

Basic Program on Reducing Administrative Burden:

Review results and future policies

April 24, 2018

Subcommittee for Administrative Burden Reduction

Council for Promotion of Regulatory Reform

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I. Past discussions

1. Background

Japan is one of the first countries in the world to face a dramatic decline in population. To achieve sustained growth, it is essential to overcome the constraints of economic supply by boosting the country's productivity.

In order to achieve the government's published goal of "600 trillion yen GDP economy", it is necessary to improve the country's business environment and to boost their productivity by reducing the administrative burden encountered by businesses.

2. Efforts in FY2016

In the Japan Revitalization Strategy 2016, approved by the Cabinet on June 2, 2016, the Government stated that it would conduct surveys on foreign countries' efforts for administrative burden reduction, consider how costs should be reduced and goals should be set up, and then decide on focused areas where the Government should promote regulatory reforms, simplification of administrative procedures, and evolution of information technology in an integrated and unified manner on a full-scale basis, as well as on goals of regulatory/administrative cost reduction, and promote systematic efforts by the end of FY2016.

Based on the above decision, the Government established the "Subcommittee for Administrative Burden Reduction" within the Council for Promotion of Regulatory Reform, where they discussed on specific steps toward reduction of administrative costs in Japan. During the discussions, the Subcommittee reviewed foreign countries' efforts for administrative cost reduction according to the decision presented in the Japan Revitalization Strategy, and gained valuable insights from them. In doing so, the focus was placed on understanding the needs of businesses regarding administrative burdens. Specifically, the Subcommittee conducted a questionnaire survey of businesses, thereby understanding quantitative trends on procedures that were the most burdensome to businesses and how they actually felt, and collected case examples of problematic procedures as well by interviewing various organizations and soliciting opinions through the Cabinet Office's website.

Based on such discussions and review results, the following summary of administrative burden reduction measures was adopted in the meeting of the Council for Promotion of Regulatory Reform held on March 29, 2017, in the presence of Prime Minister Abe, heads of the three economic organizations (Keidanren (Japan Business Federation), The Japan Chamber of Commerce and Industry, and Japan Association of Corporate Executives).

- Efforts should be promoted based on the three principles for administrative burden reduction: 1)

Pursuit of Thoroughness in Computerization of Administrative Procedure (Digital First Principle), Same Information Not Required(Once-Only Principle), and 3) Uniform Documentary Forms.

- The following nine areas have been prioritized:

i. Procedures for business approvals and licenses, ii. Procedures for social insurance, iii. Procedures for national taxes, iv. Procedures for local taxes, v. Procedures for subsidies, vi. Providing responses to statistical studies and other surveys, vii. Procedures for labor management of corporate members, viii. Procedures for commercial registrations, ix. Issuance of certificates as the request of corporate members

*Both “Administrative burden about procedures for employees’ tax payment” and “Procedures for submitting a bid to or entering into a contract with an administrative ministry or agency” are to be considered separately.

- Administrative costs (number of hours spent within businesses to complete procedures) in the prioritized areas should be reduced by 20% in the three year working period leading up to the year 2020 (except for some items on which reduction should be achieved in five years).

*Separate numerical targets to be established for “Procedures for national taxes” and “Procedures for local taxes” such as 100% utilization rate of electronic filing by large corporations

*“Providing responses to statistical studies and other surveys” to be dealt with based on the Basic Policy for the Fundamental Reform of Economic Statistics

Based on the report, Prime Minister Abe stated in the said meeting that the Government would aim to achieve 20% or more reduction of administrative costs in areas including business approvals and licenses which were heavily burdensome to businesses by 2020, the year of the Tokyo Olympics and Paralympics, and that he would order that ministries and agencies formulate and announce reduction plans by June 2017.

3. Efforts in FY2017

Based on the above report and Prime Minister’s order, ministries and agencies formulated and released “basic implementing plans” for reducing administrative costs of each area by the end of June 2017. To check and follow up on the basic implementing plans formulated by ministries and agencies, the Subcommittee for Administrative Burden Reduction established two Review Teams at the end of August last year. They conducted intensive inspections on the basic implementing plans (by meeting 22 times in seven months), and ministries and agencies revised the basic implementing plans accordingly by March this year.

To be more specific, the Subcommittee presented a basic approach for revision of the basic implementing plans to help best practices of a ministry or agency in each prioritized area to be rolled out to other ministries and agencies, and also requested that ministries and agencies simplify specific

procedures on which businesses strongly demanded improvement.

As well, the Subcommittee pushed efforts in areas and items which have a huge impact on small and medium-sized enterprises amid a call for elimination of labor shortage at SMEs and restrictions on long working hours. Specifically, the Subcommittee put together simplification schedules for the areas including social insurance, subsidies, and identity verification at the second meeting of the Liaison Council for SME-Revitalization-related Ministries and Agencies (January 11, 2018).

In addition, “Supply System Innovation from the government” was announced as a basic policy in the “New Economic Policy Package” (December 8, 2017), and “100% computerization of administration services” and “elimination of attached documents” among others were adopted by the IT Strategic Headquarters (December 2017) and e-Government Ministerial Conference (January 16, 2018). As well, at the meeting of the Council on Investments for the Future (March 30, 2018), Prime Minister Abe stated, “In strongly advancing the productivity revolution, let us first ‘practice what we preach.’ Government organizations must proactively make use of the latest technology and work to thoroughly improve productivity themselves.” Based on the series of such developments, the Subcommittee focused its efforts especially on computerization.

II. Measurement results of administrative costs and the prospect of reduction

This became the first-ever attempt to quantify administrative costs in Japan. It would make it possible to quantitatively verify reduction effects.

- (1) Ministries and agencies formulated basic implementing plans for simplification of procedures which processed 100 cases or more a year in each prioritized area based on the aforementioned decision by the Council for Promotion of Regulatory Reform. (99.6% coverage based on the number of cases procedures process per year)
- (2) With regard to major procedures (530 procedures (accounting for annual 75.23 million cases)) among procedures for which basic implementing plans were formulated (1,223 procedures (accounting for annual 83.47 million cases)), ministries and agencies interviewed businesses on administrative costs (number of hours spent within businesses to complete procedures) required for filing, etc., and thereby measuring costs (costs before reduction measures included in the basic implementing plans were taken) (90% coverage based on the number of cases procedures process per year). As well, ministries and agencies presented the prospect of cost reduction effects if the reduction measures were taken.
- (3) According to the cost measurement results, administrative costs borne by businesses in prioritized areas amounted to 347.27 million hours per year at the time of the survey. Multiplied by an hourly

labor cost (2,543 yen) including wages, bonuses, and welfare expenses which was calculated statistically, the administrative costs are estimated to be 883.1 billion yen in monetary terms.

* Multiplied by a labor cost per person: 2,543 yen/hour (employee wages: 1,874 yen/hour, employee bonuses: 325 yen/hour, welfare expenses: 345 yen/hour), the administrative costs in terms of hours were converted into a monetary amount. The labor cost per person per year (4,373,173 yen) was obtained by applying the formula: “(Employee wages + Employee bonuses + Welfare expenses) / Number of employees” to data (of all industries including finance and insurance) found in the Financial Statements Statistics of Corporations by Industry (FY2016). The hourly cost was calculated by dividing 4,373,173 yen by the total hours worked in FY2016 (1,719.6 hours) obtained from the monthly labor statistics survey. The same applies to the following monetary conversion of hours reduced.

(4) Effects of cost reduction by efforts of this time are estimated to be 77 million hours (195.8 billion yen) per year by aggregating expected cost reduction effects for each item of all ministries and agencies. (Reduction rate: 22.2%) As a one-time reduction of administrative costs would bring perpetual effects, Japan’s business environment is expected to improve significantly when administrative costs have been reduced.

Table 1. Administrative costs and prospect of hours reduced by area

	Hours spent per case	Total number of cases processed (Subject to cost measurement)	Hours spent (Monetary terms)	Hours reduced* ¹ (Monetary terms)	Reduction rate
Business approvals and licenses	26.9 hours	5,253,226 cases	141.24 million hours* ² (359.2 billion yen)	29.50 million hours* ² (75.0 billion yen)	20.9%
Social insurance	2.1 hours	56,806,812 cases	122.11 million hours (310.5 billion yen)	29.22 million hours (74.3 billion yen)	23.9%
Statistical studies and other surveys* ³	3.5 hours	6,811,452 cases	23.93 million hours (60.9 billion yen)	5.62 million hours (14.3 billion yen)	23.5%
Labor management	5.0 hours	3,013,296 cases	15.14 million hours (38.5 billion yen)	3.06 million hours (7.8 billion yen)	20.2%
Subsidies* ⁴	37.6 hours	292,598 cases	11.00 million hours (28.0 billion yen)	2.30 million hours (5.8 billion yen)	20.9%
Employment certificates	2.3 hours	2,460,000 cases* ⁵	5.56 million hours (14.1 billion yen)	1.64 million hours (4.2 billion yen)	30.0%
<i>Commercial registrations*⁶</i>	<i>47.5 hours</i>	<i>595,272 cases</i>	<i>28.28 million hours (82.1 billion yen)</i>	<i>5.65 million hours (16.4 billion yen)</i>	<i>20.0%</i>
Total	4.6 hours	75,232,656 cases	347.27 million hours (883.1 billion yen)	77.00 million hours (195.8 billion yen)	22.2%

*1 If ministries or agencies did not set a target for each procedure in their basic implementing plans, “Hours reduced” shows an aggregate of “Hours spent” of such procedures in each area multiplied by the reduction rate of 20%.

*2 Some procedures regarding “Business approvals and licenses” which have not been measured are not included in hours spent, hours reduced, or reduction rate of this table. (They account for around 40,000 cases.)

*3 “Statistical studies and other surveys” includes existing statistical surveys (Fundamental Statistical Surveys and General Statistical Surveys) but not surveys that were newly started or improved based on the “Basic policy for statistical reform” or non-statistical surveys. The “Total number of cases processed” in this area includes numbers (approximate numbers) per year converted from the number of survey subjects in the basic implementing plans. (E.g., The number of survey subjects is multiplied by four, if the survey is quarterly, and divided by five, if the survey is conducted every five years.)

*4 “Subsidies” covers only “Subsidies” defined in Article 2 (1) of the Act on Regulation of Execution of Budget Pertaining to Subsidies, etc. (Act No. 179 of 1955). Employment subsidies are included in “Labor management.”

*5 Calculated based on the number of children using day care facilities, etc. It shows a maximum because not all children are approved on the ground that their parents are employed.

*6 Hours spent on “Commercial registrations” were converted from the average number of days spent

measured by the Ministry of Justice because it was the only available data. Conversion to hours spent were made by assuming that 6.6 hours were spent per day based on the data gained from the monthly labor statistics survey.

