

One Village One Product (OVOP) Movement

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Today's agenda

- Origins of One Village One Product (OVOP):
Oita Prefecture, Japan
- What is OVOP?
- OVOP in other countries

ORIGINS OF OVOP

Economic development of *Oita* Prefecture

Investment can be induced to the coastal areas.



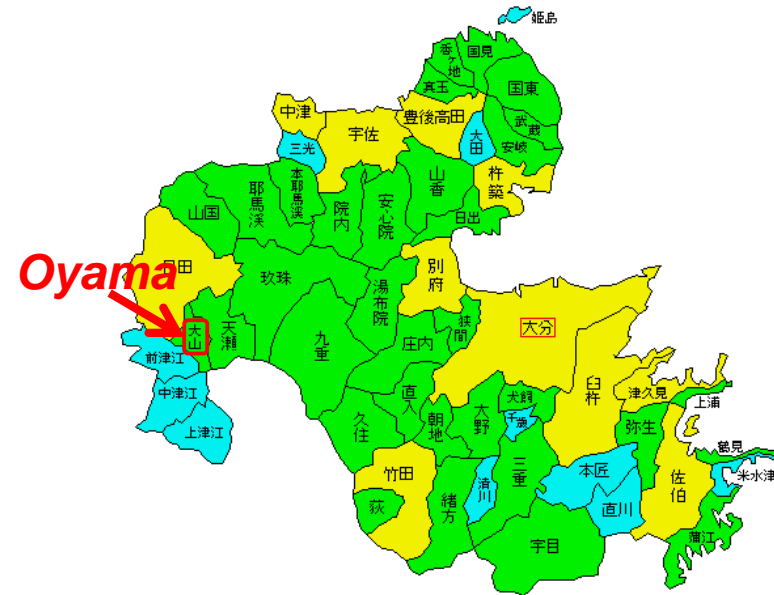
How about mountainous areas?



Challenges at the time

- Migration from rural to urban areas.
 - Urban congestion & pollution
 - Rural de-population & accelerated ageing
 - Young people leaving. No successors.
- Mindset in rural communities
 - “We have ‘nothing’.”
 - Dependency syndrome → Expected help from outside
 - People expected support from the governments
 - “All we had plenty was jealousy.”

An origin of OVOP – *Oyama* Town



- Average annual income in *Oyama* Town was half of an average in *Oita* Prefecture.

<http://www.oyama-nk.com/rinen/sekkei.html>

A vision

- Government policies
 - National government promoted rice cultivation.
 - Prefecture promoted animal husbandry.

- Mr. *Yahagi* became head of Oyama Agricultural Cooperative in 1954.
 - From a local rice wine making family. (Knew about “business”.)
 - Advocated need for employment attractive for young people
 - Higher income
 - Eight hour work days
 - Three day holidays per week
 - They needed something other than rice and cows.



Sense of crisis:

“There will be no young people left.”

■ Preparation

- Intelligence: Visited many places around Japan
 - Producers
 - Markets
 - Potentials
- Persuaded young people
 - Stories of successful examples



■ In 1961, started an “NPC Movement”

- NPC = New Plums and Chestnuts
- Slogan: “Let’s plant plums & chestnuts and go to Hawaii.”

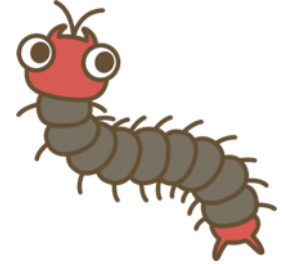
“Centipede” agriculture strategy

- Plums were a success.
 - Chestnuts were not. → Abandoned.



- Diversified products (They decided to stand on a hundred legs.)

- Vegetables
- Mushrooms
- Herbs



Agro processing

- Ideas came from Kibbutz (Israel) (through study tour)
- Jams, juices, snacks, pastries, ice-creams
-
- And plum wine.



Konohana Garten



Shop & restaurant (with local products/ingredients)

Opened in 1990

Annual sales 16 bil. Yen

Annual visitors 1.9 mil.

8 shops in Oita Pref. & 1 in Fukuoka

Managed by Oyama Agri. Coop.

