

# The Development of Digital Government and Public Service Reform in Japan

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# Introduction: Technological Change and Policy Innovation

## Possible Steps for Policy Innovation

1. Policy lock in as a result of path-dependent process
2. Policy innovation as a reaction to exogenous changes (introduction of technology)
3. Uncertainties remain (science and use of technologies) - Policy innovation as a outcome of interaction among various policy actors with interpretive framework (endogenous aspect)
4. Policy innovation as combination of technological and institutional elements  
cf. technology enactment theory

# Importance of Framing

“Useful tools for analyzing the process of policymaking in complex situation”

- How do policy actors interpret the uncertainty (about the purpose) of the new technology and science?
- How do policy actors take advantage of the uncertain situation?
- $\longleftrightarrow$  Technologically deterministic views

# How do frames cause policy change – Linking framing and network

- Perception change among policy actors cause policy change?
- We also have to understand how frames interpreted in the political structure.  
→ Relations between frame and networks and coalitions of actors.

# Japan's Policy for Establishing the Digital (Electronic) Government : Four Stages

1. Advanced-information-technology-driven administration – narrow context of administrative management
2. Society with highly advanced information technologies – IT policy in general
3. Refocusing of Electronic Government and Cost Reduction
4. Digital Government and Public Service Reform

# Stage I :Technology Driven Administration Reform

- Japanese government has been promoting its information technology policy with the slogan of establishing an “advanced-information-technology-driven administration (Gyouseijouhouka).”
- Dec. 1994 “Basic Plan for Promoting an Advanced-information-technology-driven Administration”
- Dec. 1997 revision of the Basic Plan, use of term “electronic government” with a link to the administrative reforms

# Stage 2: Society with Highly Advanced Information Technologies

- August 1994 The Strategic Headquarters for the Promotion of an Advanced Information and Telecommunications Society was established within the cabinet.
- July 2000 The IT Strategy Council was established.
- November 2000 The Basic IT Strategy was formulated.
- November 2000 The Basic Law on the Formation of an Advanced Information and Telecommunications Network Society (IT Basic Law) was passed.
- January 2001 The Strategic Headquarters for the Promotion of an Advanced Information and Telecommunications Network Society (IT Strategy Headquarters chaired by the prime minister) was established within the cabinet.
- January 2001 The e-Japan Strategy was formulated.
- July 2003 The e-Japan Strategy II was formulated.
- February 2004 The e-Japan Strategy II Acceleration Package was formulated.

# Stage 2: Issues of Procurement and Organizational Response and Limits

- Procurement issue and “Legacy Problem”
- Dec 2001 “Council on the Improvement of the Software Development and Procurement Process” established within the METI
- May 2002 IT Associate Council established within METI introduced Enterprise Architecture (EA) program
- Sep 2002 Introduction of the Council of Ministerial Chief Information Officers (CIO Council) through out the ministries + Technical Advisor to CIOs
- July 2003 the Electronic Government Development Plan – for comprehensive Business and System “Optimization” Plan ← “Visualization” of the entire operations
- Optimization Plan on Personnel and Salary decided in February 2004 (aiming for 2007) – but unsuccessful and fundamental review undertaken in 2006



# Stage 3: Refocusing of Electronic Government and Cost Reduction

- Issues - Purpose of e-government- ratio of electronic procedure?; Limits of project management capability
  - April 2006: Government Program Management Office (GPMO) established at Cabinet Office
- <September 2009 DPJ Government>
- Task Forces under the IT Strategic Headquarter (electronic administration , medical service, ITS) – focuses on needs
  - 2012: Administrative Reform Implementation Headquarter; Government CIO
- <December 2012 Abe Government>
- Government information system reform and operation cost reduction under Government CIO
  - Government information system reform: 1450 (2012) →556 (2018)
  - Operation cost reduction: 400 Billion Yen (2013)→290 Billion Yen (2021)

# Stage 4: Digital Government and Public Service Reform

- May 2017 Government Digital Promotion Policy
- January 2018 Government Digital Transformation Plan
- Focus on Public Service Reform
  - ① Cost reduction→service value increase
  - ② Open data
  - ③ User centric service – BPR based on service design thinking

# 12 Principles of Service Design

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- Summarized concrete points to practice service design thinking as “12 Principles of Service Design”
  - Synchronize with recent international trends of digital service reform, based on the know-how gained from the efforts of digitalization and business reforms
1. Start with user needs
  2. Grasp each fact deeply
  3. Think End-to-End
  4. Pay attention to all stakeholders
  5. Make services simple
  6. Utilize digital technologies thoroughly
  7. Be integrated with user's daily experiences
  8. Don't create only by yourself
  9. Create services openly
  10. Iterate many times
  11. Do consistently, not all at once
  12. Build services, not systems

# Government Digital Transformation Plan –Major Initiatives–

## Administrative Service Reform by Cross-ministry Measures

### (1) 100% Digitalization of Administrative Service

#### 【Digital First】

- **Implement thoroughly online principles** of each procedure
- ✓ **Digitalize thoroughly administrative services** after implementing **BPR and system reform** by each procedure
- ✓ Reorganize how identity verification should be (e.g. stamping, face-to-face verification, etc.)
- ✓ Review digitalization of procedures among the private sector.