III. Review results of basic implementing plans

The Subcommittee presented a basic approach for revision of the basic implementing plans formulated by ministries and agencies in June last year for each prioritized area to extract best practices of each ministry and agency based on the three principles for administrative burden reduction (Digital First Principle, Once-Only Principle, and Uniform Documentary Forms) and to help such best practices to be rolled out to other ministries and agencies, and then called for improvement. As well, the Subcommittee requested that ministries and agencies simplify specific procedures on which businesses strongly demanded improvement. In addition, the Subcommittee put together schedules which specified leading ministries and agencies and deadlines.

Apart from the conventional nine prioritized areas, the Subcommittee set a target of 20% reduction of administrative costs in procedures concerning “Procedures for submitting a bid to or entering into a contract with an administrative ministry or agency” on which SMEs strongly demanded simplification.

1. Procedures for business approvals and licenses

- (1) The Subcommittee established “perspectives of simplification and evaluation criteria” according to the above three principles, conducted inspections for overall improvement through efforts in coordination with “Digital Government Execution Plan” (elimination of attached documents, revision of use of a seal) and simplification efforts initiated by ministries and agencies, and called for revision accordingly.
- (2) The Table 2 summarizes the current state and efforts included in the basic implementing plans of each ministry and agency from the perspective of “computerization” that is the most important measure for simplification of administrative procedures. Generally, the current state can be described as follows:
 - Some ministries and agencies have no procedures that allow online filing.
 - In many procedures, online filing is available but not widely used.
- (3) The basic implementing plans confirmed advanced and proactive efforts in some ministries and agencies and in some procedures but not all.
For example,
 - Some wrote in their basic implementing plans that they would identify the reasons why online filing was not widely used or would analyze factors that were preventing introduction of an online filing system. Some said they would make their online filing system easier to use to increase online users.
 - Some wrote specific plans toward elimination of attached documents through backyard cooperation.

- Some ministries and agencies were working to introduce a nationally-standardized filing system for procedures of local governments while others only made requests to local governments.

Table 2. Efforts for computerization of procedures for Business approvals and licenses

	No. of target procedures	No. of cases processed online / Total number of cases processed	Online procedure rate	<p>○Major laws</p> <ul style="list-style-type: none"> ▪ Examples of efforts concerning computerization in basic implementing plans
National Police Agency (NPA) (7 relevant laws)	68	0/ 818,012	0.0%	<p>○Act on Control and Improvement of Amusement Business, etc. ○Secondhand Articles Dealer Act</p> <ul style="list-style-type: none"> ▪ Consider introduction of electronic filing for new notification procedures, etc. to be established by the Revised Secondhand Articles Dealer Act (enacted on April 2018) if the Revised Act is passed.
Financial Services Agency (FSA) (13 relevant laws)	93	20,701/ 98,844	20.9%	<p>○Financial Instruments and Exchange Act ○Banking Act</p> <ul style="list-style-type: none"> ▪ Promote online procedures that are available but not widely used. ▪ Examine procedures where online filing is not available to identify factors preventing introduction of an online filing system, determine if online filing is possible or not for each procedure, and then, for procedures which could allow online filing, proceed with the required preparation to make online filing available by the end of 2019.
Ministry of Internal Affairs and Communications (MIC) (2 relevant laws)	13	340/ 8,522	4.0%	<p>○Radio Act ○Broadcasting Act</p> <ul style="list-style-type: none"> ▪ Hold hearings concerning promotion of online filing/notification systems and details of required work, and thereby promoting greater utilization ▪ Unify entry formats for online and paper filing/notification to promote online filing
Ministry of Justice (MOJ) (4 relevant laws)	8	0/ 1,617	0.0%	<p>○Act on Special Measures Concerning Claim Management and Collection Businesses</p> <ul style="list-style-type: none"> ▪ Make it possible to substitute sending information through the registry information service for sending an original copy of a certificate of registered matters
Ministry of Finance (MOF) (3 relevant laws)	16	1,018/ 58,405	1.7%	<p>○Tobacco Business Act ○Liquor Tax Act</p> <ul style="list-style-type: none"> ▪ Consider elimination of the requirement of attaching a certificate of registered matters and a copy of a family register
Ministry of Education, Culture, Sports, Science and Technology	7	0/ 4,114	0.0%	<p>○Education Personnel Certification Act ○School Education Act</p> <ul style="list-style-type: none"> ▪ Develop/operate a new web input system as some operations are transferred to independent

(MEXT) (2 relevant laws)				administrative agencies (Education Personnel Certification Act)
Ministry of Health, Labour and Welfare (MHLW) (29 relevant laws)	273	121/ 2,475,360	0.0%	<ul style="list-style-type: none"> ○Food Sanitation Act ○Long-Term Care Insurance Act ○The Law on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical devices ▪ Develop a nationally-standardized online filing system for business permit application for restaurants, etc. ▪ Request local governments to promote filing by sending data by email or in CD-R as a measure that can be readily implemented.
Ministry of Agriculture, Forestry and Fisheries (MAFF) (11 relevant laws)	22	0/ 136,701	0.0%	<ul style="list-style-type: none"> ○Fishery Act ▪ Consider online filing and other digital services by working with the National Strategy Office of Information and Communications Technology, Cabinet Secretariat. ▪ Promote online procedures by providing pre-filing consultation by email and accepting submission by email

Ministry of Economy, Trade and Industry (METI) (32 relevant laws)	133	751,389/ 1,307,559	57.5%	<ul style="list-style-type: none"> ○Feed-in-Tariff Act ○Electricity Business Act ○Act for Facilitating New Business Activities of Small and Medium-sized Enterprises ▪ Apply online filing to more procedures, and enhance procedural efficiency by preventing incomplete data and allowing correction on online systems. (Feed-in-Tariff Act) ▪ Examine the possibility of IT introduction to all procedures required by security-related laws, and simplify procedures and apply IT on the condition that security is ensured (Electricity Business Act, etc.) ▪ Work to achieve a system which enables online filing based on a simple authentication method (ID/Password) without an electronic certificate (Act for Facilitating New Business Activities of Small and Medium-sized Enterprises)
Ministry of Land, Infrastructure, Transport and Tourism (MLIT) (27 relevant laws)	142	8,424/ 1,569,940	0.5%	<ul style="list-style-type: none"> ○Construction Business Act ○Motor Truck Transportation Business Act ○Act on Assurance of Performance of Specified Housing Defect Warranty ▪ Discuss simplification of filing documents, etc. including the aspects of how online filing should be or how false filing should be dealt with. Conduct questionnaire surveys of construction firms and licensing agencies and consider system development with the FY2018 budget. (Construction Business Act) ▪ Consider computerization of procedures and start introducing it to procedures as they become ready (Motor Truck Transportation Business Act)
Ministry of the Environment (MOE) (2 relevant laws)	11	0/ 40,122	0.0%	<ul style="list-style-type: none"> ○Waste Management and Public Cleansing Act ▪ Ask relevant parties including discharge enterprises, disposal companies, and local governments what they think is a problem and then consider online filing, etc. (FY2018)

(4) With regard to “computerization of filing forms,” the Subcommittee also classified and tabulated each ministry and agency’s policy as in [Table 3](#). In general, for most procedures, ministries and agencies expressed their intentions to “work toward” or “consider” computerization. But while there is a considerable number of procedures for which “Development of an online entry form is planned (A),” for many procedures, ministries and agencies only plan “Provision of a filing form on an editable file format (Word, Excel, etc.) (B).”

As well, the Subcommittee classified and tabulated each ministry and agency’s policy as in [Table 4](#) with regard to “computerization of submission methods.” It revealed that cases where “development of a system for online submission of filing forms is completed or under consideration (A)” cover only 13% of the total number of cases processed while “filing by mail (B)” and “filing in person at a service counter only (C)” account for 82% and 1% respectively.

Table 3. Efforts for computerization of filing forms (Business approvals and licenses)

	A: Development of an online entry form available on websites is concretely planned (or already completed.)		B: Provision of a filing form on an editable file format (Word, Excel, etc.) on websites is concretely planned (or already underway.)		C: Filing forms are provided only on paper at service counters or on uneditable file formats (PDF, etc.) on websites. No plans for revision.	
NPA	0 item	0 case	68 items	818,012 cases	0 item	0 case
FSA	0 item	0 case	93 items	98,844 cases	0 item	0 case
MIC	6 items	3,774 cases	7 items	4,748 cases	0 item	0 case
MOJ	0 item	0 case	8 items	1,617 cases	0 item	0 case
MOF	6 items	26,729 cases	10 item	31,676 cases	0 item	0 case
MEXT	6 items	3,077 cases	1 item	1,037 cases	0 item	0 case
MHLW	30 items	903,905 cases	233 items	1,477,510 cases	11 items	93,954 cases
MAFF	0 item	0 case	20 items	136,214 cases	0 item	0 case
METI	45 items	1,160,730 cases	86 items	146,292 cases	3 items	537 cases
MLIT	12 items	53,518 cases	107 items	1,497,737 cases	4 items	12,015 cases
MOE	0 item	0 case	11 items	40,122 cases	0 item	0 case

Table 4. Efforts for computerization of submission methods of filing forms (Business approvals and licenses)

	A: Development of an online form and an online system for completing submission/acceptance of filing forms (including attached documents) is planned (or already completed.)(*1)		B: Acceptance of filing forms/attached documents by mail is planned (or already available.)(*2)		C: Application forms/attached documents can only be submitted in person at a service counter.	
NPA	0 item	0 case	68 items	818,012 cases	0 item	0 case
FSA	93 items	98,844 cases	0 item	0 case	0 item	0 case
MIC	6 items	3,774 cases	7 items	4,748 cases	0 item	0 case
MOJ	2 items	383 cases	6 items	1,234 cases	0 item	0 case
MOF	7 items	28,805 cases	9 items	29,600 cases	0 item	0 case
MEXT	3 items	1,127 cases	4 items	2,987 cases	0 item	0 case
MHLW	47 items	970,635 cases	217 items	1,474,818 cases	10 items	29,907 cases
MAFF	2 items	848 cases	19 items	135,537 cases	1 item	316 cases
METI	56 items	1,244,635 cases	75 items	62,587 cases	3 items	537 cases
MLIT	42 items	959,323 cases	99 items	610,469 cases	1 item	148 cases

MOE	0 item	0 case	11 items	40,122 cases	0 item	0 case
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*1 Submission by email is included.

*2 Submission of CD or DVD by mail is included in B.

*3 Table 3 and Table 4 summarize efforts presented in basic implementing plans.

- (5) Computerization of procedures, especially those that process many cases a year, could not only reduce administrative costs on businesses but also be beneficial for the administration side as they will be able to handle a large amount of data easily at a lower cost.

The [Table 5](#) summarizes procedures for business approvals and licenses which handle more than 100,000 cases a year. In some of these procedures, online filing is already available and used popularly while in other procedures, an online filing system has yet to be introduced even on the central government level. As well, while revision of procedures that are legally considered as affairs of local governments must be promoted with understanding and cooperation of local governments, in some cases a ministry or agency works to develop a nationally standardized system on its own. (Food Sanitation Act) (See “V. Simplification of local procedures” (P. 42-).)

