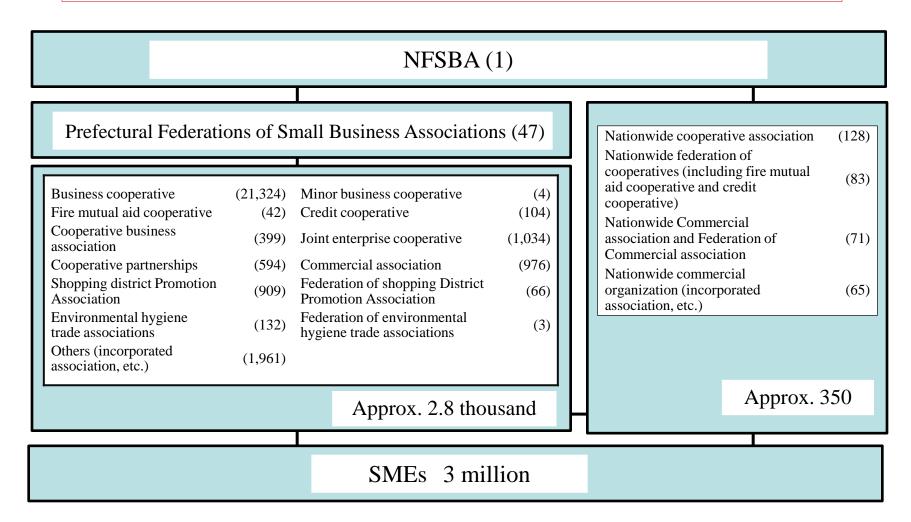
The National Federation of Small Business Associations 'System and its Activities

-How Small Business Support Organization Provide Support-

29th August, 2013

National Federation of Small Business Associations

Organization of NFSBA



NFSBA Support System

Support System

NFSBA

Counselor: About 34 people, staff: about 10 people

Prefectural Federations of Small Business Associations

Counselor: About 862 people, staff: about 141 people

Support Methods

- Provision of guidance by a counselor's visit, dispatch of experts
- Provision of consultations regarding various matters (finance, tax system, management, labor, etc.)
- Holding training sessions and workshops (intended for managers and employees)
- Providing support to build cooperation between enterprises, between enterprises and universities, between enterprises and experts, etc.
- Subsidize development of new products and market by associations and enterprises
- Subsidize fostering of human resources of associations and enterprises

Three SMEs Organizations

1. NFSBA

- (1) Member organization: 35 thousand associations, 3 million SMEs
- (2) 47 Prefectural Federations of Small Business Associations
 - Fund for activities (FY2010 Grants for supporting collaborations for 47 Prefectural Federations of Small Business Associations: Total 6.4 billion yen)
- (3) Role: Providing guidance to associations, making policy recommendations, implementing policies, informing of actual conditions, etc.

