



The Policy Evaluation System of the Japanese Government

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1. Brief History & the Gist



Final Report of the Administrative Reform Council (Dec. 1997)

“Traditionally, in Japan's administration, emphasis has been placed on enacting laws and obtaining budgets, and the evaluation function of proactively reviewing policies based on their effects and subsequent changes in the socio-economic situation has tended to be neglected.”

Determined to introduce a policy evaluation system throughout the government as part of central ministries reform scheduled in 2001

The Policy Evaluation System was introduced in January 2001.

The Government Policy Evaluations Act (GPEA) was enacted in 2001, enforced in April 2002.

The Government Policy Evaluations Act (GPEA)

Act no. 86 of June 29, 2001

Article 3 (Principles of Policy evaluation)

- (1) An administrative organ shall study and acquire information on the effects of policy under its jurisdiction at the appropriate time, and on the basis of such study, evaluate own policy from the standpoints of necessity, efficiency, effectiveness, or other standpoints as special characteristics of the said policy may require, and appropriately reflect results of such evaluation in the planning and development of the said policy.
- (2) Evaluation pursuant to the provisions of the preceding paragraph shall be carried out in accordance with what is expressed in the following to ensure objective and rigorous conduct of evaluation:
 - (i) The effects of policy shall be studied employing rational means properly suited to the special characteristics of the policy using as quantitative a method as possible.
 - (ii) The findings of persons with relevant knowledge and experience shall be acquired and utilized in accordance with the special characteristics of the policy.

The Gist

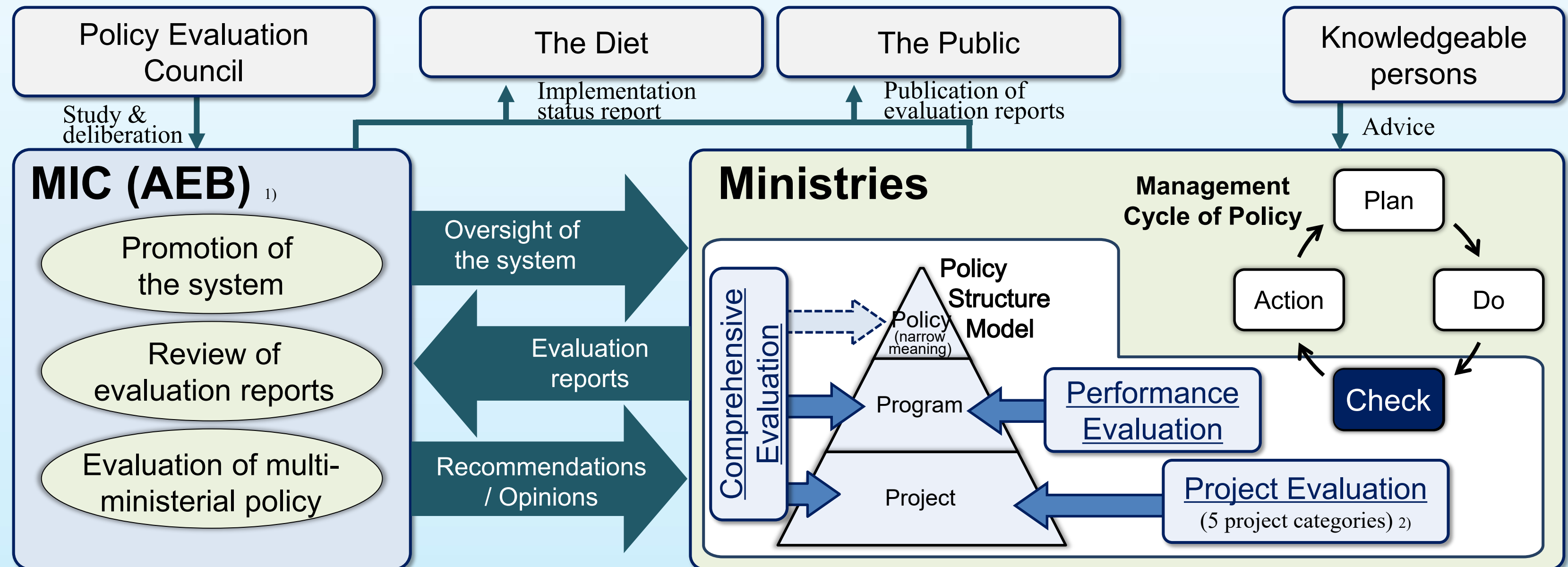
- To acquire information on policy effects (= outcome)
- To evaluate policy's necessity, efficiency & effectiveness
- Self-evaluation by each administrative organization
- Establishment of the management cycle (PDCA) of policy
- Rational evaluation means, possibly quantitative ones
- To involve knowledgeable persons outside the government

