

2007 Accountability Workshop

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New Initiatives for Research Funding Administration Reform in Japan

- Activities of "ORFA (Office of Research Funding Administration)" -

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Content

- What is “ORFA” ?
- Background
- “moth” or “mold” ?
- Countermeasures for misuse
- Steps toward effective and efficient funding system

What is “ORFA” ?

- ORFA = “**O**ffice of **R**esearch **F**unding **A**dministration”
 - 2007 is the first year for ORFA.
 - Science and Technology Bureau
Ministry of Education, Culture, Sports,
Science and Technology (MEXT)
 - 9 staff

What is “ORFA”?

1. Planning and conducting countermeasures against misuse of research fund
2. Developing research funding reform
 - Cross-Ministerial “R&D management system”
 - Common rules for funding administration

* Other division covers “Scientific misconduct” issues.

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Countermeasures against misuse of research fund

Background

Increasing Budget for Competitive fund (16% of total S&T Budget)

Recent Actions

- Heavier Penalties
- Clarification of Institution's responsibilities

Guiding Principle for Misuse of Competitive Research Funds (Aug 31st, 2006)

CSTP

New Actions

Guidelines for Management and Auditing of Public Research Fund at Research Institutes (Feb. 15th, 2007)

MEXT

1. Clarification of responsibilities within institutes
2. Improvement of the environment that enables appropriate operation and management
3. Identification of the risk of misuse and establishment and implementation of countermeasures
4. Appropriate use/management of research funds
5. Establishment of a system that secures communication
6. Monitoring within institutes
7. MEXT's monitoring, guidance and enforcement actions

The case of misuse by a famous Japanese researcher in 2006

Science and Technology Basic Plans



S&T Basic Plans are formulated to implement a 5-year S&T policy with a 10-year outlook, based on the S&T Basic Law.



Third S&T Basic Plan (FY2006 - FY2010)



Total expenditures for Governmental R&D Investment: **approx. 25 trillion yen**

< Basic Stance >

1. Continuous improvements in the level of science, and returning the fruits of research to society and the public through innovation.
2. Emphasis on the training of human resources and the establishment of a competitive environment.

< 6 Policy Goals under 3 Basic Concepts >

1. Quantum jumps in knowledge discovery & creation
2. Breakthroughs in advanced S&T
3. Sustainable development – economic growth & environment protection –
4. Innovator Japan – strength in the economy & industry –
5. Nation's good health over a lifetime
6. Making Japan the world's safest country

< Strategic Priority Setting in S&T >

1. Promotion of basic research
2. Four primary priority fields, four other fields to be promoted, promotion strategies of each of the 8 fields
3. Strategic Prioritized S&T topics
(Key technologies of national importance, Safety and security, International competitiveness)

