Monitoring and Evaluation System of Japan

Presented by
Godwin K. Anku and George Aidoo

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Order of presentation

• M&E at the National level

• M&E at the local government level
1. Background

- Public management involves four main activities:
  - Planning \((\text{P})\)
  - Implementation \((\text{D})\)
  - Monitoring and Evaluation \((\text{C})\)
  - Feedback of evaluation results into policy \((\text{A})\)

These sequence of activities as generally referred to as the management cycle (PDCA cycle)
Before the 1990s, the Japanese economy experienced strong growth. This provided governments adequate financial resources to provide essential services to its people.

By services (medical care, education, transportation, road networks, security etc).

In those years, the Japanese government was able to mobilize abundant resources from numerous economic activities to fund the provision of the facilities.

Public Management emphasised Planning, implementation and budgeting.
From the early 1990s, the Japanese economy experienced reductions in growth leading to declining fiscal capacities of governments in meeting the needs of the people. At the same time, a number of challenges faced the country. These include the following:

- An ageing society and therefore a dwindling the labour force.
- Public financial crisis.
- Fiscal imbalances arising from over-expenditure by decentralized institutions.
- It became obvious that whilst governments’ fiscal capacity continue to dwindle services required to be provided for the people continue to increase.
Before the 1990s

Growth/Fiscal resources

Benefits to society

From the 1990s

Benefit to society

Growth/Fiscal resources

years

years
• In 1996, an Administrative Reform Conference was organized to come out with recommendations on how to deal with the problems.

• In 1997, the Conference submitted its report recommending, among other things, the adoption of Policy Evaluation System
2. Legal frameworks

Following the submission of Administrative reform conference report in 1997, 3 laws were promulgated for the establishment of a national M&E system as follows:

- Administrative Organs (MDAs) Information Disclosure Act (1999)
  - Grants information access to all stakeholders.
  - Every Administrative Organization under the control and jurisdiction of Cabinet are to plan and draft their own policies, implement and self evaluate them.
- Policy Evaluation Act (2001)
  Outlines how M&E should be conducted in MDAs in Japan
According to the Government Policy Evaluation Act (2001), all MDAs are to:

- Plan and draft own policies
- Implement them
- Collect accurate data
- Keep tract of the effect of their policies on society in terms of:
  - Necessity
  - Efficiency
  - Effectiveness
The Policy Evaluation Act –

-recognizes Ministry of Internal Affairs and Communication (MIC) as the institution mandated to manage and coordinate the policy evaluation system in all organizations
-Administrative Evaluation Bureau of (MIC) carries out this mandate.

**How the mandate is carried out**

• Cabinet sets the tone for policy evaluation
  – Setting out a general policy agenda for the nation
• MIC issues policy guidelines
• Ministries formulate their plans based on MIC guidelines
  – Plans span 3-5 years
• Ministries execute their plans and self evaluate them
Policy Evaluation Act

- Citizens with expertise in related fields, Researchers and Civil Society Organisations take part in the policy evaluation process as Evaluation Committees members. They
  - Investigate
  - Deliberate
  - Evaluate results of the administrative organisations (MDAs) and
  - Submit reports to the Administrative Evaluation Bureau of MIC
- MIC meta-evaluates evaluation results of Ministries and reports to Parliament (DIET)
- Each Ministry reflects recommendations of Parliament into policy
  - Reports made available to media
Policy Evaluation Act

- The Act is meant to ensure that:
  - policies executed by Ministries focus on the welfare of the people.
  - Ministries activities satisfy the needs of the people.
  - Promote accountability.

Enforcement of the policy evaluation Act started in 2002 throughout Japan.
# Methods for policy evaluation (Standard models)

