement the training program.
- \*2 In the case of emerging country program, it is not absolutely necessary to be a training program for new technology that has no previous successful results in a local corporation.
- \*3 In case where a Japanese side company is a leading medium-sized/small and medium sized enterprise, the number is between 5 and 50.

## (3) Overseas Training: Usage Flow/Advantages



#### \*The writing in red: to be conducted mainly by Japanese side company (cooperating company)

#### ♦ Advantages in the period from application to examination

• Support can be provided by a contact person of AOTS from the preparation stage, such as confirmation of the background for implementation and the guidance content, explanation of a system and preparation of materials for examination.

#### Advantages in the period from departure to returning home

• The government subsidy can be granted for the honorarium, daily allowance, accommodation expenses, etc. of a lecturer who conducts training in an overseas country.

## (3) Overseas Training: Expenses

Subsidy rate from Japanese government subsidy/Corporate cost burden and bearers

	Technical cooper type/emerging market o (training/experts d	development program	Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)	
Company scale	Leading medium- sized/small and medium- sized enterprises *1	General companies	Leading medium- sized/small and medium- sized enterprises *1	General companies
Subsidy rate from Japanese government subsidy *2	2/3		2/3	
Corporate cost burden *2	1/3		1/3	
Bearers	Japanese side company (cooperating company)		Japanese side company (cooperating company)	

\*1 Leading medium-sized enterprises: companies of which capital is less than 1 billion yen; Small and medium-sized enterprises: based on the definition of the Small and Medium-sized Enterprise Basic Act

\*2 The subsidy rate from Japanese government subsidy/Corporate cost burden are applicable only to the expenses subject to a subsidy (= not all actual expenses incurred in the implementation of training are covered by the subsidy).

 The cooperating company (Japanese side) will cover 10% of the expenses for implementation of overseas training (settlement amount) as the amount equivalent to incidental business expenses, separately.

## (3) Overseas Training: Expenses

## Lecturer rating/principal expenses subject to a subsidy

			Technical coop Support program for (	reduction technology		
Lecturer rating		Grade 1	Grade 2	Grade 3	Grade 4	
University		Professor	Associate professor	Assistant professor	Assistant	
Career -	Company		20 years or more	15 to 20 years	10 to 15 years	5 to 10 years
Lecturer	Honorarium	With local interpreter *1	<b>13,200</b> yen/h	<b>10,800</b> yen/h	<b>9,200</b> yen/h	<b>7,900</b> yen/h
		Without local interpreter	<b>16,800</b> yen/h	<b>14,400</b> yen/h	<b>12,000</b> yen/h	<b>10,600</b> yen/h
	Daily allowance *2			<b>4,200</b> yen/day		
	Accommodation expenses *2		<b>15,100</b> yen/night			12,900 yen/night
	Travel expenses		Actual cost (discounted business class)		Actual cost (discounted economy class)	
	Program teaching material expenses	Manuscript fee *3	<b>4,000</b> yen/piece	3,500 yen/piece	<b>3,000</b> yen/piece	2,000 yen/piece

\*1 Although the honorarium for a local interpreter is included in the subject of a subsidy, the amount shall be in accordance with local rules.

\*2 It varies depending on the region. (The above chart shows the standards in Thailand, Vietnam, Indonesia, Philippines, etc.)

\*3 Japanese, Chinese and Korean: 400 words/piece; Other than those: 200 words/piece; PPT: 3 slides/piece

## (3) Overseas Training: Example of Trial Calculation of Expenses

#### Example of trial calculation: Preconditions

- ♦ Lecturer grade  $\Rightarrow$  Grade 1
- ♦ Number of lecturers  $\Rightarrow$  1 (+ 1 local interpreter)
- ♦ Dispatch country  $\Rightarrow$  Thailand
- ♦ Period  $\Rightarrow$  3 days (6 hours per day)
- ♦ Training field ⇒ Technical cooperation utilization type/emerging market development program (training/experts dispatch program)



## 6. Experts Dispatch

## (4) Experts Dispatch [Human Resources Development in Overseas Countries]

### Human resources development in overseas countries

### ♦ Experts dispatch

Company employees are dispatched from Japan to overseas affiliated companies to implement technical guidance utilizing the local field circumstances.


