

## Summary of a bill on special measures concerning the promotion of research and development by the designated National Research and Development Agencies (Draft)

### No. 1 Objective

That this act is aimed, when considering that, in response to the changes in the industrial structure and the international competition conditions, the rapid development of the aging population and other economic and social changes, it is important to achieve a significant improvement in the level of Japan's science and technology in order to strengthen the industrial competitiveness and to realize a society where people can live in peace and prosperous, in order to promote the research and development by the designated National Research and Development Agencies, strive to create, disseminate, and promote the use of the results of research and development of the world's highest level, by preparation of the basic policy by the government and by determining the particular examples or other special measures concerning the medium to long-term objectives, to contribute to the development of national economy and the improvement of the people's lives.

(Re. Article 1)

### No. 2 Definitions

1. That the "designated National Research and Development Agencies" in this act means the ones listed below, out of the National Research and Development Agencies, whose creation of the results of the research and development of the world highest level can be

anticipated to a considerable degree, when comprehensively considering the performance results and the structure of the research and development.

(1) National Institute for Materials Science (NIMS)

(2) RIKEN

(3) National Institute of Advanced Industrial Science and Technology (AIST)

2. That the "research and development" as used in this Act means the test, research, or development related to science and technology.

3. That the "research and development, etc." as used in this Act means the dissemination and practical application of the results of research and development.

(Re: Article 2 and Appended Table)

### No. 3 Basic Policy

1. That the government must determine the basic policy (hereinafter, "Basic Policy") to promote research and development by the designated National Research and Development Agencies.

2. That in the basic policy, matters related to the significance and the basic direction of promotion of the research and development, etc, by the designated National Research and Development Agencies, basic matters concerning the measures to be taken by the government with respect to the promotion of such research and development by the designated National Research and Development Agencies, and matters concerning the establishment of the system to promote such research and development by the designated National Research and Development Agencies, must be specified.

3. That the Prime Minister, must, listening to the opinion of the Council for Science, Technology and Innovation, prepare a draft of the basic policy and seek a cabinet decision on the draft.

(Re: Article 3)

No. 4 Special exemptions for the dismissal of the president of the designated National Research and Development Agencies.

The competent minister may request a Certified Research and Development Business Operator to submit reports concerning the implementation status of the Certified Research and Development Business Plan That the competent minister may, in addition to the cases prescribed in Article 23, Paragraph 2 and 3 of the Act on General Rules for Incorporated Administrative Agency (“General Rules,” hereinafter) when the creation of the results of research and development of the world's highest level of a designated National Research and Development Agencies cannot be anticipated because the execution of duties of the president of the designated National Research and Development Agency (“President of Agency,” hereinafter) is not appropriate and when it is admitted inappropriate to allow the said head continuing the performance of the duties for the institute concerned, dismiss the said head.

(Re: Article 4)

No. 5 Special Provisions for Medium to Long-term objectives

That the competent minister of the designated National Research and Development Agencies must, pursuant to the provisions of Article 35-4, Paragraph 1 of the General Rules, establish the medium

to long-term objectives, or when changing these, it must be based on the basic policy, and also establish special exemptions for the medium to long-term objectives and evaluation of the results of the business operations of the designated National Research and Development Agencies.

(Re: Article 5)

#### No. 6 Special Provisions for remuneration and salary of officers and employees

That in order to establish special provisions for remuneration and salary of officers and employees of the designated National Research and Development Agencies, when establishing Administrative Orders, etc. which provide, pursuant to the provisions of Acts, while determining the technical replacement of terms necessary for application or mutatis mutandis application of the terms, concerning the salaries and other treatment of the staff members who are exclusively engaged in research and development duties it must be carried out by taking into consideration of the international evaluation about the contents and results of research and development which the staff members concerned are performing.

(Re: Article 6)

#### No. 7 Request of competent minister

That the competent minister of the designated National Research and Development Agencies may, when an innovative knowledge of science and technology has been found or in the case of significant change in and out of the situation for other science and technology

has occurred, in order to promote the creation, dissemination and use of the results of the research and development of the world's highest level, when it is deemed necessary to quickly carry out the research and development or other correspondence relating to the knowledge, request particular designated National Research and Development Agency to take necessary measures.