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<th>Timing</th>
<th>Objectives &amp; targets</th>
<th>Methods</th>
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<tr>
<td><strong>Project evaluation</strong></td>
<td>Ex-Ante</td>
<td>-contribution to development, -prioritization of projects and administrative works.</td>
<td>Estimate expected effects, related cost etc.</td>
</tr>
<tr>
<td>Cost Benefit Analysis</td>
<td>Ex-post</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Performance evaluation</strong></td>
<td>Achievements are measured regularly and degree of attainment evaluate at the end of target periods.</td>
<td>-contribution to the attainment of policy -policy improvement</td>
<td>-Set goal to be attained by focusing on expected effects -evaluate the degree of attainment</td>
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<tr>
<td>Performance measurement</td>
<td>Ex-post evaluation (after implementation)</td>
<td></td>
<td></td>
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<tr>
<td><strong>Comprehensive Evaluation</strong></td>
<td>Ex-post evaluation (after implementation)</td>
<td>-identify and analyze selected policies</td>
<td>-Explore the policy effects from various viewpoints (impact, sustainability, relevance)</td>
</tr>
<tr>
<td>Programme Evaluation</td>
<td>On certain selected policy issues</td>
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Responsibility of Cabinet in Policy Evaluation

• Cabinet’s role in Policy Evaluation involves
  – Identifying institutions to which budgets have been allocated.
  – Verify whether projects are efficient enough to warrant the spending of Tax-Payers’ money
  – The office of cabinet therefore undertakes only administrative evaluation.
Feedback into policy and disclosure

Under the Government Policy Evaluation Act, each Ministry makes efforts to promote and improve the evaluation for the relevant policies, while the Ministry of Internal Affairs and Communications also takes initiative in carrying out the evaluation of the far-ranging topics covering a multiple number of Ministries.

Objectives
- Implementation of a high-quality and efficient administrative activities truly focusing on the people
- Conversion into an result-oriented administrative activities having the viewpoint of citizens
- Reinforcement of the accountability of the Administrative Organs to the public

PDCA cycle of policies

Viewpoints of necessity, effectiveness and efficiency

Academic experts
- Use of knowledge

Evaluation Committee for Policy evaluation and Incorporated Administrative Agencies
- Investigation and deliberation

Administrative Evaluation Bureau, Ministry of Internal Affairs and Communications
- Planning of basic items
- Inspection of the evaluation conducted by each Ministry
- Evaluation of the policies applied across the ministries

Announcement and report to Diet of the evaluation results and the reflection in policies
Management cycle of policy evaluation and budget request (FY)

Conduct of policy evaluation
(Mainly performance measurement)

April
Conduct of policy evaluation
(Mainly performance measurement)

May
Drafting & issuance of evaluation documents

June
Reflecting in the policy planning, such as budget requests

July
Budget request for the next fiscal year

August
Using the evaluation results in determining the budgets
(Ministry of Finance)

September
Determining the budget plan for the next fiscal year

October
Announcement of usage conditions

November
Parliament deliberation / approval of budget

December

January

March

Consideration of budget requests by ministries

Determination of budgets
Evaluation System in Japan

Evaluation at the Ministry Level

(Ministry of Infrastructure, Land and Transport)
Policy Evaluation (Ministry Level)

• According to the Policy Evaluation Act
  – MIC issues guidelines and coordinate policy evaluation in other Ministries
  – Every Ministry undertakes evaluations from two standpoints namely:
    • Basic Policy Planning (PLAN)
    • Policy Implementation (DO)

    All Ministries then self-evaluate (CHECK) and incorporate policy evaluation results into policy (ACTION)

• These guidelines lead to the completion of the Public Management Cycle (PDCA)
Policy Evaluation (Ministry level)

• Evaluation in the Ministries is done based on two broad groupings
  – Policy Evaluation
  – Programme/Project Evaluation

  **Policy Evaluation**
  - Policy Assessment
  - Policy check-up
  - Policy Review
Policy Evaluation (Ministry Level)

Programme/Project Evaluation
- Evaluation of individual (large) public projects
- Evaluation of on-going projects
- Evaluation of individual research and development projects
- Evaluation of special tax measures
# Policy Evaluation

<table>
<thead>
<tr>
<th>Evaluation Practice</th>
<th>Policy /Programme(Types)</th>
<th>Evaluation Details</th>
<th>Type of Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policies</td>
<td>Policy assessment</td>
<td>Evaluation based on necessity, efficiency, effectiveness</td>
<td>Ex-Ante</td>
</tr>
<tr>
<td></td>
<td>Policy Check-up</td>
<td>Plan, Set targets, execute and evaluate performance for major programmes and feed evaluation results into policy (PDCA)</td>
<td>Annually</td>
</tr>
<tr>
<td></td>
<td>Policy Review</td>
<td>Perform in-depth analysis on policies which are of high interest to the public</td>
<td>Annually</td>
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## Project/Programme Evaluation