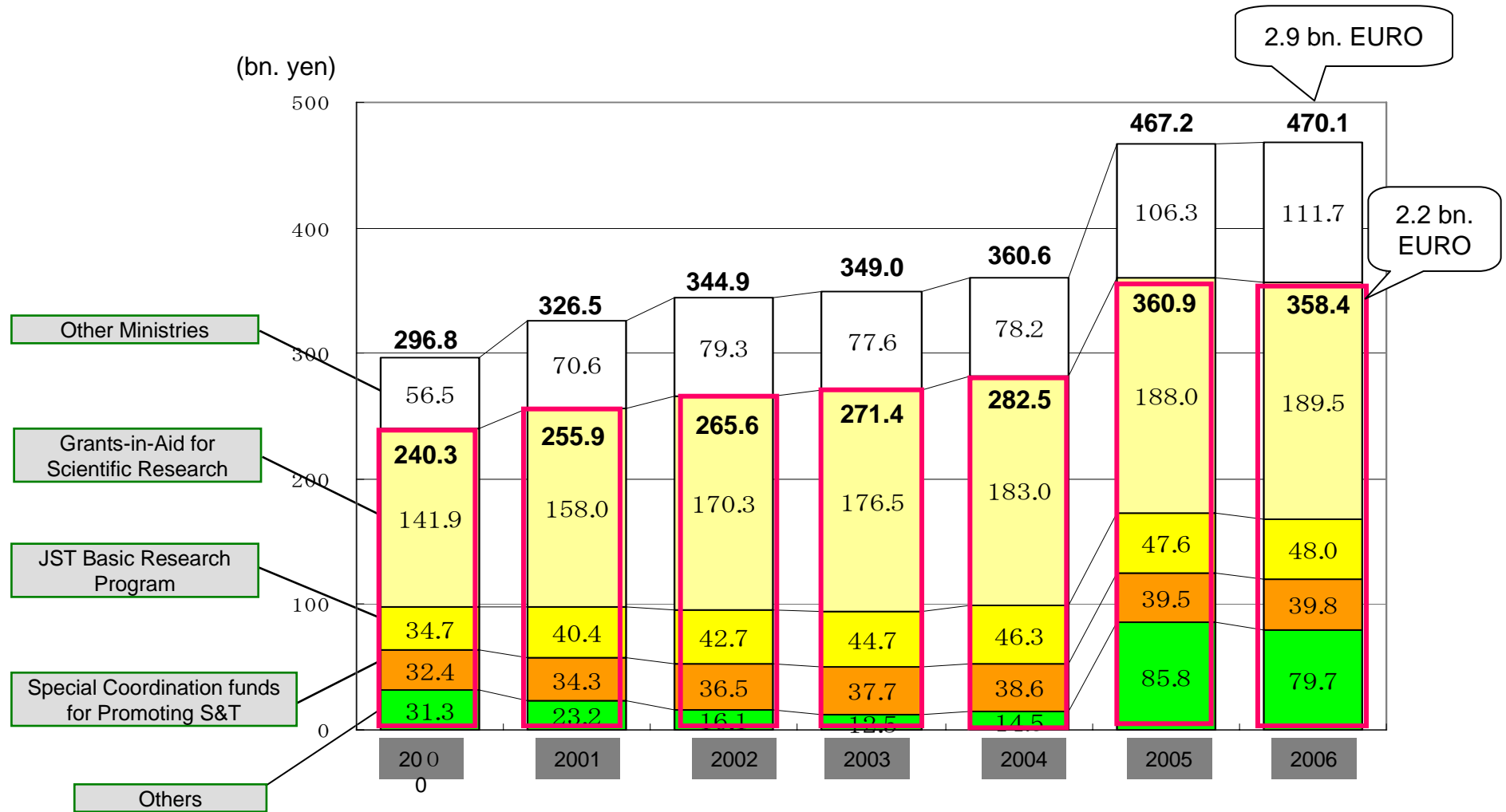
< Reforming the S&T System >

1. Developing, securing and activating human resources
(young researchers, female researchers, foreign researchers)
Enhancing the human resource development functions in universities
2. Creating scientific development and persistent innovation
3. Reinforcing the foundation for promoting S&T

< Strategically promoting International Activities (Cooperating with Asian Nations) >

