

# NATIONAL SCIENCE FOUNDATION

## TOKYO REGIONAL OFFICE

October 17, 2006

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*The National Science Foundation's Tokyo Regional Office periodically reports on developments in Japan that are related to the Foundation's mission. It also provides occasional reports on developments in other East Asian countries.*

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### **Report Memorandum #06-05**

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### **Japanese Government's S&T-related Budget Request – JFY2007**

#### **Increase by 9.3 Percent:**

The CSTP (Council for the Science and Technology Policy) has compiled the Science and Technology-related budgets requested by the ministries/agencies for Japanese Fiscal Year (JFY) 2007 (April 2007-March 2008) and made them public. The deadline of the budget request was August 31, 2006. The total “requested” amount has increased to Yen 3,908 billion (\$33.7 billion) from the budget for the previous year of Yen 3,574.3 billion (\$30.8 billion), an increase by 9.3 percent. Of this amount, the Science and Technology Promotion budget has made a big increase to Yen 1,613.3 billion (\$13.9 billion) from the

budget for the previous year of Yen 1,331.2 billion (\$11.5 billion), an increase by 21.2 percent. Table 1 shows the whole picture of these.

**MEXT 65.9 Percent:**

If it is viewed by ministry/agency, the budget requested by MEXT (Ministry of Education, Culture, Sports, Science and Technology) dominates 65.9 percent of the whole S&T-related budget requests. The budgets are shown in Table 2. When viewed by the nature of the budget, Yen 507.1 billion (\$4.37 billion) is for “Strategically Important Science and Technology,” Yen 576.2 billion (\$4.97 billion) is for “Competitive Research Funds,” and Yen 212.4 billion (\$1.83 billion) is for Personnel Fostering and Security. Major new projects or projects to be expanded include the following:

MEXT:	[NEW] World Top-level Research Centers	Yen 7.6 billion (\$65.5 mil.)
MEXT:	[NEW] Target Protein Research Program	Yen 7.4 billion (\$63.8 mil.)
MEXT:	Space Transportation System	Yen 44.4 billion (\$382.7 mil.)
MEXT/METI:	Fast Breeder Reactor	Yen 35.1 billion (\$302.6 mil.)
METI:	Commercialization of Innovation	Yen 11.3 billion (\$97.4 mil.)
MEXT:	[NEW] Science Education	Yen 6.0 billion (\$51.7 mil.)

**Tokyo Office View:**

The budget requests were made based the Government’s Third S&T Plan. Whereas special considerations are usually made to the S&T Promotion budget (budget for Ministry of Finance-approved S&T budget items) for three years from 2003, it was not the case for the budget request for the last year and dealt in line with non-S&T budget items. As it has returned to have special considerations, the budget has made a big increase by 21.2 percent. However, this is not the final decision of the S&T-related budgets. The CSTP will rank-order the projects requested by ministries/agencies by S, A, B, C and make it public in late October 2006. NSF Tokyo Office will produce a separate report on the ranking results. The budget requests were made under the previous regime before the present Prime Minister and Cabinet members started on/around September 20. The ranking will be the first CSTP’s job under the new Prime Minister and S&T Minister. Also, the new Finance Minister is the person who advocated to make Japan a “Science and Technology-oriented Nation” while he was the State Minister for Science and Technology

in 2001-2002. Whereas it may be too early to have the results of the ranking (late October) and the final decision (late December) reflect these personnel changes, as the guidelines for the JFY2007 S&T budgets had been decided before the present Cabinet started, the results are still awaited by all concerned with intense interest.

Table 1. S&T-related Budget Request – JFY2007

	JFY2006 Budget	Requested Budget for JFY2007	Increase/ Decrease	Increase/ Decrease (%)
S&T-related budget Total (A+B)	3,574.3	3,908.0	333.8	9.3
A: General Account	2,997.8	3,357.5	359.7	12.0
S&T Promotion Budget	1,331.2	1,613.3	282.1	21.2
B: Special Account	576.4	550.5	(25.9)	(4.5)
Economic Long-term Strategy*	N/A	100.6		

\* - Included in the total amount

Table 2. S&T-related Budget Request by Ministry/Agency – JFY2007

	JFY2006 S&T-related Budget	JFY2007 S&T-related Budget Request	Increase/Decrease (%)
Ministry of Education, Culture, Sports, S&T (MEXT)	2,303.7	2,577.3	11.9
METI: Ministry of Economy, Trade and Industry (METI)	558.1	560.4	0.4
Defense Agency	183.6	160.0	-12.8

Ministry of Health, Labour, and Welfare (MHLW)	130.8	149.1	14.0
Ministry of Agriculture, Forests, and Fisheries (MAFF)	120.9	152.6	26.2
Ministry of Land, Infrastructure, and Transportation (MLIT)	78.5	88.0	12.2
Ministry of Internal Affairs and Communications (MIC)	74.9	81.3	8.6
Cabinet Secretariat	61.2	65.6	7.2
Ministry of Environment (MOE)	28.9	37.2	28.4
Cabinet Office	15.8	17.6	11.2
Ministry of Foreign Affairs (MOFA)	11.0	11.5	4.8
Policy Agency	2.2	2.3	6.9
Ministry of Justice	2.1	2.2	5.7
Ministry of Finance (MOF)	1.6	1.6	-2.0
Diet	1.1	1.4	30.2
TOTAL:	3,574.3	3,908.0	9.3