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<th>Programme /Project (Types)</th>
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<tr>
<td>Project /Prog.</td>
<td>Individual Public projects</td>
<td>Evaluate individual public projects executed by the Ministries</td>
<td>Ex-ante Annually Ex-post</td>
</tr>
</tbody>
</table>
|                     | On-going projects           | -Yet to commence  
                      |                      | -Continued for over 10yrs  
                      |                      | -Proj. not started in 5yrs  
                      |                      | -Work started  
                      |                      | -Completed           | Ex-ante Annually Ex-post |
# Project/Programme Evaluation

<table>
<thead>
<tr>
<th>Individual research and development projects</th>
<th>-Evaluate New -Evaluate on-going -Evaluate completed</th>
<th>Ex-ante Annually Ex-post</th>
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<tr>
<td>Regulations</td>
<td>Evaluate objective, content, necessity, efficiency, effectiveness and appropriateness of regulation when stashing, amending, abolishing them</td>
<td>Ex-ante</td>
</tr>
<tr>
<td>Special tax measures</td>
<td>evaluate necessity, efficiency and effectiveness of taxation measures</td>
<td>Ex-ante Annually</td>
</tr>
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Feedback Mechanism

• Results of evaluation conducted are fed back into policy for improvement, policy change etc.

• Committees on Policy Review was formed in March 2010 with the Parliamentary Secretary as Chairman.
  – He selects policies to be evaluated
  – Advises on policy themes to be evaluated
  – Recommend Procedures to be used
LESSONS LEARNED

Legal Framework

• Mandated Ministry
• Policy and institutional leaders
• Rewards and sanctions
• Clear-cut division of labour between Cabinet and MIC

Structural flexibility

• Selection of theme by parliamentary secretary
Lessons learned (contd)

- Self-evaluation
- Third party opinions (external evaluation committees and expert groups)
- Accountability is central.
- M&E budget forms part of project cost.
- Strong link between M&E and Budget allocation.
Lessons learned (contd)

- Prioritization of policies/projects
- Extensive use of IT
Challenges

• Difficulty in cross-ministerial evaluation
• Lack of unified reporting framework at the central level
• Programmes/project relating to disasters are not evaluated.
Evaluation at the Local Level in Japan
Introduction

- As part of the M & E training in Japan for Officials from MOFEP and other selected MDAs, field visits were made to understudy the implementation of the M & E systems in the following places:
  - Miyagi Prefecture
  - Morioka Municipality,
  - Adachi City
  - Hamamatsu City
  - Shizukuishi Town
Introduction

• Mie Prefecture was one of the Prefectures that started “administrative evaluation” in Japan in 1996
  – “The task and project evaluation system”
• This was followed later by other Prefectures, Cities and Towns
• The practice of evaluation at the local level inspired the central government to later initiate full scale involvement in evaluation
  – Policy evaluation was introduced in January 2001
  – Full scale evaluation was enforced in April 2002 after the passage of the Government Policy Evaluation Act
Introduction

• The Prefectures, Municipalities, Cities and Towns have Strategic Development Plans called
  – General Plan
  – Comprehensive Plan
  – Master Plan
  – Management Plan
Evaluation in Prefectures, Municipalities, Cities and Towns

• Purpose
  – To fulfill accountability to citizens
  – To strategically manage city administration
  – To review all projects and improve efficiency and effectiveness
  – To cut waste
  – To secure transparency of the planning and policy making process
  – To improve efficiency and quality of public administration
Evaluation in Prefectures, Municipalities, Cities and Towns

• Purpose
  – To review invested resources and results of projects implemented the year before
  – To track the extent of progress of comprehensive plans
  – To review the future direction of projects
  – To incorporate results in planning and budgeting
  – Increase transparency by giving citizens clear explanation of the content of evaluation
  – To encourage the citizens to participate in governance
Evaluation in Prefectures, Municipalities, Cities and Towns