(Re: Article 7)

No. 8 Consideration of the characteristics of such research and development by the designated National Research and Development Agency

That the government must, when conducting the review at the end of the period of the medium to long-term objectives pursuant to the provision of Article 35-7 of the General Rules and enforcing the General Rules and Individual Rules (the Individual Rules as defined in Article 1, Paragraph 1 of the General Rules), always consider the characteristics of the research and development of the designated National Research and Development Agencies, including that the research and development are being carried out under international competition and others to promote research and development by the designated National Research and Development Agencies.

(Re: Article 8)

No. 9 Supplementary provisions

1. Effective date

That this Act enters into force as from October 1, 2016. However, that the provision of No.2 enters into force as of the date of

promulgation.

(Re. Supplementary provision Article 1)

## 2. Preparatory Actions

(i) That the formulation and procedures and other actions necessary for the Basic Policy pursuant to the provision of No. 3-1 can be possible to carry out even before the enforcement of this Act.

(Re. Supplementary provision Article 2)

(ii) That concerning the change in the Medium to Long-term objectives of the designated National Research and Development Agencies listed in No. 2-1 above (limited to the cases in order to comply with the Basic Policy and those pertaining to Article 35-4, Paragraph 2, Item 3 of the General Rules pertaining to No.5), even before the enforcement of this Act, it is possible to listen to the opinion of the Council for Science ,Technology and Innovation and The Evaluation Committee on Incorporated Administrative Agencies.

(Re. Supplementary provision Article 3)

## 3. Review

That the government must, at a suitable time after the enforcement of this Act, while taking into account the status of enforcement of this law, including the scope of the designated National Research and Development, review the situation of the system of the designated National Research and Development Agencies and based on the results of that review, take measures as necessary.

(Re. Supplementary provision Article 5)

4. That maintenance of the required provisions must be carried out as to the Act for Establishment of the Cabinet Office.

(Re. Supplementary provision Article 6)

Act on Special Measures concerning the promotion of  
research and development by the designated National  
Research and Development Agencies (draft)

(Purpose)

Article 1 This act is aimed, when considering that, in response to the changes in the industrial structure and the international competition conditions, the rapid development of the aging population and other economic and social changes, it is important to achieve a significant improvement in the level of Japan's science and technology in order to strengthen the industrial competitiveness and to realize a society where people can live in peace and prosperous, in order to promote the research and development by the designated National Research Agency, strive to create, disseminate, and promote the use of the results of research and development of the world's highest level, by preparation of the basic policy by the government and by determining the particular examples or other special measures concerning the medium to long-term objectives, to contribute to the development of national economy and the improvement of the people's lives.

(Definitions)

Article 2. (1) The "designated National Research and Development Agency" in this act means the ones listed in the appended table, Out of the National Research and Development Agencies provided for in Article 2, Paragraph 3 of the Act of General Rules for Incorporated Administrative Agency (Act No. 103 of 1999, hereinafter, "General



Rules”), whose creation of the results of the research and development of the world highest level can be anticipated to a considerable degree, when comprehensively considering the performance results and the structure of the research and development.

(2) The "research and development" as used in this Act means the test, research, or development related to science and technology.

(3) The "research and development, etc." as used in this Act means the dissemination and practical application of the results of research and development.

(Basic Policies)

Article 3. (1) The government must determine the basic policy

(hereinafter, "Basic Policy") to promote research and development by the designated National Research and Development Agencies.

(2) The basic policy is to specifically set forth the following matters:

(i) The matters related to the significance and the basic direction of promotion of the research and development, etc., by the designated National Research and Development Agencies;

(ii) The basic matters concerning the measures to be taken by the government with respect to the promotion of such research and development by the designated National Research and Development Agencies;

(iii) The matters concerning the establishment of the system to promote such research and development by the designated National Research and Development Agencies;

(iv) In addition to the items prescribed in the preceding three items, the necessary matters concerning the promotion of research and

development by the designated National Research and Development Agency.