In addition, utilization of email was reported in the areas such as “Notification of suspension/discontinuation of a pharmacy” and “Permission for fishery.” It is only a first step toward computerization and further efforts are needed.

Table 5. Efforts for computerization of procedures that process more than 100,000 cases a year.
(Business approvals and licenses)

[NPA]

Procedure	No. of cases/year	Efforts for computerization *Created by Secretariat based on basic implementing plans and Subcommittee hearings
Filing for approval of addition, replacement, and other changes of game machines (Act on Control and Improvement of Amusement Business, etc.)	395,678	☆Local government affairs ▪ Analyze factors preventing introduction/promotion of online filing (FY2018) ▪ Discuss simplification, etc. of notification methods including promotion of online filing introduction (FY2019)
Notification of minor change of game machines (Act on Control and Improvement of Amusement Business, etc.)	127,306	

[MHLW]

Filing for a business approval for restaurants, etc. (Food Sanitation Act)	303,154	☆Local government affairs <ul style="list-style-type: none"> Develop an online system for business approval filing, etc. and promote introduction of online services to filing procedures, etc.
Filing for renewal of a business approval for restaurants, etc. (Food Sanitation Act)	274,911	<ul style="list-style-type: none"> Start system development from FY2018, and finish it in FY2019, and then start integration tests with systems of local governments from the second half of FY2019.
Notification of change of information submitted upon filing for a business approval for restaurants, etc. (Food Sanitation Act)	213,252	<ul style="list-style-type: none"> Promote standardization of filing forms by setting required information for filing on an online system based on facility criteria specified by the central government.
Notification of change of an operator of a welfare service business for persons with disabilities (Comprehensive Services and Supports for Persons with Disabilities Act)	142,274	☆Local government affairs <ul style="list-style-type: none"> Promote efforts by asking for understanding of local governments on the introduction of an online filing system while keeping pace with the progress in other areas.
Notification of suspension/discontinuation of a pharmacy (The Law on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical devices)	133,675	☆Local government affairs <ul style="list-style-type: none"> Based on the prospect of the government-wide computerization effort of administrative procedures, as an immediately practicable effort, ask for cooperation of local governments in promotion of procedures utilizing electronic media e.g., accepting data by email or in CD-R if many documents which do not require seals need to be attached.

[MAFF]

Prefectural governor's permission for fishery (Fishery Act)	111,410	☆Local government affairs <ul style="list-style-type: none"> Consider computerization including the introduction of online filing in consultation with the National Strategy Office of Information and Communications Technology, Cabinet Secretariat based on the latest government policies and decisions including the "Digital Government Execution Plan." Ask for understanding and cooperation of prefectures on the following efforts: <ol style="list-style-type: none"> Discuss and determine if seals can be omitted in documents. If they can, simplify relevant procedures and publicize them on websites. Discuss and determine if simplification of attached documents is possible. If it is, simplify relevant procedures and publicize them on websites. Promote computerization of procedures by providing pre-filing consultation by email and accepting submission by email.
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[METI]

Approval of a renewable energy generation business plan (Feed-in-Tariff Act)	275,528	<ul style="list-style-type: none"> Online filing has been introduced. (Online filing rate: 97.6%)
Prior/post notification of change of a renewable energy generation business plan (Feed-in-Tariff Act)	132,270	<ul style="list-style-type: none"> Online filing has been introduced. (Online filing rate: 93.4%)
Inspection of electric meters fitted with a current transformer (Measurement Act)	180,651	<ul style="list-style-type: none"> Online filing has been introduced. (Online filing rate: 62.8%)
Notification of safety regulations for electric facilities for business use (Electricity Business Act)	116,297	<ul style="list-style-type: none"> Simplify procedures and introduce IT on the condition that safety is ensured Develop an online filing system during the FY2018 and aim to make it available for use from FY2019.

[MLIT]

Statement of accounts (Construction Business Act)	443,051	<ul style="list-style-type: none"> ☆Local government affairs (Partial) Discuss simplification of application documents, etc. including the aspects of how online application should be or how false application should be dealt with. (Study and discuss the matter with the FY2018 budget.)
Construction business license (Construction Business Act)	135,586	
Notification of change of a construction business license	103,003	
Notification of change of a business plan of general motor truck transportation business (Motor Truck Transportation Business Act)	182,594	<ul style="list-style-type: none"> The notification form is available on an editable file format. Discuss computerization of procedures and start digitalizing them as they become ready. (Started from FY2017)
Notification of a deposit by a construction firm for a guarantee against housing defects (Act on Assurance of Performance of Specified Housing Defect Warranty)	114,455	<ul style="list-style-type: none"> ☆Local government affairs (Partial) The notification form is available on an editable file format. Find out actual conditions by conducting questionnaire surveys of businesses and government ministries and agencies, discuss system development and attached documents, and plan to take necessary measures while coordinating with ministries and agencies in FY2018 (Also pay attention to efforts in other related systems)

(6) Without being obsessed with costs of system introduction or business flow revision that are to be borne by ministries and agencies, leaders of the relevant bureau of each ministry and agency should become more proactive and make responsible inspection by themselves to achieve “complete computerization of administrative procedures.” Only after that, ministries and agencies should include proactive measures in their mid to long-term plans concerning Digital Government that are expected to be put together by the first half of this year. The Subcommittee also wants to ask the National Strategy Office of Information and Communications Technology, Cabinet Secretariat to provide technical assistance to ministries and agencies. Meanwhile, the Subcommittee will continue to evaluate the state of progress regarding items to be inspected and examined the next

fiscal year.

- (7) The Subcommittee also discussed simplification of procedures for business approvals and licenses from the perspectives of “elimination of attached documents,” “release of examination criteria/standard processing time,” “local rules,” and “Once Only” apart from computerization. As many procedures are being revised or scheduled to be revised from these perspectives, it is necessary to continue to evaluate specific efforts. For example, some businesses pointed out that there is redundancy in matters to be reported between the central and local governments when reporting based on the Act on the Rational Use of Energy (Energy Saving Act), the Act on Promotion of Global Warming Countermeasures, and regulations for global warming prevention. Based on this, measures to reduce a burden should be discussed, including introduction of an electronically-writable standard form in a format which can be utilized by various local governments by taking the idea from efforts on “9. Issuance of certificates as the request of corporate members (employment certificates).” (Conclusion to be reached by June this year.)

2. Procedures for social insurance

To achieve the state where corporations do not have to submit similar documents as a rule, efforts should be made in (1) making it compulsory for large corporations to file online, (2) discontinuing procedures by utilizing Individual Number, (3) eliminating the requirements of employees' seals/signatures, and (4) realizing "One-Stop/Once-Only" procedures.

- (1) Large corporations (corporations, etc. with a capital or investment of 100 million yen or more) will be required to use electronic filing from FY2020 or the business year starting on or after April 1, 2020. The same applies to licensed social insurance consultants or corporations of licensed social insurance consultants taking procedures on behalf of large corporations.

Table 6. Procedures subject to mandatory electronic filing

Type of social insurance	Type of notification, etc.	Number of cases processed per year (*)
Employees' Pension Insurance	Notification of Bonus Payment to Insured	1,772,247
	Notification of Base Amount for Calculation of Monthly Income of Insured	1,879,196
	Notification of Base Amount for Calculation/Change of Monthly Income/Bonus Payment for Insured Aged 70 or Older	553,368
	Notification of Change of Monthly Income of Insured under Employee's Pension	976,236
Health Insurance	Notification of Bonus Payment to Insured	4,783,863
	Notification of Base Amount for Calculation of Monthly Income of Insured	2,409,350
	Notification of Change of Monthly Income of Insured under Health Insurance	526,711
Labor Insurance	Tax Return for Estimated Insurance Premium/Increased Estimated Insurance Premium/Fixed Insurance Premium for Labor Insurance Report of General Contributions under Act on Asbestos Health Damage Relief	1,930,033
Employment Insurance	Notification of Acquisition of Insured Status under Employment Insurance	9,096,772
	Notification of Loss of Insured Status of Insured under Employment Insurance	7,541,021
	Notification of Transfer of Insured under Employment Insurance	586,525
	Application for Provision of Continuous Employment Benefits for Elderly	4,442,559
	Application for Provision of Childcare Leave Benefits	1,985,968

* Number of cases processed per year includes the number of cases processed for businesses that would not be subject to mandatory electronic filing.

(2) With regard to procedures concerning employees, the Government will work towards (a) omission of notification of change of address, etc. by utilizing the Individual Number system and (b) realization of procedures which allow the use of Individual Number in addition to Basic Pension Number. As well, the Government will (c) achieve greater convenience by improving the operability of online filing systems and office functions and make online procedures available for small and mid-sized enterprises while revising identity verification procedures. (See “IV. Cross-sectional efforts” (P. 37-).)

Table 7. Omission of procedures of address change ((2)-(a))

Efforts led by:	Efforts	Period of efforts	Effects of efforts
MHLW	<ul style="list-style-type: none"> ▪ Develop related laws at MHLW towards omission of notification of change of address and name by using the Individual Number system ▪ Advance the project of registering Individual Numbers at Japan Pension Service (JPS) and associate Basic Pension Numbers and Individual Numbers ▪ Upgrade relevant systems and develop office work flows at JPS for omission of notification of change of address and name by using the Individual Number system ▪ Implement omission of notification of change of address and name by using the Individual Number system at JPS 	FY2017	<p>Notification from business establishments will no longer be required. (Notification of change of name: approx.. 370,000 cases; Notification of change of address: approx. 1.28 million cases)</p> <p>*Notification can be omitted starting from March 5, 2018 for the insured whose Individual Number and Basic Pension Number have been linked to each other.</p>

Table 8. Realization of procedures which allow the use of Individual Number in addition to Basic Pension Number ((2)-(b))

Efforts led by:	Efforts	Period of efforts	Effects of efforts
MHLW	<ul style="list-style-type: none"> ▪ Develop related laws at MHLW towards realization of procedures using Individual Number in addition to procedures using Basic Pension Number ▪ Advance the project of registering Individual Numbers at JPS and associate Basic Pension Numbers and Individual Numbers ▪ Upgrade relevant systems and develop office work flows at JPS for realization of procedures using Individual Number in addition to procedures using Basic Pension Number ▪ Implement procedures using Individual Number in addition to procedures using Basic Pension Number at JPS 	FY2017	<p>Business operators will no longer need to keep employees' pension handbooks.</p> <p>*In reality, many business operators keep employees' pension handbooks so that they could refer to the handbooks for employees' Basic Pension Numbers when they take a procedure for employees.</p> <p>*Even if business operators take a procedure with Individual Number, JPS will send them a notice with Basic Pension Number printed on it. Following procedures can be taken with Basic Pension Number as well.</p>

Table 9. Revision of online procedures (pension) ((2)-(c)-1)