• Process
  – At the local government level, the administrative staff use administrative evaluation to evaluate policies, programs and projects
  – Three stages of evaluation are carried out
    • Self evaluation – basis of evaluation at local government level
    • Evaluation by Evaluation Committee within the City Offices
    • Evaluation by the City Residents
      – External Evaluation for independent opinion
  – Social surveys are conducted as part of the process to capture the following: degree of importance, degree of satisfaction and direction (priority items) of programs
  – The results of the survey are disaggregated (gender, age and district)
Evaluation in Prefectures, Municipalities, Cities and Towns

• Process
  – Mid-term evaluation covering projects for a particular year is also conducted in some cases
  – Standardized evaluation sheets used are
    • Policy evaluation sheets
    • Program evaluation sheets
    • Project analysis sheets
    • Resident attitude survey analysis sheets
  – Evaluation made more efficient by the simplification of evaluation sheets and reduced number of indicators
  – The sheets are distributed at a set time each year to the evaluators
Evaluation in Prefectures, Municipalities, Cities and Towns

• Example of basic form of evaluation of policies, programs and projects evaluated

• Policy Evaluation Sheet
  – Situation of programs constituting policies
    • Results of policies (progress)
    • Problems in implementing policies and solutions to them

• Program Evaluation Sheet
  – Social, economic and other situations affecting the program
  – Results from attitude survey of residents
  – Situation with goals, indicators etc.
  – Situation with projects constituting programs
    • Progress of programs
    • Problems with implementation and solutions
Evaluation in Prefectures, Municipalities, Cities and Towns

• Project Analysis Sheet
  – Situation of projects
  – Necessity
  – Effectiveness
  – Efficiency
    • Direction of projects next year (maintain, expand, reduce, integrate with another, abolish)

• Resident Attitude Survey Analysis Sheet
  – The importance of a policy
  – The citizens level of satisfaction with a program
  – The direction of the program (priority items)
Evaluation in Prefectures, Municipalities, Cities and Towns

• Timing
  – Carried out between March and September every year
    • The fiscal year is from March to April
  – Disclosure of results is done between October and November
  – Evaluation is made to coincide with the revision of Development Plans
Evaluation in Prefectures, Municipalities, Cities and Towns

• Application of Findings
  – Improvements are made towards the achievements of goals
  – Utilized as a means to manage the progress of development plans
  – Increase or decrease the resources invested in the projects
  – Form the basis for evaluating the performance of the local government
  – Help to prioritize projects
Evaluation in Prefectures, Municipalities, Cities and Towns

• Application of Findings
  – Results are reflected in the allocation of budgets
  – Disclose project information (accountability tool)
  – Administrative reforms
  – Immediate implementation of improvements if possible during the year
  – Made to reflect in the ensuing years strategic plan as well as policy and project planning and budgeting
Evaluation in Prefectures, Municipalities, Cities and Towns

• Challenges
  – The number of evaluations carried out
  – Increased workload of staff members directly engaged in evaluation leading to “evaluation fatigue”
    • decreasing number of local government employees
• In order to reduce the burden of evaluation and make it more efficient, evaluation sheets have been simplified and number of indicators reduced
Conclusion

• Evaluation of policies, programs and projects is carried out at the national, district, municipal, city and town level in Japan.

• Evaluation ensures transparency, accountability and good governance

• It is well institutionalized and is worthy of emulation.
Lessons learnt

- Existence of Master Plans which spell out policies, programs and projects
- Existence of evaluation manuals to guide evaluations
- Evaluation system part of administrative management system
- Evaluation results feed back into policy planning and budgeting
- High level of involvement of key stakeholders
- Self-evaluation and external evaluation used as a check
- Improved accountability and transparency to citizens
- Adequate budgetary provision made for evaluation
- Existence of a legal framework for evaluations
- The important role senior officials such as Governors and Mayors play in evaluation
- Prioritization of projects
Lessons for Ghana

• There is the need to institutionalize M & E in Ghana at the national and local government levels
  – Evaluation of policies, programs and projects will ensure transparency and accountability to the citizens

• There is also the need to continue to build the capacity of the MDAs and MMDAs to conduct evaluations in Ghana

• Adequate budgetary resources need to be made available for evaluation of policies, programmes and projects