- (3) That the Prime Minister, must, listening to the opinion of the Council for Science, Technology and Innovation, prepare a draft of the basic policy and seek a cabinet decision on the draft.
- (4) Prime Minister must, when their decision of the Cabinet under the provisions of the preceding paragraph is made, without delay, publish the basic policy.
- (5) The government must, in case the need arises due to changes in the situation, change the basic policy.
- (6) The provision of the paragraphs 3 and 4 is applied mutatis mutandis to the change in the basic policy under the provision of the preceding paragraph.

(Special exemptions for the dismissal of the head of the designated National Research and Development Agencies)

Article 4. The competent minister (the competent minister as prescribed in Article 68 the Act on General Rules, the same is applied in the following article) may, in addition to the cases prescribed in Article 23, Paragraph 2 and 3 of the Act of General Rules for Incorporated Administrative Agency (“General Rules,” hereinafter) when the creation of the results of research and development of the world's highest level of a designated National Research and Development Agency cannot be anticipated because the execution of duties of the president of the designated National Research and Development Agency (“Agency President,” hereinafter) is not appropriate and when it is admitted inappropriate to allow the said head continuing the

performance of the duties for the agency concerned, dismiss the said head.

(Special Provisions for medium to long-term objectives)

Article 5 (1) The competent minister of the designated National Research and Development Agencies (hereinafter, simply referred to as the "component minister") must, pursuant to the provisions of Article 35-4, Paragraph 1 of the General Act, establish the Medium to Long-term objectives, or when changing these, it must be based on the basic policy.

(2) Concerning the application of Article 35-4, Paragraph 2 and 3, Article 35-5 Paragraph 2, Article 35-6, Paragraph 7 and 8, and Article 35-7, Paragraph 3 and 4 of the General Rules on the designated National Research and Development Agencies, the "business operations" in Article 35-4, Paragraph 2, Item 3 and Article 35-5, Paragraph 2, Item 2 must be deemed to be replaced with "improvement of business operations and", the "committee" in Article 35-4, Paragraph 3, Article 35-6, Paragraph 7 and 8 and Article 35-7, Paragraph 3 and 4 must be deemed to be replaced with is "Science and technology and innovation council and the committee."

(Special Provisions for remuneration and salary of officers and employees)

Article 6 (1) Concerning the Article 50-2, Paragraph 3 and Article 50-10, Paragraph 3 of the General Rules of the designated National Research and Development Agencies,, as applied mutatis mutandis pursuant to Article 50-11 of the General Rules, the "results" in Article 50-2,

Paragraph 3, as applied mutatis mutandis pursuant to Article 50-11 of the General Rules, must be deemed to be replaced with " the results and the necessity to secure the human resources within the officers having internationally outstanding ability for the businesses to carry out with the aid of a high degree of specialized knowledge and experience of the world's highest level of performance"; "and the employees" in Article 50-10, Paragraph 3 of the General Rules, as applied mutatis mutandis pursuant to Article 50-11 of the General Rules, must be deemed to be replaced with the "staffs"; and "type of employment" must be deemed to be replaced with "type of employment and the necessity to secure the human resources within the staffs engaging in research and development exclusively having internationally outstanding ability for the businesses to carry out with the aid of a high degree of specialized knowledge and experience of the world's highest level of performance."

- (2) In addition what are prescribed in the preceding paragraph, concerning the salaries and other treatment of the staff members who are exclusively engaged in research and development duties of the designated National Research and Development Agencies it must be carried out by taking into consideration of the international evaluation about the contents and results of research and development which the staff members concerned are performing.

(Request of the competent minister)

Article 7 (1) The competent minister may, when an innovative knowledge of science and technology has been found or in the case of significant change in and out of the situation for other science and technology has

occurred, in order to promote the creation, dissemination and use of the results of the research and development of the world's highest level, when it is deemed necessary to quickly carry out the research and development or other correspondence relating to the knowledge, request particular designated National Research and Development Agency to take necessary measures.

(2) The designated National Research and Development Agencies, when a request has been made by the competent minister pursuant to the provisions of the preceding paragraph, must respond to those request.