Efforts led by:	Efforts	Period of efforts	Effects of efforts
MHLW	<ul style="list-style-type: none"> Analyze the current office work flows for electronic filing at MHLW and JPS and interview business establishments and licensed social insurance consultants on issues concerning electronic filing. Based on the above, review operation flows including system upgrade. 	FY2017	<p>The burden on and time spent by business operators will drop as processing time will be reduced by electronic filing.</p> <p>By business establishments switching from paper-based filing to online filing, they can:</p> <ul style="list-style-type: none"> Save time for travelling, waiting, and being served, and also save mailing cost as they no longer have to visit administrative offices; and Take a procedure at any time from anywhere. <p>If they also use personnel/salary management software compatible with API of e-Gov for external coordination, they can draw on existing personnel/salary data for easier filing.</p>
MHLW	<ul style="list-style-type: none"> Upgrade systems at JPS based on the review results of work flow revision 	FY2018	
MHLW	<ul style="list-style-type: none"> Start electronic filing service based on the revised work flows at JPS after completing system upgrade (by the end of FY2019) <p>(Leave a format check and a return of application due to input errors, omissions, etc. to the system, thereby reducing a manual examination process by staff and making sure that accurate data is processed fast and steadily.)</p>	FY2019	

Table 10. Revision of online procedures (employment insurance) ((2)-(c)-2)

Efforts led by:	Efforts	Period of efforts	Effects of efforts
MHLW	Procure/modify the next version of the employment insurance system (“Hello Work system”)	FY2017	Convenience for business operators will increase as they will be informed on reasons for errors and how to fix them on the spot when filing online.
MHLW	Modify the next version of the Hello Work system	FY2018	
MHLW, MIC	Launch the next version of the Hello Work system Procure/modify the Hello Work system for enhanced coordination with e-Gov	FY2019	
MHLW, MIC	Start enhanced coordination of the Hello Work system with e-Gov	FY2020	

(3) The Government will work toward simplification of procedures by allowing omission of seals/signatures of employees when they submit notifications through business operators.

Table 11. Omission of seals/signatures of employees

System	Efforts	Period of efforts
Employees' Pension Insurance	With regard to seven kinds of procedures which currently require seals/signatures of employees, out of nine such kinds except for two of them in which intentions of employees should be confirmed because of a possible conflict of interest between business operators and employees, business operators will be able to omit seals/signatures of employees by stating that business operators have confirmed the employee's consent in submitting the notification concerned.	At the earliest possible time during the FY2018
Health Insurance	With regard to five kinds of procedures which currently require seals/signatures of employees, out of seven such kinds except for two of them in which intentions of employees should be confirmed because of a possible conflict of interest between business operators and employees, business operators will be able to omit seals/signatures of employees by stating that business operators have confirmed the employee's consent in submitting the notification concerned, or by similar measures.	At the earliest possible time during the FY2018
Employment Insurance	With regard to three kinds of procedures which currently require seals/signatures of employees, out of four such kinds except for one of them, a procedure for a certificate of separation from employment, in which intentions of employees should be confirmed because of a possible conflict of interest between business operators and employees, business operators will be able to omit seals/signatures of employees by meeting certain requirements.	October 2018

(4) While promoting electronic filing, the Government will work toward simplification of procedures for paper-based notifications which will continue to be used, although in limited cases, by unifying forms and consolidating service counters.

Table 12. Unification of forms/service counters (“One-Stop/Once-Only” procedures)

Efforts led by:	Efforts	Period of efforts	Effects of efforts
MHLW	Start coordination between related bureaus for unification of forms and installation of one-stop service counters, and reach a conclusion.	FY2017	Businesses will no longer need to provide same information in different forms by using a unified form. They can save time to complete a notification because they only have to

MHLW	<p>Develop office work flows concerning unification of forms and installation of one-stop service counters at related bureaus and implementing institutions (Hello Work, labor standards inspection offices, JPS)</p> <p>Modify the Hello Work system, the Labour Insurance Application and Contributions Levy System, and the JPS system to handle unified forms.</p>	FY2018	<p>provide common information (name of establishment, address, etc.) once. ([Examples of procedures concerning employees] Notification of status acquisition: approx. 2.99 million cases; notification of status loss: approx. 2.93 million cases for Employees' Pension Insurance/ Notification of status acquisition: approx. 940,000 cases; notification of status loss: approx. 810,000 cases for Health Insurance/ notification of status acquisition: approx. 9.10 million cases; notification of status loss: approx. 7.54 million cases for Employment Insurance)</p> <p>Businesses can save time for travelling, waiting, and being served by submitting forms to just one place: a pension office, labor standards inspection office, or Hello Work office.)</p>
MHLW	<p>Start service by using unified forms and installing one-stop service counters at implementing institutions (by the end of FY2019)</p>	FY2019	

3. Procedures for national taxes / 4. Procedures for national local taxes

The “Basic Program on Reducing Administrative Burden” (March 29, 2017) set a target of 100% utilization of electronic filing of corporate tax returns, etc. by large corporations.

Subsequently, required laws were passed to make it mandatory for large corporations to make electronic filing, and other efforts were made to meet the Digital First Principle and the Once-Only Principle, during which the following schedule was adopted. It is necessary to continue efforts towards computerization/simplification of procedures from the perspective of businesses.

Table 13. Procedures for national taxes/local taxes

	Efforts	Period of efforts
National taxes/ local taxes	<p>Make it mandatory for corporations, etc. with a capital of more than 100 million yen to file national taxes (corporate tax, consumption tax, etc.) and local taxes (corporate inhabitant tax, corporate enterprise tax) electronically.</p> <p>As well, create an environment for smooth electronic filing of tax return data by reducing information to be submitted and simplifying authentication procedures.</p>	<p>From the first business year (tax period) starting in or after April 2020</p> <p>*A series of environment development measures will be implemented by April 2020.</p>
National taxes/ local taxes	Efforts for promotion of electronic filing by small and mid-sized enterprises (electronic filing utilization rate: 85% for national taxes and 70% for local taxes)	
National taxes/ local taxes	1) Realize one-stop electronic filing of application/notification concerning opening/discontinuance of business/change by a corporate taxpayer, 2) Eliminate redundancy in data entry for electronic filing of corporate tax and two local corporate taxes, 3) Consolidate service counters for financial statement submission	1), 2): Marche 2020 3): April 2020
National taxes	For individual taxpayers, 1) Omit ID/Password entry in e-Tax if they use an electronic certificate mounted on Individual Number Card, and 2) allow the use of e-Tax with ID/Password notified by a tax office superintendent based on strict identity verification if they have not obtained Individual Number Card, etc.	January 2019
Local taxes	Introduce a (joint receipt) system to all local governments so that businesses could complete payment of corporate inhabitant taxes, etc. electronically at one time.	October 2019

5. Procedures for subsidies

- (1) Develop and test a subsidy application system starting from major subsidies for small and mid-sized enterprises from FY2018.
- (2) Put “Once-Only” procedures into practice for major subsidies granted by individual ministries and agencies from FY2020. In so doing, consolidate differences among procedures as much as possible. Request local governments to simplify their subsidy application procedures as well based on the results of the national level effort.
- (3) Continue to work on simplification and introduction of online services to procedures after “the application/grant decision stages” as well. (METI will start discussions ahead of other ministries and agencies and then share results with them.)

Table 14. Full-scale development of an online application system for subsidies

Efforts led by:	Efforts	Period of efforts	Effects of efforts
METI	Review operations (BPR) for simplified application procedures and discuss system specifications as well. In addition, standardize names of similar information items and how to enter information regarding multiple subsidies for SMEs.	FY2017	Businesses will no longer need to repeat same information (company name, address, financial information, etc.) on different paper forms if they apply for multiple subsidies. (Realization of “Once-Only” procedures by data utilization through computerization) By using a convenient online system, businesses will no longer need to visit service counters to apply for subsidies.
METI	Develop a prototype subsidy application system and test it for subsidies for SMEs. *MHLW will join discussions in view of computerization of application procedures for employment subsidies. Further consolidate application forms based on needs of SMEs and local governments.	FY2018	
METI	Based on the above verification test result, proceed with full-scale development of a subsidy application system and introduce it on a test basis to multiple subsidies for SMEs.	FY2019	

Table 15. Realization of “Once-Only” procedures in subsidy application, etc.

Efforts led by:	Efforts	Period of efforts	Effects of efforts
METI (Each ministry and agency)	Examine and prepare procedures for major subsidies of each ministry and agency by FY2019, and aim to introduce a full-fledged subsidy system in FY2020. In so doing, consolidate differences among different procedures as much as possible.	FY2019 (“Once-Only” procedures put into practice from FY2020)	Businesses will no longer need to repeat same information (company name, address, financial information, etc.) on different paper forms if they apply for multiple subsidies (grants). (Realization of “Once-Only” procedures by data utilization through computerization)
METI (MIC)	Inform prefectures on the central government’s efforts for computerization of subsidy application procedures and request their cooperation by the end of June 2018.	FY2018	By using a convenient online system, businesses will no longer need to visit service counters to apply for subsidies.

6. Providing responses to statistical studies and other surveys

(1) With regard to statistical studies and other surveys, the Subcommittee requested ministries and agencies to improve basic implementing plans based on the policies expressed in the “Final Report by the Council for Promotion of Statistical Reform” (May 19, 2017) to make sure to achieve 20% reduction by introducing online surveys, reducing the number of reporters and survey items, substituting administrative record information for new entry, and providing forms with already known information printed on (pre-print). As the introduction of online surveys has been officially planned as a reduction measure, all statistical surveys including ones that are yet to be available online will be conducted online.

Table 16. State of formulation of basic implementing plans (statistical studies and other surveys)

Presiding offices and ministries	Statistical surveys subjects under basic implementing plans	No. of cases processed under basic implementing plans per year (approximate)	Reduction rate
National Personnel Authority	3	23,230	20.0%
Cabinet Office	5	51,624	20.0%
MIC	6	2,013,096	31.8%
MOF	3	254,980	20.6%
MEXT	6	36,955	22.3%
MHLW	37	1,568,444	20.3%
MAFF	30	375,493	20.3%
METI	33	1,976,461	20.0%
MLIT	27	824,198	25.6%
MOE	3	45,200	20.0%
Total	153	7,169,681	23.5%

Table 17. State of implementation of reduction measures in statistical surveys

Type of efforts	Reduction measures (*2)	No. of cases of implementation	Percentage of statistics under reduction measures
Computerization	Online convenience improvement	122	79.7%
	Introduction of computerization	50	32.7%
Once Only	Pre-print	68	44.4%
	Redundancy elimination	6	3.9%
Simplification	Improved entry instructions	88	57.5%
	Limits in survey items	39	25.5%

Reduction of reporters	23	15.0%
Improvement of definitions, etc.	20	13.1%
Revision of survey frequency	4	2.6%
Discontinuation of a statistical survey	3	2.0%
Replacement with public information	2	1.3%
Integration and elimination of survey forms	2	1.3%

*1 Statistical surveys under basic implementing plans number 153 in 10 offices, ministries, and agencies.