#### (4) Experts Dispatch [Human Resources Development in Overseas Countries]: Usage Example

#### Experts dispatch

- Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)
- To teach employees at an overseas subsidiary about operation of new equipment, etc. for manufacturing of automobile parts.
- A 100%-owned subsidiary in Indonesia of a Japanese side company manufactures engine parts by aluminum casting and delivers those locally in Indonesia. They had been striving to improve the productivity by reinstallation of used equipment from Japan, however, review of a production line became an issue due to deterioration of the equipment. Then, they set a goal to make them acquire proper work procedures considering features of the function of new equipment and establish an effective production line by dispatching an expert to teach the point, etc. of casting using the new equipment. Through the guidance, <u>lowering of the defect rate</u> and eventually <u>reduction of the</u> <u>usage amount of natural gas</u>, which is fuel for power supply to the equipment, have been planned.



# (4) Experts Dispatch: Principal Essential Requirements for Usage \*FY2020

# (4) Experts Dispatch

Japanese side company (dispatching company, experts)	Local side company (guidance receiving company)
<ul> <li>Experts shall satisfy the following requirements: <ol> <li>Between 25 and 69 years of age</li> <li>To have a domicile in Japan and experience of living in Japan for 10 years or more</li> <li>To have five-year or more operational experience of the guidance field in Japan</li> <li>To be directly employed by the Japanese side company (advisory agreements, subcontracting agreements, etc. are not acceptable)</li> <li>To possess the foreign-language abilities (in the local language or English etc.) needed for technical guidance (guidance also may be provided through interpreters)</li> </ol> </li> <li>Capital or trade-transaction relations with the local side company</li> </ul>	<ul> <li>To be able to bear the costs associated with dispatch of experts</li> <li>To have sites, machinery and equipment, etc. for conducting technical instruction</li> <li>To employ employees eligible for instruction</li> </ul>

#### Guidance in overseas countries

- When there is a technical service contract for value with a local side company, duplication with the guidance content is not permitted.
- To be dedicated to technical guidance in overseas countries (= any service other than the technical guidance is not permitted).
- The dispatch period per expert is between 1 and 10 months.
- The usage period is 20 man-months/year per company in the case of emerging country program or 25 man-months/year per company in the case of carbon reduction program.
- In the case of emerging country program, additional guidance is also implemented.
  - (1) in case where the investment from Japanese side is 50% or more but less than 100%: Technical instruction, acceptance of interns, etc. at local companies with less than 50% investment from Japan, such as local suppliers and customers, or at vocational schools or technical schools: <u>1/8</u> of the total number of days.
  - (2) In case where the investment from Japanese side is 100%:Additional instruction similar to the above: <u>1/4</u> of the total number of days.

# (4) Experts Dispatch: Usage Flow /Advantages



\* The writing in red: to be conducted mainly by dispatching company/experts

#### ♦ Advantages in the period from application to examination

• Support can be provided by a contact person of AOTS from the preparation stage, such as conformation of the background for dispatch and the guidance content, explanation of a system and preparation of materials for examination.

#### **Advantages in the period from approval to prior to dispatch**

- The guidance content in an overseas country can be specified and mutually confirmed through conclusion of a three-party contract with AOTS and a dispatching company (Japanese side) as an AOTS expert.
- Lectures concerning agreed items in the system as well as risk management and health maintenance in overseas countries can be received in the orientation held prior to dispatch.

#### ♦ Advantages in the period from dispatch to returning home

- The government subsidy can be granted for travel cost, expenses during the stay in overseas countries, outfit allowance and overseas travel insurance premium of experts.
- A crisis management system for experts is provided by AOTS.
- A dispatching company is entitled to be subsidized by the government fund for technical cooperation expenses.
- The management of the level of goal achievement can be ensured by regularly checking the progress between AOTS and a dispatching company through a monthly report from experts.

