

As an incorporated administrative agency (IAA), RIETI is required to undergo an evaluation of its achievements by a third-party organization (as stipulated by Article 12 of the law concerning the General Rules of Incorporated Administrative Agencies). The IAAs Evaluation Committee, being set up in the Ministry of Economy, Trade and Industry (METI) to evaluate the activities of IAAs affiliated with the METI, assessed RIETI's performance for fiscal 2005 as well as for the five-year midterm period, i.e. fiscal 2001-2005.

RIETI was rated A on a scale from AA to D for fiscal 2005. This high grade was given for "having achieved satisfactory in results policy-related research and research dissemination activities by fully taking advantage of the institutional foundation consolidated during previous years, and fulfilling its mission efficiently and energetically in both quality and quantity".

As for the five-year midterm period (fiscal 2001-2005), RIETI received a very high overall evaluation grade of A+ in the same AA to D scale. The Evaluation Committee noted that "RIETI's achievements, measured through various outcome/output indicators, have been rated by different stakeholders much higher than anticipated at the early stage in both quality and quantity. RIETI has also delivered good results in the area of economic and industrial policy research by securing and managing human resources in ways that were not possible for the traditional policymaking authorities. RIETI has also been engaged in interdisciplinary policy research that takes into consideration the entire economic system, and has been making policy recommendations on the basis of its policy research".

Excerpts from the documents of the IAAs Evaluation Committee

### < Evaluation for FY2005 >

#### Evaluation Item 1

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

RIETI received a very high mark for its appropriate research theme-setting which places emphasis on foresight and pays sufficient attention to reflect the needs of policy formulation, and for the high level of its output measured by the number of published discussion papers and publications which exceeded the target, and by the high scores given by outside reviewers for the academic levels of research results and the contents of policy recommendations

#### Evaluation Item 3

#### **Finance [A-]**

RIETI has conducted its budget management in an appropriate manner, with no great discrepancies between the budget and account settlement, establishing a system that ensures transparency in the use of funds. Its process of verifying the appropriateness of fund use is also functioning satisfactorily. Recognition of reserved grants for operational expenditure has been efficiently executed according to the plan, largely in line with the budget within an acceptable range.

#### Evaluation Item 2

#### **Improvement of operational efficiency [A-]**

RIETI has achieved greater efficiency in the exchange of opinions through the use of electronic bulletin boards, mailing lists, making the most of information systems.

#### Evaluation Item 4

#### **Other operational management and personnel planning [A-]**

RIETI has maintained a highly proportion of mobile employment contracts among its employees, while it has put measures in place to foster young recruits, and to secure and revitalize human resources.

### < Evaluation for the midterm objectives and plans (FY2001-2005) >

#### Evaluation Item 1

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

RIETI has carried out interdisciplinary policy research taking into consideration the entire economic system, and offered policy recommendations on the basis of such policy research. RIETI's research quality has continuously improved and has provided theoretical and analytical foundations for a number of policy research areas.

#### Evaluation Item 3

#### **Finance [A-]**

Although a discrepancy between the budget and actual expenditure was seen in the early stage of the midterm objectives period, this discrepancy resolved at present. RIETI also maintains the soundness of funds.

#### Evaluation Item 2

#### **Improvement of operational efficiency [A]**

RIETI has created a flexible organizational structure with highly mobile employment contracts by flexibly securing and managing human resources with strong qualifications for immediate serviceability. It has also made good use of private-sector specialists and broadly recruited diverse human resources in the research support division.

#### Evaluation Item 4

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

RIETI has achieved the midterm objectives in maintaining a high ratio of personnel hired under mobile employment contracts. It has also appropriately secured human resources necessary for its operations.