

Leading the Science and Technology Budget Formation - Promoting Prioritization -

In forming the science and technology budget for the entire government, by fulfilling the headquarters function and to establish a PDCA cycle in which policies based on the “S&T Basic Plan” and the “Comprehensive Strategy on Science,

Technology and Innovation” are directly linked to the budget, the Council for Science, Technology and Innovation is leading the projects undertaken by the relevant ministries mainly based on the following activities.

Establishing the Science, Technology and Innovation Budgeting Strategy Committee and holding the Committee Meeting

The “Science, Technology and Innovation Budgeting Strategy Committee” was newly established based on the “Comprehensive Strategy on Science, Technology and Innovation” (decided in June 2013 as a Cabinet decision) and the “Japan Revitalization Strategy” (decided also in June 2013 as a Cabinet decision). The chairperson of this committee is the Minister of State for Science and Technology Policy, and the committee is composed of

executive personnel in the relevant ministries.

Through this budgeting strategy committee, the following process was newly introduced: At an early stage before a budget appropriation request, the relevant ministries jointly lead such activities as budget prioritization. After that, the Council for Science, Technology and Innovation formulates the resource allocation policy, etc.

Science, Technology and Innovation Budgeting Strategy Committee

Summary
Based on the “Comprehensive Strategy on Science, Technology and Innovation” (decided on June 7, 2013 as a Cabinet decision), this committee was established in the Cabinet Office. For the science and technology budget for the entire government, regarding budget prioritization to create innovations and the projects undertaken by the ministries, this committee aims to ensure close collaboration between the related ministries and perform necessary coordination.

Members
Based on the attendance of executive members of CSTI, the committee mainly consists of the following members:
Chairperson: Minister of State for STI Policy
Vice-chairperson: Director General, Bureau of Science, Technology and Innovation, Cabinet Office
Members: Deputy Director General, Japan's Economic Revitalization General Bureau, Cabinet Secretariat;
Deputy Director General for Engineering Affairs, Commissioner-General's Secretariat, National Police Agency;
Director General for Policy Coordination, Minister's Secretariat, Ministry of Internal Affairs and Communications;
Director-General, Disarmament, Non-Proliferation and Science Department, Ministry of Foreign Affairs;
Director General, Science and Technology Policy Bureau, Ministry of Education, Culture, Sports, Science and Technology;
Director General for Technical Affairs, Minister's Secretariat, Ministry of Health, Labour and Welfare;
Director General, Agriculture, Forestry and Fisheries Research Council, Ministry of Agriculture, Forestry and Fisheries;
Director General, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry;
Deputy Minister for Technical Affairs, Minister's Secretariat, Ministry of Land, Infrastructure and Transport;
Director General, Environmental Policy Bureau, Ministry of the Environment;
and Director General for Technology, Minister's Secretariat, Ministry of Defense

Meetings Held
(FY2013)
1st meeting (June 20): How to pursue the Comprehensive Strategy on Science, Technology and Innovation, and prioritization of the FY2014 science and technology budget
2nd meeting (July 16): Cross-ministerial Strategic Innovation Promotion Program, Action Plan for the Implementation of Important Science and Technology Policy Measures, Creation of an Environment Suitable for Innovation
3rd meeting (September 3): Cross-ministerial Strategic Innovation Promotion Program
4th meeting (November 14): Preparation for formation of the FY2014 science and technology budget
(FY2014)
5th meeting (June 5): Preparation for a budget appropriation request for the FY2015 Science and Technology budget
6th meeting (June 26): How to promote prioritization of the FY2015 Science and Technology budget

Policies for the Allocation of Resources including the Science and Technology Budget (Prioritization of the Science and Technology Budget)

