

Regional Economic Policy

Supporting businesses aiming to create new values



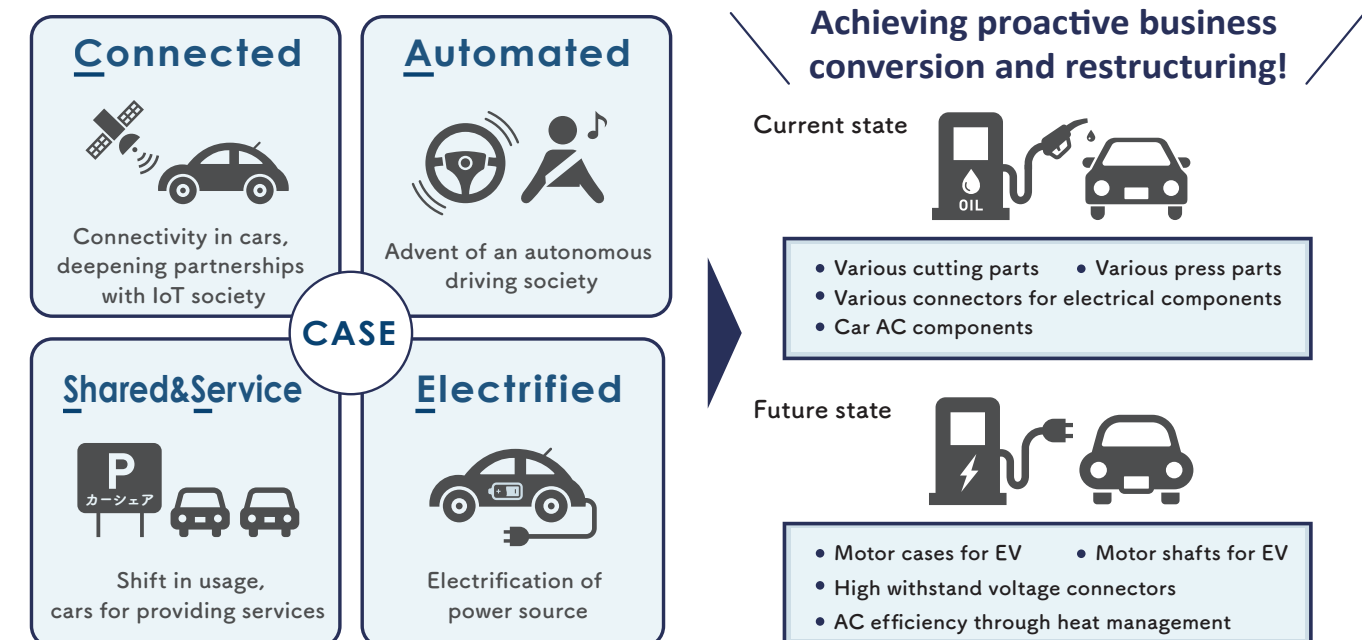
#ManufacturingIndustriesDivision #CASE #MaaS

Addressing the Once-in-a-Century Reform in the Automotive Industry

The automotive industry, regarded as the backbone of Japan's manufacturing industry, is currently undergoing a massive transformation driven by advancements in CASE (Connected, Autonomous, Shared, Electric) and MaaS (Mobility as a Service) technologies, on top of the demands to address carbon neutrality throughout the entire lifecycle of products. To overcome this transformation phase, second-tier and SME parts suppliers of the Chubu region have to manage their existing business while simultaneously shifting their manufacturing focus from automotive components (such as engines and transmissions), which are expected to see a decline in demand, to the production of electrical components, where demand is expected to grow in the future. In this context, it becomes crucial for these businesses to develop business plans in preparation for future business transformations while making investments in facilities, nurturing human resources, and developing technologies. In light of these, we are taking the following initiatives to support regional businesses taking rigorous actions in business conversion and restructuring, such as by shifting to the manufacturing of electrical automotive components or adapting their technologies following vehicle transformations brought about by electrification.