2. Outline of the System



The policy evaluation system is operated based on GPEA with the objectives of

- (1) promoting **effective and efficient administration** and
- (2) ensuring **accountability to the public** regarding government activities.



1) MIC = Ministry of Internal Affairs and Communications, AEB = Administrative Evaluation Bureau

2) Evaluation is required for 5 project categories; public works, regulations, special tax measures, ODAs and R&Ds.

3. Evaluation Method (1) Performance Evaluation



○ Performance Evaluation

An equivalent of **performance measurement**. After a policy is adopted, goals are set in advance with a focus on policy effects, and performance against these goals is regularly and continuously measured. At the end of the goal period, overall efforts and final results are summarized to ensure that the goals are achieved.

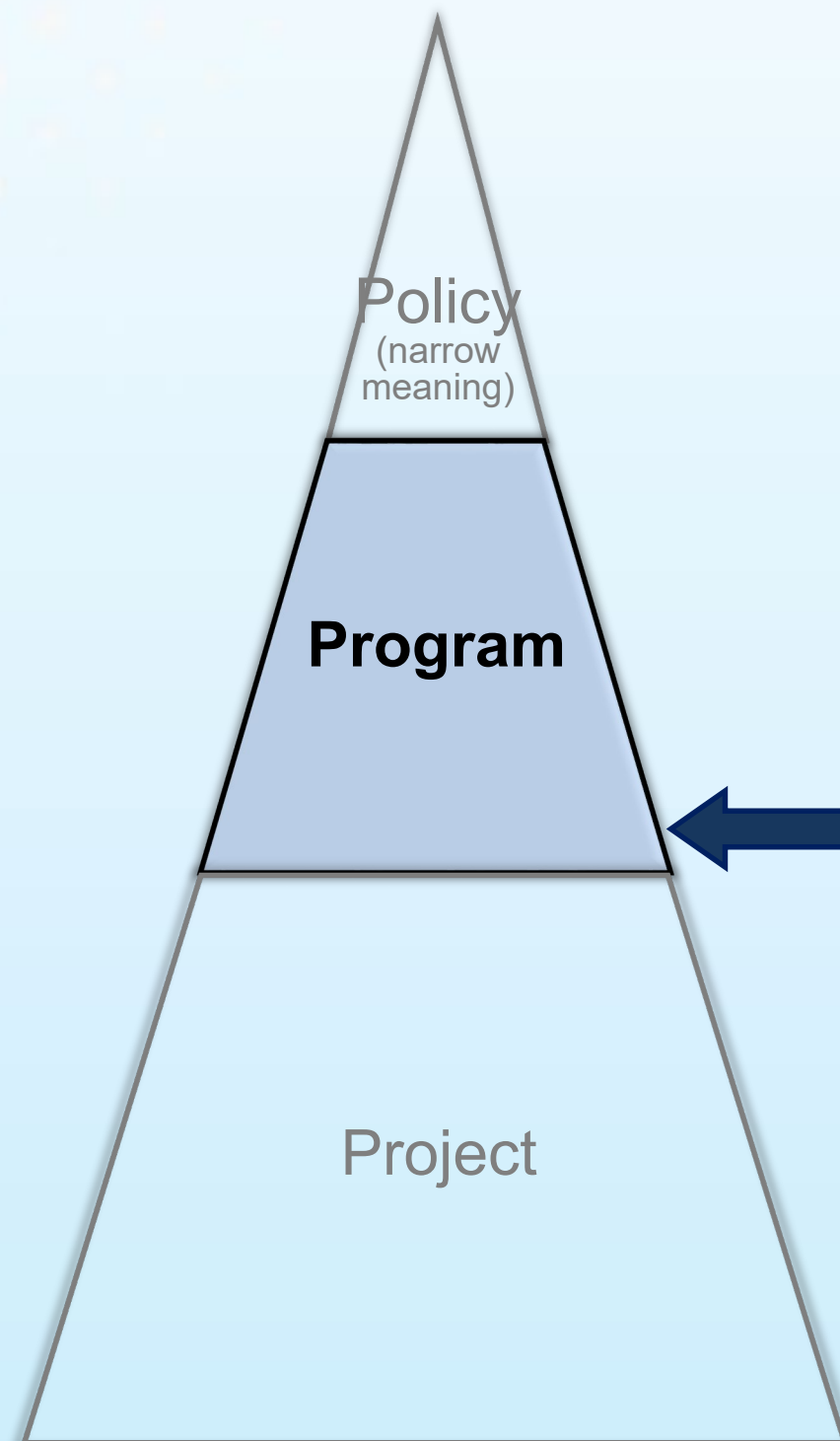
Until now, "Goal-based Evaluation", which is a form of performance evaluation, has been most widely used throughout the government. On the other hand, it has been criticized for being "too rigid".