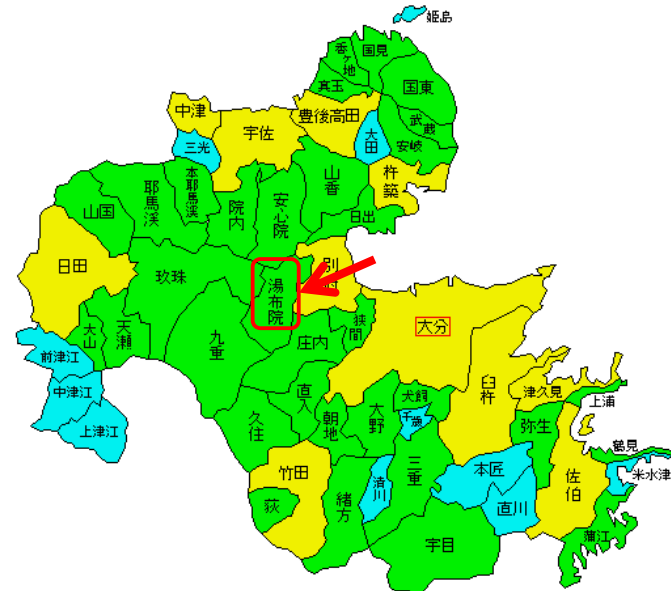
Hibiki No Sato



Plum Wine Shop, Factory, & Hot Spring Complex

- Local product shop
 - Accommodation
 - Hot-spring
 - Restaurant
 - Workshops
 - Meeting facilities
 - Plum wine factory (with Nikka Whisky Distilling Co., Ltd.)
- Managed by a Public-Private joint-stock company

Another example: *Yufuin*



- *Yufuin* is a hot-springs town located in *Yufu* Basin.
- In addition to hotels & inns, it has various museums and shops.
- Four million tourists visit *Yufuin* every year.

Yufuin history



- Used to be a farming community with some hot-spring inns.
- 1952: A large dam construction plan triggered heated discussions between farmers & inn owners.
- 1955: A new mayor launched a new health resort initiative.
- 1970-72: Large-scale development plans (golf course, safari park, etc.) led to another round of discussions.
- 1975: *Yufuin* suffered from a major earthquake.
- 1975-79: A series of new tourism initiatives started:
 - Horse carriages
 - “Beef-tasting & Shouting Festival”, *Yufuin* Film Festival