#### 【Once Only】

- **Eliminate attached documents in administrative services**
- ✓ **Eliminate attached documents which are already owned by the government** by utilizing “The Social Security and Tax Number System” and so on
- ✓ Propose a bill to eliminate all attached documents in a lump as soon as possible which includes the following items:
  - **No need to submit certificates of the registered matters of corporations**
  - **No need to submit residential certificates**

#### 【Connected One-stop】

- ✓ Promote **one-stop services in cooperation with the private sector** and prioritize the following three major life events:
  - **One-stop service for moving**
  - **One-stop service for nursing care**
  - **One-stop service for death and succession**

# Government Digital Transformation Plan –Major Initiatives–

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## 【Open Data】

### (2) 100% Opening of Administrative Data

- **Open data by design**
- ✓ Design and operate work and information system on the premise that the data is open to the public
- Grasp needs and disclose data promptly
- ✓ Talk directly with the private sector, grasp their needs and accelerate opening the corresponding data
- ✓ Disclose data based on recommended data set

# Government Digital Transformation Plan –Major Initiatives–

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## (3) Development of Digital Reform Infrastructure

### 【Data Standard for Administration】

- Formulate “**Data Exchange Standard for Administration**”
- ✓ Formulate data exchange standard by the end of FY2017 regarding the core of administrative data formats (e.g. dates, address, etc.)
- Standardize vocabulary, codes, characters, etc.
- ✓ Organize system of vocabulary, codes, etc. as “Data Standard List for Administration (tentative name)” regarding social infrastructure fields (e.g. facilities, equipment, procurement, etc.)

### 【Digital Platform for Corporations】

- ✓ Establish a platform where data can be utilized effectively by the public and the private sector through authentication system which enables you to apply multiple procedures with a single ID, corporation information website and so on

# Current Status of Digitalization of Administrative Services

## 1. Current Status of Digitalization of Administrative

(1) Only **12%** of the administrative procedures of the central and local governments are available online.

※12% = 5,047 / 43,333 procedures

※71% are available online (on a basis of the number of applications)

(2) Many procedures require **attached paper documents**.



① **Waste of time and labor** for people and business operators to get attached paper documents in municipal offices, etc.

② **Digitalization has not progressed** due to requirement of attached paper documents.

Examples of attached documents required for many procedures (FY 2016) ※Surveyed by IT Strategy Office, Cabinet Secretariat

Attached Documents	the Number of Applications
- certificates of the registered matters of corporations:	: 146 Million
- residential certificates	: 51 Million
- certificates of the registered matters of families	: 47 Million

## 2. Coming Initiatives Based on Discussion of IT Strategy Headquarters



(1) **Eliminate** all requirements of attached documents in a lump and aim to increase the number of procedures available online

(2) **Propose a required bill as soon as possible** for which procedures does not require attached documents such as certificates of the registered matters of families or corporations, etc.

# Digital Government and Tax Administration in Japan

- Increasing use of e-Tax
- Introduction of “my number”
- Reduced requirement of attached paper documents
- Increasing work load and limits of personnel