- ▶ Accompanied support based on the supplier's business status
 - ↳ Consultations through helplines, and dispatch of specialists
 - ↳ Hosting seminars and hands-on training
- ▶ Establishment of a regional support network system
 - ▶ Dissemination of information on CASE, MaaS, and the latest trends on technological advancements
 - ▶ Support for facility investments and technology development

In addition, we aim to resolve mobility-related issues and promote regional revitalization through the social implementation of new mobility services. To achieve this, we take part in raising awareness of and promoting solutions by supporting MaaS demonstrations within the region, organizing symposiums, and hosting tours of experimentation sites.



▲ Hosting a smart mobility symposium



▲ Tour of MaaS demonstration site

Supporting the Launch of New Businesses in the Forges and Foundries Sector

The forges and foundries sector is the industry where metals and other materials are forged and processed to manufacture components for automobiles and industrial machinery. To support the numerous small- and medium-sized companies specializing in forges and foundries in the Chubu region, we organize seminars aimed at the launch of new businesses such as business-to-consumer ventures, and offer programs to utilize business restructuring subsidies. Our goal is to strengthen the companies' business transformation capabilities in preparation for reforms in the automotive industry in the future, as well as the coming of a new era involving innovations such as carbon neutrality.

Example of the adoption of funding projects

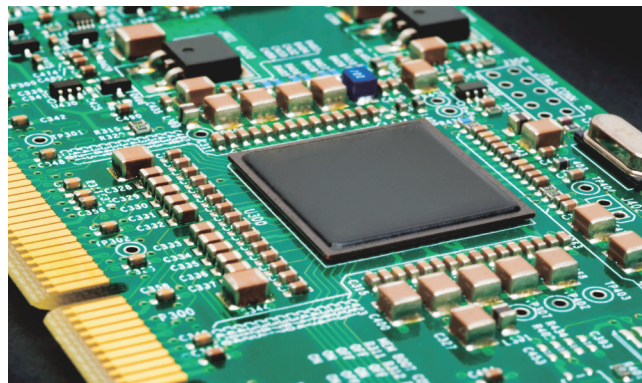


◀ For the manufacture of EV battery cases
Installation of new press machine
(Photo courtesy of Aska Corporation)

Support for Nurturing Human Resources in the Semiconductor Sector

Semiconductors serve as a critical platform to support the digital society characterized by 5G, Big Data, AI, IoT, autonomous cars, robotics, smart cities, and digital transformation (DX). They are also regarded as vital strategic technology directly connected to safety assurance. We provide support to ensure the production and supply capabilities of semiconductors in Japan.

Home to numerous factories operated by semiconductor-related companies, the Chubu region plays an important role in Japan's semiconductor industry. On the other hand, local corporations in the region are facing challenges related to the low level of recognition of the semiconductor industry and the recruitment and development of human resources, such as the difficulty in recruiting talents and lack of educational content provided by academic institutions. To address these issues, the Chubu Region Liaison Council for the Human Resource Development in Semiconductors was established in May 2023, with participating members from semiconductor manufacturers and academic institutions in the Chubu region. The Council aims to create an environment that encourages the increase in the number of students advancing to semiconductor-related research institutions, and expands the talent pool for the semiconductor industry. In the future, we will coordinate partnerships with participating entities according to each of their needs and endeavor to carry out factory tours, internships, and special lectures, among other activities.



▲ Semiconductor substrate
(Photo courtesy of Toyohashi University of Technology)



▲ Hands-on training in wafer manufacturing process
(Photo courtesy of Toyohashi University of Technology)

Creating Asia's No. 1 Aerospace Industry Cluster

The Chubu region is home to the only aerospace industry cluster in the country. As the global market for aerospace industry is anticipated to expand in the medium to long term, we aim to create Asia's No.1 Aerospace Industry Cluster, Japan's premier cluster unrivaled by Asia's emerging nations and at par with the advanced regions of Europe and North America. Aircraft component suppliers were heavily impacted by the effects of the COVID-19 pandemic. But with the demand for air travel bouncing back these days, we are also seeing a gradual recovery in production. It was during this demand recovery phase that we launched the Chubu AeroSpace Support Action to work closely together with local governments and support organizations to maintain a continuous understanding of the suppliers' business status and offer assistance in exploring new business ventures and transitioning towards carbon neutrality.