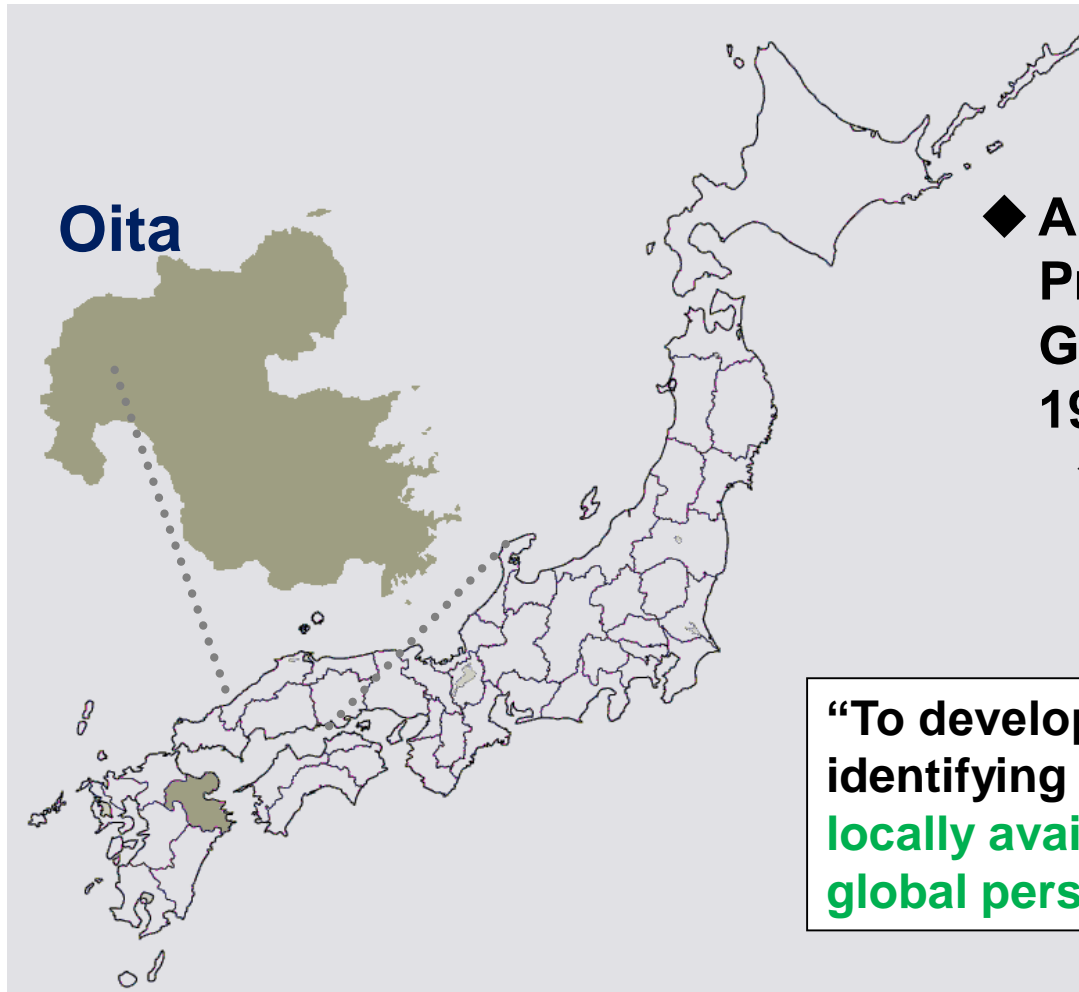


Start of OVOP Movement

- In 1975, Dr. *Hiramatsu* was appointed Vice Governor of *Oita* Prefecture.
 - Visited throughout the Prefecture, found initiatives such as *Oyama & Yufuin*.
- In 1979, after elected as Governor, he started “One Village One Product Movement”.



One Village One Product (OVOP)



- ◆ A “movement” in *Oita* Prefecture started by Governor *Hiramatsu* in 1979.
 - ✓ Based on existing local initiatives.

“To develop **our own initiatives** by identifying and making use of **locally available resources** with **global perspectives.**”

... and how it was done in *Oita*?

WHAT IS OVOP?

What is OVOP?

- Originally called “OVOP Movement”
 - Mobilize people

- OVOP as Public Policy:
 - To develop communities by promoting business activities....

It's a positive approach based on local advantages.

- Focuses on what you have, NOT what you don't have.

 Local resources (“treasures”)

- Local resources could be:
 - Agricultural, forestry, fishery resources
 - Mineral resources
 - Tourism resources (natural environment, landscape, cultural heritage, history, festivals, local food/drinks)
 - Human resources (technical skills, traditional skills, entrepreneurship, lifestyles)

OVOP is often misunderstood

“One Village One Product”

- Needs to be “Village”? – No, depends on the country.
 - e.g., OTOP (Thailand), ODOP (Laos), OLOP (Nigeria)
- Only “One” product? – No, at least one.
 - The more, the better.
 - Diversify against risk & cope with seasonality.
- Only “Product”? – No, can be service.
 - e.g., tourism

Three principles

Develop unique products & services

utilizing local resources

- Aim at being only one in the world
- Not necessary to export

Local yet global

Nurture those people who could practice the other two.

Three principles of OVOP

Self-reliance & creativity

Human resource development

“Prefecture helps those who help themselves.”
= Promote Entrepreneurship

Principle 1: Local yet global

- Local resources as a driving force
- Identify/develop unique “product” or service (= the only one in the world).
 - Competitive advantage
- Aims at niche market (↔ Mass production)
- Start with one product. Better to have more.
 - To diversify & reduce risks
 - To cope with seasonality

Principle 2: Self-reliance & Creativity

- Self-reliance: People's own initiatives
 - It's a business activity; benefits & risks for them. (No one else.)
 - Others (incl. governments) should NOT undermine their self-reliance.
 - In *Oita* case, direct subsidies were not provided to local people under OVOP.

