

Japan

Indicators of Regulatory Policy and Governance 2021





Overview and recent developments

Japan has made notable efforts to improve its regulatory environment. In 2017, the government stressed its commitment to regulatory reform by introducing a Basic Program on Reducing Administrative Burden. The programme is linked to Japan's Revitalization Strategy (2016) and aims to introduce new frameworks, principles, and mechanisms for regulatory and institutional reform, with the view of achieving the programme's intended targets and objectives by 2019. The programme was reviewed by the Subcommittee for Administrative Burden Reduction in 2017, which assessed its impacts and set a revised goal of reducing costs on businesses by at least 20% by 2020, and the government reported more than a 25% reduction was achieved in March of the year. Japan has also revised its Implementation Guidelines for Policy Evaluation of Regulations in 2017, updating the 2007 guidelines. This further elaborates on the information and criteria for quantifying and qualifying impacts and costs, including the various techniques and processes that ministries can adopt under specific circumstances. Moreover, it specifies what is subject to RIA, introducing a qualitative threshold to determine whether RIA was undertaken.

The number of *ex post* evaluations has increased for both primary laws and subordinate regulations since 2017. The 2017 guidelines also clearly define the necessity of conducting reviews within five years unless otherwise legally stipulated, with reviews automatically triggered if a RIA was conducted. The review then uses the original RIA as the baseline to

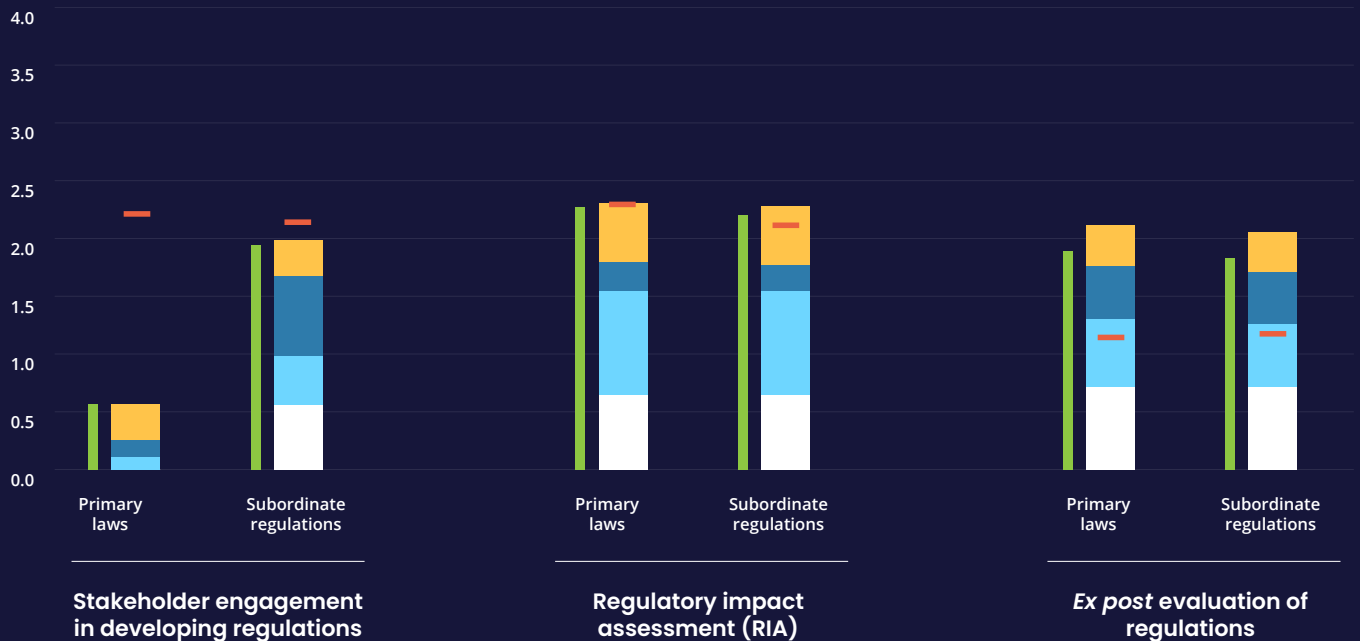
determine whether expected impacts materialised. The linking of *ex ante* and *ex post* assessments also provides the opportunity to better engage with stakeholders, though stakeholders are only sometimes consulted for *ex post* evaluations. Japan also now allows stakeholders to submit comments for some consultations on subordinate regulations electronically.

Japan's regulatory policy includes two important bodies. One is the Council for Promotion of Regulatory Reform, which is an advisory board to the Prime Minister set up in the Cabinet Office. The functions are: (1) to investigate regulatory issues needed for structural reform, and (2) to submit a recommendation to the Prime Minister. The other important body is the Administrative Evaluation Bureau of the Ministry of Internal Affairs and Communications responsible for planning, managing, and scrutinizing RIAs and *ex post* evaluations as well as for establishing guidelines and platforms for these.