< S&T to be support from the society and the public >

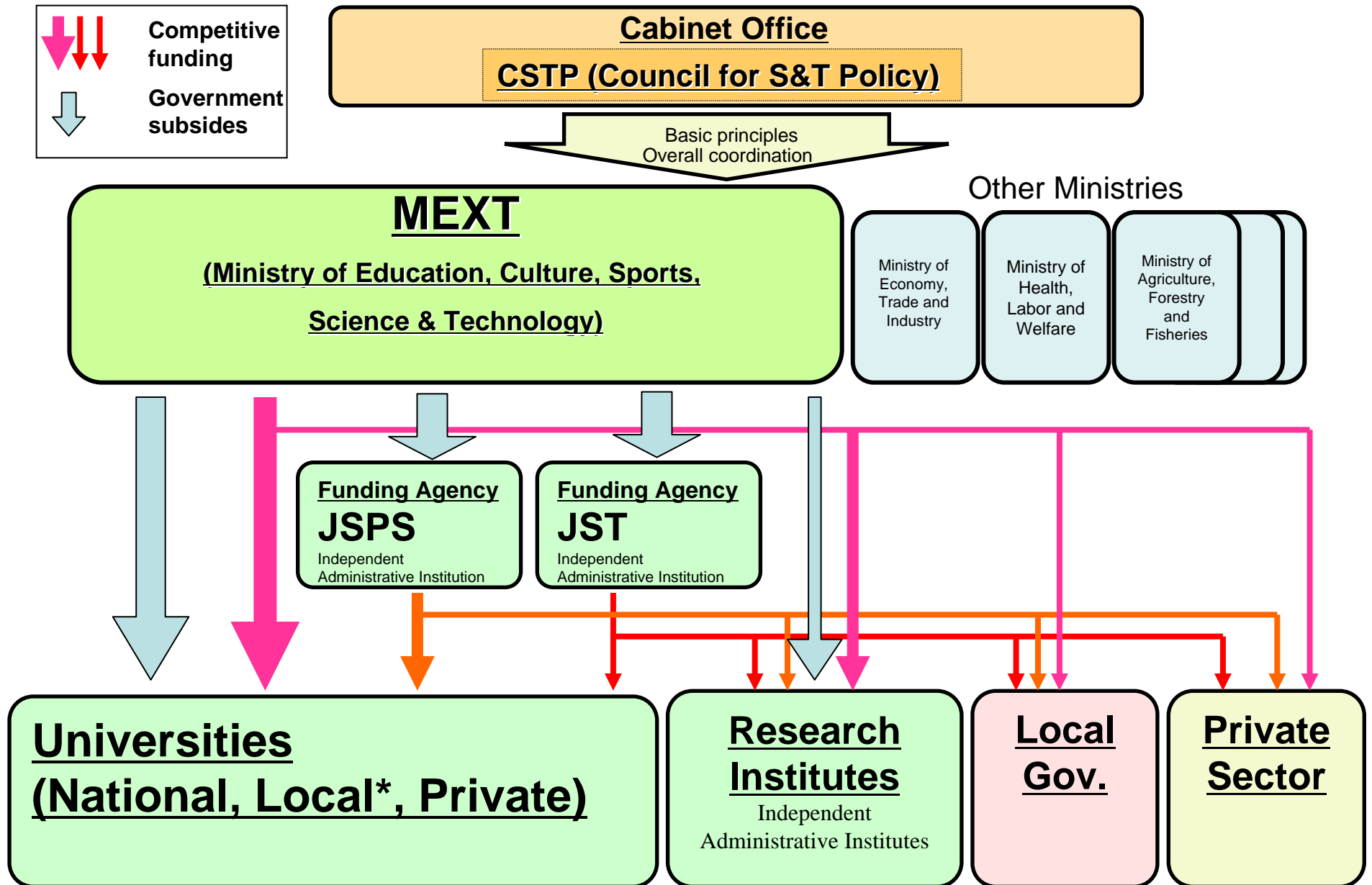
Time-trend of Competitive Research Funds



MEXT Total

75% of total governmental
Competitive Research Funds ⁹

Research Funding System in Japan



Case of Misuse

Refund Order for misused expense
(2004FY – 2006FY)

- 30 cases
- 0.55 bn. JPY (3.4M EURO)

* > 50,000 active projects / year

* 997 bn. JPY (6.2 bn. EURO)

(MEXT's total expenditure for Competitive funds
(2004FY – 2006FY))

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Countermeasures against misuse of research fund

Reports

“Committee for the countermeasures against misuse of research funding “
(Dec.26th, 2006)

Chair person; Shiro Ishii
(Tokyo Univ., JSPS)

5% of S&T Budget)

responsibilities

Research Funds (Aug 31st, 2006)

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CSTP

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Cause of Misuse

(Report “Committee for the countermeasures against misuse of research funding)

(Dec.26th, 2006)

- Researchers (moral issue)

penalties

- Lack of organizational management system within research institutes

guidelines

- Inflexibility of funding system

funding system reform

Law of “moth” and “mold”

Misuse in U.S. ---- “*moth*” type

- motivation “*personal interest*”
- sporadic

*countermeasures ---- penalties for individuals “*insecticide*”