(Consideration of the characteristics of such research and development by the designated National Research and Development Agency)

Article 8 The government must, when conducting the review at the end of the period of the Medium to Long-term objectives pursuant to the provision of Article 35-7 of the General Rules and enforcing the General Rules and Individual Rules (the Individual Rules as defined in Article 1, Paragraph 1 of the General Rules ) always consider the characteristics of the research and development of always consider the characteristics of the research and development of the designated National Research and Development Agencies, including that the research and development are being carried out under international competition and others to promote research and development by the designated National Research and Development Agencies.

Supplementary provisions

(Effective date)

Article 1 This Act enters into force as from October 1, 2016. However, that the provisions of the following Article to Supplement Provisions Article 4 enters into force as of the date of promulgation.

(Preparatory Actions)

Article 2 (1) The formulation and procedures and other actions necessary for the Basic Policy pursuant to the provision of Article 3-1 can be possible to carry out even before the enforcement of this Act.

(2) The basic policy that has been developed pursuant to the provisions of the preceding paragraph must be regarded as the Basic Policy established in accordance with the provisions of Article 3, Paragraph 1 as of the date of the enforcement of this Act.

Article 3 (1) That concerning the change in the Medium to Long-term objectives of the designated National Research and Development Agencies pursuant to the provisions of Article 35-4, Paragraph 1 of the General Rules listed in the appended table (limited to the cases necessary in order to comply with the Basic Policy and those listed in Article 35-4, Paragraph 2, Item 3 of the General Rules pertaining to Article 5, Paragraph 2), even before the enforcement of this Act, it is possible to listen to the opinion of the Council for Science, Technology and Innovation and The Evaluation Committee on Incorporated Administrative Agencies.

(2) The competent minister must, when trying to listen to opinion pursuant to the provisions of the preceding paragraph, on matters relating to the affairs and business of research and development

pursuant to Article 35-4, Paragraph 4 of the General Rules, in advance, listen the opinion of the Council on research and development prescribed in the same paragraph.

(Delegation to Cabinet Order)

Article 4 In addition to what is provided for in the preceding two articles, the necessary transitional measures pertaining to the enforcement of this Act is specified separately by the Cabinet Order.

(Consideration)

Article 5 The government must, at a suitable time after the enforcement of this Act, while taking into account the status of enforcement of this law, including the scope of the designated National Research and Development, review the situation of the system of the designated National Research and Development Agencies and based on the results of that review, take measures as necessary.

(Partial revision of the Act for Establishment of the Cabinet Office)

Article 6 Act for Establishment of the Cabinet Office (Act No. 89 of 1999) is to be partially revised as follows.

The following item is to be added after Article 4, Paragraph 3, Item 7-2:

7-2-2 Matters related to the development and promotion of the basic policy for the promotion of research and development of the designated National Research and Development Agencies prescribed in Article 3, Paragraph 1 of Act on

Special Measures concerning the promotion of research and development by the designated National Research and Development Agencies (Act No. XX of 2016).

Appended Table (Re. Article 2)

- (1) National Institute for Materials Science (NIMS)
- (2) RIKEN
- (3) National Institute of Advanced Industrial Science and Technology (AIST)



## Reason

It is required for the government to prepare the basic policy and to determine the particular examples or other special measures concerning the Medium to Long-term objectives, to contribute to the development of national economy, when considering that, in response to the changes in the industrial structure and the international competition conditions, the rapid development of the aging population and other economic and social changes, it is important to achieve a significant improvement in the level of Japan's science and technology in order to strengthen the industrial competitiveness and to realize a society where people can live in peace and prosperous. This is the reason to submit the draft of this bill.



A bill on special measures concerning the promotion of research and development by the designated National Research and Development Agencies

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- Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999) (Abstract)

(Purpose)

Article 1 (1) The purpose of this Act is to provide for common matters that serve as the basis for the system of Incorporated Administrative Agencies, including the basis for the administration of these agencies, and to achieve the establishment of the Incorporated Administrative Agency system and the secure implementation of the affairs and businesses conducted by Incorporated Administrative Agencies from a public viewpoint, interdependently with laws that provide for matters concerning the name, purpose, and scope of operations, etc. of the respective Incorporated Administrative Agencies (hereinafter referred to as the "Individual Laws"), thereby contributing to the stability of the lives of the citizenry and to the sound development of society and the economy.

