

Basic Guidelines for Implementing Policy Evaluation (Revised)

July 28, 2017
Cabinet Decision

In Japan, a Policy Evaluation system has been introduced as part of Administrative reform involving central government bodies and other Administrative Organs in recognition of the fact that the country's public administration faces an urgent task of strengthening its objective Policy Evaluation function and properly reflecting evaluation results in policies by taking into consideration changes in internal and external socioeconomic situations from the viewpoint of the public. This Policy Evaluation system aims to measure or analyze effects and other aspects of policies through the utilization of scientific knowledge and the employment of rational means and judge them against certain criteria, with a view to providing information conducive to proper policy planning and development as well as implementation. It is regarded as a tool for Administrative Organs to use for constantly reviewing and improving policies by way of incorporating evaluation results into them so as to provide efficient, high-quality and results-oriented Administrative services and fulfill accountability to the public.

The basis of Policy Evaluation is self-evaluation by individual ministries with regard to policies under their jurisdiction. In addition, the Ministry of Internal Affairs and Communications, as a specialized evaluation organization independent from individual ministries, carries out coherent and/or comprehensive evaluations or evaluations aimed at ensuring objective and rigorous implementation of Policy Evaluation on the policies of individual ministries so as to ensure comprehensiveness and more rigorous objectivity in Policy Evaluation across ministerial boundaries.

By ensuring the fulfillment of the roles assigned respectively to Policy Evaluations undertaken by individual ministries and those undertaken by the Ministry of Internal Affairs and Communications, the appropriate implementation of Policy Evaluations is to be achieved under the overall supervision of the Cabinet.

To provide this Policy Evaluation system with a clear-cut framework and improve its effectiveness, as well as to further increase public confidence in it, Japan has enacted the Government Policy Evaluations Act (Law No. 86 of 2001, hereinafter referred to as the "Act"). The Act enunciates the obligation of Administrative Organs to evaluate policies after their adoption under a clear-cut plan, requires the appropriate implementation of Policy Evaluations prior to adoption, and specifies the details of Policy Evaluations to be conducted by the Ministry of Internal Affairs and Communications, including procedural aspects.

In this manner, the Act has set rules for the Government to ascertain the effects of the policies of Administrative Organs at the appropriate time, conduct necessary evaluations on that basis and actively review and improve policies.

To facilitate planned and steady Policy Evaluation under the Act, the present Basic Guidelines for Implementing Policy Evaluation specify matters that serve as guidelines for the development of basic plans by individual Administrative Organs and present basic guidance for the Government's Policy Evaluation activities in accordance with the provisions of Article 5 of the Act.

As three years passed after the enforcement of the Act on April 1, 2002, its implementation status has been reviewed in accordance with the supplementary provisions Article 2 of the Act, and this has led to a revision of the former Basic Guidelines as a necessary measure geared towards the improvement and enhancement of Policy Evaluation.

I Guidelines for Basic Plan for Policy Evaluation

1. Basic Policy on Conduct of Policy Evaluation

(1) Basic approach to implementation of Policy Evaluation

Policy evaluation is an activity in which individual Administrative Organs are expected to study and acquire information on the Effects of Policy under its jurisdiction at the appropriate time, assesses them from the standpoints of necessity, efficiency and effectiveness, or any other standpoints according to the special characteristics of individual policies, and obtain important information for the appropriate implementation of the planning and development of policies and administrative operations based on such policies. It is therefore distinct from policy decision-making. Policy evaluation is designed to enable Administrative Organs to constantly review and improve their policies and fulfill their accountability to the public by clearly incorporating the above process into the policy management cycle, consisting of the main components of planning and development (plan), implementation (do) and evaluation (see), as an institutionalized system, ensuring its objective and rigorous implementation and publishing all related information, including evaluation results.

The incorporation of Policy Evaluation into the policy management cycle and its effective functioning way lead to improvement in the quality of policies and facilitate an increase of policy formulation capacity of Administrative Organs and the transformation of the way of thinking of personnel, thus realizing efficient citizens-first and results-oriented public administration from the perspective of the public. Moreover, a series of information releases relating to Policy Evaluation enable Administrative Organs to fulfill their accountability to the public, thus ensuring the transparency of policies and operations based on them and improving public confidence in public administration.