*2 Classified according to the “examples of reduction measures” included in “Re: Points to be noted when formulating business implementing plans concerning ‘Providing responses to statistical studies and other surveys’ (limited to those related to statistical surveys based on the Statistics Act), a prioritized area of administrative cost reduction” (issued by Director-General for Policy Planning, MIC on June 9, 2017)

*3 The table only shows reduction measures which were implemented to two or more cases. Other reduction measures include enumerators’ skill improvement, etc. (total 14 cases).

(2) Based on requests from businesses, (1) Economic Census, etc. was added to surveys that are covered by basic implementing plans. (2) Survey forms will be able to be printed out with personnel and labor management software in which salary information was already provided, for their easier completion. (To be implemented from 2020 surveys.)

7. Procedures for labor management of corporate members

(1) The target of electronic filing rate will be set at 31% (from the current below 1%) by omitting electronic signatures, etc. in the three most-used procedures under the Labor Standards Act (notification of agreement on overtime work/working on holidays, notification of agreement on a one-year variable working hour system, notification of rules of employment), and thereby reducing administrative costs on businesses by 20%.

(2) The use of a report concerning special enrollment (employees posted overseas) in procedures for workmen’s compensation insurance will be discontinued, and thereby reducing total administrative costs of filing by 45%.

(3) With regard to procedures for employment subsidies, simplification and introduction of online services will be promoted based on the following schedule:

Table 18. Simplification concerning employment subsidies

Efforts led by:	Efforts	Period of efforts	Effects of efforts
MHLW	Discuss a schedule for online service introduction, etc. Revise provision requirements, application forms, etc. (in phases by FY2019)	FY2017	<ul style="list-style-type: none"> ▪ Burdens on applicants will be reduced, and time required for filing will be shortened. (Provision requirements will be revised and less information will be required.) ▪ Once online services become available, businesses do not have to submit documents by visiting Hello Work, etc. (Travelling and waiting time can be saved.)
MHLW	Discuss online service introduction in details. Request a budget for system design.	FY2018	
MHLW	Design systems. Request a budget for system design.	FY2019 (Aiming for system activation from FY2020)	

8. Procedures for commercial registrations

- (1) The “New Economic Policy Package” (December 8, 2017) states that a concrete plan to realize an online process to complete registration of incorporation within 24 hours will be developed by the end of FY2017. To avoid discussions on the same issues taken up by the “Study Group for Realization of Online One-Stop Incorporation Procedure” (General Bureau for Japan’s Economic Revitalization) while working together with the Study Group, the Subcommittee mainly discussed on topics other than registration of incorporation.
- (2) According to [Table 19](#) (submitted by MOJ), issues include, in addition to 1) too much time required for completion of registration procedures, 2) high correction ratios and 3) almost no usage of online filing by principals.

Table 19. Registration of incorporation/change of directors of stock companies (total)

Base date: October 2, 2017

	No of filings	No. of cases of correction	Correction rate (%)	No. of online filings	Percentage	Registration of incorporation	Change of directors
						Average number of days spent to complete a procedure	
Filed by principals	253	75	29.6%	2	0.8%	16.1	15.2
Without correction	178			0	0.0%	15.4	14.0
With correction	75			2	2.7%	18.4	17.9
Qualified agents	903	121	13.4%	759	84.1%	15.7	14.6
Without correction	782			664	84.9%	15.8	14.1
With correction	121			95	78.5%	14.6	18.2

* Surveyed data are registrations of incorporation of stock companies and registrations of change of directors of stock companies filed at (head offices of) Tokyo Legal Affairs Bureau, Osaka Legal Affairs Bureau, Nagoya Legal Affairs Bureau, Hiroshima Legal Affairs Bureau, Yokohama District Legal Affairs Bureau, and Kyoto District Legal Affairs Bureau on Monday, October 2, 2017.

- (3) Basic implementing plans will be revised according to a report soon to be put together by the above Study Group (during April 2018).
- (4) In so doing, targets regarding registration of change of directors should be set to realize an

appropriate process of the world's highest standard based on measures included in the summary of the Study Group (especially, "IV. Realization of an online process to complete registration of incorporation within 24 hours and thorough computerization of operations aiming to realize an appropriate and fast process of the world's highest standard"), and on the fact that items to be examined are fewer than those in the procedure of registration of incorporation which aims for completion within 24 hours.

9. Issuance of certificates as the request of corporate members (employment certificates)

(1) As businesses are forced to deal with different forms used by different local governments regarding employment certificates which will be required when parents use day care facilities, etc., relevant ministries and agencies developed an electronically writable standard form and urged local governments to use it in August last year.

(2) The Subcommittee discussed revision of the standard form to make it usable by various local governments while taking needs of businesses into account. As well, relevant ministries and agencies conducted surveys of local governments as to the utilization of the standard form and the availability of online entry in December last year. (Results as of January this year are as follows: 24% of respondents said they would use the standard form starting from children entering day care facilities in April this year, 4% from children entering day care facilities in May or later this fiscal year, 9% from children entering day care facilities the next fiscal year, and 51% said they were undecided whether to use the standard form.)

* The National Strategy Office of Information and Communications Technology of the Cabinet Secretariat, Children And Child Rearing Administration of the Cabinet Office, and MHLW jointly released "Re: Standard form for employment certificates required for certification of the need for childcare" in August 2017 and "(Request) Re: Survey on the utilization of the standard form for employment certificates and the availability of online entry and points to be noted before using the standard form" in December the same year.

(3) Based on the results of the above survey among others, the basic implementing plans revised by the Cabinet Office call for discussions on required actions including revision of the standard form and sets a target of 30% reduction of administrative costs on businesses by March 2020. Currently, only fewer than half of local governments have adopted or will adopt the standard form and more than half are yet to decide whether to adopt it. The Government needs to find out reasons for this slow adoption and further promote the form to local governments to achieve the target.

10. Procedures for submitting a bid to or entering into a contract with an administrative ministry or agency

(1) In addition to the nine prioritized areas, the same target, “20% reduction of administrative costs (hours spent by businesses) by 2020 in principle,” will also apply to “bids and contracts,” on which many businesses, especially small and medium-sized enterprises, wanted simplification. (The Subcommittee decided to continue discussions on “bids and contracts” when it released the previous report in March last year.) As well, the Government will aim to make it unnecessary for businesses to submit copies of certificates of registered matters or certificates of tax payment through information sharing among administrative agencies as part of the government-wide efforts.

(Note) With regard to bids and contracts, while each ministry or agency is responsible for deciding counterparties and concluding contracts, MIC is supposed to lead simplification efforts on procedures for contracts of goods and services and MLIT is in charge of simplification of procedures concerning construction works and surveys.

(2) The following efforts will be made to reduce administrative costs regarding goods and services:

1) Improvement of systems

- Make the following efforts on the Government Electronic Procurement System (procedures regarding contracts and bids) as it will be upgraded in January 2020
- Also, make the following efforts on the Integrated Procurement Information System (procedures regarding application for competition entry screening) while working on step-by-step system improvement required for elimination of the requirement of submitting attached documents.
- Discuss future integration of the two systems.

Table 20. Roadmap for system improvement

	Efforts	Period of efforts
Integrated Procurement Information System (procedures regarding application for competition entry screening)	Put together matters to be improved concerning the system	FY2017
	System improvement <ul style="list-style-type: none"> ▪ Enable automatic conversion between single-byte characters and double-byte characters ▪ Display locations of errors in entered data (Revise the application data entry screen as attached documents will be made unnecessary.) ▪ Deal with a new era name, etc. 	FY2018- FY2019
	System improvement (Revise the application data entry screen as attached documents will be made unnecessary for the activation of the registry information system (during FY2020).)	FY2019- FY2020
Government Electronic	Put together matters to be improved concerning the system	FY2017

Procurement System (procedures regarding contracts and bids)	Requirement definition, basic design, and detailed design of the next version of the system <ul style="list-style-type: none"> ▪ Increase the upper limit of attached file size for document submission. (Discuss the use of cloud technology) ▪ Enable automatic conversion between single-byte characters and double-byte characters ▪ Display locations of errors in entered data, deal with a new era name, etc. 	FY2017- FY2018
(FYI) Schedule for the next system upgrade	Procurement procedures (Tender notice)	FY2017
	Requirement definition, basic design, and detailed design of the next version of the system (See above.)	FY2017- FY2018
	Production, operation test	FY2018- FY2019
	Launch the next version of the system	January 2020

2) Elimination of the attached document requirement for screening application

- Of attached documents required when applying for competition entry screening in the Integrated Procurement Information System;

(□) Submission of (copies of) a certificate of registered matters and a certificate of tax payment will be made unnecessary in FY2020 or later when back offices of administrative agencies are linked to each other using Corporate Number, etc. based on the “Basic Policy for Formulation of New IT Strategies” (decided by the Strategic Conference for the Advancement of Public and Private Sector Data Utilization, IT Strategic Headquarters) and the “Digital Government Execution Plan” (decided by the eGovernment Ministerial Conference).

(ii) Submission of a business report and a written oath/roster of directors will be made unnecessary from the next regular screening for competition entry (January 2019-) when these documents will be integrated into an application form.

- Discussions will be made to make submission of financial statements unnecessary in principle by using other methods such as confirming them online.

Table 21. Roadmap for elimination of the attached document requirement for screening application

	Efforts	Period of efforts
(Copy of) certificate of registered matters	<p>“Introduction of an online one-stop procedure for registration of incorporation and promotion of sharing of corporate registry information” (Digital Government Execution Plan)</p> <ul style="list-style-type: none"> ▪ Manage the entire project for elimination of the requirement of attaching a certificate of registered matters (Basic policies, schedule, legal revision, etc. to be discussed) [Cabinet Secretariat/MIC] ▪ Develop the system for sharing of registry information (Upgraded system to be launched during FY2020.) [MOJ] 	FY2018- FY2020
	Eliminate the requirement of submission	FY2020
(Copy of) certificate of tax payment	<p>Make efforts as part of the government-wide program for the “Basic Policy for Formulation of New IT Strategies” (decided by the Strategic Conference for the Advancement of Public and Private Sector Data Utilization, IT Strategic Headquarters) and “100% computerization of administration services”</p> <ul style="list-style-type: none"> ▪ Relevant laws need to be developed for sharing of tax payment information among back offices. <p>(Security to be ensured for highly confidential tax payment information)</p>	FY2018-
Business report and written oath/roster of directors	<ul style="list-style-type: none"> ▪ Decide a filing form ▪ Revise the filing manual, etc. ▪ Inform users 	FY2018
	Eliminate the requirement of submission	FY2018
Financial statements or documents concerning net capital and income and expenditure statements	<p>Discuss measures for making submission unnecessary in principle</p> <ul style="list-style-type: none"> ▪ Discuss measures to confirm details of financial statements online (E.g., Related ministries and agencies discuss possibilities of utilizing the website, “Hojin (Corporate) Information.”) 	FY2017
	<p>Make efforts as part of the government-wide program for the “Basic Policy for Formulation of New IT Strategies” (decided by the Strategic Conference for the Advancement of Public and Private Sector Data Utilization, IT Strategic Headquarters) and “100% computerization of administration services”</p>	FY2018-

3) Raising of public awareness

- To promote the use of the Integrated Procurement Information System and the Government Electronic Procurement System, various measures will be taken including informing private users on advanced examples concerning electronic procurement, improving operation manuals and FAQ, and reforming the way of thinking by personnel and operations at ministries and agencies.