2. Japan Chamber of Commerce and Industry

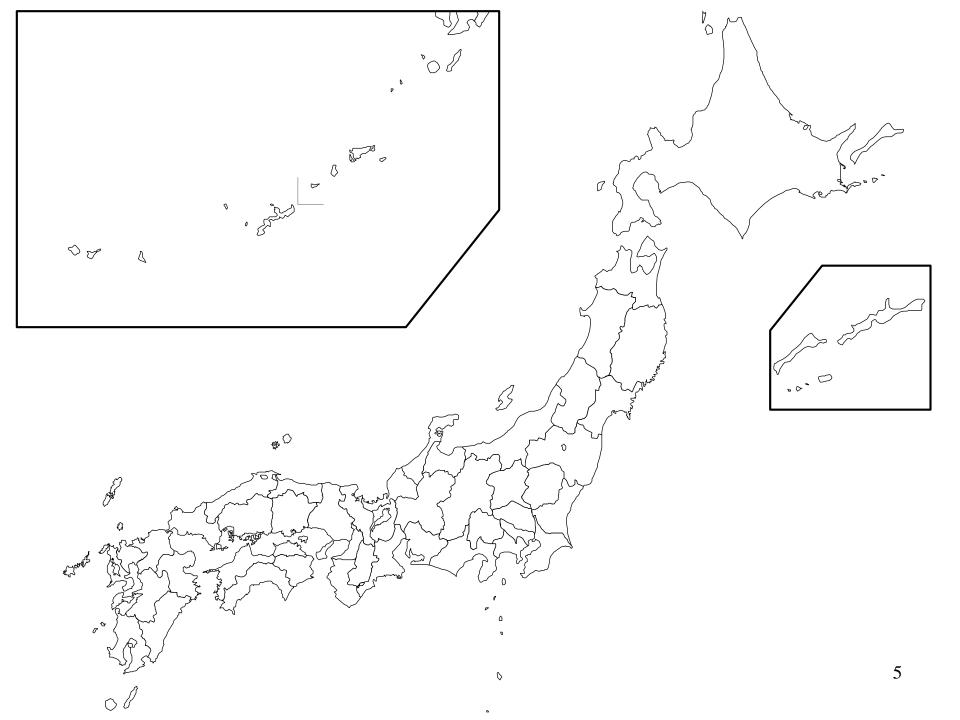
Support organization including those engaged in commerce and industry, etc. in "city" areas

• Urban areas, large enterprises and medium enterprises

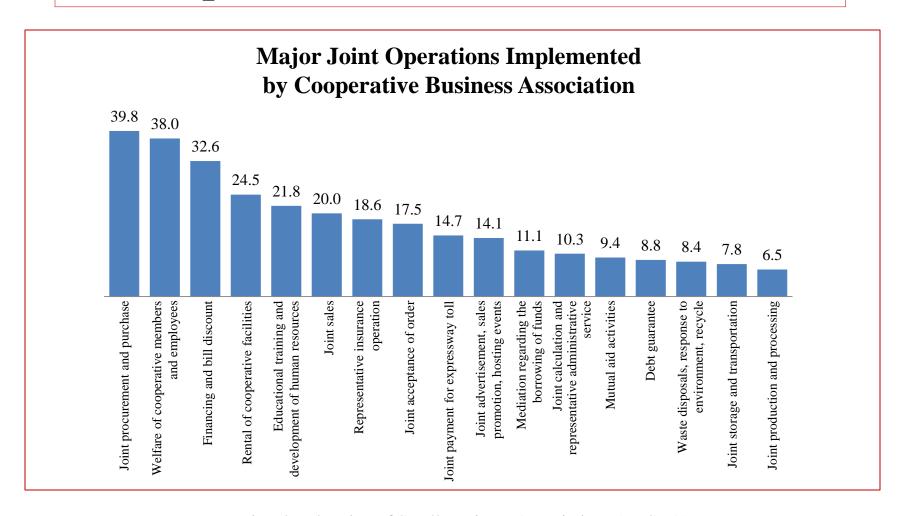
3. Central Federation of Societies of Commerce and Industry

Support organization including those engaged in commerce and industry, etc. in "town" and "village" areas

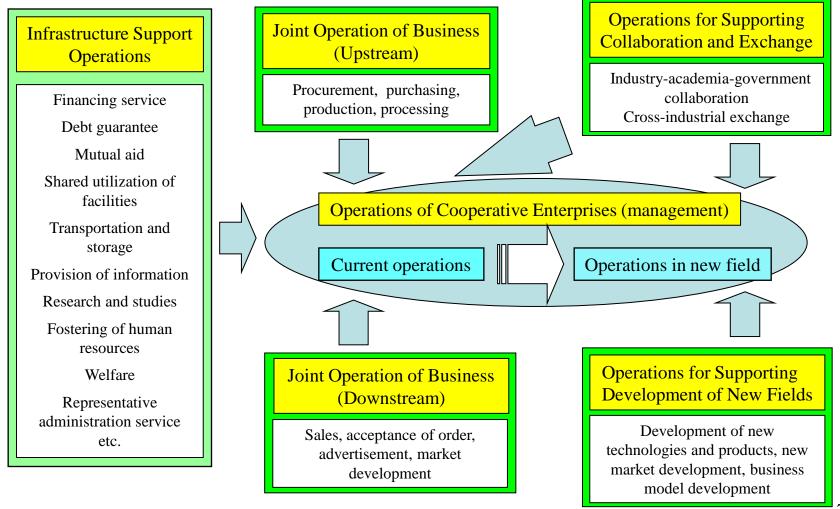
- One Village, One Product campaign
- Advanced primary sector