# (4) Experts Dispatch: Expenses

## Subsidy rate from Japanese government subsidy/Corporate cost burden and bearers

	marke	eration utilization t development pr ⁄experts dispatch	ogram	Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)		
Company scale	Leading medium- sized/small and medium-sized enterprises *1	General companies	Priority projects *4	Leading medium- sized/small and medium-sized enterprises *1	General companies	Priority projects *4
Subsidy rate from Japanese government subsidy *2	2/3	1/3	1/2	2/3	1/3	1/2
Corporate cost burden *2	1/3	2/3	1/2	1/3	2/3	1/2
Bearers *3	Local side company		l between local side companies	Local side company		d between local side companies

\*1 Leading medium-sized enterprises: companies of which capital is less than 1 billion yen; Small and medium-sized enterprises: based on the definition of the Small and Medium-sized Enterprise Basic Act

\*2 The Subsidy rate from Japanese government subsidy/Corporate cost burden are applicable only to the expenses subject to a subsidy (= Not all actual expenses incurred in the dispatch of experts are covered by the subsidy).

\*3 Burden of a guidance receiving company is to be received by experts on its behalf in the dispatch destination.

\*4 Priority projects: Projects for general companies only, in which the normal government subsidy rate of 1/3 may be increased to 1/2. Technical cooperation utilization type/emerging market development program (training/experts dispatch program)

To fall under any of the following:

(1) to be regarded as technical transfer that would significantly contribute to the industrial improvement of developing countries/regions (implementation purpose is handling of <u>launch</u> of a new corporation or factory and <u>advanced</u> new products/service, etc.)

(2) When the destination country or region of overseas advancement is in Africa.

Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)

In case where the amount of CO2 reduction per application is **<u>500t-CO2/year or more</u>**.

In addition to the cost burden above, the Japanese side company (dispatching company) will cover 10% of the total amount of costs eligible for subsidy, as its share of implementing dispatch.

# (4) Experts Dispatch: Expenses

# Expert rating/expenses subject to a subsidy

		Technical cooperation utilization type/emerging market development program (training/experts dispatch program) Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)								
Expert rat	ing	No. 1				No. 2		No. 3		
Academic	career	University Junior college High school graduate graduate graduate		University graduate	Junior college graduate	High school graduate	University graduate	Junior college graduate	High school graduate	
Work histo	ory for teaching	30 years or more34 years or more38 years or more		18 years or more	22 years or more	30 years or more	5 to 18 years	5 to 22 years	5 to 30 years	
Airfare		Actual cost (discounted business class; payment in kind)		Actual cost (as a principle, discounted economy class; payment in kind)		Actual cost (as a principle, discounted economy class; payment in kind)				
Visa fees		Actual cost (the minimum required visa according to the dispatch period)		Actual cost (the minimum required visa according to the dispatch period)		Actual cost (the minimum required visa according to the dispatch period)				
Vaccinatio	on fees	Actual cost (up to 100,000 yen at the maximum)		Actual cost (up to 100,000 yen at the maximum)		Actual cost (up to 100,000 yen at the maximum)				
Expenses during the	Daily allowance	<b>5,000</b> yen/day		<b>5,000</b> yen/day		<b>4,200</b> yen/day				
stay *1	Accommodation expenses	<b>15,100</b> yen/night		1	<b>15,100</b> yen/night		<b>12,900</b> yen/night			
Outfit	1 to 3 months	<b>94,910</b> yen/time		<b>85,090</b> yen/time		80,180 yen/time				
allowance	3 to 10 months	111,650 yen/time		<b>100,100</b> yen/time		94,330 yen/time				
Overseas travel insurance Actual cost (purchased by AOTS; payment in kind)		Actual cost (purchased by AOTS; payment in kind)		Actual cost (purchased by AOTS; payment in kind)						
Technical cooperation     6,000       expenses *2     *2		<b>6,000</b> yen/day		<b>6,000</b> yen/day						

\*1 It varies depending on the region (the above chart shows standards in Thailand, Vietnam, Indonesia, Philippines, etc.); The base amount gradually decreases according to the dispatch period (31 to 60 days: 90%, 61 days or more: 80%).