To achieve the purpose of the Policy Evaluation system adequately through government-wide efforts, the Government shall ensure the government-wide enforcement of the system on the basis of the Act, these Basic Guidelines, etc., encourage individual Administrative Organs to do effective Policy Evaluations through focusing and streamlining according to the special characteristics of their respective policies, and improve and further develop the system in the course of the implementation of Policy Evaluations.

(2) Policy evaluation schemes

To ensure the fulfillment of the roles expected of Policy Evaluation and its efficient implementation, appropriate methods shall be used according to the special characteristics of the policy concerned and other factors when conducting Policy

Evaluations. Options are the project evaluation method, performance evaluation method and comprehensive evaluation method (see Appendix), or a custom-made method that combines main elements of two or more of these methods.

To ensure the systematic, rational and appropriate implementation of Policy Evaluation, the policy structure shall basically be clarified in advance, and a Policy Evaluation shall be conducted only after specifying the relationship between objectives and means of the policy in question.

If a policy that falls within the jurisdiction of an Administrative Organ is relevant to policy with a superior objective involving two or more Administrative Organs, efforts should be made to clarify the relationship between the two.

2. Basic Matters Related to Standpoints of Policy Evaluation

When conducting a Policy Evaluation, appropriate standpoints shall be chosen and specified according to the special characteristics of the policy in question to ensure concrete and comprehensive evaluation.

Typical standpoints of Policy Evaluation include necessity, efficiency and effectiveness as specified in Article 3, paragraph 1, of the Act. Policy evaluation based on the standpoint of necessity aims to determine, among other things, whether the administrative objective of the policy in question is valid in light of the needs of the public or society or higher administrative objective in view of the Effects of Policy and whether the policy concerned needs to be implemented by an Administrative Organ in view of desirable ways of administrative involvement. Policy evaluation based on the standpoint of efficiency aims to determine the relationship between the the Effects of Policy and the costs of activities associated with the policy concerned, and the like. Policy evaluation based on the standpoint of effectiveness aims to determine the relationship between the desired the Effects of Policy and the effects actually obtained or expected to be obtained from activities associated with the policy concerned.

Other possible standpoints that may be chosen according to the special characteristics of the policy include equity and priority. Policy evaluation based on the standpoint of equity aims to determine whether the Effects of Policy and cost burdens are, or are planned to be, equitably distributed in light of the administrative objective. Policy evaluation based on the standpoint of priority aims to determine whether the policy concerned should be given preference over other policies in light of the results of evaluation undertaken from the above standpoints.

The basic approach to the application of standpoints of Policy Evaluation shall be specified in each basic plan.

3. Basic Matters Related to Study and Acquire Information on the Effects of Policy

- A When studying and acquiring information on the Effects of Policy, an appropriate technique that is both applicable and commensurate with the cost, the degree of analytical accuracy of the expected results, and the like shall be used according to the special characteristics of the policy in question.

In this regard, a mean amenable to the quantitative determination of the Effects of Policy shall be chosen to the extent possible. If this is difficult or would not lead to the objective and rigorous implementation of Policy Evaluation, a technique designed to quantitatively determine the Effects of Policy shall be used. Even in that event, utmost efforts shall be made to ensure the objectivity and rigor of Policy Evaluation by using objective information, data and facts. In all cases, efforts shall be made to improve the technique in the course of the implementation of Policy Evaluation by, for example, adopting a simple but proven technique and accumulating know-how in the process, instead of mechanically applying an advanced and rigorous technique from the outset, with a view to improving the quality of Policy Evaluation.

- B The basic approach to study and acquire the Effects of Policy shall be shown in each basic plan.
- C When studying and acquiring the Effects of Policy, utmost efforts shall be made to determine the effects and impacts of the policy in question on the overall objective of government activities, taking into consideration the special characteristics of the policy concerned.
- D With regard to studying and acquiring the Effects of Policy, prior consideration shall be given to information gathering, reporting methods, and the like so that information, data and facts necessary for studying and acquiring the Effects of Policy can be effectively and efficiently obtained in the course of the implementation of activities based on the policy concerned. In cases where there is a need to request cooperation from other parties, efforts should be made to ascertain the Effects of Policy as appropriately as possible to the extent that their understandings can be obtained.
- E In cases where concrete activities based on the policy are undertaken by a party other than an Administrative Organ, utmost efforts shall be made to obtain understanding and cooperation from that party to the extent that it is necessary for the appropriate ascertainment of the Effects of Policy, by, for example, showing the the Effects of Policy to be ascertained, the method to be used for that purpose, etc. to them.

