

An Incorporated Administrative Agency (IAA) is required by law to submit itself to evaluation by a third-party organization (as stipulated by Article 12 of the law concerning the General Rules of the Incorporated Administrative Agencies). The Incorporated Administrative Agency Evaluation Committee, which evaluates the activities of IAAs affiliated with the Ministry of Economy, Trade and Industry, assessed RIETI's performance for fiscal year 2003. The quality of service, the most important objective for general evaluation, was highly regarded as a whole, although a few requests for improvement were raised in relation with our impact on policy making processes and on our collection and management of documents and data. Our third year of operation since establishment was rated A (on a scale from AA to D) for enhancing our activities both in quality and in quantity in a short period of time. The A-rating signifies a satisfactory level of accomplishment of our mid-term plan that was set as a goal to be achieved within the first 5 years from establishment.

**Evaluation Item 1**

**Improvement in the quality of service [A]**

Regarding research dissemination activities, it was pointed out that we have many cases of actual impact on the policy making process. At the same time, suggestions were made that there was a room for improvement to analyse cases of customer dissatisfaction. Our research activities were praised for the large quantity of research output, and the generally high academic standard.

**Evaluation Item 2**

**Efficiency improvement in project management [A-]**

Regarding efficiency in project management, our utilization of an electronic conferencing system for policy research and the digitization of information of high utility in an appropriate manner were highly evaluated. As for human resource management, the Evaluation Committee pointed out that appropriate deployment that reflects performance owes largely to the actual implementation of human resource policy, and expressed its wish to observe our autonomous operation in the future in this area.

**Evaluation Item 3**

**Finance [B+]**

The introduction of the percentage-of-completion method, which enabled us to disclose expenditure reduction per each research project, has increased our accountability over financial efficiency and profitability and was highly regarded. However, we ended the fiscal year with a substantially unexecuted budget, which resulted in the rating of B+.

**Evaluation Item 4**

**Other operational management matters and personnel planning [A]**

In terms of personnel management, appropriate human resource was considered to have been acquired and distributed efficiently in reflection to the content of the work both in the research related section and the management section.

<Evaluation process>

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| February 9, 2004:   | The 8th meeting of the Incorporated Administrative Agency Evaluation Committee's Subcommittee for RIETI  |
| March - April 2004: | A survey for RIETI's performance was conducted   |
| March - May 2004:   | Self-evaluation within RIETI was carried out   |
| May 14, 2004:       | The 9th meeting of the Incorporated Administrative Agency Evaluation Committee's Subcommittee for RIETI  |
| July 1, 2004:       | The 10th meeting of the Incorporated Administrative Agency Evaluation Committee's Subcommittee for RIETI |
| July 30, 2004:      | The 11th meeting of the Incorporated Administrative Agency Evaluation Committee's Subcommittee for RIETI |