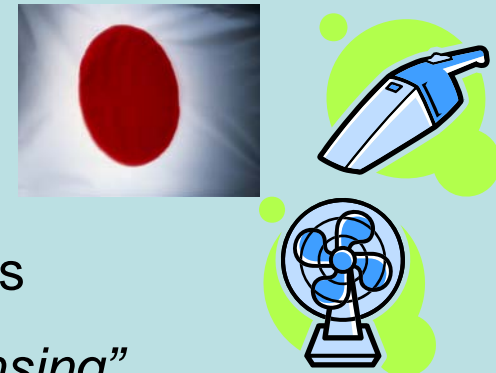


Misuse in Japan ---- “*mold*” type

- motivation “*organizational interest*”
- lasting along with the “*position*”

*countermeasures ---- eliminate underlain factors

“*dehumidifying and cleansing*”



Original source ; Prof. Gohara Nobuo

Toin Yokohama University, Compliance Research Center

Presentation (in Japanese) at MEXT’s Committee for Research Funding

Misuse, Oct. 4th, 2006

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Guidelines require Institutes...

1. Clarification of responsibilities within institutes
2. Improvement of the environment that enables appropriate operation and management
 - clarification and simplification of rules
 - clarification of responsibilities
 - Improvement of the mind set
 - Improvement of the guidelines on investigations and punishment for fraud



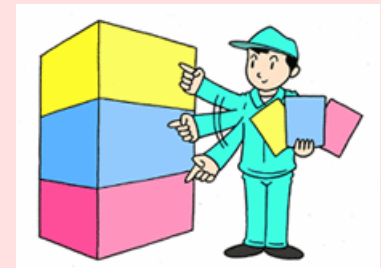
Guidelines require Institutes...

3. Identification of the risk of misuse and establishment and implementation of countermeasures

- risk management

4. Appropriate use/management of research funds

- Check system for placing order/receiving goods by impartial third party



Guidelines require Institutes...

5. Establishment of a system that secures communication

- window for consultation
- window for allegations

6. Monitoring within institutes.

- monitoring and management system
- internal auditing system



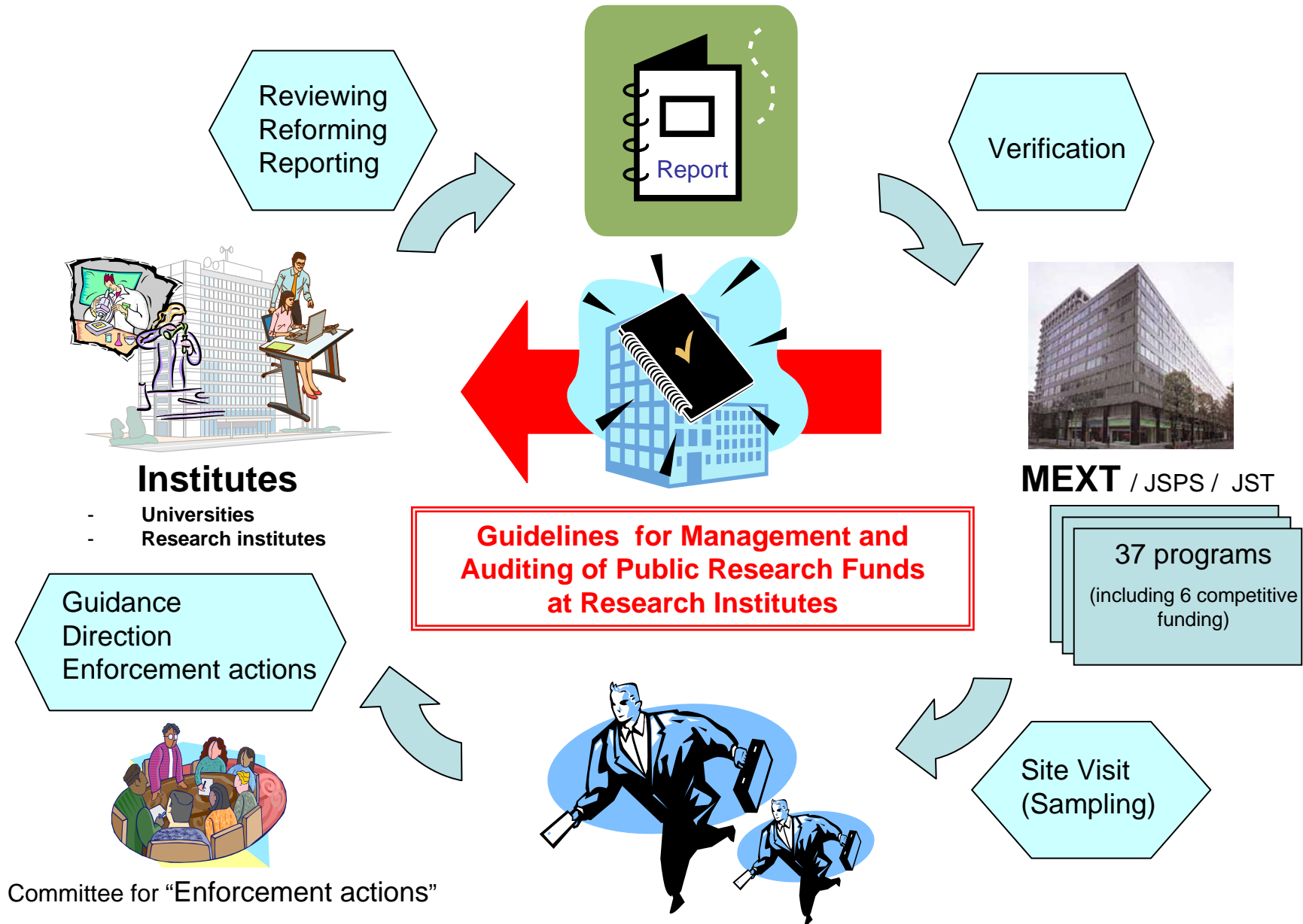
Guidelines for MEXT/JSPS/JST..