4. Basic Matters Related to the Conduct of Ex-Ante Evaluation

- A An ex-ante evaluation shall be conducted prior to policy decision-making for providing information useful for selecting the most suitable policy or determining whether or not it should be implemented on the basis of the Effects of Policy expected to be obtained from operations based on that policy. In this regard, efforts should be

made to clarify the processes of selecting a suitable policy from multiple options and improving and reviewing to the extent possible.

- B Efforts should be made towards implementing ex-ante evaluations on policies which, if not among those for which a mandatory ex-ante evaluation is required by Article 9 of the Act, are subject to subparagraph 1 of the same Article, depending on the availability of means to determine the Effects of Policy, etc. as the result of active research and development activities in this area.
- C When conducting an ex-ante evaluation, the desired effects, ex-post evaluation methods, etc. shall be specified, and when the Effects of Policy manifest themselves, the results of the ex-ante evaluation shall be verified, with the knowledge and insight obtained through this process utilized in future ex-ante evaluations.
- D Policy directions for the implementation of ex-ante evaluations, including the basic approach to the application of evaluation methods to them, shall be specified in each basic plan.
- E Ex-ante evaluations of R&D's shall be undertaken in accordance with the provisions of the General Guidelines on the Evaluation of Research and Development by the National Government (decision of Prime Minister of December 21, 2016), in addition to those specified in the Act and these Basic Guidelines.
- F When conducting regulatory ex-ante evaluations, it is strongly recommended to conduct ex-ante evaluations spontaneously for regulations which are not mandated in Government Policy Evaluation Act.
- G Regarding ex-ante evaluations for policies pertaining to special taxation measures for national taxes and measures to alleviate local taxes, etc. (hereinafter referred to as "special taxation measures"), based on the principles of fundamental review of special taxation measures, which were clarified in the 2010 Tax Reform Outline (Cabinet decision on December 22, 2009), it is strongly recommended to conduct ex-ante evaluations positively and spontaneously also for policies pertaining to measures other than special taxation measures which are mandated (hereinafter referred to as "specified special taxation measures") (limited to measures to alleviate or defer taxes for the purpose of achieving a specified administrative objective).

5. Basic Matters Related to the Conduct of Ex-Post Evaluation

- A An ex-post evaluation of a policy shall be conducted after a certain period from its decision-making for ascertaining the Effects of Policy and, on that basis, providing information useful for the review or improvement of that policy or the planning and development of new policies and their implementation as well.

- B An ex-post evaluation shall be conducted on a unit deemed reasonable from the viewpoint of appropriately reflecting its results in the policy in question, with the relationship between the administrative objective and means taken into account. Even when it comes up the purpose and the duties of the Administrative Organ or fundamental major plans inseparable from them, it is useful to understand that an evaluation should be undertaken in light of this principle.
- C An ex-post evaluation shall be conducted at the appropriate time, taking into consideration, among other things, the need to review/improve the policy according to the changing socioeconomic situation, the status of the Effects of Policy, etc.
- D Policy directions for the implementation of ex-post evaluations, including the basic approach to the application of evaluation methods to them, shall be specified in each basic plan. Policies to be targeted for an ex-post evaluation in each implementation plan shall be determined according to the subparagraphs under the paragraph 2 of Article 7 of the Act.
- E Ex-post evaluations of R&DZ's shall be undertaken in accordance with the provisions of the General Guidelines on the Evaluation of Research and Development by the National Government, in addition to those specified in the Act and these Basic Guidelines.
- F The head of an individual Administrative Organ is supposed to establish policies for major administrative objectives that the relevant organ should achieve based on socioeconomic circumstances in order to fulfil its duties, as policies to be targeted for ex-post evaluations in its basic plan. Ex-post evaluations should be conducted for the following policies as specified respectively in the following items.
- (A) Policies pertaining to special taxation measures: Based on the principles of fundamental review of special taxation measures, which were clarified in the 2010 Tax Reform Outline, the head of an individual Administrative Organ must specify policies pertaining to special taxation measures (limited to measures to alleviate or defer taxes for the purpose of achieving a specified administrative objective) under jurisdiction of the relevant organ in its basic plan as policies to be targeted for ex-post evaluations.
- In this case, policies pertaining to specified special taxation measures must be clearly indicated in the basic plan without fail, and the head should endeavor to also include policies pertaining to other measures in the targets for ex-post evaluations positively and spontaneously.
- (B) Policies pertaining to regulations: The Regulatory Reform Implementation Plan (Cabinet decision on June 2, 2016) provides that the ministries and agencies responsible for regulations should, upon preparing regulatory sheets, conduct an

ex-post evaluation for the costs and benefits estimated at the time of an ex-ante evaluation as well as any unexpected effects of regulations, and that the Ministry of Internal Affairs and Communications should check the ex-post evaluation results. Therefore, the head of an individual Administrative Organ should specify policies pertaining to regulations for which an ex-ante evaluation had been conducted as the targets for ex-post evaluations in its basic plan.