Principle 2: (continued)

Self-reliance and **Creativity**

- Add value to products through unique ideas.
- Must be what customers want to buy
- “Outside people, young people & crazy people”

Principle 3: Human Resource Development

- Human resource development through business.
- Getting business mind makes local people strong. (= entrepreneurship)

Roles of Prefecture Government

What they did NOT do:

- No new subsidies or loan schemes (← Not to undermine self-reliance)
- Not assign one technical department to be responsible

What they did:

- Promote OVOP initiatives
- Encourage use of existing support schemes, both prefectural & national
- Human resource development
- Support to explore markets

1. Promote OVOP initiatives

- Governor proposed the idea at meeting of heads of municipalities.
 - From 1979 to 81, he visited all the municipalities and had meetings with people.
- Campaign (PR magazine, TV ads.)
- Gave Awards to good practices
 - First awards in 1981 went to *Oyama* and *Yufuin*.

2. Encourage use of existing schemes

- Became a platform for people to use existing support schemes and programs by Prefectural and National governments.
 - Governor's Office coordinated
 - Encouraged communities to request support from departments and institutions.
 - National schemes (e.g., MAFF subsidies)
 - Prefectural technical centers (e.g., Agro-processing Guidance Center, Floriculture Guidance Center, Marine Products Processing Guidance Center)

3. HRD & 4. Markets

- Human Resource Development
 - Leadership development courses
 - Sectoral courses
 - Youth & women courses



- Support to explore markets
 - Top sales by Governor
 - "Oita Fair in Tokyo"
 - Oita OVOP Inc. (by a local department store)



<http://www.oita-isson-ippin.co.jp/index.html>

Oita's "achievements"

Figure 8: OVOP product in Oita prefecture in Japan



Source: Oita OVOP International Exchange Promotion Committee, 2008



- Some products became national brands:
 - ✓ Dried *shiitake* mushrooms
 - ✓ *Kabosu* limes
 - ✓ Greenhouse tangerines
 - ✓ *Bungo* beef
 - ✓ *Mugi-shochu* liquor
- One million tourists annually
- All the 58 cities/towns/villages carried out their own initiatives.

Product development:	338
Community development:	111
Local facilities building:	148
Environmental preservation:	80
Local culture preservation:	133
Total:	810

OVOP IN OTHER COUNTRIES

OVOP was promoted internationally

■ By *Oita*

- Governor's presentations overseas
- Visits to *Oita* Prefecture from other countries
 - China, Philippines, Malaysia, Thailand, Indonesia, Cambodia, Mongolia, etc.



■ At international forums

- WTO Development Initiative (2005) -> To developing countries
- Tokyo International Conference for African Development (TICAD IV) (2008) -> To countries in Africa

■ JICA

- Technical cooperation cooperation.

Asia	Africa	Latin America
Vietnam	Malawi	Chile
Lao PDR	Kenya	Peru
Thailand	Uganda	Columbia
Bhutan	Mozambique	(Argentina)
	Nigeria	Guatemala
Kyrgyz	Ethiopia	El Salvador
Armenia	Rwanda	Nicaragua
	Senegal	Honduras
	Zambia	

Thailand's OTOP



"Thailand's OTOP project encourages village communities to produce and market unique products and handicrafts hand-made from locally available materials utilizing local wisdom and skills handed down from generation to generation."

(<http://www.tatnews.org/emagazine/2178.asp>)


- Five-star system
- Various ministries are involved.



JICA's involvement

- Sharing experience
 - Training in Japan & other countries (e.g. Thailand)
- Build local capacities
 - Sending advisors
 - Technical cooperation projects