\*2 To be paid to a dispatching company as considerations to technologies and expertise held by the dispatching company as well as cooperation for the expert dispatch program.

# (4) Experts Dispatch: Example of Trial Calculation of Expenses (Small and Medium-sized Enterprise)

#### Example of trial calculation

- ♦ Company scale  $\Rightarrow$  Small and medium-sized enterprise
- ♦ Expert rating  $\Rightarrow$  No. 2
- ♦ Number of experts  $\Rightarrow$  1
- $\diamond$  Dispatch country  $\Rightarrow$  ASEAN region (Thailand, Vietnam, Indonesia, etc.)
- ♦ Dispatch period  $\Rightarrow$  6 months
- ♦ Guidance field ⇒ Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)



## (4) Experts Dispatch: Example of Trial Calculation of Expenses (General Company)

#### Example of trial calculation

- ♦ Company scale  $\Rightarrow$  General company
- ♦ Expert rating  $\Rightarrow$  No. 2
- ♦ Number of experts  $\Rightarrow$  1
- $\diamond$  Dispatch country  $\Rightarrow$  ASEAN region (Thailand, Vietnam, Indonesia, etc.)
- $\diamond$  Dispatch period  $\Rightarrow$  6 months
- ♦ Guidance field ⇒ Support program for human resources development to export carbon reduction technology (carbon reduction technology promotion program)



7. Industry-Academia collaborative programs

# (v) Industry-Academia collaborative programs: Project objectives and overview\* Emerging Market Development Program only

#### Objectives

Industry-Academia collaborative programs on subjects such as advanced technical fields will be organized by Japanese companies and/or local Japan-affiliated companies at higher educational institutions in developing countries with the aim of helping students to acquire knowledge and skills needed by the companies and encouraging them to seek their employment at the companies. The purpose of the programs is to facilitate business activities and to deepen cooperation between Japan and the relevant countries.

Project overview

•Courses: Lectures, exercises, workshops, tours, etc.

•Internships: Work experience with cooperating companies and organizations in Japan or locally

Subsidy provided for 2/3 of subject costs

\* Internships are optional



# (v) Industry-Academia collaborative programs: Main conditions required for use \* Emerging Market Development Program only, FY2020

## (v) Industry-Academia collaborative programs

#### Applicant companies(Japanese or local Japan-affiliated companies)

- Companies and organizations with corporate status in Japan (with more than 50% Japanese ownership), or local Japan-affiliated corporations in which such companies and organizations have invested more than 50% of equity or representative offices of such companies and organizations
- Those with plans to hire students from local universities etc. in developing countries that are eligible for Industry-Academia collaborative programs
- Those with the abilities to implement and manage courses and internships and to pay associated costs
- Those able to arrange companies and organizations to assist with preparation and implementation of Industry-Academia collaborative programs in the countries and regions where they are conducted, as necessary

## Courses and internships at local universities (Industry-Academia collaborative program universities)

#### Courses

- Lectures, seminars, exercises, practical training and experiments, research, etc. at subject universities etc.
- Rough target for total course hours: 450 minutes or longer (ex.: 90 minutes x 5 sessions)
- Number of students: 5 or more
  - \* Content must concern advanced technical fields directly related to company activities
  - \* Must include content to encourage promotion of employment with Japanese or local Japan-affiliated firms
  - Note: Online remote courses also are eligible
- Internships (optional)
- Work experience and/or practical experience at the applicant company or its affiliates, for all or some of the students attending courses

# (v) Industry-Academia collaborative programs: Main conditions required for use \* Emerging Market Development Program only, FY2020

# (v) Industry-Academia collaborative programs

### **Course content**

Course content will include the following subjects, to contribute to learning and improving abilities in the advanced knowledge and technologies that Japanese and Japan-affiliated companies demand when hiring human resources overseas and lead to employment of students at Japanese and Japan-affiliated companies:

- Advanced technical fields etc. directly related to company activities
  - (Ex.) Automation, AI, IoT, robotics, information security, big-data processing, next-generation automotive technologies, mechatronics, steel structural design, carbon recycling, clean energy, optics/quantum technology, biotechnology, nanotechnology/materials

\* Please consult with us regarding specific subject fields etc.