In this case, policies pertaining to regulations for which an ex-ante evaluation is mandated must be clearly indicated in the basic plan without fail, and the head should endeavor to also include policies pertaining to other regulations in the targets for ex-post evaluations positively and spontaneously. Additionally, regulations for which the time to conduct a review is approaching should also be included in the targets for ex-post evaluations in the implementation plan.

6. Basic Matters Related to the Acquirement and Utilization of Findings of Persons with Relevant Knowledge and Experience

The utilization of expertise of persons with knowledge and experience as specified in Article 3, paragraph 2 subparagraph 2, of the Act is aimed at ensuring the objective and rigorous implementation of a Policy Evaluation. Accordingly, it should be implemented in an appropriate manner according to the special characteristics of the policy in question for evaluation and the content of the evaluation focusing on deep knowledge and insight and highly specialized expert knowledge and skill or practical knowledge on the relevance of the policy to the people's daily lives and socioeconomic conditions. The basic approach to, and the method of, the utilization of expertise according to the special characteristics of the policy shall be specified in each basic plan.

7. Basic Matters Relating to Reflection of Policy Evaluation Results in Policy Planning and Development

There is a need to ensure that the results of a Policy Evaluation are appropriately reflected in that policy through their use in each Administrative Organs as important information for policy planning and development work (e.g. budget estimation, including personnel quotas, request for a tax revision, and the introduction, modification or abolition of a legal institution) whenever necessary at each Administrative Organ. For this purpose, a mechanism etc. aimed at enhancing the effectiveness of the reflection of Policy Evaluation results in the relevant policies should be established under the leadership of the organizational unit in charge of Policy Evaluation, particularly by promoting the compilation of results of Policy Evaluations conducted by competent departments, bureaus etc. and the incorporation of such results into the relevant policies and securing close collaboration with the departments, bureaus etc. in charge of compiling budgets requests, taxation, drafting laws etc. according to

the actual circumstances of each Administrative Organ. The details shall be specified in each basic plan.

To strengthen coordination between Policy Evaluation and budget & audit and between Policy Evaluation and taxation, necessary efforts should be made with the intentions of related cabinet decisions, etc taken into account.

The Ministry of Internal Affairs and Communications shall take the necessary measures to promote individual Administrative Organs' efforts directed towards the reflection of Policy Evaluation results into the relevant policies.

8. Basic Matters Related to Publication about Information related Policy Evaluation via Internet and Other Means

- A In an evaluation report as specified in Article 10, paragraph 1, of the Act, all items prescribed in the subparagraphs of the same paragraph shall be included in as concrete and clear-cut a manner as possible, in view of the importance of ensuring that Policy Evaluation results can be verified by outside parties. In this regard, the direction towards reflecting evaluation results in the relevant policies shall also be clarified, with the source data and assumptions used in the evaluation, external factors, etc. specified.
- B When preparing a summary of an evaluation report, care should be given to show evaluation results in an easy-to-understand manner by concisely describing the major findings in the body of the report.
- C When making an evaluation report public , sensitive information in terms of national security, public safety, personal privacy, corporate secrets, etc. shall be handled appropriately in accordance with the intentions of the Law concerning Access to Information Held by Administrative Organ (Law No. 42 of 1999).
- D The status of the reflection of Policy Evaluation results in the relevant policies shall be publicized in as concrete a manner as possible, covering Policy Evaluation results and details (e.g. content, timing and future plans) of the measures taken or to be taken based on them.
- E When making evaluation reports, the status of the reflection of Policy Evaluation results in the relevant policies or other related information, appropriate means shall be employed such as press releases and pick-up copies held at PR centers, as well as posting on an Internet web site, with a view to providing the public with easy access to the materials. Detailed methods shall be specified in each basic plan.