Table 22. Roadmap for raising public awareness

	Efforts	Period of efforts
Promotion of the utilization by the private sector	<ul style="list-style-type: none"> Put together the state of efforts on electronic bidding, electronic contracts, etc. as referential information (Utilize advanced examples for promotion) 	FY2017-FY2018
	<ul style="list-style-type: none"> Improve operation manuals, FAQ, etc. and promote the use of help desks Create posters and implement PR campaigns Improve lecture classes for users (held in metropolitan areas and the provinces), etc. 	FY2018-
Thorough utilization by ministries and agencies	<ul style="list-style-type: none"> Put together the state of efforts on electronic bidding, electronic contracts, etc. as referential information (Utilize advanced examples for promotion) 	FY2017-FY2018
	<ul style="list-style-type: none"> Release notices to ministries and agencies (for raising awareness of personnel and making sure of system utilization) 	FY2018
	<ul style="list-style-type: none"> Reform operations (starting from immediately doable changes and reviewing the changes by running PDCA cycles) 	FY2018-

- (3) The following efforts will be made to reduce administrative costs for construction works/surveys:
- 1) Simplification and introduction of electronic filing of required documents for business evaluation
 - Simplification of required documents for business evaluation will be discussed for future introduction of electronic filing based on the fact that preparation of some documents and evaluation are heavily burdensome to both applicants and licensing agencies.
 - Discussions of document simplification will also cover an enhanced post-check system concerning submitted documents and stricter penalties in the event that false filing has been found in order to ensure the required evaluation accuracy.
 - With regard to simplification of documents to be filed for business evaluation, things that can be implemented by March 2020 before introduction of electronic filing will be discussed.
 - 2) Efforts in the Liaison Council for Operation of the Contract System for Central Public Works
 - In response to the Subcommittee's recommendation, the Liaison Council requested public agencies (central ministries and agencies and independent administrative agencies) that procure construction works, surveys, etc. to join the Liaison Council. As a result, the number of member agencies jumped from 13 central ministries and agencies and 18 agencies including independent administrative agencies (total 31 agencies) to 17 central ministries and agencies and 70 agencies including independent administrative agencies (total 87 agencies).
 - Going forward, the Liaison Council will work on unification of forms for the use in competition entry screening of FY2019 and FY2020.
 - 3) Efforts for simplification of bidding and contract procedures using the Regional Orderer Council
 - Information will be shared among orderers on efforts concerning simplification of bidding and contract procedures by utilizing the "Regional Orderer Council" in which the central government and all local governments participate.
 - 4) Efforts for simplification of materials to be submitted (Simple confirmation type)
 - Businesses were conventionally required to submit documents consisting of around 15 different types, amounting to 70 pages (according to the actual results) for confirmation of their qualification for participation in competition. These documents will be replaced by a single page of simple technical document, on which an evaluation score will be calculated. More specifically, the top three scorers will be shortlisted as potential bidders and asked to submit documents which confirm their qualifications for participation in competition [detailed technical documents], and then simple technical documents will be reviewed.
 - This measure was introduced on a trial basis from the second half of FY2016 and has been widely applied since FY2017.
 - Numerical promotion targets up to March 2020 will be discussed.

IV. Cross-sectional efforts

1. Three Principles for Administrative Burden Reduction

1) Pursuit of Thoroughness in Computerization of Administrative Procedure (Digital First Principle)

Not merely aiming for “realization of online submission,” complete computerization of administrative procedures must be envisioned while utilizing measures to promote IT introduction to (a million of) SMEs. The basic implementing plans call for the following efforts:

- Make online procedures mandatory (national taxes, local taxes, social insurance)
- Require large corporations (with a capital of over 100 million yen) to use electronic filing (FY2020-)

2) Once Only (Once-Only Principle)

It is necessary to develop a platform which will relieve businesses of the hassles of providing same information.

(Tax/social insurance, subsidies, registration of incorporation, bids/contracts)

3) Uniform Documentary Forms

A taskforce of the Council for Promotion of Regulatory Reform will discuss this matter.

2. Simplification of identity verification procedures from the user’s perspective

- (1) At the Council on Investments for the Future (March 30, 2018), Prime Minister Abe stated that thorough reforms should be pursued from a user-oriented perspective, including initiatives that will make it possible for users to allow the verification of their identification with their smartphones.. When promoting computerization, it is crucial to revise the way of authentication to do away with electronic signatures, etc. wherever it is possible so that users would have no difficulties in identity verification.

Table 23. Revision of identity verification methods

Efforts led by:	Efforts	Period of efforts	Effects of efforts
National Strategy Office of Information and Communication Technology	Develop “Guidelines concerning methods to verify identity and secure authenticity in administrative procedures in a digital society” (Repeal “Guidelines for risk evaluation, electronic signatures, and authentication in online procedures” *Cooperation with NISC)	April 2018 (tentative)	Appropriate identity verification will be required when various existing procedures become available online. Such necessary identity verification will be available by simpler methods including electronic authentication with ID/Password.
National Strategy Office of Information and Communication Technology	Develop “Technical guidebook concerning methods to verify identity and secure authenticity in administrative procedures in a digital society”	End of August 2018 (tentative)	Technical summary of implementation methods and important notes necessary for computerization
Each ministry and agency	Revise identity verification methods based on the above guidelines *Only highly important procedures will require electronic signatures.	FY2019	*The need of electronic signature will be closely examined for each procedure in consideration of the balance between users’ convenience and information security. The corporate authentication infrastructure will replace electronic signature wherever it is possible.

Table 24. Development of the “corporate authentication infrastructure”

Efforts led by:	Efforts	Period of efforts	Effects of efforts
METI	Examine specifications for an electronic authentication system based on the use of one set of ID and Password	FY2017	Businesses will be able to save time and labor for subsidy application and other administrative procedures as identity can be verified by simple methods. (The need of electronic signature will be closely examined for each procedure in consideration of the balance between users’ convenience and information security. The corporate authentication infrastructure will replace electronic signature wherever it is possible.)
METI (Relevant ministries and agencies including MHLW and MIC)	Develop the “corporate authentication infrastructure” using ID and Password as identity verification infrastructure which does not use electronic signature. Discuss how to manage IDs of sole proprietors who do not have Corporate Number. Relevant ministries and agencies including MHLW and MIC will participate in discussions from the initial phase.	FY2018	
METI	Introduce the corporate authentication infrastructure on a trial basis to multiple	FY2019	

(Each ministry and agency)	administrative procedures of METI. Other ministries and agencies will discuss implementation to their own procedures.	
METI	Introduce the corporate authentication infrastructure to procedures of METI on a full scale. The system will be shared with other ministries and agencies as well.	FY2020

(2) More specifically, each ministry and agency will promote the following efforts based on the “Guidelines concerning methods to verify identity and secure authenticity in administrative procedures in a digital society” (to be adopted by the Liaison Council of Chief Information Officers (CIO) of Ministries and Agencies):

- Identity verification will be made digitally according to the verification level summarized in [Table 25](#).
- When going digital, procedures currently requiring “strict” level identity verification will be reviewed to see if “medium” or “simple” level identity verification will do, and likewise, procedures currently requiring “medium” level identity verification will be reviewed to see if “simple” level identity verification will do. Then, the digital method of identity verification for each procedure will be decided.
- Procedures currently requiring “simple” level identity verification will require the same level identity verification when going digital. In other words, the verification level of such procedures will not be raised to a “strict” or “medium” level in digital identity verification.

Table 25. Correspondence table of identity verification methods before and after revision

Verification levels	Current identity verification methods	Digital identity verification methods
Strict	<ul style="list-style-type: none"> ▪ Registered seal + Seal-registration certificate ▪ Signature + Registered seal + Seal-registration certificate 	<ul style="list-style-type: none"> ▪ Electronic signature method ▪ ID/Password method (Name, etc. to be confirmed)
Medium	<ul style="list-style-type: none"> ▪ Registered seal ▪ Signature to express one's agreement ▪ Signature + Unregistered seal 	<ul style="list-style-type: none"> ▪ ID/Password method (Name, etc. not to be confirmed)
Simple	<ul style="list-style-type: none"> ▪ Unregistered seal ▪ Printed name + Unregistered seal ▪ Printed name ▪ Signature to express one's confirmation 	<ul style="list-style-type: none"> ▪ Providing name to electronic documents, email, etc. ▪ Click button ▪ Filling out forms, etc. <p>[ID/Password method can be used.]</p>

(3) MOJ has announced a plan to change mandatory registration of a company representative's seal to a system where businesses can choose to register electronic signature instead. (If a business registers its electronic signature, it will not have to register a seal.) However, should there be administrative procedures requiring a seal on paper, it will be no use choosing registration of electronic signature and businesses cannot help but register their seals. Therefore, if any paper-based procedures have to remain available temporarily, they need to be revised so that a company representative's seal or other seals would not be required.

(4) As of the end of February 2018, there were 29,151 effective electronic certificates based on commercial registration (according to materials submitted by MOJ on March 23, 2018).

3. Cross-ministerial efforts for “Once-Only” procedures

To promote “Once-Only” procedures, it is important to move on from simplification of administrative procedures of individual ministries and agencies to eventual realization of cross-ministerial digital one-stop services including “online one-stop registration of incorporation,” “online one-stop tax/social insurance procedures,” and a “subsidy platform.”

With regard to the above, Prime Minister Abe stated in the meeting of the Council on Investments for the Future (March 30, 2018), “Processing taxes and social security documents for their employees are large burdens for many companies, especially small- and medium-sized enterprises. These burdens stifle productivity improvements in companies. We must look at administrative procedures from the viewpoints of citizens, who are the ones who receive governmental services,

and work to overcome silos in such procedures. We will prioritize the procedures for deaths, inheritance, and the establishment of corporations as core projects, and, starting from next year, work to enable the completion of these procedures online and in one place by FY2020.”

Based on this, prompt efforts will be made for realization of online one-stop tax/social insurance procedures for employees according to the following schedule. (See page 24 for the subsidy platform.)