Improvement
Ongoing
since 2023

Goal-based Evaluation

Policy goals are set in advance (creating a preliminary analysis table (PAT)) for major policies (approximately 500 across the government), the degree of achievement thereof is measured, and an evaluation is conducted at the end of the goal period.

The PAT and evaluation report are designed to ensure uniformity and comprehensibility as a whole, and can be said to serve as a "catalog" of the government's major policies.



4. Evaluation Method (2) Project Evaluation



○ Project Evaluation

Mainly targeting individual administrative projects in specific fields, ministries estimate the expected policy effects and costs at the preliminary stage of policy decision-making, and use this information to help decide whether to adopt or select administrative projects. In addition, it is followed by verification of policy effects, costs, etc. after implementation.

5 Mandatory Fields

Ex-ante evaluation is required by law in 5 fields that meet the following requirements:

- 1) Its implementation will have a large impact on people's lives and social economy or it requires a large amount of money to produce policy effects.
- 2) A method for preliminary evaluation has been developed.

Project

Public Works

Evaluate costs, effects, etc. when implementing public works projects.

Regulations

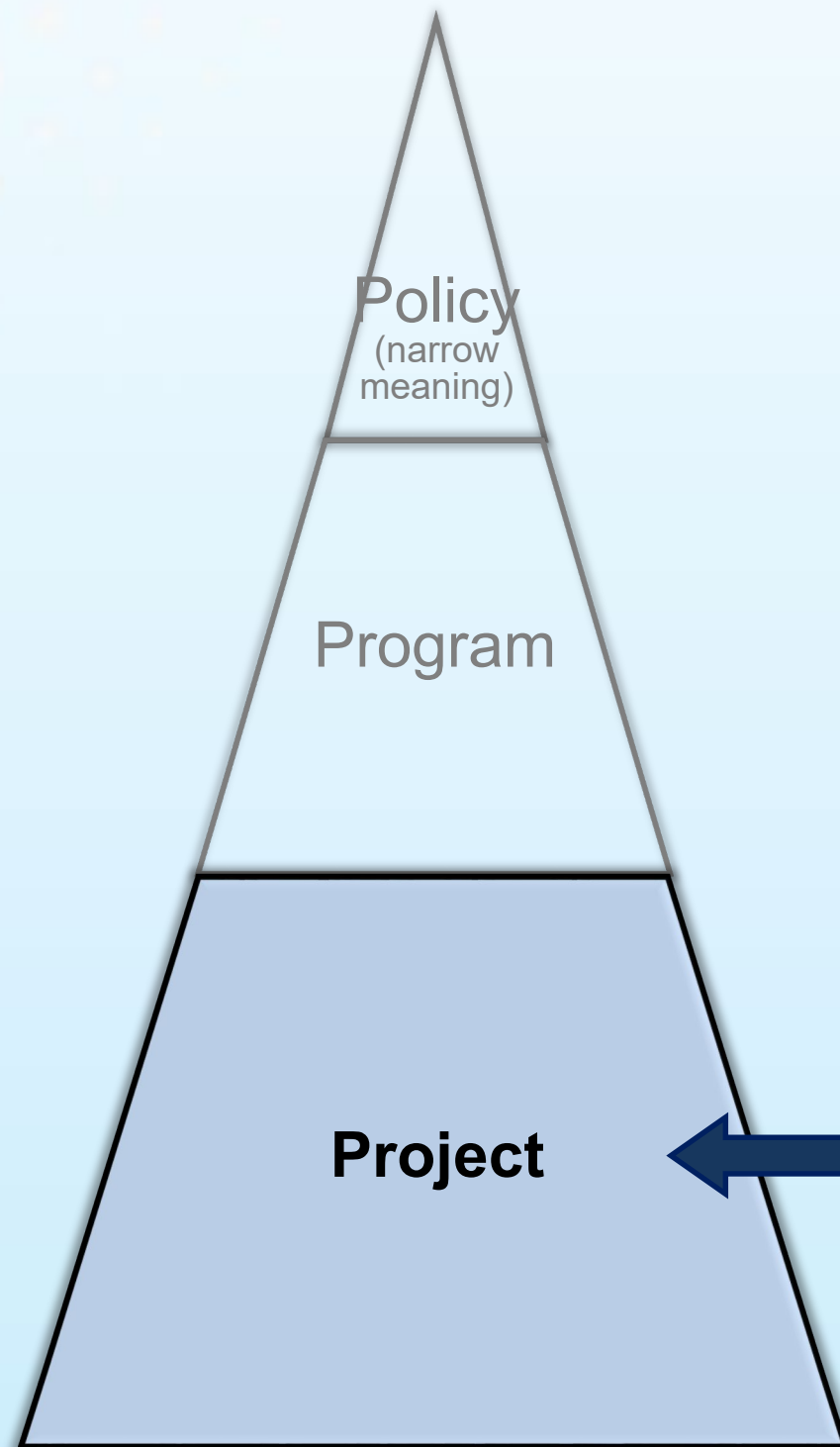
Evaluate the impact when establishing, revising, or abolishing regulations

Special Tax Measures

When requesting tax reform, evaluate the effects of each measure from the perspectives of necessity (rationality), effectiveness, and appropriateness.

R&D / ODA

Utilize people with specialized knowledge to evaluate projects of R&D (Research and Development) and ODA (Official Development Assistance).



5. Evaluation Method (3) Comprehensive Evaluation



○ Comprehensive Evaluation

A method of comprehensively evaluating a specific policy by setting a theme, analyzing the effects of the policy from various angles, understanding the policy's problems, and analyzing their causes.