(2) (Omitted)

(Definitions)

Article 2 (1) The term "Incorporated Administrative Agency" as used in this Act means a juridical person, incorporated pursuant to the provisions of this Act and the relevant Individual Law as an Agency Managed under the Medium-term Objectives, a National Research and Development Institute or an Agency Engaged in Administrative Execution, for the purpose of effectively and efficiently conducting, from among the affairs and businesses that need to be implemented securely from a public viewpoint, such as the stability of the lives of the citizenry, society and the economy, and that do not need to be implemented directly by the State itself, those affairs that may not necessarily be implemented properly if entrusted to private entities or that need to be conducted monopolistically by a single entity (hereinafter referred to as "Affairs of Public Nature, etc." in this Article).

(2) (Omitted)

(3) The term "National Research and Development Institute" as used in this Act means a juridical person provided for by the relevant Individual Law as an Incorporated Administrative Agency whose purpose is to conduct, as its major operations, from among the Affairs of Public Nature, etc., those affairs that are related to experiment, research or development in science and technology (hereinafter referred to as "Research and Development") and that are required to be

executed by the agency from a medium-term perspective in light of the characteristics of such affairs while displaying its independency and autonomy to a certain extent, in accordance with a plan for achieving the objectives concerning the administration of its operations that are set by the State for a medium and long term, and thereby ensuring the maximum results of Research and Development in order to contribute to the sound development of the national economy and other public interests through the improvement in the level of science and technology in Japan.

(4) (Omitted)

(Dismissal of Officers)

Article 23 (1) If an officer appointed respectively by the competent minister or the Agency President becomes a person who is ineligible to be an officer pursuant to the provisions of the preceding Article, the minister or the president must dismiss said officer.

(2) If an officer appointed respectively by the competent minister or the Agency President falls under any of the following items or is otherwise found to be unfit to serve as an officer, the minister or the president may dismiss said officer:

(i) If the officer is found to be unable to perform his/her duties due to a mental or physical disorder; or

(ii) If the officer violates an obligation in the course of his/her duties.

(3) In addition to what is provided for in the preceding paragraph, if the results of the operations of the Incorporated Administrative Agency have deteriorated due to the improper performance of the duties by an officer (excluding an auditor) appointed respectively by the competent minister or the Agency President and the minister or the president finds it inappropriate to have said officer continue to perform those duties, the minister or the president may dismiss said officer.

(4) (Omitted)

(Annual Plan)

Article 31 (1) Prior to the start of each business year, an Agency Managed under the Medium-term Objectives must establish a plan for the administration of the operations for said business year (referred to as an "Annual Plan" in the following paragraph) pursuant to the provisions of Ordinance of the Competent Ministry based on the Medium-term Plan as authorized under paragraph (1) of the preceding

Article, and must notify the competent minister of such plan and publicize it. The same applies when the agency revises such plan.  
(2) (Omitted)

(Medium to Long-term Objectives)

Article 35-4 (1) The competent minister must set objectives concerning the administration of the operations to be achieved by a National Research and Development Institute during a period of not less than five years and not more than seven years (hereinafter referred to as "Medium to Long-term Objectives"), and give instructions to the National Research and Development Institute with regard to these objectives and publicize them. The same applies when the minister revises those objectives.

(2) The Medium to Long-term Objectives are to specifically set forth the following matters:

- (i) The Period for the Medium to Long-term Objectives (meaning the period specified by the competent minister to the extent of the period referred to in the preceding paragraph; the same applies hereinafter);
- (ii) Matters concerning the maximization of the results of Research and Development and the improvement of the quality of any other operations;
- (iii) Matters concerning the improvement of the efficiency of the administration of the operations;
- (iv) Matters concerning the improvement of the financial conditions;
- and
- (v) Other important matters concerning the administration of the operations.

(3) When the competent minister intends to set or revise the Medium to Long-term Objectives, the minister must hear the opinions of the Committee in advance.