OVOP varies by country

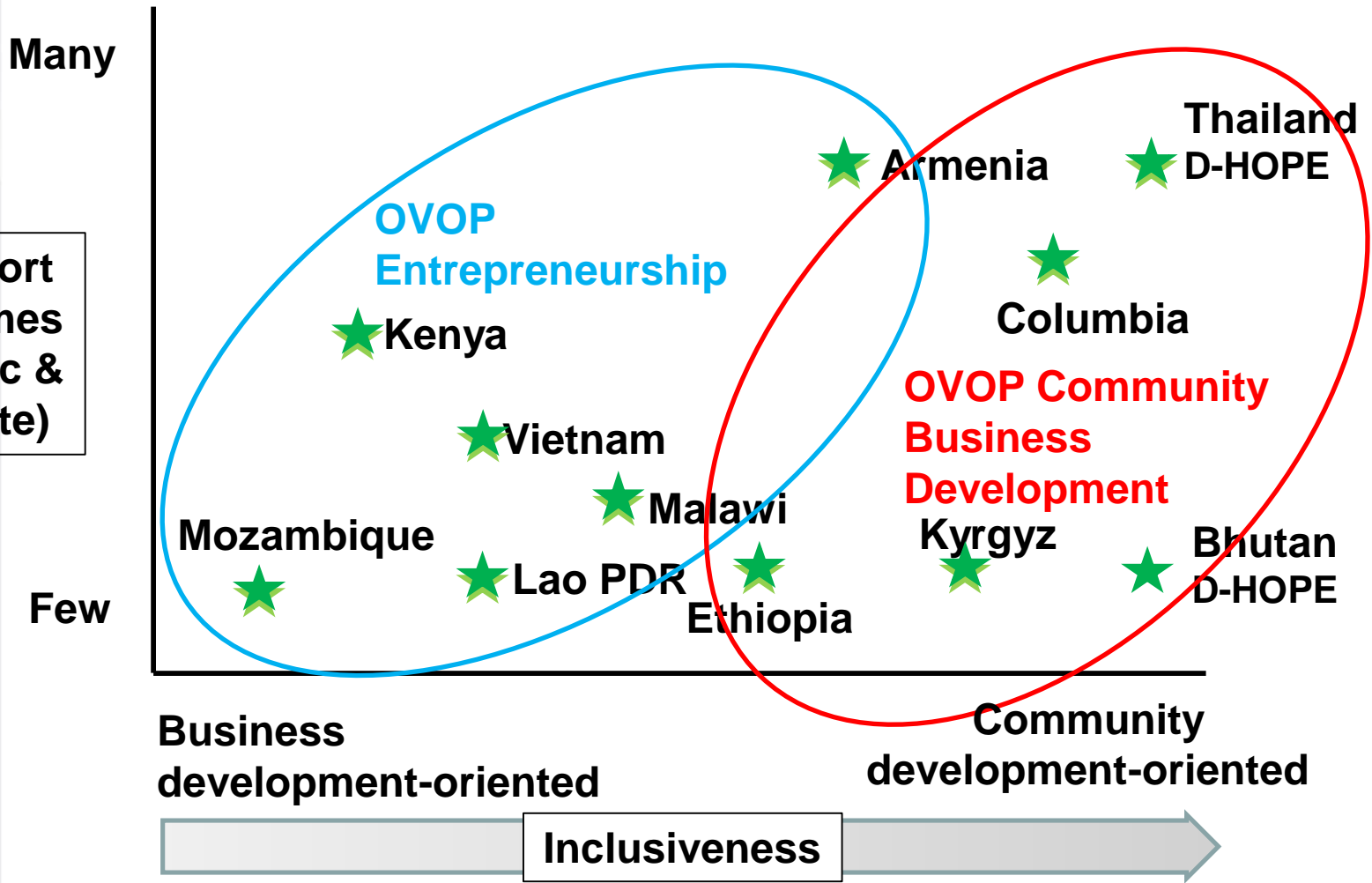
- All based on Three Principles & promote businesses
- What they aim at in short-term is different
 - Promote individual businesses (+ benefits through value chain)
 -  Gradation ...
 - Promote community-wide initiatives (i.e. inclusiveness)
- Existence of support schemes
 - Finance, Business Development Services (BDS)
 - Support for inclusiveness
 - Support from ministries, DPs, Private Sector
- May depend on how familiar people are with market economy.

By the way, BDS means ...

- All services to promote businesses that are NOT financial:
 - Training/seminars (esp. management)
 - Consulting services
 - Marketing support
 - Business-related information
 - Technology development & transfer
 - Business linkages (matching, etc.)
 - And others...

Positioning of OVOP

Two sub-brands





Herbal products



Yogurt



Aloe products



Soap stone handicrafts



Mushroom powder



Banana chips



Flour & Dried fruits



Horn handicrafts



Business Development Seminar (5 days)



