

Japan

Overview and recent developments

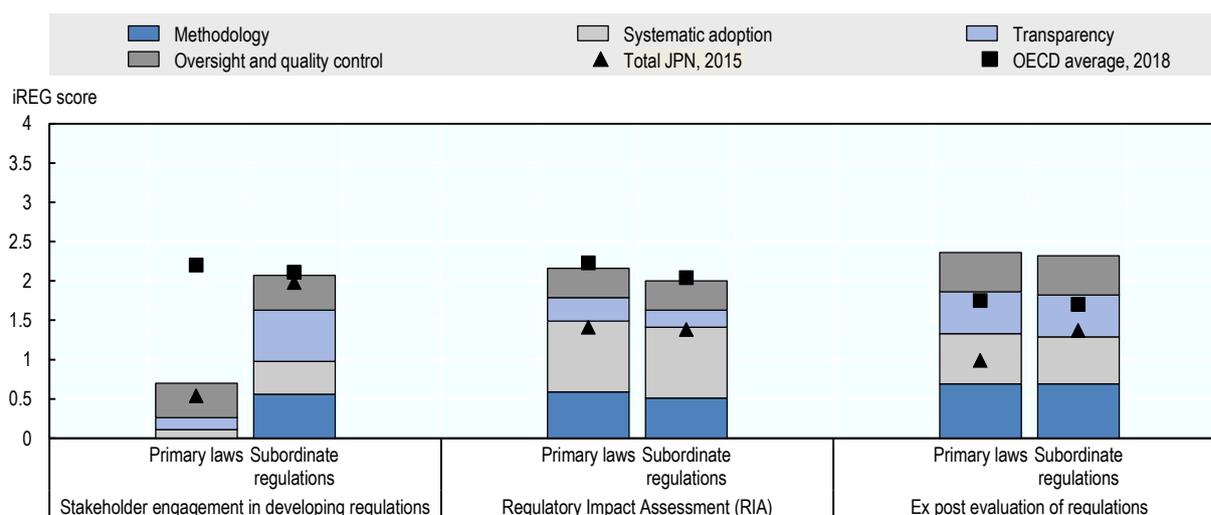
Japan has made significant efforts to improve its regulatory environment. In 2017, the government has stressed its commitment to regulatory reform by introducing a Basic Program on Reducing Administrative Burden. The program is linked to Japan's Revitalization Strategy (2016) and aims to introduce new frameworks, principles, and mechanisms for regulatory and institutional reform, with the view of achieving the program's intended targets and objectives by 2019. Japan has also revised its Implementation Guidelines for Policy Evaluation of Regulations in 2017, which provides an update of the 2007 guidelines, and further elaborates on the information and criteria in relation to quantifying and qualifying impacts and costs, including the various techniques and processes that ministries can adopt under specific circumstances. The 2017 guidelines also clearly define the necessity of conducting *ex post* evaluations of regulations within the period of five years since its implementation.

An interactive website is available for the public to access relevant documents, such as impact assessments, and provide comments on draft subordinate regulations. 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.

Institutional setup for regulatory oversight

The **Council for Promotion of Regulatory Reform** works within the Cabinet Office of the Government and is responsible for the promotion of regulatory reform. The Council is also mandated to monitor and review the implementation of regulatory reform initiatives in place and provide objective recommendations for future initiatives, at the request of the Prime Minister. The **Administrative Evaluation Bureau (AEB)** of the Ministry of Internal Affairs and Communications is responsible for overseeing, planning, and managing *ex ante* and *ex post* evaluations and establishes guidelines and platforms to support these evaluations. The AEB also conducts evaluations of the various ministerial policies, which includes ministry guidelines and common rules for policy evaluations, and reviews these policies, under the supervision of the Cabinet. The **Japan Fair Trade Commission (JFTC)** supports the AEB in reviewing evaluations and assessments related to competition. Government ministries and agencies have to assess the impact on competition with a checklist when they establish, revise or abolish certain types of regulations. The JFTC provides a checklist and guidance to ministries and agencies that undertake this assessment.

Indicators of Regulatory Policy and Governance (iREG): Japan, 2018



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 (77% of all primary laws in Japan).

Source: Indicators of Regulatory Policy and Governance Surveys 2014 and 2017, <http://oe.cd/ireg>.

StatLink <https://doi.org/10.1787/888933815832>

Location of regulatory oversight functions: Japan

| Regulatory oversight functions | | Centre of government | Ministry of Finance, Economy or Treasury | Ministry of Justice | Other ministries | Non-departmental body | Parliament | Office of the Attorney General | Supreme audit institution | Part of the judiciary |
|--|------------------------|----------------------|--|---------------------|------------------|-----------------------|------------|--------------------------------|---------------------------|-----------------------|
| Quality control of... | RIA | | | | ● | | | | | |
| | Stakeholder engagement | | | | ● | | | | | |
| | Ex post evaluation | | | | ● | | | | | |
| Identifying policy areas where regulation can be made more effective | | ● | | | | | | | | |
| Systematic improvement of regulatory policy | | | | | ● | | | | | |
| Co-ordination of regulatory policy | | | | | | | | | | |
| Guidance, advice and support | | | | | ● | ● | | | | |
| Scrutiny of legal quality | | | | | | | | | | |

Notes: ● indicates that a given regulatory oversight function is covered by at least one body in a particular location. Data present the situation as of 31 December 2017 and do not reflect changes that may have taken place in 2018.

Source: Survey questions on regulatory oversight bodies, Indicators of Regulatory Policy and Governance Survey 2017, <http://oe.cd/ireg>.