Before a budget appropriation request for the next fiscal year budget, the Council for Science, Technology and Innovation determines “Policies for the Allocation of Resources including the Science and Technology Budget” for the purpose of allocating the budget with priority given to important fields and policies beyond the boundaries of the Cabinet Office and the ministries. The Council offers its opinions to the relevant ministers so that the ministries make budget requests according to the above policies. Based on these policies, the Council concentrates the budget

on and strongly promotes problem-solving type activities that combine the following: the budget allocation function of the Cabinet Office through the “Cross-ministerial Strategic Innovation Promotion Program (SIP),” newly established in 2014, and the guidance regarding the policies of the relevant ministries through the “Action Plan for the Implementation of Important Science and Technology Policy Measures.” By promoting such activities as above, the Council plays a proactive and leading role in forming the science and technology budget.

Policies for the Allocation of Resources including the Science and Technology Budget for FY2015 [Summary] (Decision by the Council for Science, Technology and Innovation on July 17, 2014)

Basic Principles—Ensuring Implementation of the "Comprehensive Strategy on Science, Technology and Innovation" (Decided by the Cabinet on June 24, 2014)—

- Promote the Cross-ministerial Strategic Innovation Promotion Program (SIP) continuously and strongly to ensure that its results reach an exit (practical application/commercialization).
- To solve policy issues, using action plans, promote program formulation regarding measures taken by the Cabinet Office and the ministries and establish an annual PDCA cycle.
- Promote policy packages linked to system reform covering R&D corporations for a sustainable innovation system.
- Promote ministerial efforts for such issues as promotion of investment in government-sponsored research and development (share of GDP: 1%) based on the "4th S&T Basic Plan" and the "Japan Revitalization Strategy."

Principles of Prioritization for the FY2015 Budgets (Points)

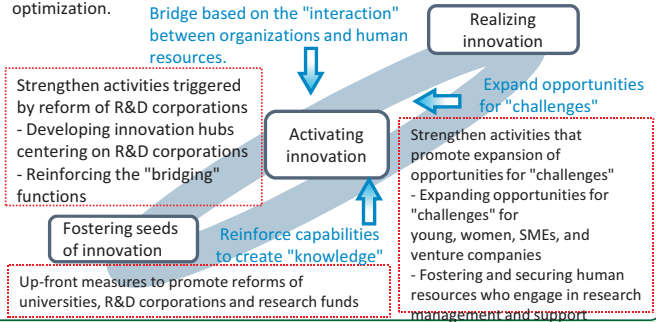
1. Response to Current Important Issues

(Policy Guidance using Action Plans led by SIP)

- Contribute to solving the policy issues in Chapter 2 of the Comprehensive Strategy 2014 (energy, healthy and active aging society, next-generation infrastructure, regional resources, and recovery and reconstruction).
 - Policies that complement SIP (which plays a central role) and generate synergistic effects.
 - Policies required to be handled by the ministries as a whole (linkage and no duplication)
 - Budget prioritization by specifying technologies that become a source of strengthening industrial competitiveness as "action plan target policies"
 - Strengthen PDCA by promoting policies from identification up to follow-up through a seamless system for deliberations, in which, based on detailed timetables, the Expert Panel on Important Issues is used under the leadership of expert Diet members (also linked to an administrative project review).
 - For the FY2015 Expenditure on Science, Technology and Innovation Promotion
 - Requesting the fund as adjustment expenditures without details fixed to promote SIP continuously and strongly
 - Closely investigating the 10 issues in the SIP program and flexibly reviewing the fund allocation
 - Adding new issues as needed and considering replacing issues, too
- (* The field of health care is promoted by under the Headquarters for Healthcare Policy.

2. Creation of an Environment Suitable for STI (Innovation System Reform)

In conjunction with the system reform based on Chapter 3 of the Comprehensive Strategy 2014, prioritize the budget by packaging and promoting the following policies, to which priority must be given in the budget from the viewpoint of total optimization.



3. Evaluation of Nationally Important R&D

Perform evaluation on nationally important R&D such as new large-scale R&D and use the results in the budget formulation process.

Transition of overall S&T Budget

as of March 2015