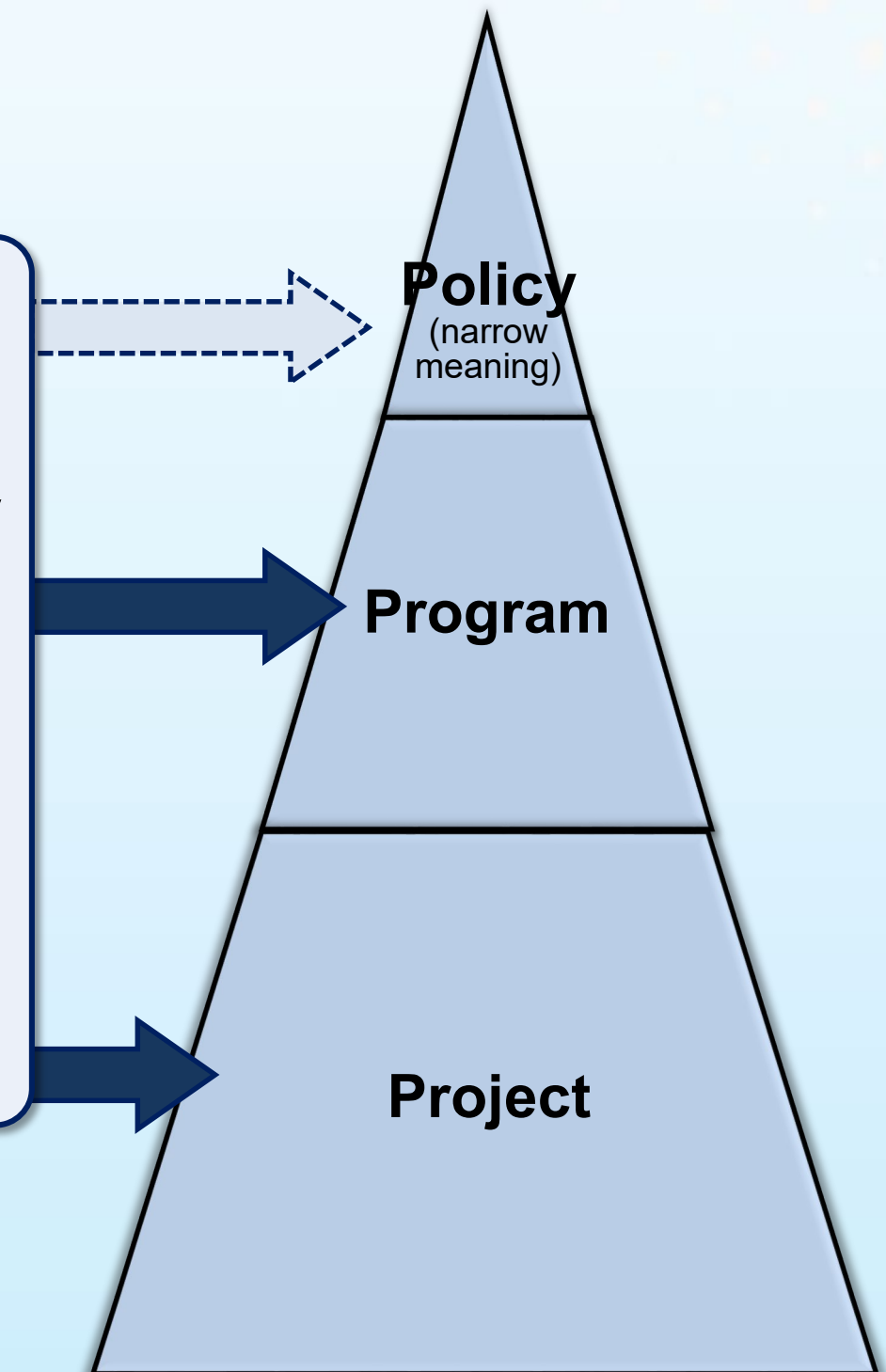
It is an equivalent of **program evaluation** which is assumed to be used for the purpose of contributing to major reviews and improvements of existing policies.

Often produces extensive reports on the target policy.