- Content to encourage employment with Japanese and Japan-affiliated companies
  - (Ex.) Introductions to companies and products, advantages of employment with Japanese and Japan-affiliated companies (career development, advantages in treatment), language skills for communication after employment

#### Schools and institutions where courses are held

- Schools and other educational institutions providing education\* on advanced technical fields in developing countries and regions
  - \* This may be education in basic or peripheral fields related to the content of the courses to be provided as Industry-Academia collaborative programs.
- Schools and other educational institutions that have established and operate programs awarding degrees of the level of Associate Degree or Foundation Degree, or higher
- Schools and other educational institutions that graduate human resources who can be expected to play active role at Japanese companies or local Japan-affiliated companies
- \* Multiple specific local universities and other institutions may be identified as eligible for setting up courses. **47**

# (v) Industry-Academia collaborative programs: Flow and benefits of use \* Emerging Market Development Program only

2-5 months are required from the date of submittal of the application form until the course is conducted.



\* Items in red are implemented mainly by the applicant company (Japanese or local Japan-affiliated company)

#### ♦ Benefits from application through screening

• Support may be provided by AOTS staff from the preparatory stages, including provision of information on the background of establishing Industry-Academia collaborative programs, confirmation of matters such as course content, course periods, objectives, and requirements of eligible students, explanation of the system, and preparation of screening materials.

#### ♦ Benefits from start through completion

- Increasing desire for employment with Japanese and local Japan-affiliated companies through the courses increases the likelihood of linkage to practical hiring of outstanding human resources overseas in the near future.
- Lessens the burden of course costs.
- Can build and strengthen networks with local universities through conducting courses.
- Use of company employees as instructors can improve their abilities to instruct others.
- Contributes to training local industrial human resources, which leads to fulfillment of corporate social responsibility (CSR).

# (v) Industry-Academia collaborative programs: Expenses\* Emerging Market Development Program only

Subsidy rate from Japanese government subsidy/Corporate cost burden and bearers

	Technical cooperation/emerging market development projects (training, dispatch of experts)			
	Japanese co	Japanese companies		
Applicant company	Leading medium-sized and small and medium-sized enterprises *1	General companies	Local Japan-affiliated companies	
Subsidy rate from Japanese government subsidy *2	2/3			
Corporate cost burden <sup>※2</sup>	1/3			
Bearers	Applicant company (Japanese or local Japan-affiliated company)			

\*1 Leading medium-sized enterprises: companies of which capital is less than 1 billion yen; Small and medium sized companies: based on the definition of the Small and Medium-sized Enterprise Basic Act

\*2 The subsidy rate from government subsidy and corporate cost burden apply only to expenses eligible for assistance (i.e., not all actual costs of dispatch of experts are eligible for assistance).

• In addition to the cost burden above, the applicant company (Japanese or local Japan-affiliated company) also will cover 10% of the total amount of costs eligible for assistance separately, as its share of program management costs.

# (v) Industry-Academia collaborative programs: Example of calculating expenses



# (v) Structure of industry-Academia collaborative programs and structure of costs of Industry-Academia collaborative programs

- Point 1: Industry-Academia collaborative programs are conducted through combination of lectures and internships. However, conducting internships is not required.
- Point 2: Lectures are instructed by local lecturers, foreign lecturers, or a combination of both. Instruction also may be provided through online learning that does not require attendance at universities etc.
- Point 3: Internships may be conducted locally, in Japan, in other countries, or in a combination of these.
- Point 4: Materials and equipment necessary for course instruction that are lacking at the university etc. may be procured (maximum limits apply in some cases).



