

JS releases its Medium to Long-term Action Plan for International Business

- Aiming to accelerate global business expansion -

Japan Sewage Works Agency (JS) 's Medium to Long-term Action plan for international business states a slogan "Aiming to accelerate global business expansion."

1. Long-term plan after ten years and later

JS will join in overseas sewerage construction projects and monetize them using its know-how from domestic business.

2. Medium-term plan within ten years

JS will promote project formation for ODA and aggressively join ODA projects, supporting project implementation there, aiming to contract small-scale projects with municipalities in AWaP partner countries.

3. Expected benefits

JS can play a public role that private companies expect and encourage domestic companies' global presence.

4. Activities for present

While preparing to carry out the Medium to Long-term Action Plan, JS will expand technology seeds, project formation, human resource development, municipal government support, and private business support.

At home and abroad, Japan Sewage Works Agency (JS), as your wastewater platformer, will promote forming the foundations of technology, human resources, and information in the wastewater businesses and contribute to creating a healthy water environment, a safe community, and a sustainable society.

Contact us:

International Affairs Department, Japan Sewage Works Agency
2-31-27 Yushima, Bunkyo City, Tokyo 113-0034, Japan

TEL : (81)3-6361-7814

E-mail : js-international@jswa.go.jp

https://www.jswa.go.jp/e_index.html

* Our new English website is now available

JAPAN SEWAGE WORKS AGENCY
MEDIUM TO LONG-TERM
ACTION PLAN FOR
INTERNATIONAL BUSINESS

-Aiming to accelerate overseas
business expansion-

January 2023

International Affairs Department

Japan Sewage Works Agency

1. Background

The global water business market is expected to grow as the market size was estimated at 71.9 trillion yen in 2019.

In Japan, the law promoting entry to infrastructure projects in the global market was enacted on August 31, 2018. The new law aims to facilitate domestic businesses to join the global market. According to this legal revision, Act 26 of the "Japan Sewage Works Agency Act" stated a new obligation of technical support for overseas business activities to Japan Sewage Works Agency (JS).

In such a background, JS got to try to support each stage of the wastewater project more than ever under the slogan of "JS supports overseas wastewater projects from upstream to downstream." (Figure 1)

JS supports overseas wastewater projects from upstream to downstream !

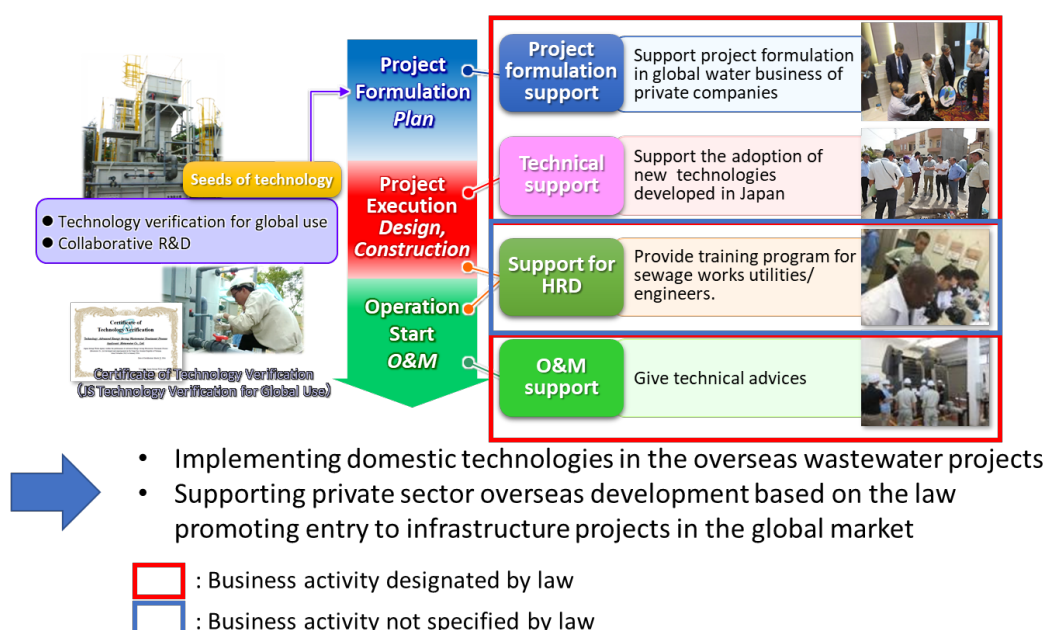


Figure 1 From upstream to downstream

JS conducts its overseas business activities in cooperation with the Sewerage and Wastewater Management Department of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT). The activities focus on implementing Japanese

technologies abroad, including project formulation and overseas water business support for private businesses.