9. Other Important Matters Related to Policy Evaluation

- (1) Organizational Framework of Implementing Policy Evaluation with the Organ

To ensure the objective and rigorous implementation of Policy Evaluation, each Administrative Organ shall establish organizational framework that enables addressing organizationally integrated Policy Evaluation based on an appropriate division of roles between the organizational unit in charge of Policy Evaluation and the departments, bureaus, etc. in charge of individual policies according to its organizational circumstances. The details of such framework and roles of the organizational unit in charge of Policy Evaluation shall be specified in each basic plan.

To ensure the effective and efficient functioning of such framework, active efforts shall be made to secure adequate human resource assigned to Policy Evaluation,

including those belonging to the organizational unit in charge of Policy Evaluation, and improve their evaluation capability.

(2) Establishment of contact points to receive opinions and requests from the public

Each Administrative Organ shall establish a contact point to receive opinions and requests regarding Policy Evaluation from the public, with its details specified in its basic plan. In addition, active efforts should be made to disseminate such information through the Internet, etc. Opinions and requests thus received shall be appropriately processed or utilized by relevant departments, bureaus etc.

(3) Collaboration and cooperation with local governments

When implementing a Policy Evaluation, the National Government shall seek appropriate collaboration and cooperation with local governments by exchanging information and views necessary to ensure the objective and rigorous implementation according to the special characteristics of the policy in question, keeping in mind that the National Government and local governments are expected to engage in their respective administrative activities and ascertain and evaluate their effects in cooperation with each other, playing appropriately divided roles.

II Matters Related to Measures Based on Provisions of Articles 20 to 22 of Act

1. Measures Based on Provisions of Article 20

(1) Promoting study

When pursuing study, research and development, efforts shall be concentrated on, among other things, the development of ex-ante evaluation methods, including techniques for ascertaining likely the Effects of Policy, study and research into the reliability and accuracy of such techniques, study and research into common evaluation indicators for similar projects and the standardization of techniques for studying and acquiring the Effects of Policy, taking into consideration the special characteristics of each individual policy.

Information exchange between Administrative Organs regarding the results of such study, research and development efforts shall be promoted.

(2) The acquirement of capable personnel and enhancement of staff capability

Regarding the ensuring the acquirement of capable personnel and enhancement of staff capability, various efforts, including the employment of certified public accountants and other persons with specialized practical knowledge through the application of the Act concerning the Appointment of Regular-Service Fixed-Term Personnel and Exceptions in the Remuneration Scheme (Law No. 125 of 2000), utilization of retired government employees through reappointment, etc., public and private-sector interaction in the field of evaluation, exchange of personnel assigned to Policy Evaluation and educational activities aimed at raising personnel awareness, shall be made. The Ministry of Internal Affairs and Communications shall provide personnel assigned to Policy Evaluation in individual Administrative Organs with systematic and continued training with the cooperation of their respective Organs.

2. Measures Based on Provisions of Article 21

The Ministry of Internal Affairs and Communications shall study ways of promoting the utilization of information necessary for the implementation of Policy Evaluation etc. and develop a system aimed at facilitating the sharing of such information among Administrative Organs.

3. Measures Based on Provisions of Article 22

The Ministry of Internal Affairs and Communications shall enhance its clearinghouse function, designed to allow easy one-stop-shop search for information regarding the locations of Policy Evaluation information with the cooperation of individual Administrative Organs from the viewpoint of contributing broadly to the convenience of the public.

Efforts shall be made to make such information available at the Ministry of Internal Affairs and Communications, regional administrative evaluation bureaus, and other sites to increase convenience.

III Matters Relating to Other Measures Necessary for Smooth and Steady Implementation of Policy Evaluation

1. Holding of Liaison Meetings

The Ministry of Internal Affairs and Communications shall host liaison meetings comprising representatives from individual Administrative Organs so as to foster close communication among them, ensure the smooth and efficient enforcement of the Policy Evaluation system and promote initiatives relating to Policy Evaluation, with a view to improving the quality of Policy Evaluation.

The Ministry of Internal Affairs and Communications shall develop the Policy Evaluation Implementation Guidelines, the Implementation Guidelines for Policy Evaluation of Regulations, Guidelines for Publication of Information on Policy Evaluation, Implementation Guidelines for Policy Evaluation Pertaining to Special Taxation Measures and Target Management-based Policy Evaluation Implementation Guidelines on the basis of discussions and consultations at those meetings, with a view to contributing to the smooth and efficient implementation of Policy Evaluation.