An interactive website is available for the public to access relevant documents, such as impact assessments, and provide comments on draft subordinate regulations. Japan also has other methods such as the utilisation of Councils to gather opinions of stakeholders. Japan would benefit from extending existing efforts to engage with stakeholders to the process of developing primary laws, for example through public online consultations on the interactive government website.

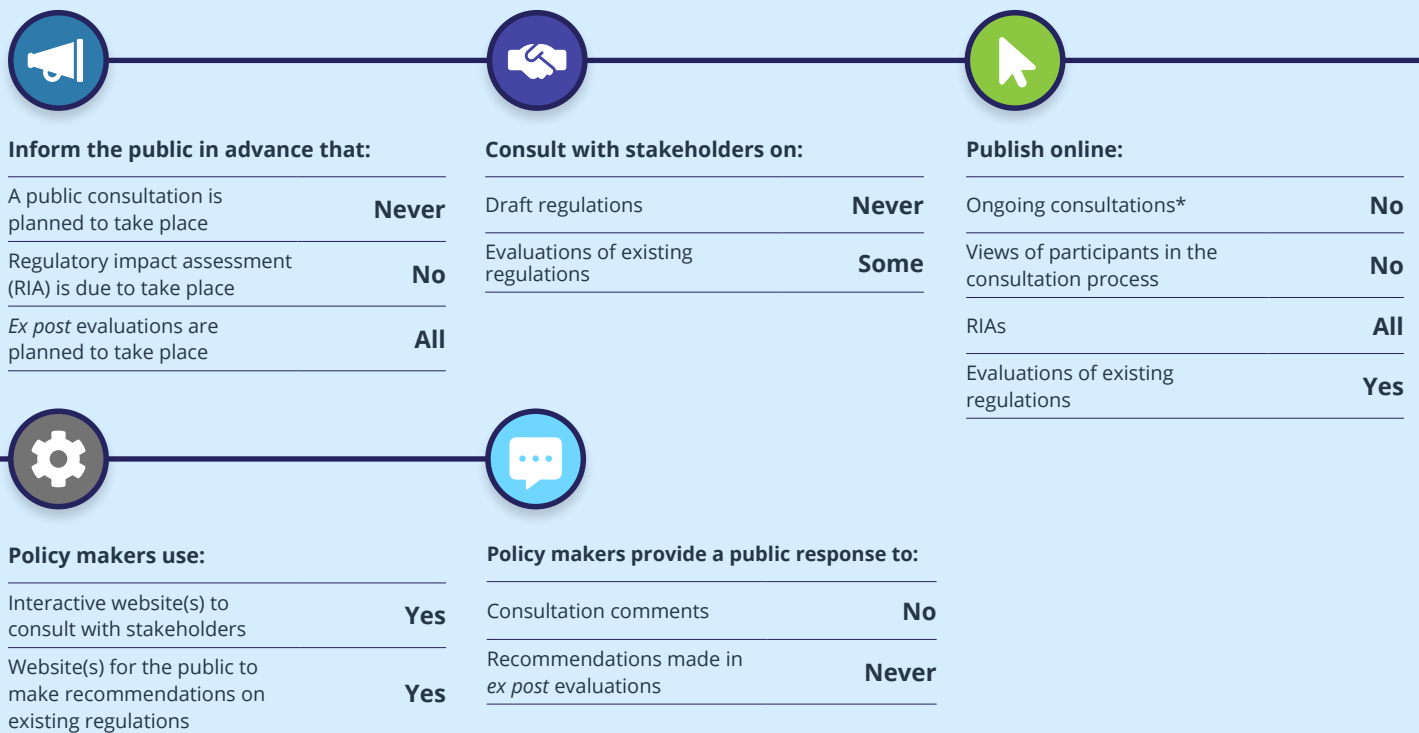
Indicators of Regulatory Policy and Governance (iREG): Japan, 2021

● Methodology
 ● Systematic adoption
 ● Transparency
 ● Oversight and quality control
 ■ Country total, 2018
 — OECD average, 2021



Notes: The more regulatory practices as advocated in the [OECD Recommendation on Regulatory Policy and Governance](#) a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (74% of all primary laws in Japan). Source: Indicators of Regulatory Policy and Governance Surveys 2017 and 2021, <http://oe.cd/iereg>.

Japan: Transparency throughout the policy cycle



* Publish on a single central government website.
 Note: The data reflects Japan's practices regarding primary laws initiated by the executive.
 Source: Indicators of Regulatory Policy and Governance Survey 2021, <http://oe.cd/iereg>.