Knowing your Profit and Sales



Knowing your Market



Knowing your Business Partners



Technical training & marketing support

Improving Production and Value Addition



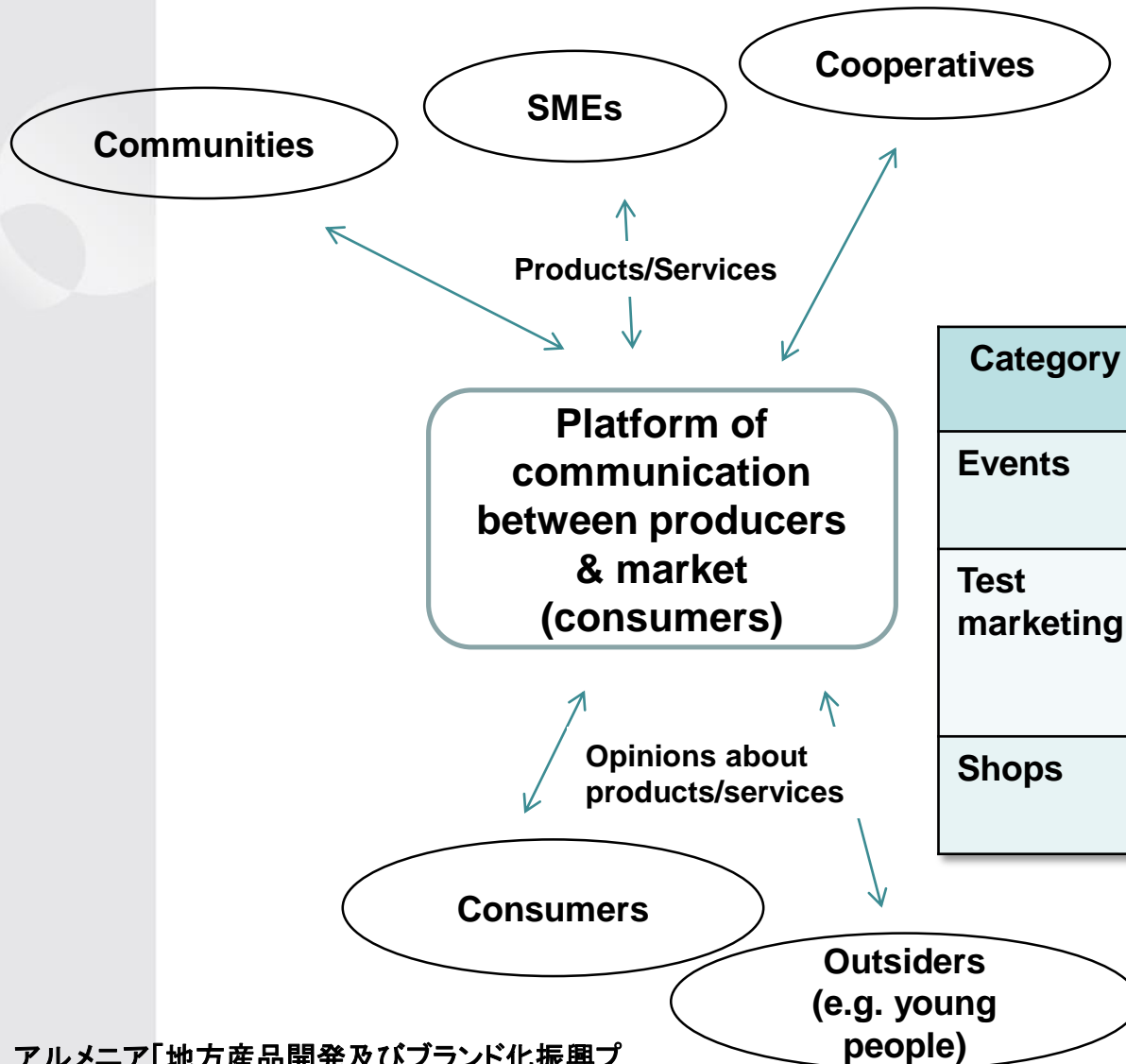
Improving Management and Marketing



- Support for HRD
- No subsidies/loans
 - Provide opportunities (e.g. matching)