(4) When the competent minister intends to hear opinions concerning the Medium to Long-term Objectives pursuant to the provisions of the preceding paragraph, the minister must hear the opinions of a council, etc. (meaning the organ provided for in Article 37 or Article 54 of the Act for Establishment of the Cabinet Office (Act No. 89 of 1999) or Article 8 of the National Government Organization Act (Act No. 120 of 1948)) which is specified by Cabinet Order (hereinafter referred to as the "Council for Research and Development") with regard to the matters concerning the affairs and businesses in Research and Development (excluding those specified by Cabinet Order as minor affairs or businesses; the same applies in Article 35-6, paragraph (6)

and Article 35-7, paragraph (2)) in advance.  
(5), (6) (Omitted)

(Medium to Long-term Plan)

Article 35-5 (1) When a National Research and Development Agency is given the instructions referred to in paragraph (1) of the preceding Article, it must prepare a plan for achieving the Medium to Long-term Objectives (hereinafter referred to as a "Medium to Long-term Plan" in this Section) pursuant to the provisions of Ordinance of the Competent Ministry based on the Medium to Long-term Objectives and obtain the authorization for such a plan from the competent minister. The same applies when the agency intends to revise such plan.

- (2) The Medium to Long-term Plan is to specify the following matters:
- (i) The measures to be taken for achieving the objectives concerning the maximization of the results of Research and Development and the improvement of the quality of any other operations;
  - (ii) The measures to be taken for achieving the objectives concerning the improvement of the efficiency of the administration of the operations;
  - (iii) The budget (including an estimate of personnel expenses), an income and expenditure plan, and a funding plan;
  - (iv) the maximum amount of short-term borrowings;
  - (iv) The maximum amount of short-term borrowings;
  - (v) If the agency has any Unnecessary Property or any property that is expected to be Unnecessary Property, a plan for disposal of such property;
  - (vi) if the agency intends to transfer or provide as collateral any important property other than the property provided for in the preceding item, a plan therefor;
  - (vii) Use of a surplus; and
  - (viii) Other matters concerning the administration of the operations specified by Ordinance of the Competent Ministry.
- (3), (4) (Omitted)

(Evaluation on Results of Operations in Each Business Year)

Article 35-6 (1) A National Research and Development Agency must undergo an evaluation conducted by the competent minister after the end of each business year with regard to the matters specified in each of the following items according to the business year among the years set forth respectively in these items to which the relevant business year

corresponds:

- (i) a business year other than the business years set forth in the following item and item (iii): the results of the operations during the relevant business year;
  - (ii) the business year immediately preceding the last business year within the Period for the Medium to Long-term Objectives: the results of the operations during the relevant business year and the results of the operations during the Period for the Medium to Long-term Objectives that are expected to be achieved by the time of the end of the Period for the Medium to Long-term Objectives; or
  - (iii) the last business year within the Period for the Medium to Long-term Objectives: the results of the operations during the relevant business year and the results of the operations during the Period for the Medium to Long-term Objectives.
- (2) If the term of office of the first president of a National Research and Development Agency to be appointed on or after the first day of the Period for the Medium to Long-term Objectives is specified pursuant to the provisions of the proviso to Article 21-2, paragraph (1), or the term of office of the president of a National Research and Development Agency who is deemed to be appointed at the time of its formation pursuant to the provisions of Article 14, paragraph (2) is specified pursuant to the provisions of Article 21-2, paragraph (2), such National Research and Development Agency must undergo an evaluation conducted by the competent minister after the end of the business year in which the last day of the term of office of such president of the National Research and Development Agency (hereinafter referred to as the "First President of the National Research and Development Agency" in this paragraph) (including the term of office of the president of the National Research and Development Agency appointed to fill a vacancy) falls, with regard to the results of the operations during the period between the business year in which the date of appointment of the First President of the National Research and Development Agency falls and the end of the business year in which said last day falls, in addition to the evaluation under the provisions of the preceding paragraph.
- (3) to (5) (Omitted)
- (6) When the competent minister intends to conduct the evaluation referred to in paragraph (1) or paragraph (2), the minister must hear the opinions of the Council for Research and Development with regard to the matters concerning the affairs and businesses in Research and



Development in advance.