# (v) Industry-Academia collaborative programs: Subject expenses



# (v) Industry-Academia collaborative programs: Subject expenses (continued)

- \* <u>Technical Guidance Fee for lecturers (honorarium)</u>: JPY17,500/day (per person)
- \* Lecturer's airfare, international travel insurance costs
- \* Lecturer's <u>daily allowance and staying allowance</u> paid in fixed amounts pursuant to AOTS rules

(Ex.: daily allowance of JPY5,000, staying allowance of JPY15,100/honorarium grade 1-3/in the case of an ASEAN developing country such as Thailand, Indonesia, or Vietnam)

- \* Expenses for Creating Teaching Materials(according to AOTS rules)
- \* Educational Activity Expenses of lecturers (car rental, interpretation costs, etc.)
- \* Intern's airfare, international travel insurance costs
- \* Actual costs of intern's <u>accommodations</u> (maximum limit applies) (No remuneration may be paid to interns.)

\* <u>Expenses for Devices and Equipment</u>: When procuring through purchase or production, the unit price of the acquisition (including consumption tax, value-added tax, etc.) must be less than JPY500,000.

User license charges and other costs with limited usable periods are treated as leasing or rental costs, with no maximum limit on their amounts.

The Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS)

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Training in Japan (technical training), training in Japan (management training; application from Japan), overseas training (project inviting type), Experts Dispatch

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# Industry-Academia collaborative programs

 Corporate Liaison Department, Endowed Program Group TEL: +81-3-3549-3050
 E-mail: indus-acad-collab-pg@aots.jp We hope you will find our programs useful for human resources development required for overseas expansion of your business.

# Thank you for your kind attention.

# 7. Reference Data

# Results of AOTS Subsidized Programs "Training in Japan" and "Experts Dispatch" in FY2008-2017



# 2. Results of Experts Dispatch to Overseas Countries



# Assessment by User Companies for AOTS Subsidized Program "Training in Japan" System

Understanding of Japanese language and Japan is improved, and comprehension about Japanese technologies and management is deepened.

Apart from advantages in "subsidized expenses," it significantly contributes to the "improvement of motivation" of trainees.



Advantages of AOTS training system N=49 (multiple answers allowed) 37 cases Subsidized expenses Improvement of motivation 32 cases Efficient technical transfer 22 cases Support/advice from a contact person 20 cases of AOTS Networking with other companies 9 cases Crisis management system 4 cases Provision of information after the 4 cases completion of a program Others 1 case 5 10 15 20 25 30 35 40 50 0 45

# Assessment by User Companies for AOTS Subsidized Program "Experts Dispatch" System

# Experts dispatch contributes not only to technical capabilities of overseas bases but also to improvement of teaching experience of experts themselves

Differences from expert dispatch implemented originally by Japanese companies are "the level of understanding of Japanese companies," "the degree of acquisition of techniques," etc. Advantages of AOTS system are "development of local human resources," "problem solution on site," "improvement of experience of experts," etc.





Source: "Report on program assessment for FY2017 technical cooperation utilization type/emerging market development program (training/experts dispatch program)"

# Contribution to Company Management by AOTS Subsidized Program "Training in Japan" System

#### Training in Japan is effective in both Japanese companies and overseas bases through trainees.

Effects of transfer and fixation of technologies to overseas bases (dispatching companies), improvement of morals of employees, improvement of productivity and reduction of the turnover rate.

In Japanese companies (receiving companies), effects of strengthening of partnerships with overseas bases, improvement of global awareness of Japanese employees and transfer of duties.



Source: "Report on program assessment for FY2017 technical cooperation utilization type/emerging market development program (training/experts dispatch program)"

# Contribution to Company Management by AOTS Subsidized Program "Experts Dispatch"

#### Experts dispatch is effective in both Japanese companies and overseas bases through experts.

Effects of transfer and fixation of technologies to overseas bases (guidance receiving companies), improvement of productivity and improvement of morals of employees.

In Japanese companies (dispatching companies), effects of strengthening of partnerships with overseas bases, transfer of duties and globalization of employees (experts).