Table 26. Online one-stop tax/social insurance procedures

Efforts led by:	Efforts	Period of efforts	Effects of efforts
National Strategy Office of Information and Communications Technology	Make an inventory of information businesses are required to submit to administrative agencies starting from FY2017 and advance necessary discussions for development of a system which relieves businesses of the hassles of providing same data twice by identifying technical issues.	FY2017	Businesses will no longer need to submit same information concerning themselves and their employees to administrative agencies for every procedure for social insurance and tax.
National Strategy Office of Information and Communications Technology	Work out a roadmap regarding information contained in documents submitted to administrative agencies in FY2018 for development of a system which relieves businesses of the hassles of providing same data twice. Then gradually proceed with development of the system.	FY2018	

4. Towards realization of “Digital First” procedures (complete computerization of administrative procedures)

- (1) Revision of administrative procedures, which currently require the public to submit attached documents, is important in carrying out administrative reform as well as in realizing Digital Government.
- (2) As well, when promoting complete computerization of administrative procedures, it is important to develop easy-to-use systems through an uncompromising pursuit of improvement from the perspective of businesses.

1) The requirement of attached documents will be removed and all necessary information will be provided in filing forms. Submission of materials that can be confirmed online will be made

unnecessary in principle. (For example, if every attached document had to come with an electronic signature, it would be more hassle than paper-based submission.)

2) Filing systems will be made easy to use for not only professionals providing agency service in administrative procedures but also businesses. (For example, in commercial registrations, the online filing usage rate of agents is around 80% whereas that of principals is almost 0%.)

3) In addition to realizing online services in the filing stage, internal procedures in administration services should also be computerized for faster and more efficient processing. (For example, the statistical reform aims to reduce not just costs borne by businesses but “public and private costs” by 20%.) To this end, it is important to revise laws, procedures, and work flows for application of IT rather than simply substituting IT for existing laws, procedures, and work flows. For example, in routine screening, it is important to consider the introduction of machine-readable technology, etc.

4) It is important to grant incentives to electronic filing users including priority processing and lower fees.

5) Reasonability of cost allocation in backyard coordination based on Individual Numbers will be verified from the perspective of promoting computerization. (For example, a fee of 10 yen will be collected every time Japan Agency for Local Authority Information Systems is queried for address information.)

(3) The Subcommittee will request the National Strategy Office of Information and Communications Technology, Cabinet Secretariat to check efforts of each ministry and agency from the following perspectives when ministries and agencies develop mid- to long-term plans based on the Digital Government Execution Plan. The Subcommittee will also provide a follow-up as needed.

1) Elimination of the requirement of attached documents

(Effective not only in reduction of travelling time but also in prevention of arbitrary instructions at service counters)

2) Revision of identity verification methods

3) Elimination of the requirement of face-to-face services (See (2) 1).)

4) Development of easy-to-use filing systems based on API coordination (See (2) 2).)

5) Provision of incentives to those who switched to electronic filing (See (2) 4).)

The Subcommittee will also call for discussions on the inclusion of “Elimination of the requirement of attached documents” and “Revision of identity verification methods” in the “Digital First bill” to be submitted to the Diet.

5. Elimination of unique operation rules of each local agency of the Government (so-called local rules)

The Subcommittee interviewed businesses to learn about actual conditions of unique operation rules of each local agency of the Government. As a result, the Subcommittee has found that there are still such rules in place concerning some approvals and licenses as well as social insurance, and called for necessary improvement accordingly. Ministries and agencies should proactively find out the actual conditions from businesses and make sure that no local rules remain active to provide unified services across the country.

V. Simplification of local procedures

1. Importance of administrative cost reduction by local governments

In addition to simplification of national procedures, simplification of procedures of local governments, such as procedures for local subsidies and approvals and licenses based on ordinances, is extremely important. Tottori Prefecture, for instance, produced great results in reduction of administrative costs by setting a target (of 30% reduction in a year) which was higher than the central government's. (Table 27)

Table 27. Cost measurement results and reduction targets of Tottori Prefecture

	Hours spent	Reduction targets	
		Hours reduced	Reduction rates
Approvals and licenses	2.82 million hours	0.85 million hours	30%
Subsidies	1.61 million hours	0.48 million hours	30%
Total	4.43 million hours	1.33 million hours	30%

If such efforts are rolled out nationwide, huge effects can be expected. In addition to cost reduction effects (of around 80 million hours or 200 billion yen) expected from the national level efforts, if all prefectures make efforts similar to Tottori's (and achieve 20% reduction), cost reduction effects will be estimated at around 200 million hours (or 500 billion yen). (Table 28)

Table 28. Expected effects of rolling out Tottori Prefecture's efforts (approvals and licenses, and subsidies) to all other prefectures (20% reduction)

	Hours spent [Monetary term]	Rough estimate of reduction	
		Hours reduced [Monetary terms]	Reduction rate
Total of approvals and licenses/subsidies	986.40 million hours [2,508.4 billion yen]	197.28 million hours [501.7 billion yen]	20%

*1 Calculated assuming that administrative costs per person of any prefecture is the same as those of Tottori Prefecture. In other words, "Hours spent" was calculated by dividing 4.43 million hours, Tottori Prefecture's administrative costs, by Tottori's population 570,000 and then multiplying the result by national population 126.933 million. Population data are as of October 1, 2016.)

*2 Converted to monetary amounts by assuming labor cost is 2,543 yen/hour from the Financial Statements Statistics of Corporations by Industry, etc. (See page 4.)

Effects of national efforts (previously shown)

Hours spent per case	Total number of cases processed (Subject to cost measurement)	Hours spent (Monetary terms)	Hours reduced (Monetary terms)	Reduction rate
4.6 hours	75,232,656 cases	347.27 million hours (883.1 billion yen)	77.00 million hours (195.8 billion yen)	22.2%

2. Discussions at the Council on Economic and Fiscal Policy

When the Council on Economic and Fiscal Policy discussed on the “Promotion of local administrative and financial reforms” on December 1, 2017, an expert member submitted a document that essentially argued for creation of a virtuous cycle of local economies and local administration and finance by “increasing assistance to local governments which promote administrative cost reduction and produce good results” while referring to the case of Tottori Prefecture above. The document stated, “Promoting administrative cost reduction at local levels in keeping with the national government’s efforts will produce multiplied effects in quality improvement of administration services and reduction of burdens on corporations. Relevant ministries and agencies should work together and identify issues to help roll out reduction efforts across the country.” Some also argued that the Government should look at results of local efforts when deciding on financial assistance to the region (by treating the results as a factor to decide the “administrative reform effort portion” of the “local revitalization project cost,” part of a local government block grant).

3. Uniform documentary forms at local governments

This will be discussed in a taskforce of the Council for Promotion of Regulatory Reform. As it is expected to reduce administrative costs, the taskforce will consider cost measurement of efforts that produce significant reduction effects.

4. Promotion of efforts by local governments

The Government needs to consider requesting local governments’ understanding and cooperation for reduction of administrative costs on businesses. (Local government efforts for simplification of procedures for approvals/licenses and subsidies, and adoption of uniform documentary forms.) The Government should also support local governments which are actively engaged in simplification of administrative procedures and provision of online procedures. The top and all other levels of communication should be utilized to call for cooperation of local governments and to encourage them to keep pace with the national government in efforts of administrative cost reduction.

VI. Future efforts

1. Check and review

Based on the basic implementing plans that were revised by the end of March this year, ministries and agencies should implement changes to realize 20% or more reduction of costs on businesses by 2020. To this end, the Subcommittee will check and review ministerial efforts from the following perspectives:

- 1) The Subcommittee will regularly evaluate the state of progress of efforts included in the schedules and request additional measures for inadequate or ineffective efforts. (The Subcommittee will check and review the progress of efforts of FY2017 in May this year.)
- 2) The Subcommittee will measure costs quantitatively to see by how much businesses are relieved of burdens. Cost measurement will be additionally made for procedures for submitting a bid to or entering into a contract with an administrative ministry or agency.
- 3) With regard to procedures designated as core projects by the Council on Investments for the Future, further cost reductions are expected in addition to 20% reductions included in the existing implementing plans. Therefore, the Subcommittee will conduct check and review as ministries and agencies work out details.

2. Roll-out to local governments

- (1) The top and all other levels of communication should be utilized to call for cooperation of local governments and to encourage them to keep pace with the national government in efforts of reducing administrative costs on businesses. (Simplification of procedures and adoption of uniform documentary forms by local governments.)
- (2) As well, the Government will support local governments that are actively engaged in reduction of administrative costs.
→If all prefectures make efforts similar to Tottori's (and achieve 20% reduction), cost reduction effects will be estimated at around 200 million hours (or 500 billion yen). By using this estimate as a rough target, the Government will roll out efforts to local governments. (See [Table 28](#) in page 43.)

3. Further simplification from the perspectives of “workstyle reform” and “productivity improvement”

At the time of writing, approvals and licenses other than “Business approvals and licenses (approvals and licenses based on so-called business laws)” (Questionnaire Survey Sent to Businesses of last year ([Table 29](#))) and “Procedures after filing (preservation, inspection of documents)” among others are not

subject to cost reduction. For these procedures as well, the Government will promote reduction of administrative costs on businesses from the perspectives of “workstyle reform” and “productivity improvement” while taking needs of businesses into account.

Table 29. Other areas

*Based on Questionnaire Survey Sent to Businesses

Areas	Number of responses
Procedures for business approvals and licenses	574
Procedures for facility safety (including fire protection)	129
Procedures for buildings	113
Procedures for import and export permits for commodities	87
Procedures for application for and examination of intellectual property rights	87
Procedures for land use	82
Procedures for real estate registration	76
Procedures for utilization of roads and rivers	70
Procedures for environmental protection	67
Procedures for customs	66
Procedures for safe management of chemicals	60
Procedures for succession of a business (stock shares and business assets)	46
Procedures for industrial safety	44
Procedures for ports and harbors	29
Procedures for safety and proper labeling of food, housewares and other supplies	28
Procedures for permits and licenses required for other business activities	22
Procedures for living environment	21
Procedures for other issues	77

Types of Burdens Imposed by Administrative Procedures
(Questionnaire Survey Sent to Businesses)

Types of burdens imposed on businesses		Total			
			Startup	Continuation and Expansion	Termination and Succession
1	It is too much work to create documents for submission (Internal paperwork (including collecting documents) and payments to external professionals)	3707	584	2751	372
2	It is difficult to understand how and what to write in application forms	2205	416	1538	251
3	Different formats are required for a single procedure by different offices (e.g., local municipalities, local departments and agencies)	1212	123	982	107
4	Part or all of a procedure cannot be completed online (attachments need to be submitted separately in paper format or on a CD)	1197	166	931	100
5	Completion of administrative procedures requires large amounts of time	1110	187	838	85
6	The same documents have to be submitted to multiple organizations, departments, and representatives	967	202	670	95
7	Criteria for evaluation are unclear	967	106	818	43
8	Different organizations, departments, and representatives have different evaluation criteria for the same procedures	864	98	692	74
9	The progress of an application within an administrative body cannot be tracked once documents have been submitted	825	92	658	75
10	A procedure can be completed online, but the website is difficult to use (it is quicker to submit a document in a paper format)	680	67	543	70
11	The reason for a document being requested is not always clear	526	60	427	39
12	How much time it will take to complete a procedure is uncertain	450	57	355	38
13	Applications get rejected	118	15	95	8

Note 1: The total number of responses concerning burdens imposed by all procedures.