Target

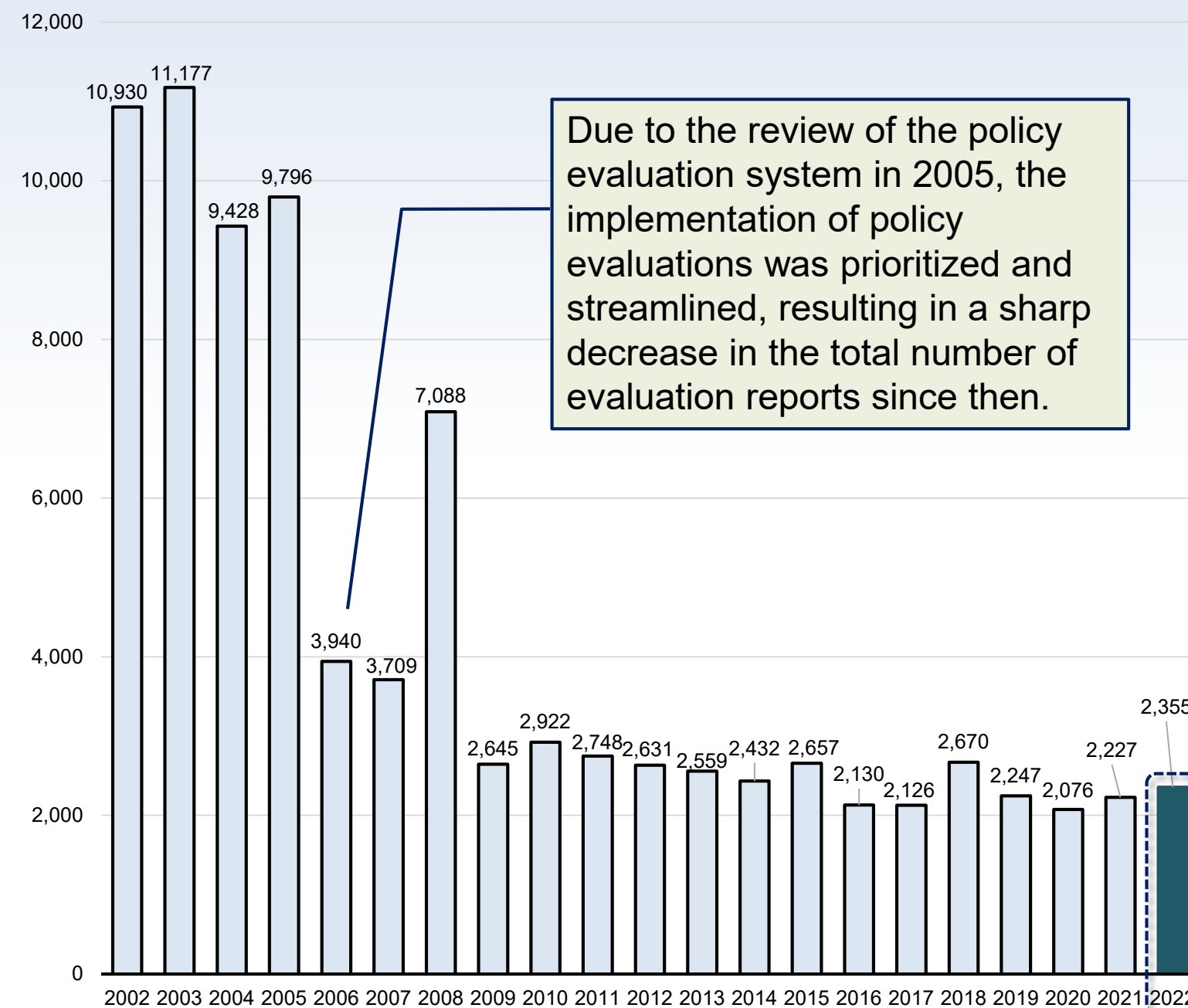
Although comprehensive evaluations can target various policy levels, "policy in a narrow meaning" is usually used as a standard (measure) for evaluating lower-level programs and administrative projects, rather than as an object of evaluation.



