Construction of e-Government in Japan

Nov 2005

Commerce and Information Policy Bureau
IT project office

Ministry of Economy, Trade and Industry
History and Acceleration of Japan’s IT Strategy

- **e-Japan Strategy** (January 2001)
- **e-Japan Strategy II** (July 2003)
- **e-Japan Strategy II Acceleration Package** (February 2004)
- **The World’s Most Advanced IT Nation**

**Development of Basic Infrastructure, etc.**
- IT Basic Law
- Foundation of IT Strategic Headquarters
  (Director General: Prime Minister)

**The Promotion of Effective IT Utilization** (Seven Leading Areas)
- Medical Services, food lifestyle, small and medium enterprises, financing, knowledge, employment and labor, and public service

**e-Japan Priority Policy Program** (March 2001)
- IT Policy Package-2002 (June 2002)

**IT Policy Package-2005** (February 2005)
- The Clarification of Important Measures
  - Public Services
  - Medical Services
  - Education, Human Resources
  - Information Security, etc.

**e-Japan Strategy II Acceleration Package** (February 2004)
- The World’s Most Advanced IT Nation
IT Policy Flow related to e-Gov

[ Digitization of Admin. ]

- Master Plan for Promoting Government-wide use of IT (Adopted by the Cabinet on December 1994)
- Revision of Master Plan for Promoting Government-wide use of IT (Adopted by the Cabinet on December 1997)
- Realization of e-Government

[ Social digitization ]

- Agenda for Promotion of Advanced Information and Communications Society (Determined by Advanced Information and Communications Society Headquarters on February, Revised November, 1998)
- IT Basic Law (enactment of November 2000, enforcement in January 2001)
- Establishment of IT Strategy Headquarters

- e-Japan Priority Policy Program (Determined by IT Strategy Headquarters in March 2001)
- e-Japan Strategy (Determined by IT Strategy Headquarters in January 2001)
- e-Japan Strategy II (Determined by IT Strategy Headquarters in July 2003)

Program for Building e-Government (Determined by the CIO Council in July 2003, Revision in June 2004)

Priority Policy Areas

- Development of the world’s most advanced information & telecommunications network
- Advancement of human resource development, and the education and learning
- Promotion of e-commerce, etc
- IT administration (Realization of e-Gov)
- Promote use of IT in public sector
- Ensuring of the security and reliability advanced information & communications networks
Program for Building e-Government (Outline)

Program period: from FY2003 to FY2005, subject to annual review)

Goals
1. Provide user-oriented administrative services
2. Materialize simplified public administration with high budget efficiency

Basic Principles of Initiatives

- **Provide better services to the public**
  - Provide the public with information they need with easy access for 24 hours a day, everyday. Provide secure one-stop administrative services through a single gateway on the Internet.

- **Renovate business process and system**
  - Make a zero-base review on business processes/systems to make them rational and efficient by:
    - introducing unified systems for back-office operations,
    - outsourcing various operations of routine nature.

- **Develop infra-structure for building e-Government**
  - Strengthen infra-structure for e-Government, e.g.: making most of “assistant CIOs” (technical advisors appointed from outside) and fortifying measures of security and legal system of protecting personal information.

Initiatives by Individual Ministries

Initiatives are specified to be implemented by individual ministries in line with “Basic Principles”.
Initiatives for “Providing Better Services to the Public”

1. Develop and enhance “Administrative Portal Site”
   - Ensure consistency in items common to “e-Gov” and ministry websites, including display positions on homepages.
   - Expand links from “e-Gov” to include websites of local authorities, the Diet, et al.

2. Promote “One-Stop Services” through and by “e-Gov”
   - Integrate functions of accepting e-applications to the “e-Gov” as much as possible, and realize one-stop services to accept multiple applications all at once at the “e-Gov” (by end of FY2005)

3. Accelerate “Use of On-line Applications”
   - Simplify procedures and cut processing time, while targeting approximately 230 procedures with 100,000 applications and more per year.
   - Start up an “e-Government Customer Support Center” (by end of FY2005).

Key: To boost actual Usage of On-line Transactions
Initiatives for “Renovating Business Processes and Systems”

Optimize systematically each of 77 nominated areas of operations (23 common operations and 54 individual systems)

1. Adopt a “Review Policy” respectively to clarify the whole picture of renovation
2. Adopt an “Optimization Plan (OP)” to optimize business process and system
3. Implement optimization accordingly.

Quantify in OPs estimated “Effects of Reducing processing Time and Costs”

Build government-wide unified systems for “Common Operations”
Scrap overlapping investments in building systems for efficient budget spending.

Significantly cut costs and streamline operations of “Legacy (old) Systems” by:

1. Clarifying “Investment Effectiveness” by complete renewal of systems,
2. Transition to “Open Systems”,
3. Re-examining Contracts for Data Communication Services, and
4. Shifting from Negotiated Contract to “Competitive Bidding”.