Note 2: The “total” is the total of responses that represented “burden” concerning all procedures at all stages of the development of a business, which are “startup,” “continuation and expansion,” and “termination and succession.”

Target Areas of the Efforts
(Results of Questionnaire Survey)

1. Prioritized Areas

Areas			Total		
			Number of responses	Proportion of responses (%)	Cumulative percentage (%)
1	Procedures for business approvals and licenses	Government-wide procedures	574	11.2	11.2
2	Procedures for social insurance	Individual procedures	535	10.4	21.7
3	Procedures for national taxes	Individual procedures	473	9.2	30.9
4	Procedures for local taxes	Individual procedures	461	9.0	39.9
5	Procedures for subsidies	Government-wide procedures	398	7.8	47.7
6	Providing responses to statistical studies and other surveys	Government-wide procedures	349	6.8	54.5
7	Procedures for labor management of corporate members	Individual procedures	287	5.6	60.1
8	Procedures for commercial registrations	Individual procedures	285	5.6	65.7
9	Issuance of certificates as the request of corporate members	Individual procedures	188	3.7	69.3

2. Other Areas

10	Administrative burden about procedures for employees' tax payments	Individual procedures	322	6.3	75.6
11	Procedures for submitting a bid to or entering into a contract with an administrative ministry or agency	Government-wide procedures	145	2.8	78.4
12	Procedures for facility safety (including fire protection)	Individual procedures	129	2.5	81.0
13	Procedures for buildings	Individual procedures	113	2.2	83.2
14	Procedures for import and export permits for commodities	Individual procedures	87	1.7	84.9
15	Procedures for application for and examination of intellectual property rights	Individual procedures	87	1.7	86.6
16	Procedures for land use	Individual procedures	82	1.6	88.2
17	Procedures for real estate registration	Individual procedures	76	1.5	89.7
18	Procedures for utilization of roads and rivers	Individual procedures	70	1.4	91.0
19	Procedures for environmental protection	Individual procedures	67	1.3	92.3
20	Procedures for customs	Individual procedures	66	1.3	93.6
21	Procedures for safe management of chemicals	Individual procedures	60	1.2	94.8

22	Procedures for succession of a business (stock shares and business assets)	Individual procedures	46	0.9	95.7
23	Procedures for industrial safety	Individual procedures	44	0.9	96.5
24	Procedures for ports and harbors	Individual procedures	29	0.6	97.1
25	Procedures for safety and proper labeling of food, housewares and other supplies	Individual procedures	28	0.5	97.7
26	Procedures for permits and licenses required for other business activities	Government-wide procedures	22	0.4	98.1
27	Procedures for living environment	Individual procedures	21	0.4	98.5
28	Procedures for other issues	Other procedures	77	1.5	100.0

Prime Minister Abe's statement in the Regulatory Reform Promotion Council
(March 29, 2017)



Prime Minister Shinzo Abe attended the 14th meeting of the Regulatory Reform Promotion Council at the Prime Minister's Office.

During the meeting, there was a discussion on reducing the costs of administrative procedures.

Based on the discussion, the Prime Minister said,

“Today we received strong requests directly from the leaders of the Three Economic Associations. Taking into consideration these requests, the Government will work as one to jointly promote regulatory reforms and the simplification of and greater use of IT in administrative procedures.

In regard to fields where there is a heavy burden on business operators, such as business permits and approvals, we will strive to reduce administrative costs by at least 20% by 2020, when the Tokyo Olympic and Paralympic Games will be held.

Furthermore, in regard to all fields, I have given thorough instructions that three principles will be closely followed. First, we will make it possible to complete administrative procedures via solely electronic means. Second, the same information will only need to be submitted once. Third, uniform styles and formats will be used.

I will instruct each ministry and agency to compile and publish a cost reduction plan by June. We will review these plans in an open process in the Regulatory Reform Promotion Council, and oversee their progress.

In addition, in regard to the procedures of regional public organizations, the reality is that, even when they are procedures for the same purpose, the formats and styles often differ depending on the municipality, and thus they require many hours to complete. I would like to request the cooperation of regional public organizations for improving administrative procedures, in conjunction with the measures carried out by the Government.

Through such measures, we will strongly support the improved productivity and work style reform of companies in Japan. Thank you.”

Subcommittee for Administrative Burden Reduction
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Vice-Chair	Junji Annen	Professor, Chuo Law School, Chuo University
	Makiko Eda	Chief Representative Officer, World Economic Forum in Japan
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	Eiji Hara	President, Public Policy Planning & Consulting Co.

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	Junichi Kawada	Director and Executive Vice President, JXTG Holdings, Inc.
	Jiro Kokuryo	Vice-President, Keio University; Professor, Faculty of Policy Management
	Soichiro Sakuma	Director, Member of the Board, Nippon Steel & Sumitomo Metal Corporation
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	Kanae Tsutsumi	CEO, Career Mam Co., Ltd.
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	Kanae Tsutsumi	CEO, Career Mam Co., Ltd.

Past Discussions of the Subcommittee for Administrative Burden Reduction

1. Subcommittee for Administrative Burden Reduction

1st meeting	Aug. 29, 2017	<ul style="list-style-type: none"> ▪ Subcommittee procedures ▪ Establishment of Review Teams for inspection of basic implementing plans concerning prioritized areas ▪ Outline of basic implementing plans
2nd meeting	Sep. 15, 2017	<ul style="list-style-type: none"> ▪ Public hearing with organizations on basic implementing plans Keidanren, Japan Association of Corporate Executives, Japan Association of New Economy, The Japan Chamber of Commerce and Industry, Central Federation of Societies of Commerce and Industry, National Federation of Small Business Associations, and Japan Federation of Labor and Social Security Attorney's Associations
3rd meeting	Oct. 27, 2017	<ul style="list-style-type: none"> ▪ Tottori Prefecture's efforts for administrative cost reduction
4th meeting	Nov. 20, 2017	<ul style="list-style-type: none"> ▪ Simplification of identity verification procedures
5th meeting	Dec. 22, 2017	<ul style="list-style-type: none"> ▪ Simplification of procedures for submitting a bid to or entering into a contract with an administrative ministry or agency ▪ Public hearings with relevant ministries and agencies (procedures for submitting a bid to or entering into a contract) Goods and services (MIC) Construction works, surveys, etc. (MLIT) ▪ Preliminary screening of prospective bidders (goods and services) for independent administrative agencies
6th meeting	Jan. 31, 2018	<ul style="list-style-type: none"> ▪ Simplification of administrative procedures for small and mid-sized enterprises ▪ Public hearings with relevant ministries and agencies Digital Government Execution Plan (National Strategy Office of Information and Communications Technology, Cabinet Secretariat)
7th meeting	Mar. 9, 2018	<ul style="list-style-type: none"> ▪ Public hearings with relevant ministries and agencies (procedures for submitting a bid to or entering into a contract) Goods and services (MIC) Construction works, surveys, etc. (MLIT) ▪ Other items to be confirmed

2. First Review Team of the Subcommittee for Administrative Burden Reduction

1st meeting	Sep. 21, 2017	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized areas “Procedures for national taxes” and “Procedures for local taxes” (MOF, MIC)
2nd meeting	Oct. 5, 2017	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized area “Procedures for social insurance) (MHLW) Policy of revising basic implementing plans (procedures for business approvals and licenses)
3rd meeting	Nov. 2, 2017	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized area “Procedures for social insurance) (MHLW) Collation of responses of ministries and agencies to the “Policy of revising basic implementing plans (procedures for business approvals and licenses)”
4th meeting	Jan. 18, 2018	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized area “Procedures for business approvals and licenses” (NPA, MAFF, MOE, METI)
5th meeting	Feb. 1, 2018	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized area “Procedures for business approvals and licenses” (FSA, MLIT, MHLW)
6th meeting	Feb. 21, 2018	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized area “Procedures for social insurance” (MHLW)
7th meeting	Mar. 15, 2018	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized area “Procedures for business approvals and licenses” (MAFF, MLIT, MHLW)
8 th meeting	Mar. 27, 2018	<ul style="list-style-type: none"> Public hearings with relevant ministries and agencies Prioritized area “Procedures for business approvals and licenses” (METI, MOE)

3. Second Review Team of the Subcommittee for Administrative Burden Reduction

1st meeting	Sep. 19, 2017	<ul style="list-style-type: none"> ▪ Public hearings with relevant ministries and agencies Prioritized area “Issuance of certificates as the request of corporate members” (National Strategy Office of Information and Communications Technology of the Cabinet Secretariat, Children And Child Rearing Administration of the Cabinet Office, MHLW) ▪ Prioritized area “Procedures for labor management of corporate members” (MHLW, MLIT)
2nd meeting	Oct. 3, 2017	<ul style="list-style-type: none"> ▪ Prioritized area “Procedures for subsidies”
3rd meeting	Oct. 20, 2017	<ul style="list-style-type: none"> ▪ Prioritized area “Providing responses to statistical studies and other surveys”
4th meeting	Nov. 30, 2017	<ul style="list-style-type: none"> ▪ Public hearings with relevant ministries and agencies (providing responses to statistical studies and other surveys) Consolidation/integration of similar statistics (National Personnel Authority “Survey of Pay Rates in the Private Sector”, National Tax Administration Agency “Statistical Survey of Actual Status for Salary in the Private Sector”, MHLW “Basic Survey on Wage Structure”) ▪ Responses of ministries and agencies to the “Policy of revising basic implementing plans” (providing responses to statistical studies and other surveys/procedures for subsidies) and to public hearings with relevant ministries and agencies (employment certificates, labor management)
5th meeting	Feb. 15, 2018	<ul style="list-style-type: none"> ▪ Public hearings with relevant ministries and agencies Prioritized area “Commercial registrations” (MOJ)
6th meeting	Feb. 20, 2018	<ul style="list-style-type: none"> ▪ Public hearings with relevant ministries and agencies Prioritized area “Providing responses to statistical studies and other surveys” (Consolidation/integration of similar statistics) (National Personnel Authority, MHLW) ▪ Public hearings with relevant ministries and agencies Prioritized area “Issuance of certificates as the request of corporate members” (National Strategy Office of Information and Communications Technology of the Cabinet Secretariat, Children And Child Rearing Administration of the Cabinet Office, MHLW)
7th meeting	Mar. 23, 2018	<ul style="list-style-type: none"> ▪ Public hearings with relevant ministries and agencies Prioritized area “Procedures for commercial registrations” (MOJ) ▪ Prioritized area “Providing responses to statistical studies and other surveys” (Consolidation/integration of similar statistics)