

Support Program to Strengthen Overseas Supply Chains For Demonstration Projects and Project Feasibility Studies

2nd round invitation starting on September 3, 2020

1. Application requirements

Projects must be able to contribute to making Japan-ASEAN supply chains resilient and optimized and be sufficiently different in terms of content, field and technology compared to similar projects in the past. Technological issues arising in practical use and issues in terms of business shall be made clear. Projects shall not cause a reduction in production facilities within Japan.

Type 1: Development for Product Facilities

For the purpose of contributing to strengthening Japan-ASEAN supply chain resilience, companies will introduce experimental facilities, develop prototypes and design and develop them for practical use, in order to diversify production bases for products and materials. In addition, they will evaluate the feasibility of the full-scale introduction of production facilities.

Type 2: Development for Product/Service Value Chain

For the purpose of contributing to strengthening Japan-ASEAN supply chain resilience, companies will introduce experimental facilities, develop experimental models and implement model projects as well as conduct the design and development necessary in their realization, in order to develop global value chains including production, procurement, logistics and provision of services while utilizing digital technologies like ICT, blockchains and AI. In addition, they will evaluate the feasibility of the full-scale introduction of systems such as for production, procurement and logistics.

2. Eligible candidates, maximum amount and rate of supports

Eligible candidates: Private companies/organizations which have a business base, activity and legal entity status in Japan

Maximum amount: Demonstration projects: 10 million to 200 million JPY; Feasibility Studies: 1 million to 50 million JPY

Rate of support: Large companies: within 1/2; SMEs: within 2/3; SME groups: within 3/4

3. Schedule

September 3, 2020 (Thu): Openly accepting applications

October 2, 2020 (Fri), 17:00: Deadline for applications

Early November (planned): Announcement of adoption

Examples of projects to be supported

Type 1: Development for Product Facilities

Demonstration project

Regarding raw materials and processed products which are concentratedly produced or created in specific countries or regions, with the aim of producing and processing products on a trial basis, the company creates a prototype by using alternate raw materials or processed products or builds a pilot plant* for creating the prototype. (* A facility where prototypes are tested and evaluated in terms of quality and way of manufacture before commercializing and mass-producing)

Through this process, a project aims to pick out technological and cost issues for the steady supply of alternate raw materials in order to introduce a full-scale production and processing facility in the future.

Feasibility study

A feasibility study aims to consider how to form a project framework necessary to realize business from production to sales, understand the trends of the market where products are sold and the trends of competitors, as well as collect, investigate and analyze information to consider how to differentiate products from those of competitors, regarding part materials which are concentratedly produced in specific countries and regions, with the aim of expanding production bases in other countries.

Type 2: Development for Product/Service Value Chain

Demonstration projects

A project aims to verify effectiveness through implementation on a trial basis and introduction of a full-scale system in the future with the aim of improving the efficiency of international logistics and reducing the risk of disruption of supply chains through comprehensively managing global location, inventory and information related to approval of products by using digital technology.

A project aims to introduce a system on a trial basis and pick out issues with the aim of improving those procedures by using digital technologies regarding various procedures related to cross-border trade such as trade processing which was done on a paper basis in the past.

A project aims to pick out technological and cost issues for installing a system and introduce a full-scale system in the future, with the aim of avoiding the disruption of logistics in the event of an emergency and improving productivity through establishing a data management platform involved in manufacturing activities such as part procurement, design and assembly which are done within a group of companies beyond borders.

Feasibility studies

A feasibility study aims to consider an implementation framework and system to be introduced, and collect, investigate and analyze information such as for cost analysis, in order to establish an internal database related to part procurement from overseas production sites and assembly

A feasibility study aims to collect, investigate and analyze information on the feasibility of such business models, with the aim of strengthening supply chain resilience through realizing the visualization of international logistics management and sales order management, such as for medical goods and medicine, by using digital technologies.