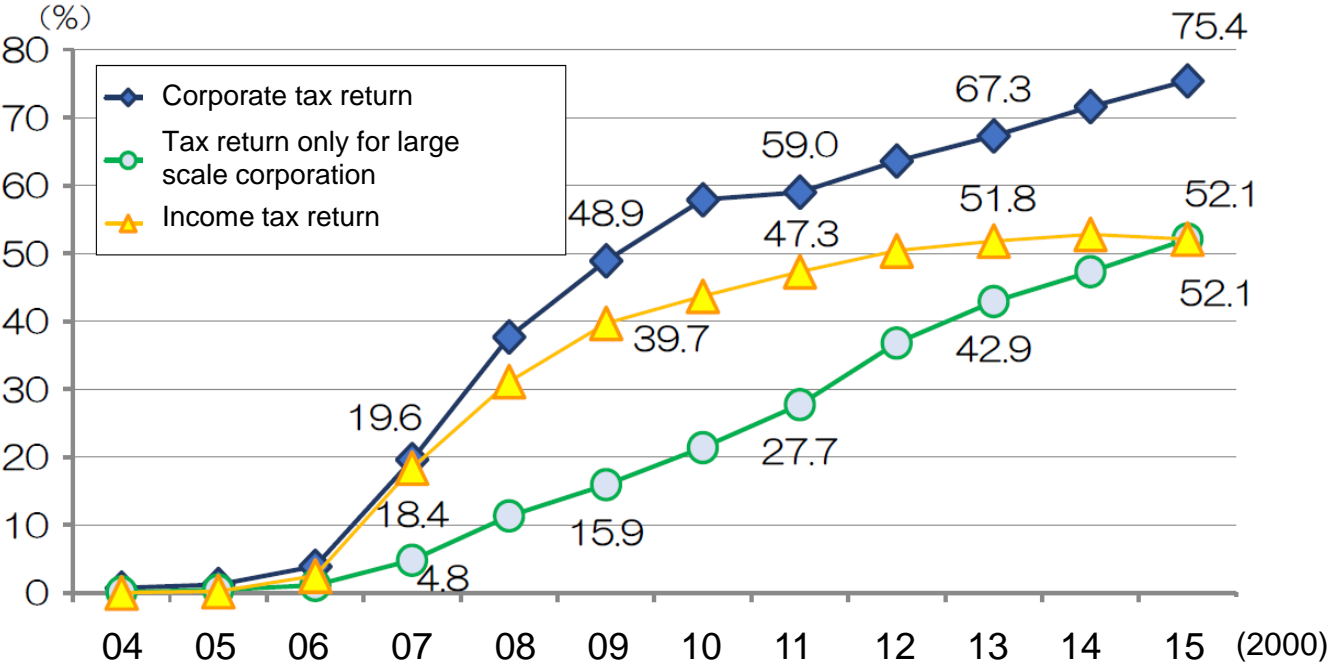
### 【Number of the count for income tax return】

	1989	2015	Comparison with 1989
Income tax return (0.01 millions)	1,697	2,151	+454 (approx. 1.3 times)
Tax refund (0.01 millions)	659	1,247	+588 (approx. 1.9 times)

### 【Capacity (fiscal year)】

	1997	2016	Comparison with 1997 at the peak
Capacity (number of persons)	57,202	55,666	△1,536 (approx. 2.7% reduce)

### 【History of utilization rate of e-Tax】



# Future of Digital Government and Tax Administration

- Future possible uses in Tax Administration –  
For tax payers: customized information delivery, automated consultation; For efficient administration: automated check of declaration, AI support for investigation priority areas
- Linking tax administration to realization of benefits of public services (budget)?  
cf. extra-budgetary sources of international organization

# **Cf. WHO's new Programme Budget Portal**

- **Providing further details of the Organization's work, financing and implementation progress.**
- With quarterly updates this portal will present a better breakdown of our work (categories of works, regions/ countries, types of contribution), navigating through the different categories, programmes and outputs through which WHO's work is delivered. Countries now specify the financial details at output level in order to meet WHO's requirement for IATI compliance.

About IATI (International Aid Transparency Initiative)

Developing countries face huge challenges in accessing up-to-date information about aid, development, and humanitarian flows – information that they need to plan and manage those resources effectively. Similarly, **citizens in developing countries and in donor countries lack the information they need to hold their governments accountable for the use of those resources.** IATI aims to address these challenges by making information about aid spending easier to access, use, use, and understand.

Why aid transparency matters

Discussions around the post 2015 **Sustainable Development Goals** highlight that improved access to information frameworks at the national level will enable individuals to hold leaders and development actors accountable.

Development agencies are focusing their attention on incorporating beneficiary feedback mechanisms more effectively into their work. Improved data provision and data sharing mechanisms are an essential element of the feedback process.

IATI opens up development to all stakeholders of development cooperation, which maximises the impact of cooperation on the poorest and most vulnerable communities.

Several donors have included implementing IATI as part of the commitments under the **Open Government Partnership**, an international initiative that seeks to promote transparency and empower citizens.

# Framings and Networks of Actors

- “Promoting an advanced-information-technology-driven administration (Gyouseijouhouka)”, “electronic government” → Main Actors were MIC Administrative Management Bureau officials
  - “Advanced information and telecommunications network society” → the former Ministry of Posts and Telecommunications and METI, associate CIOs
  - Refocusing on purposes and management capability → GPMO, Government CIO
  - “User centric service design”, “Digital Government” → Users, Service reform support team under Government CIO
- cf. Government CIO review mechanism (Transformation Plan)
- Issues of concrete framing in the localized contexts of operating staff- Key is communization and coordination between CIO advisors, on site operating managers and users

# Concluding Remarks

- Changing framing and networks

“Promoting an advanced-information-technology-driven administration (Gyouseijouhouka)” → “Advanced information and telecommunications network society”  
→ EA → User centric service design

- Increasing focus on needs and users

But back to comprehensive framing or focus on basic information infrastructure?

- Interesting development in tax administration

But potential at the interaction between tax administration and budgeting, and between budgeting and administrative management (that is organizationally separately located in Japan) cf. US: Federal CIO in OMB