Many private enterprises showing interest in overseas presence expect JS to play a role as a public organization.

JS' overseas technical support activities have been small-scale, and we cannot say they have contributed profitably. So far, JS has been involved in a few domestic technologies' global presence.

While MLIT and the Ministry of Environment (MOE) have conducted Asia Wastewater Partnership (AWaP) project since 2018, our project formulation has focused on Cambodia, Indonesia, Myanmar, the Philippines, and Vietnam, which are AWaP partners, and Thailand.

In the global water business market expected to grow more than ever, "JS Mid to Long-term Action Plan for International Business (The Action Plan)" will focus on supporting the global presence of private enterprises and monetizing international business as a new pillar of JS.

2. JS' Medium to Long-term Action Plan for International Business

JS states a slogan of "**Aiming to accelerate overseas business expansion**" in its medium to a long-term action plan for international business.

1) Long-term action plan after ten years and later

We assume that many developing countries will achieve economic growth, and many of their local cities will demand public hygiene improvement. According to these expectations, we have visioned that nationwide wastewater improvement projects will have similar schemes while each project has regional characteristics.

In such situations, JS will attempt to **join overseas public wastewater construction projects** using its know-how accumulated in domestic projects. (Figure 2)

- Wastewater facilities construction in the small-scale facilities or sludge treatment facilities, and sewer improvement
- Aiming to contract construction projects from their municipalities using target countries' funds

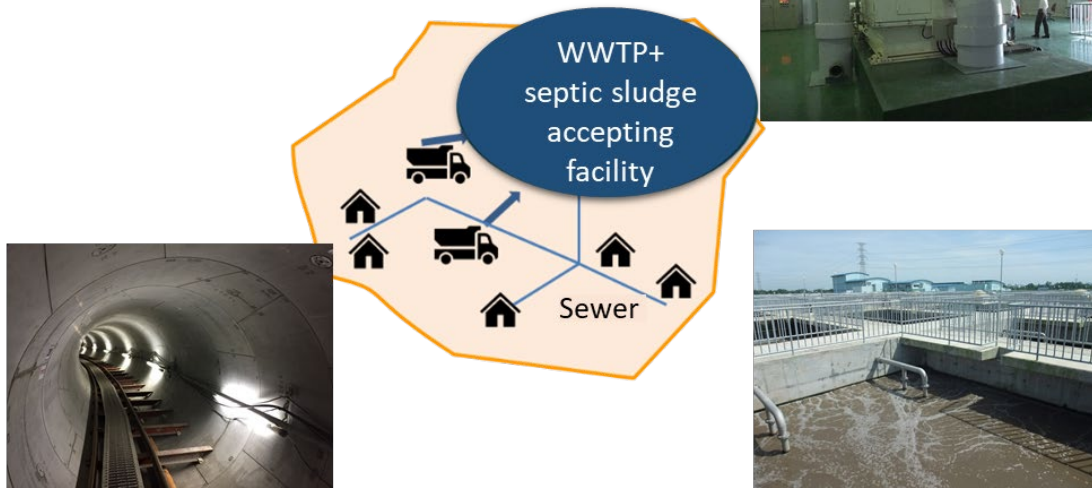


Figure 2

The challenge using its technique, including planning, design supervision, construction supervision, operation and maintenance, technology development, etc., aims to **monetize** overseas activities.

2) Medium-term action plan within ten years

JS' Mid-term Management Plan promotes "overseas business expansion support and international contribution." Currently, our target countries are AWaP partners to achieve the above purpose. We will classify their policies and conditions against ODA projects to promote our overseas activities.

We cannot say all AWaP partners have enough funds to conduct big wastewater improvement projects in many cities. Therefore, we recommend using ODA, depending on their situation.