7. MEXT's monitoring, guidance and enforcement

- Committee for follow-up
- Reviewing Annual reports from research institutions
- Consulting
- Site Visits
- Find problems
 - Requesting “improvement plan”
 - Enforcement Actions



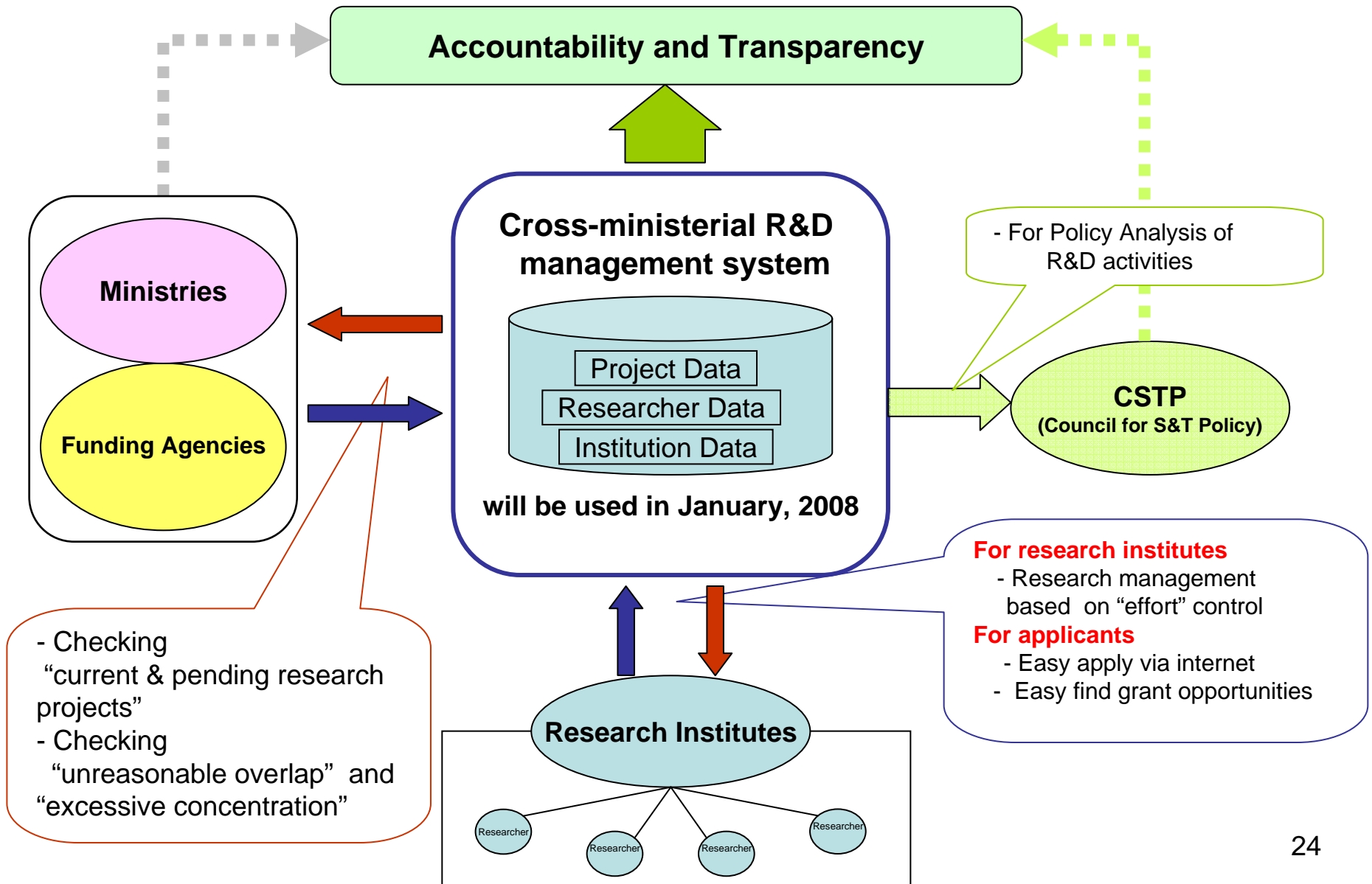
Audit Cycle based on Guideline



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Cross-ministerial R&D management system



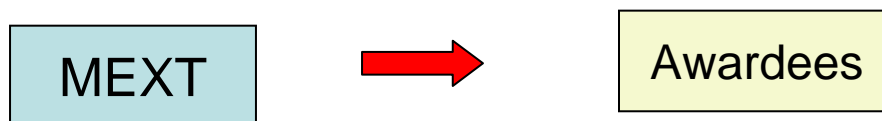
Research Funding System

< 3 major channels > (13 programs, 2006FY)