▲ Chubu AeroSpace Support Action special website



▲ First Aeromart Support Conference in FY2023

Promoting Medical Equipment and Healthcare Industries

As Japan inches towards becoming an aging society with a declining birthrate ahead of other nations, it holds the potential to become the forerunner in providing solutions to an aging population. In addition to developing innovative medical devices, Japan will need to focus on ways to extend healthy life expectancy and realize a society where citizens remain active throughout their lives through the creation of new industries surrounding preventive healthcare and health promotion services.

Against this backdrop, we are collaborating with corporations, local governments, support organizations, and universities to provide assistance for research and development and commercialization of products and businesses. We work together as a single body to offer support that is instrumental in fulfilling diverse needs. We also organize pitch events to address issues in the healthcare sector that are faced by local governments, and encourage partnerships between public and private entities.

Furthermore, we promote the spread of "health management," which is strategically implemented by thinking of the employees' health management from the viewpoint of management, with an aim of increasing health investments and facilitating the growth of relevant industries.



▲ Healthcare industry x Local government = Business solutions
(pitch to government)



▲ "Action! Health Management!" portal site

Promoting the Traditional Crafts Industry

The Chubu region boasts numerous “traditional crafts” designated by the Minister of Economy, Trade and Industry. These traditional handicrafts—crafted using skills and techniques cultivated through years of history and local practices—have garnered worldwide attention and became a source of national pride that showcase the wonders of Japan.

To preserve the heritage of these handicrafts for generations to come, we engage in initiatives to support the training of future artisans, development of new products, and creation of market demand through the Traditional Craft Industries Support Grant. Additionally, we honor contributors to traditional craft industries through awards that aim to revitalize these production areas.



▲ Gifu wagasa, a traditional umbrella designated as a Traditional Craft in 2021
(Photo courtesy of the Gifu Wagasa Association)

▲ The official “Traditional Mark” to identify Traditional Crafts

Supporting the Innovation of New Products and Development of Sales Channels

We facilitate the legal authorization of collaborative project plans among the agriculture, commerce, and industrial sectors for the purpose of promoting the innovation of new products that showcase the unique strengths of each sector and the development of sales channels. This is achieved by encouraging organic collaborations between SMEs and operators in agriculture, forestry, and fishery industries across primary, secondary, and tertiary sectors.

Furthermore, we partner with local governments, regional support organizations, and financial institutions to provide comprehensive support in strengthening product competitiveness and establishing strong brand identities for innovative products crafted using the abundant regional resources of the Chubu region, and appealing products born of agriculture-commerce-industry partnerships. We also support the expansion of sales channels both domestically and internationally through business conventions and other events.



▲ Microwavable frozen noodles certified under the Agriculture-Commerce-Industry Collaboration Project Plan
(Photo courtesy of Akita Seimenjo Company)



▲ Business discussion between a service/parking area tenant and business operator

Supporting Policymaking and Regional Analysis Through Data Utilization

The Regional Economic Analysis System (RESAS) enables the visualization of data related to regional industrial structures, demographic shifts, and human flow patterns, among others. Through the promotion of the utilization of RESAS, we support policymaking in local governments, regional analyses conducted by economic organizations and academic institutions, and various efforts for regional revitalization. Moreover, we identify crucial signs of changes in social structures and business environments affecting companies and compile these trends into the “Kizashi Report (Trend Indication Report)”. The report sheds light on issues in corporations and industries that necessitate action, and provides measures to deal with such issues. It also outlines the supportive approaches taken by administrative agencies and other entities.