Major Joint Operations of Cooperative Business Association



Conceptual Diagram of Major Joint Operations of Cooperative Business Association



3. Changes in Policies regarding SMEs

- (1) Local sovereignty
- (2) Coordination with policies which used to be separated including welfare, nursing, education, etc.
- (3) Promotion of problem-solving policies
 - -Food, environment and energy, the declining birth rate and the aging of society, safety and security-

prospects

Overseas expansion

Local community

4. Shift in cooperatives

- (1) Trends of Newly established cooperatives
- (2) Characteristics of recently established cooperatives
- (3) Needs for new systematization

Composition ratio of existing cooperatives by industry 100% Cross industry ross industry 90% ervice industr 80% 70% Vholesale an 60% retail sale ervice industr industry 50% 40% Retailing industry Construction 30% industry Construction industry 20% Manufacturing 10% lanufacturing industry industry 0%

March 2010

March 1981

Past Present Future

[Shift in economic environment]

- High-growth period
- Globalization

• Agriculture-Commerce-Industry

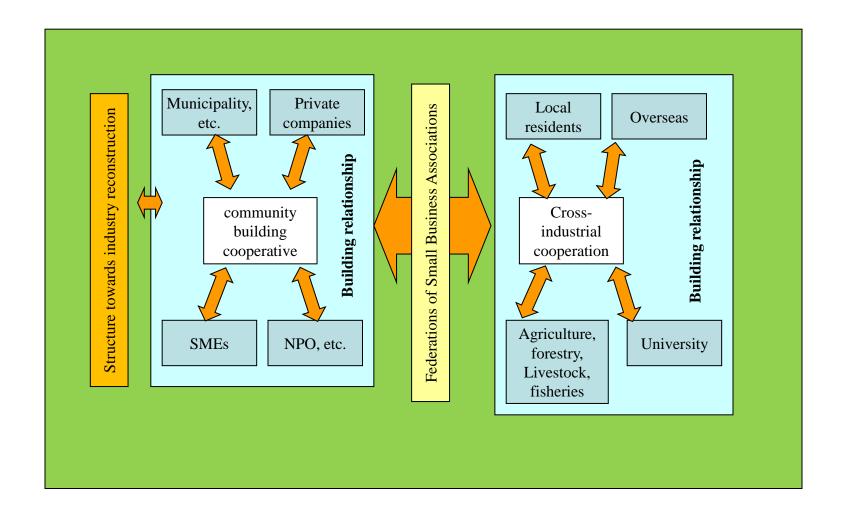
• Business cooperative (local community)

Collaboration

- Stable-growth period
- Regeneration of regions
- After the collapse of bubble economy

*2 New Needs for Systematization Example of cooperatives Pursuit of scale Subcontract and business Mass production System **Past** affiliate cooperative Modernization and upgrading of equipment • Same trade comprising cooperative Example of cooperatives Pursuit of quality Cross-industry Diversified products cooperative Present with quick turn Service industry Improvement of quality cooperative • Orchestration with foreign companies • Town building cooperative Creation of • Environment-responsive cooperative **Future** a market

(Figure) Image of reconstruction cooperative (community building cooperative)



Stakeholders Surrounding the NFSBA

- 1. Members ((1) Cooperative enterprises, (2) Cooperative Secretariat)
- 2. Government, regional bureau, local government (approval agency)
- 3. Involved organizations

