

## Highlights of Japanese Budgets and the World Environmental Problems

# Tatsuyasu Kawano[1]

[1] Ministry of Finance

The Government has accorded priority to promotion of science and technology, in view of its significant role in social, economic and academic development. The Government's assistance to this area has been multi-dimensional. Competitive research grants are provided to researchers of academia and public and private research institutions to undertake basic research projects. The grants are pyosted for advertisement annually or more frequently, and allocated to projects under competitive selection process. Some of the basic research projects that are expected to deliver significant results or cater major economic impacts will be supported by further targeted funding with specific development goals. Examples include development of new cancer treatments and instrument for nano-scale measurement technology. Large-scale science projects of national and international importance are also carried out with considerable amounts of government financial support. In addition, regional science and technology development has been a key area, and the Government's support aims to catalyze regional research initiatives jointly undertaken by academia, industries and public institutions and generate regional clusters on specific regional technological seeds.

The Council for Science and Technology Policies (CSTP), chaired by Prime Minister, is a major vehicle of the Government for making wide-ranging science and technology plans and policies. The members of CSTP include key cabinet ministers and experts from academia and the private sector. The science and technology budget is formulated in close consultation with the CSTP.

The National Science and Technology Plan (FY2001-2005) provides a basic framework for science and technology policies and budgets. The Plan stipulates that, during its period, major four areas of life science, information technology, environment, and nanotechnology and material science should be prioritized. The Plan also calls for the level of government expenditures for science and technology in terms of gross domestic products to be more than or equivalent to the levels of the United States and major EU countries.

The science and technology budget in recent years has been expanded , and it is of importance to improve its quality. More budgets should be allocated to projects of good performance while budget allocation to poorly-performing ones should be rationalized. The CSTP reviewed all the projects under the budget requests and prioritized them with scores from S (to be carried out vigorously) to C (to be revisited for better project design). This exercise is called 'SABC evaluation' The 2004 Budget has been formulated based on the SABC evaluation; the budget allocations to project of 'S' or 'A' have been increased, while these to projects of 'B' or 'C' have been reduced. Below are the changes of budget allocations in FY2004 from FY2003 for each evaluation category.