▲ Workshop for policymaking using RESAS in Mizunami City, Gifu Prefecture

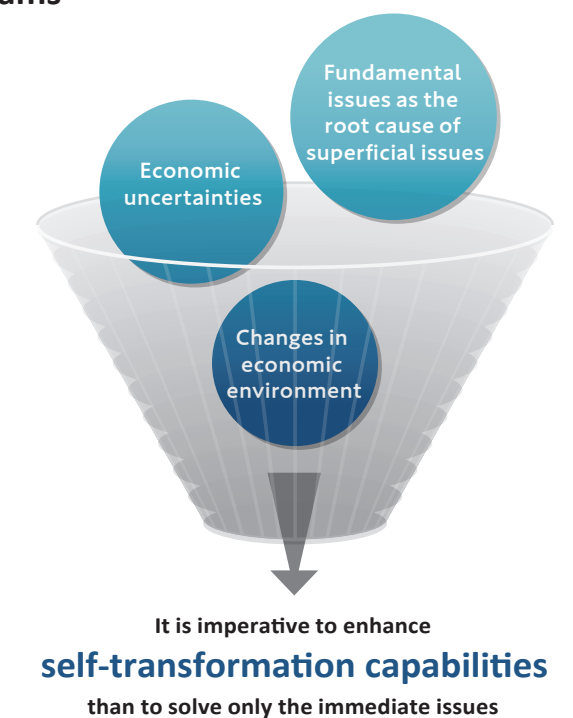


▲ “Kizashi Report (Trend Indication Report)”

Accompanied Support by Public-Private Joint Teams

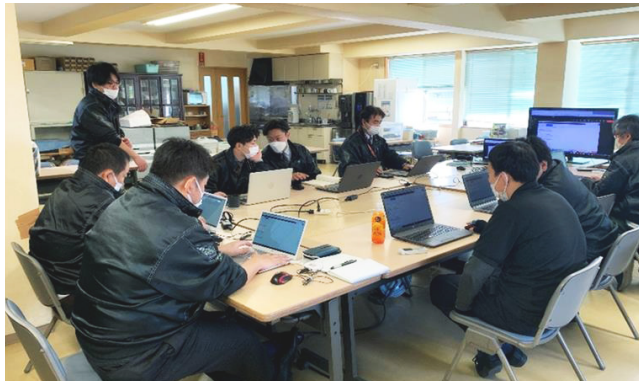
In an age of uncertainties in the economic environment surrounding responses to digital transformation and carbon neutrality, population decline, and the fluidity of international affairs, it becomes crucial for corporations seeking further growth to not only address the immediate issues but also identify and resolve the root cause (the fundamental issue) of such issues. To support the continued growth of enterprises in the Chubu region, we provide accompanied support by launching the Joint Public-Private Business Support Team comprised of public consultants and local municipalities in 2022 in partnership with the Japan Industrial Location Center. Under this program, we apply the concept of process consulting* to hold multiple “listening and dialogue” sessions with company management and employees with a focus on identifying the fundamental issues. By supporting the voluntary actions of corporations resulting from their process of self-discovery, we aim to enhance their self-transformation capabilities and management strengths.

* Process consulting is a consulting method for building a trusting relationship with the party involved through listening and dialogue, and supporting the process of planning and executing the party’s voluntary actions toward organizational transformation based on its self-discovery and insight.



Securing and Utilizing Diverse Human Resources

Bearing in mind the unique industrial characteristics of the Chubu region, we aim to create job opportunities for external talent seeking secondary or side businesses and retain them as core personnel in companies centered around manufacturing. We also work closely with support organizations to secure diverse human resources as a region, helping companies through efforts to provide business solutions and strengthen management capabilities. Moreover, with the Next-Generation Female Leader Training Course, which promotes the active participation of women in the workforce, we aim to upgrade the corporate environment to encourage a diversity of talents.



▲ Online meeting between external human resources and SMEs



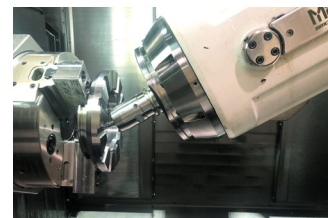
▲ The 5th Next-Generation Female Leader Training Course [Chubu WIN] Completion Ceremony

Monodzukuri Nippon Grand Awards to Promote Chubu Region's Manufacturing Technology

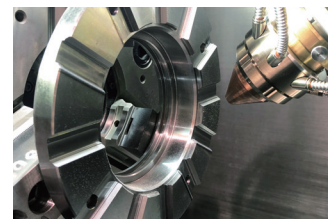
The Monodzukuri Nippon Grand Awards is a commendation system that recognizes and honors exceptional human resources in manufacturing. Its primary goal is to preserve and advance the art of “monodzukuri (manufacturing),” which has supported Japan's domestic industries and culture. From the 9th awarding ceremony, we have created a new award – the “Chubu Bureau of Economy, Trade and Industry Director General Award”. Additionally, the presentation of award-winning cases on the Award Commemoration Forum is livestreamed to showcase Chubu region's outstanding manufacturing technologies to a broader audience.