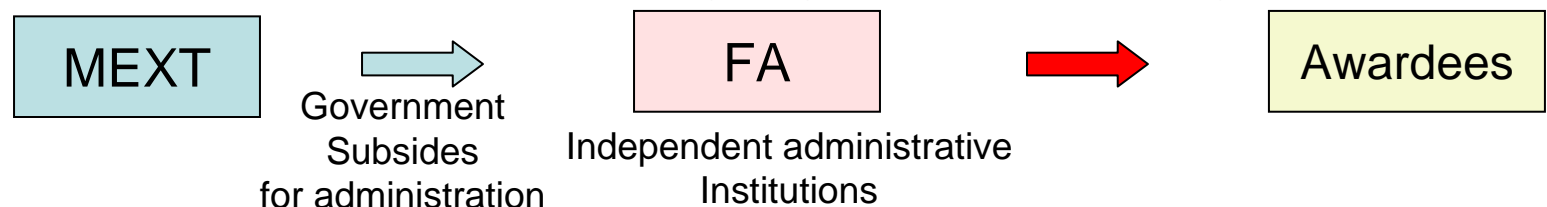
1. Grant type (2 programs, 63%)



2. Commission type (4 programs, 15%)



3. Commission type (Funding Agency) (7 programs, 21%)



Research Funding System Reform

1. Single Accounting year Principle

- Exceptional permission system for carry-over
- More flexible system

2. Flexibility

- Earlier transfer of money in advance

3. Comprehensiveness

- Simplification / unification of complex rules of the jungle of research programs

Thank you!

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