2. Policy Evaluations Implemented by Individual Administrative Organs and Those Implemented by Ministry of Internal Affairs and Communications

- (1) Division of roles between evaluations conducted by individual Administrative Organs and those undertaken by Ministry of Internal Affairs and Communications

To help bring about the realization of efficient and high-quality citizens-first public administration, a shift to citizens-focused results-oriented public administration and the fulfillment of administrative accountability to the public as the purposes of the Policy Evaluation system, it shall be ensured that Policy Evaluations implemented by individual Administrative Organs and those implemented by the Ministry of Internal Affairs and Communications as the independent specialized evaluation organization fulfill their respective roles. To this end, each Administrative Organ as a policy planner, designer and implementer shall evaluate the policies within its jurisdiction from the viewpoint of properly fulfilling its duties and appropriately reflect evaluation results in its policies. In addition, the Ministry of Internal Affairs and Communications as the independent specialized evaluation organization shall evaluate the policies of individual Administrative Organs or with a special attention to ensuring government-wide consistency or comprehensive implementation, and the objective and rigorous implementation of Policy Evaluations by individual Administrative Organs. It shall then notify its opinions to individual Administrative Organs on the basis of the evaluation results and make recommendations as necessary. In this manner, policy review and improvement within individual Administrative Organs based on their own perspectives and policy review and improvement within the Government

aimed at ensuring consistency and comprehensiveness shall be promoted for the government-wide realization of more appropriate policies.

Within the above institutional framework, individual Administrative Organs and the Ministry of Internal Affairs and Communications shall engage in their respective evaluation activities in a focused and planned manner as specified below so as to ensure effective and efficient evaluation operations, taking into consideration the organizational framework of evaluation, workload, urgency etc. as well as policy priorities of the Cabinet. In this regard, evaluation activities shall be undertaken in a government-wide comprehensive and integrated manner according to the objectives of individual Policy Evaluations etc., so as to meet the expectations of the public.

(2) Evaluation activities by individual Administrative Organs

Each Administrative Organ shall conduct focused and planned evaluations on the policies within its jurisdiction as specified below.

- (i) Main policies within the jurisdiction of the Administrative Organ concerned that fall into what the Cabinet has identified as a priority area in the Prime Minister's policy speeches etc.;
- (ii) Main policies deemed in need of a review or improvement in view of changes in the internal or external socioeconomic situations;
- (iii) Policies deemed in need of an evaluation because of great demand for it from the public; or
- (iv) Policies that the responsible Administrative Organ has decided to implement as its top priorities.

(3) Evaluation activities by Ministry of Internal Affairs and Communications

The Ministry of Internal Affairs and Communications shall, as specialized evaluation organization independent from individual ministries, engage in evaluation activities as specified below from the viewpoint of effectively and efficiently implementing evaluations that cannot be conducted by individual Administrative Organs or that are designed to make up for the inadequacy of Policy Evaluations by individual Administrative Organs.

A Evaluation activities aimed at ensuring coherency and comprehensiveness

- (A) Evaluations conducted by the Ministry of Internal Affairs and Communications to ensure coherence and/or comprehensiveness shall conform to a certain direction to be followed by the Government towards ensuring coherency and comprehensiveness for the policies of individual Administrative Organs. In this regard, common aspects of the policies of individual Administrative Organs shall be evaluated in a cross-cutting manner from a unified viewpoint, while policies encompassing the

jurisdictions of multiple Administrative Organs shall be evaluated in whole from the standpoint of promoting their comprehensive implementation. Any policy that involves wide-ranging programs shall be evaluated after breaking it up into policy units deemed reasonable from the viewpoint of properly reflecting evaluation results in the policy.