Source: "Report on program assessment for FY2017 technical cooperation utilization type/emerging market development program (training/experts dispatch program)"

# Feedback from Companies that Have Used Training in Japan System

Industry type	Country	Training content	Results
Automobile component manufacturing	Mexico	Manufacturing of die for die casting	At the beginning, questions, etc. were hardly made while trying to keep up appearances out of pride as an experienced person in business, however, after one month, questions through investigation started arising gradually to explore something they didn't know. The results of AOTS Japanese language program are also great such as exchanging opinions in Japanese not only with Japanese staff but also with Thai technical interns.
Design and production of construction machinery	Vietnam	Design of framework for tunnel	Through continued implementation of training in Japan over several years, we have promoted local human resources to an administrative position and management to let them handle all matters including hiring of employees, etc. While they are in Japan, Japanese employees make it a rule to teach trainees Japanese proactively, and operations are also conducted in Japanese. After they return home, operations such as drawing a blueprint, holding a meeting with a customer and apologizing when any error occurs are conducted in Japanese, trying to keep their Japanese language ability also after returning home.
Surface treatment processing	Philippines	Manufacturing and inspection techniques for plating	We had them learn how to maintain water temperature, judging of the optimum temperature according to materials and product inspection techniques. They have also acquired viewpoints that how much cost reduction can be made and how it leads to energy conservation from the difference in the defect rate between Japan and Philippines. We hope them to act as an intermediary between the local side and Japan.
Automobile component manufacturing	Mexico	Manufacturing techniques for piston- ring for automobiles	They have acquired not only techniques but also a way of working (punctuality, discipline and 5S). Preparation of standard work instructions for local are being advanced mainly by trainees with a plan to train workers who are employed locally. Once mass production commences, it is expected that the production will start smoothly due to techniques acquired by the trainees and guidance to the workers and that sales will increase.
Apparel manufacturing	Cambodia	Apparel manufacturing techniques	Trainees started showing proactive attitudes to work such as a greeting and teaching other people as a leader. The monthly turnover rate that had been 5% on average improved to 2%, which led to the retention of human resources. Further, during the training in Japan, they transmitted the situation of the training immediately to their colleagues on the Facebook, conveying its impact instantly. Trainees transmitted their surprise when they actually saw their products being sold in stores, etc. (delivered to leading men's apparel stores) to their colleagues simultaneously.

# Feedback from Companies that Have Used Experts Dispatch System

Industry type	Country	Guidance content	Results
Automobile component manufacturing	Indonesia	Reduction of the defect rate in cast parts manufacturing	Guidance about methods of analysis of defect causes and how to utilize data recorded in daily reports were provided to local managers. We had them understand the necessity of permanent measures based on QC methods, which is not by intuition instead of data every time and which is not emergency measures. Experts also studied well and prepared for the guidance in advance because they were selected in the company to be dispatched, and they further studied and improved themselves by organizing their own knowledge through guidance to other people and questions asked by them.
Manufacturing of component for industrial machinery	China	Guidance for improvement of the defect rate in engine parts manufacturing and energy conservation	The change in consciousness about saving became established. (Not to turn on wasteful electricity; to run water only when cutting work is performed and stop it in other times; to stop all machines when they are not used to save stand-by power, driving of oil pressure pumps and electricity for air pressure compressors.) Appropriate maintenance of equipment was instructed and ensured as routine work. (They are removing stains from an aluminum melting furnace every day to prevent the performance deterioration of the furnace. Further, they prevent the temperature drop by closing a throat of the furnace when it is not used.) It was successful in making 5S a custom and raising awareness of QCD.
Manufacturing of automobile interior and exterior parts	Thailand	Guidance for improvement of the defect rate in engine parts manufacturing and energy conservation	Although repaint of defect painting had occurred many times in touch-up painting, the defect rate of windshield painting decreased from 5% to 0.5%. Various indicators such as objectives of factory management, productivity, loss due to spoilage, electric power consumption and transportation costs came to be documented as data, and benchmarks and the current situation came to be visualized. Results of <i>Kaizen</i> (improvement) are presented once a week by using such data.
Silk lining product development and manufacturing	Myanmar	Techniques for reeling by hand and floss silk manufacturing	Guidance was provided using a manual containing not only writing but also understandable illustrations. Since many of employees are young women, the quality of silk thread was improved to the level of manufacturing a roll of cloth in Japan by paying attention to giving advice to them after praising them and to being fair. Young women in Myanmar found a place to work in their hometown and started working proactively with pride through their job and experience.