Promote simple, efficient and rational administrative operations strategically and consistently to ensure overall optimization
Executive advisor for CIO

• Each ministry staffs executive advisor (s) for CIO.
• Specially designated from private company.
• Private skill into public IT management
• Very new personnel system under the lifelong employment system in
• Japanese government.
Relation between Government Agencies and the Optimization Plan (OP)

- OP for cross-government services
- OP for partially related government services
- OP for individual government agencies

Ministry A
Ministry B
Ministry C
Ministry D
## Target Common and Related Office, Ministry and Agency Services and Systems for OP

<table>
<thead>
<tr>
<th>Services and Systems</th>
<th>Office, Ministry, or Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal affairs &amp; Payroll</td>
<td>National Personnel Authority, MIC (Ministry of Internal Affairs and Communications) and MOF (Ministry of Finance)</td>
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<tr>
<td>Training &amp; Development</td>
<td>National Personnel Authority and MIC</td>
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<td>Disaster Management</td>
<td>CAO (Cabinet Office)</td>
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<td>Statistical Research</td>
<td>MIC</td>
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<td>E-applications</td>
<td>MIC</td>
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<td>Electronic delivery of administrative information</td>
<td>MIC</td>
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<td>Cross-government System</td>
<td>MIC</td>
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<tr>
<td>Response to complaints &amp; counseling</td>
<td>MIC</td>
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<td>Report gathering for local public agencies</td>
<td>MIC</td>
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<td>Document Management</td>
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<td>User Authentication</td>
<td>MIC</td>
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<td>Mutual aid</td>
<td>MOF</td>
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<tr>
<td>Budget &amp; Accounting</td>
<td>MOF</td>
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<tr>
<td>Government property (excludes building and repairs)</td>
<td>MOF</td>
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<tr>
<td>Import/Export, Port and Airport services</td>
<td>MOF</td>
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<tr>
<td>Research and Development Management</td>
<td>MEXT (Ministry of Education, Culture, Sports, Science and Technology)</td>
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<tr>
<td>Procurement of supplies and equipment</td>
<td>METI (Ministry of Economy, Trade and Industry)</td>
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<td>Control of supplies and equipment</td>
<td>METI</td>
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<tr>
<td>Honorarium &amp; fringe benefits</td>
<td>METI</td>
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<td>Governmental subsidy</td>
<td>METI</td>
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<td>Traveling expense</td>
<td>METI</td>
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<td>National exam</td>
<td>METI</td>
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<tr>
<td>Support system for public projects (includes building and repairs)</td>
<td>MLIT (Ministry of Land, Infrastructure and Transport)</td>
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</tbody>
</table>

23 common and related office, ministry, and agency services and systems
## Target Services and Systems for OP

<table>
<thead>
<tr>
<th>Government Agencies</th>
<th>Respective Government Services</th>
<th>参考(左欄に関係する情報システム)</th>
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<tbody>
<tr>
<td>Cabinet office</td>
<td>経済財政政策関連業務等に関するシステム</td>
<td>经済財政政策関連業務等に関するシステム</td>
</tr>
<tr>
<td>National Police Agency</td>
<td>安全情報管理等システム</td>
<td>安全情報管理等システム</td>
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</tbody>
</table>
| Ministry of Education, Culture, Sports, and Technology | D
t| 本省情報基盤システム |
| Ministry of Health, Labour and Welfare | 健康・労働問題 | 労働基準行政情報システム |
| Ministry of Agriculture, Forestry and Fisheries of Japan | 農業、林業・漁業関連業務 | 農業・林業・漁業関連業務 |
| Ministry of Economy, Trade and Industry | 経済・産業情報システム | 経済産業情報システム |
| Ministry of Land, Infrastructure and Transport | 土地・交通情報システム | 土地交通情報システム |
| Ministry of Foreign Affairs of Japan | 外務情報システム | 外務情報システム |
| Ministry of Finance Japan | 財務情報システム | 財務情報システム |

54 services and systems for individual office, ministry and agencies
Formulation of Optimization Plan (OP)

1. Review current systems
2. Formulate revision policies
3. Develop future systems
4. Formulate OP

Current status

Services?
Procedures?
Data Information?

Formulation of Optimization Plan (OP)

Reference Mode
(Formulate reference knowledge such as data model and security requirement)
A “Model Project” is a pilot case for reforming the budgeting process. The following three points can be pointed out.

1. Specifies what will be achieved with the budget by indicating quantitative policy goals.
2. Flexible budget execution will be employed according to the nature of the project (spanning multiple fiscal years, generalizing budget item categories, and permitting carryovers).
3. Strict post evaluation will be conducted to verify achievements and reflected in next budgeting to improve efficiency.

10 Services and Systems of METI are targets for...
- Realizing the e-Gov Construction Plan (to be within the world’s top 10 in third party evaluation, save over 20% of working hours, etc.)
- Improving user satisfaction (number of users of the system shall approach the same level as the ratio of Internet users, conduct surveys, etc.)
- Improving system development efficiency (Reduce development workload 5% by employing objective evaluation and management methods, etc.)

2 Services and Systems of METI are targets for reducing service costs amounting to 10% of the total development cost, in FY 2008, etc.

First trial as Japan:
Evaluation based on output indicator and reflection to the budget
Renovating Government Procurement System regarding Information Systems

1. Review evaluation methods including the comprehensive evaluation bidding method
   - Utilization of multi-year contracts and cost evaluation based on life-cycle costs
   - Promote publishing of information regarding tender results
   - Strengthen ability of technical evaluation

2. Review the tender participation systems including the tender participant qualification examination system
   - Flexible adjustments of tender participation qualifications
   - Granting tender participation credentials to joint ventures, etc.
   - Promote procurement from small to medium size businesses

3. Improve Procurement Management
   - Strengthen the ability of the procuring side
   - Improve contract methods
   - Employ contracts that clearly state responsibilities of the government side and private side
   - Improve procurement process management
   - Share, analyze, and utilize information regarding procurement cases