Marketing platforms

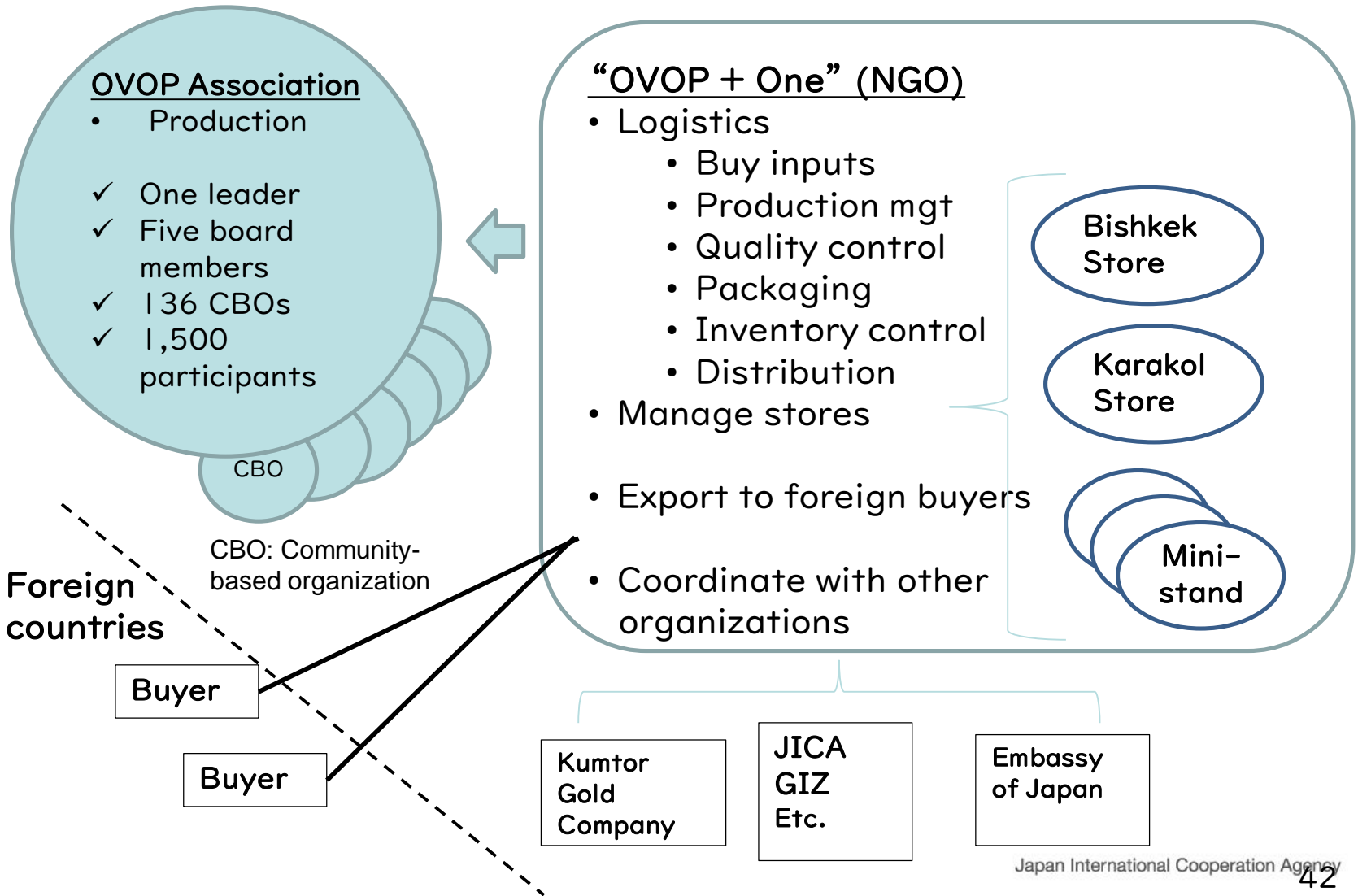
For product development & improvement



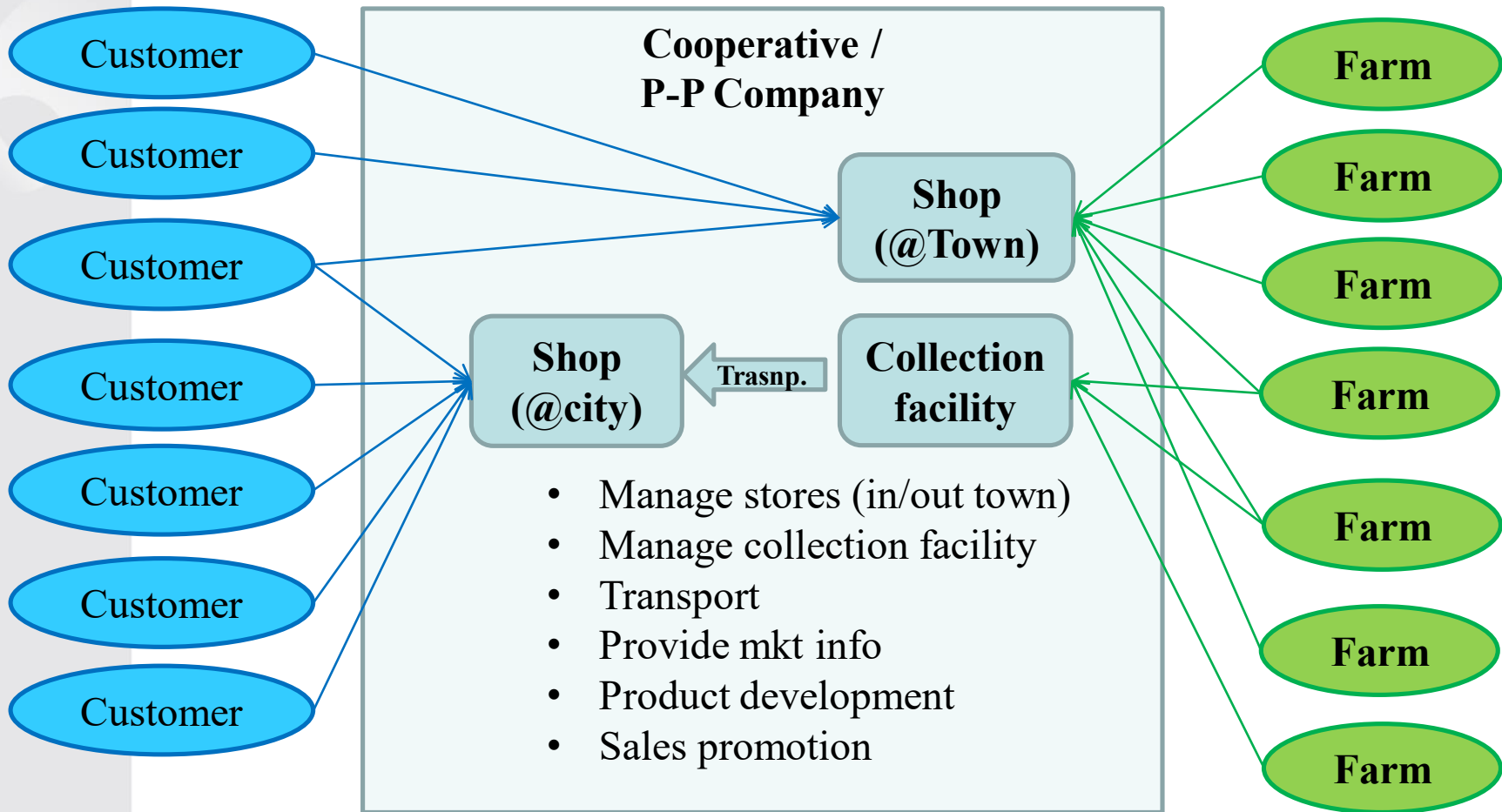
Category	Examples
Events	<i>Onpaku</i> , festivals, fairs, idea contests, study tours
Test marketing	- Target (e.g. women in 20s, foreigners) - Means (e.g. questionnaires, voting)
Shops	Antenna shops, <i>Michi-no-eki</i> , stalls in supermarkets



Division of Labor



Cf. Case of Oyama



GO TO MR. UCHIKAWA'S PRESENTATION

LASTLY, ...

Successful OVOP includes ...

Advocacy

Building people's capacities

- To identifying local resources (“treasures”)
- To develop products/services
- To expand/secure markets/customers
- To manage business (e.g. book-keeping)

Practical roles of the government

- Support HRD
- Facilitate services
- Provide platforms
- Should NOT undermine self-reliance

Continuity is power.

Our advice



Promote business initiatives

Support schemes

- Advocacy
- HRD for (community) business
- Promote BDS, if not available
- Collaborate with other Development Partners

Provide opportunities to try business

- Provide opportunities to interact with market/customers
- If appropriate, develop marketing organizations (e.g. Antenna shop, Roadside Station)
- If ready, develop regional brands



Use of community development tools D-HOPE



Use of digital technologies

Suggestions to FAO

- Use your convening power
 - Assessment based on a common framework
 - Share experience among countries & organizations
- Provide specific expertise: e.g.
 - Food safety
 - Geographical Indications (GI)

Thank you!

For further inquiries:

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