▲ An additive manufacturing machine, the winner of the Chubu Bureau of Economy, Trade and Industry Director General Award in the Monodzukuri Nippon Grand Awards / Development of hybrid compound processing machine equipped with grinding technology (Photo courtesy of Yamazaki Mazak Corporation)



Machining



Additive Manufacturing



Grinding

Supporting Businesses in Their Pursuit of Digital Transformation

The Chubu DX Promotion Community was established in March 2022 as a collaborative support program initiated by industry, academia, and government to advance the digitalization and digital transformation (DX) of companies within the Tokai region. Throughout FY2022, our activities focused on introducing successful implementation cases with an emphasis on the processes leading up to the realization of DX. We also engaged in discussions on topics concerning the advancement of support know-how among various support organizations and the fostering and utilization of the ideal talents that are needed in pursuing and promoting DX. The Chubu DX Promotion Community is a one-stop portal site where visitors can find comprehensive information on the support efforts of participating entities.

Moreover, in March 2023, we held a forum to report on the accomplishments of the Chubu DX Promotion Community and present upcoming initiatives led by economic organizations, universities, and supporting institutions. In FY2023, we aim to further enhance our activities, including cybersecurity measures, to achieve heightened industrial competitiveness.

The Hokuriku region boasts a high concentration of niche top businesses and companies engaged in innovative research and development. To ensure these enterprises remain as cornerstones of the regional economy, we offer assistance in their endeavors to establish new business models through DX utilization and enhance productivity.

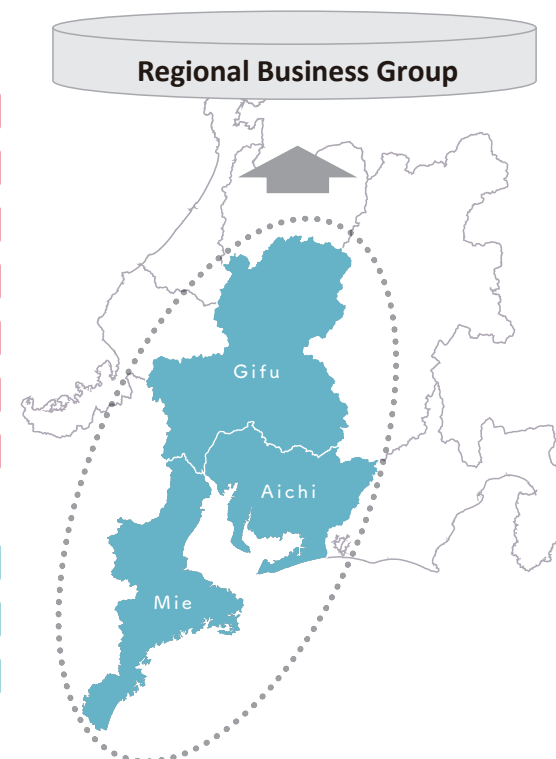
Promotion System of the Chubu DX Promotion Community

Local Governments

- Aichi Prefecture
- Aichi Industry Promotion Organization
- Gifu Prefecture
- Softopia Japan
- Mie Prefecture
- Mie Industry and Enterprise Support Center
- Nagoya City

Branch Offices

- Tokai Bureau of Telecommunications
- Chubu Bureau of Economy, Trade and Industry
- Chubu Regional Development Bureau



Economic Organizations

- Central Japan Economic Federation
- Nagoya Chamber of Commerce & Industry

Universities and Research Institutions

- Tokai National Higher Education and Research System
Nagoya University/Gifu University
- Nagoya Institute of Technology
- Mie University
- AIST Chubu, National Institute of Advanced Industrial Science and Technology

Independent Administrative Institutions

- Information-technology Promotion Agency
- Chubu Headquarters, Organization for Small & Medium Enterprises and Regional Innovation



▲ Chubu DX Promotion Community Forum 2023



▲ Chubu DX Promotion Community special website