JS will promote the project formulation for ODA. We aim to aggressively join ODA projects through a joint venture with private companies and obtain achievements, knowledge, and connections. (Figure3)

JS will promote project formulation for some countries or large cities still requiring JICA's ODA. We will join JICA projects through JV with private sectors to obtain achievements, experiences, and connections.

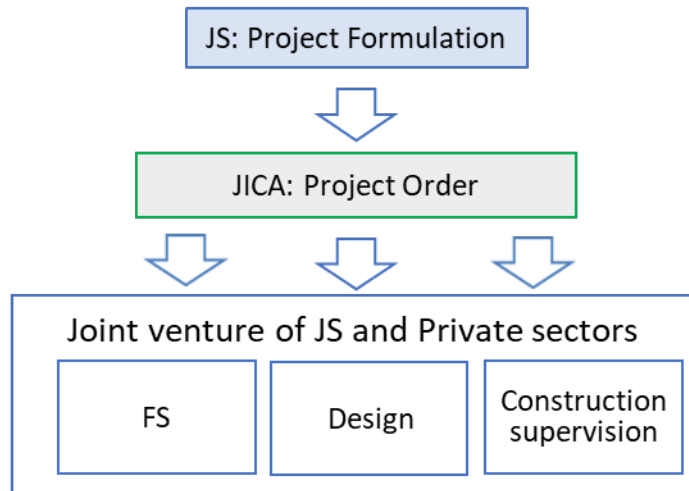


Figure 3

JS will also support AWaP partners needing help with Yen loan utilization by **entrusts of small projects from their local governments**. In this attempt, JS will consider conducting FS or detail design independently. (Figure 4)

- Wastewater project for a super small facility of 1000m³/day capacity
- Proper septic sludge removal and treatment support
- JS will join the project formulated by itself and obtain benefits (considering to design)



Figure 4

On the other hand, JS will promote the active implementation of Japanese technologies in countries like Thailand, which has graduated from ODA and got to use its fund for wastewater improvement. Currently, we promote **projects using Thailand's funds**.

3. Expected benefits

The action plan builds trust against JS and allows it to play a public role that private businesses expect.

The action plan builds trust against JS and allows it to play a public role that private businesses expect. This benefit follows the purpose of the law to promote entry to infrastructure projects in the global market, which encourages the global presence expansion of Japanese private businesses. (Figure 5)

Benefits

1. International contribution

Wastewater project promotion and human resource development can contribute to improving public water/life qualities of the target countries

2. Encouraging global expansion of domestic technologies

Contributing to the purpose of the law promoting entry to infrastructure projects in the global market

3. Improvement of JS' global presence

Getting more entrustment opportunities for overseas projects

4. New profit-making business cultivation

Utilizing the accumulated JS know-how develops profit-making business opportunities

Figure 5

4. Activities for present

JS will prepare to achieve the Action Plan and enhance conventional activities.

- **Expand our technologies:** Entrustment from private companies through the "JS Technology Verification Program" and joining with private companies to the WOW TO JAPAN project of MLIT through a joint venture.
- **Project formulation:** Wastewater project proposal focusing on emerging countries.
- **Human resource development:** Sending experts to engineering training programs held by JICA or municipalities and developing human resources inside JS.
- **Support for local governments:** Technical support to cities joining JICA grassroots projects.
- **Support for private sectors:** Supporting private companies for their overseas expansion through JICA small business or SDGs business support.

5. Conclusion

As a platformer of wastewater business, Japan Sewage Works Agency (JS) will promote forming the foundations of technology, human resources, and information in the wastewater businesses. We will contribute to creating a healthy water environment, a safe community, and a sustainable society.

GLOSSARY

- **AWaP: Asia Wastewater Management Partnership**

The partnership, established in July 2018, consists of six countries; Cambodia, Indonesia, Myanmar, the Philippines, Vietnam, and Japan, and aims to mainstream wastewater management.

- **ODA: Official Development Assistance**

Economic development support for emerging countries.

- **JICA: Japan International Cooperation Agency**

Comprehensive and unified implementing organization of ODA to provide technical cooperation, loan fund assistance (yen loan), and gratis fund aid for developing countries.

- **Septic tank**

Underground facility for wastewater treatment by sedimentation and anaerobic digestion.

Sediments are regularly removed to dispose.

- **FS: Feasibility Study**

Study to be implemented in the master plan stage.