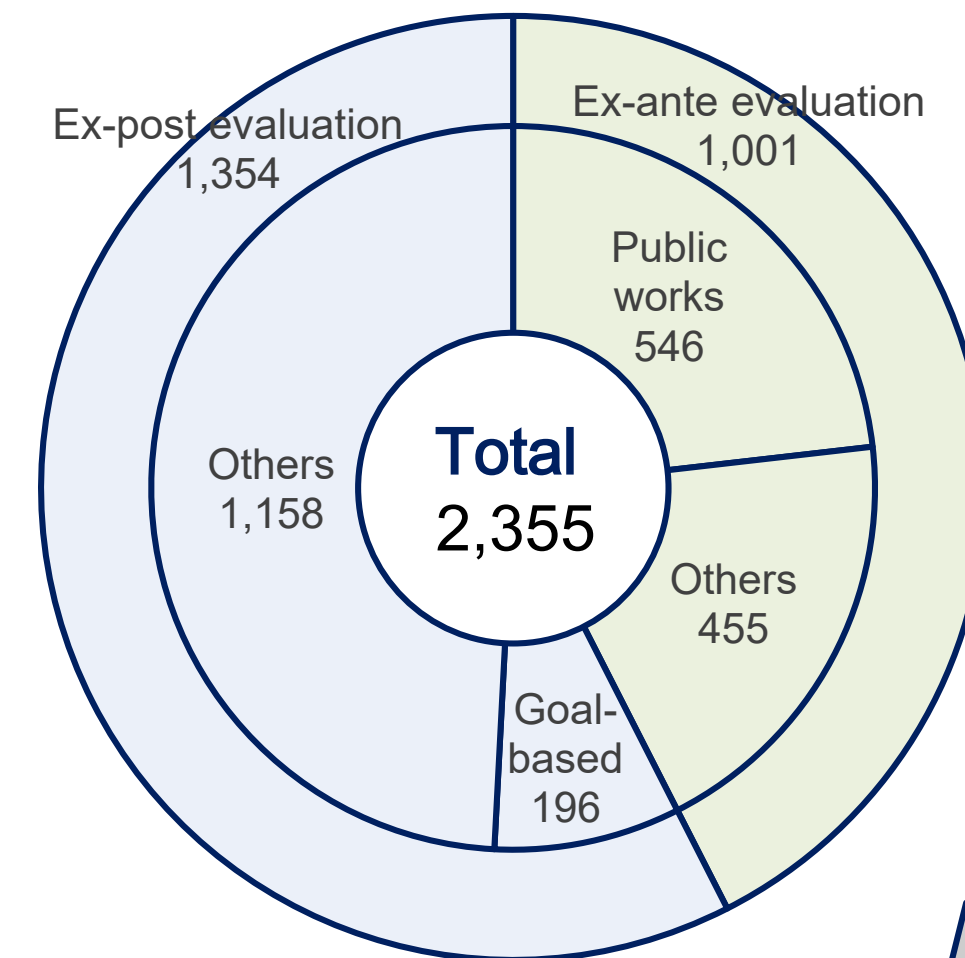
6. Implementation Status



Number of Evaluation Reports



Breakdown of Evaluation Reports in 2022



7. Recent Developments



More than 20 years have passed since the introduction of Japan's policy evaluation system, and the custom of conducting policy evaluation during policy management has become widespread and established to a certain extent in each ministry and agency. Therefore, taking into account the global trend of EBPM (Evidence-Based Policy Making), efforts are being made to improve the quality of policy evaluation in order to step up to the next stage.

Partial changes to the “Basic Guidelines for Implementing Policy Evaluation”

(Mar. 28, 2023 Cabinet Decision)

Based on this basic guidelines, each ministry will conduct trial evaluations according to the characteristics of the policies under their jurisdiction during the next basic plan period.

Summary of Review

Strengthening capabilities to analyze policy effects

- Place greater emphasis on evaluating effectiveness and strengthen the ability to analyze policy effects.
- Change the implementation of uniform and unified policy evaluations, promoting diverse evaluations according to the characteristics of policies.

Utilization in decision-making process

- Aim to improve the quality of evaluation reports and promote their use in the decision-making process, mainly by aggregating policy evaluation and other evaluation-related information.

The role of the MIC as a ministry in charge of managing the policy evaluation system

- Support for data utilization and human resource development
- Organize and analyze trial efforts of each ministry and formulate new guidelines