- (7) When the competent minister conducts the evaluation referred to in paragraph (1) or paragraph (2), the minister must notify the National Research and Development Agency of the results of the evaluation and publicize such results without delay. In this case, if the competent minister conducts the evaluation on the results of the operations during the Period for the Medium to Long-term Objectives that are expected to be achieved by the time of the end of the Period for the Medium to Long-term Objectives as provided for in paragraph (1), item (ii), the minister must also notify the Committee of the results of the evaluation without delay.
- (8) The Committee must state its opinions to the competent minister with regard to the results of the evaluation that it has been notified of pursuant to the provisions of the preceding paragraph if it finds this to be necessary.
- (9) (Omitted)

(Review at the End of the Period for the Medium to Long-Term Objectives)

- Article 35-7 (1) When the competent minister conducts the evaluation on the results of the operations during the Period for the Medium to Long-term Objectives that are expected to be achieved by the time of the end of the Period for the Medium to Long-term Objectives as provided for in paragraph (1), item (ii) of the preceding Article, the minister is to make a review, by the end of the Period for the Medium to Long-term Objectives, with regard to the necessity for having the National Research and Development Agency continue its operations or maintain its organization and the overall aspects of its operations and organization, and must take measures for the discontinuation or transfer of its operations or the disestablishment of its organization or any other required measures based on the results of such review.
- (2) When making the review pursuant to the provisions of the preceding paragraph, the competent minister must hear the opinions of the Council for Research and Development with regard to the matters concerning the affairs and businesses in Research and Development.
  - (3) The competent minister must notify the Committee of the results of the review referred to in paragraph (1) and the details of the measures to be taken pursuant to the provisions of said paragraph and publicize such results and details.
  - (4) The Committee must state its opinions to the competent minister

with regard to the matters that it has been notified of pursuant to the provisions of the preceding paragraph if it finds this to be necessary.

- (5) In the case referred to in the preceding paragraph, the Committee may make recommendations to the competent minister with regard to the reform or discontinuation of any major affairs and businesses of the National Research and Development Agency.
- (6) If the Committee makes recommendations as referred to in the preceding paragraph, it must report the contents of the recommendations to the Prime Minister and publicize such contents.
- (7) If the Committee makes recommendations as referred to in Paragraph 5, it may request reports from the competent minister with regard to the measures that the minister has taken or intends to take based on its recommendations.

(Application Mutatis Mutandis of Provisions Concerning Administration of Operations)

Article 35-8 The provisions of Articles 31, 35-2, and 35-3 apply mutatis mutandis to a National Research and Development Agency. In this case: in Article 31, paragraph (1), the phrase "paragraph (1) of the preceding Article" is deemed to be replaced with "Article 35-5, paragraph (1)" and the term "Medium-term Plan" is deemed to be replaced with "Medium to Long-term Plan referred to in said paragraph"; in Article 31, paragraph (2), the phrase "as authorized under paragraph (1) of the preceding Article" is deemed to be replaced with "referred to in Article 35-5, paragraph (1) as authorized under said paragraph" and the phrase "authorization referred to in paragraph (1) of the preceding Article for the first Medium-term Plan" is deemed to be replaced with "authorization referred to in Article 35-5, paragraph (1) for the first Medium to Long-term Plan (meaning the medium to long-term plan referred to in said paragraph; hereinafter the same applies in this paragraph)"; and in Article 35-2, the phrase "paragraph (4) of the preceding Article" is deemed to be replaced with "Article 35-7, paragraph (5)."

(Remuneration of Officers)

Article 50-2(1) The remuneration and retirement allowances (hereinafter referred to as the "Remuneration, etc.") of officers of an Agency Managed under the Medium-term Objectives must take into consideration the performance of the respective officers.

- (2) An Agency Managed under the Medium-term Objectives must

specify the standards for the payment of the Remuneration, etc. of its officers, and must notify the competent minister of such standards and publicize them. The same applies when it revises such standards.

- (3) The standards for the payment of the Remuneration, etc. referred to in the preceding paragraph must be specified by taking into consideration the salaries and retirement allowances (hereinafter referred to as the "Salaries, etc.") of national government employees, the Remuneration, etc. of officers of private enterprises, the results of the operations of the relevant Agency Managed under the Medium-term Objectives, and any other circumstances.

(Salaries of Employees)

Article 50-10 (1) The salaries of employees of an Agency Managed under the Medium-term Objectives must take into consideration the merit of the performance of the duties of the respective employees.