- (B) On the basis of the above, the policies specified below shall be evaluated in a focused and planned manner. (Regarding the actual selection of policies, the Ministry of Internal Affairs and Communications shall take into consideration studies and deliberations undertaken by the Policy Evaluation Commission (hereinafter referred to as the "Commission")).
 - (i) Policies of individual Administrative Organs relating to a major issue or problem for which government-wide efforts are required by law, ordinance, cabinet decision etc.;
 - (ii) Policies that utilize an administrative framework or system common across Administrative Organs;
 - (iii) Policies which are under the jurisdictions of multiple Administrative Organs and for which the objectives, measures to be taken, etc. in relation to the ensuring of their comprehensiveness have been specified by law, ordinance, cabinet decision etc; or;
 - (iv) Other policies deemed in need of urgent and flexible evaluation with regard to consistency and comprehensiveness because of great demand for it from the public, as comparable to those listed from (i) to (iii) above
 - (C) When conducting an evaluation, attention should be given to the status of the implementation of Policy Evaluations by individual Administrative Organs, while efficient operations on the basis of close communication should be pursued particularly by effectively utilizing information and other resources collected by individual Administrative Organs in the course of their own evaluations.
 - (D) The Minister of Internal Affairs and Communications shall notify opinions to relevant Administrative Organs regarding his/her understanding of the status of the Effects of Policy, issues relating to the policy in question, and the like to contribute to the future planning and developing the relevant policies. If an Administrative Organ is deemed in need of taking a concrete measure in relation to the policy in question in light of a certain direction to be followed by the Government to ensure coherency and comprehensiveness, the Minister shall also make recommendations to the head of the Administrative Organ concerned.
- B Evaluation activities aimed at ensuring objective and rigorous implementation of Policy Evaluation

A series of evaluation activities aimed at ensuring objective and rigorous implementation of Policy Evaluation shall be undertaken in a focused and planned manner as specified below.

- (i) Examination of Policy Evaluations conducted by Administrative Organs in terms of, for example, the level of objectivity and rigor to be ensured with regard to their implementation framework, including the implementation procedure.
- (ii) Determination of the need for the implementation of a fresh evaluation in place of the unsatisfactory Policy Evaluation by the responsible Administrative Organ or a new evaluation to properly adjust to changes in the socioeconomic situation etc. (Such need shall be determined with the studies and deliberations by the Commission taken into account. In this regard, the Commission shall provide the Administrative Organ concerned with an opportunity to explain and answer questions regarding the allegedly determined need to conduct a fresh evaluation, and the like.)
- (iii) Implementation of an evaluation where an Administrative Organ has been notified of the need to implement a fresh Policy Evaluation based on the outcome of the step described in (ii) above but ensuring objective and rigorous implementation is deemed impossible if left to the Administrative Organ (Such evaluation shall be conducted with the studies and deliberations by the Commission taken into account. In this regard, the Commission shall provide the Administrative Organ concerned with an opportunity to explain and answer questions regarding the allegedly determined impossibility of ensuring objective and rigorous implementation.)
- (iv) Implementation of a joint evaluation in collaboration with the Administrative Organ concerned at its request, where necessary

3. Review of Basic Guidelines

These Basic Guidelines shall be reviewed as necessary, based on the status of the implementation of Policy Evaluations, outcomes of, or trends in, study, research and development regarding Policy Evaluation methods, including means to study and acquire the Effects of Policy.

Supplementary Provisions

For the period after the enforcement of these Basic Guidelines until policies pertaining to regulations are specified as the targets for ex-post evaluations in the basic plan based on I.5.F(B), the head of an individual Administrative Organ is to specify policies pertaining to regulations as the targets for ex-post evaluations in the implementation plan.

[Project Evaluation Method]

"Project Evaluation Method" is designed to evaluate a policy for implementing certain projects or programs prior to its adoption particularly in terms of the validity of its objective in light of the needs of the public or society, or a higher objective, the necessity of its implementation by an Administrative Organ in view of desirable Administrative involvement, and the prospect of obtaining effects in comparison with estimated costs from the policy implementation, for facilitating the policy decision-making process. This method is also used to verify the actual effects of a policy after its implementation on the basis of the content of the evaluation undertaken in advance, as necessary.

Note: The term "projected evaluation" is sometimes used to denote an ex-ante or ex-post evaluation of an individual public works project.

[Performance Evaluation Method]

"Performance Evaluation Method" is designed to evaluate a policy after its adoption in terms of the achievement of effect-oriented targets preset on the basis of the relationship between the policy objective and the means employed for its attainment, by measuring the level of performance on a regular/ongoing basis and summing up overall results, including efforts made and final achievements, at the end of the target period, for promoting constant policy reviews and improvements.

[Comprehensive Evaluation Method]

"Comprehensive Evaluation Method" is designed to evaluate a policy with emphasis on one or more specific themes in a comprehensive manner after a certain length of time from its adoption particularly by conducting an in-depth analysis on the status of the Effects of Policy relating to the themes in question from a different angle, identifying problems associated with the policy, and analyzing their causes, for facilitating policy reviews and improvements through the provision of various information conducive to the resolution of such problems.