# **Frequently Asked Questions (Technical Training)**

#### 1. Is it possible to participate in the general orientation course without studying Japanese at all before coming to Japan?

Yes, it is possible. Although J13W and J6W courses are designed for new learners of Japanese, when considering the effect of learning, it may be advisable to start learning Japanese such as reading and writing of *hiragana* and *katakana* before coming to Japan.

#### 2. Is it possible to start practical training in companies directly without participating in the general orientation course of AOTS?

It is possible. However, the existence of language environment that enables implementation of training is required, and the training period is within 120 days at the maximum. In addition, a person who has participated in the general orientation course within the past five years is entitled to receive training for one year at the maximum as far as certain conditions are fulfilled.

#### 3. I cannot decide which I should take either J13W or J6W for the type of general orientation course.

In J6W, about 800 basic vocabularies, 75 basic sentence patterns, and about 100 characters of *kana* and *kanji* are learned with an objective of acquisition of simple daily conversation ability, and in J13W, about 1,400 basic vocabularies, 150 basic sentence patterns, and about 300 characters of *kana* and *kanji* are learned with an objective of acquisition of Japanese ability that is useful in practical training and life in Japan. Further, in both courses, understanding of Japanese society, culture and industries is deepened through lectures and inspections.

\* The above objectives are target numbers for people who learn Japanese for the first time.

#### 4. Is it possible to let trainees be employed?

No, it is not possible. Trainees are staying with the eligibility of "training" under the Immigration Control and Refugee Recognition Act (Immigration Control Act), and work for consideration, so called employment activity, is not permitted with this eligibility.

#### 5. Do you arrange trainees and receiving companies?

AOTS is not introducing or arranging trainees and receiving companies.

#### 6. Do trainees have to be university or higher graduates because the system is for development of core human resources?

People who fall under junior college and technical college graduates are also targets of this system. For other cases, in the case of a person who has enough experience and career in the field of training as well as assumes administrative and supervising roles in the relevant department of a dispatching company, such person can be also a target of this system.

# **Frequently Asked Questions (Experts Dispatch)**

#### 1. Is there any eligibility for dispatched experts?

People whose age is between 25 and 69 and who has a domicile in Japan (living in Japan for 10 years or more). In addition, five-year or more operational experience in Japan for the guidance field is required.

#### 2. Is it possible to appoint our company's employee who has been assigned in the guidance receiving company as an expert?

Experts are dispatched as the Association's experts to provide guidance and advice, and therefore, they are not allowed to assume a responsible post such as a manager or factory director at the guidance receiving company. Further, expatriate employees who have been transferred to the guidance receiving company are not the subject of this expert dispatch system either.

#### 3. Is it possible to dispatch experts to a company before starting operation?

It is required that operation has been started, equipment has been operated and employees of the target of guidance have been hired.

#### 4. Which should apply for the usage of system, headquarters in Japan or an overseas corporation?

We accept an application from a domestic corporation in Japan. Further, in the case of a local company in an overseas country, it is possible if they make an application through a domestic corporation in Japan with which they have a financial and/or business relationship.

#### 5. Are experts to be dispatched limited to our company's employees? Is it possible to dispatch external experts?

It is possible if they conclude an employment agreement such as a temporary employee contract with a dispatching company.

#### 6. How long can experts be dispatched?

As a rule, from 1 to 10 months. However, the period may be adjusted depending on the condition of budget.

#### 7. Is it possible to dispatch multiple experts from one company?

It is possible up to 20 man-months (e.g. 10 months x 2 persons) for the emerging country program and up to 25 man-months (e.g. 5 months x 5 persons) for the carbon reduction program within the relevant year. However, it is necessary to sort the guidance content and the objective setting by dispatched expert. Please consult with us for details.