- (2) An Agency Managed under the Medium-term Objectives must specify the standards for the payment of the Salaries, etc. of its employees, and must notify the competent minister of such standards and publicize them. The same applies when the agency revises such standards.
- (3) The standards for the payment of the Salaries, etc. referred to in the preceding paragraph must be determined by taking into consideration the Salaries, etc. of national government employees to whom the Act on Remuneration of Officials in the Regular Service (Act No. 95 of 1950) applies, the Salaries, etc. of employees of private enterprises, the results of the operations of the relevant Agency Managed under the Medium-term Objectives, the nature of duties of employees, the employment status of employees, and any other circumstances.

(Application, Mutatis Mutandis, to National Research and Development Agency)

Article 50-11 The provisions of Article 50-2 through the preceding Article apply mutatis mutandis to a National Research and Development Agency. In this case, the phrase "Article 32, paragraph (1)" in Article 50-4, paragraph (2), item (iv) is deemed to be replaced with "Article 35-6, paragraph (1)," and the phrase "Period for the Medium-term Objectives" is deemed to be replaced with "Period for the Medium to Long-term Objectives," and the phrase "Article 35, paragraph (1)" in item (v) of said paragraph is deemed to be replaced with "Article 35-7, paragraph (1)."

(Competent Minister)

Article 68 The competent minister and Ordinance of the Competent Ministry under this Act are specified by the relevant Individual Law.

- Act for Establishment of the Cabinet Office (Act No. 89 of 1999)  
(Abstract)

(Affairs under the Jurisdiction)

Article 4 (1) (Omitted)

(2) (Omitted)

(3) The Cabinet Office, in addition to what is provided for in the preceding two paragraphs, takes charge of the following affairs:

(i) through (vi-2) (Omitted)

(vii-1) Matters related to the establishment and promotion of the Basic Plan for Science and Technology (what is prescribed in Article 9, Paragraph 1 of the Science and Technology Basic Act (Act No. 130 of 1995).

(vii-2) Matters related to the coordination with the administrative organs on the estimate of the expense of science and technology.

(vii-3) Matters related to the promotion of measures on the overall development of the environment for moving on the creation of innovation by the practical application of the results of research and development.

(vii-4) Matters related to the adjustment of the office works of the administrative organs concerned about the utilization of outer space.

(vii-5) Matters related to the promotion of space development and utilization

(Except those belonging to the jurisdiction of the other ministries.).

(vii-6) Matters concerning the artificial satellite or the like (means artificial satellite and the equipment mounted on the artificial satellite) and of the facilities necessary for their use and the things about maintenance and management.

(vii-7) Matters related to the promotion of space development and utilization in addition to the items referred to in the preceding three items (Except those belonging to the jurisdiction of the other ministries). (vii-7) Matters concerning the promotion of measures for disaster prevention.

(viii to xiv-5) (Omitted)

(xv) Matters related to the promotion of measures for disaster prevention in addition to the items referred to in the item 7-8 and the preceding item (Except those belonging to the jurisdiction of the other

agencies).

(xvi to lxii) (Omitted)

- Act on National Institute for Materials Science (NIMS) (Act No. 173 of 1999) (Abstract)

(Name)

Art 3 The name of the independent administrative corporation incorporated by this act and by what is incorporated pursuant to Article 2, Paragraph 1 of the General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999, hereinafter, "General Rules") is the National Institute for Materials Science (NIMS).

- Act on RIKEN (Act No. 160 of 2002) (Abstract)

(Name)

Article 2 The name of the independent administrative corporation incorporated by this act and by what is incorporated pursuant to Article 2, Paragraph 1 of the General Rules for Incorporated Administrative Agencies Law No. 103 of 1999, hereinafter, "General Rules") is RIKEN.

- Act on the National Institute of Advanced Industrial Science and Technology (Act No. 203 of 1999) (Abstract)

(Name)

Article 2 The name of the independent administrative agency prescribed in Article 2, paragraph (1) of the Act on General Rules for Independent Administrative Agencies (Act No. 103 of 1999; hereinafter referred to as "Act on General Rules") established pursuant to this Act and the Act on General Rules shall be the National Institute of Advanced Industrial Science and Technology.