

**Section 1. Gathering Opinions on the Ethics System**

The Ethics Board has been gathering opinions from various quarters because it is necessary to win understanding of the public on the issues of public service ethics. The Board is also making efforts to grasp the actual application of the Ethics Law and the Ethics Code at the Cabinet Office and each Ministry and requests, etc., on the Law and the Code.

**1. Discussion Meetings on Public Service Ethics**

The Ethics Board held discussion meetings with intellectuals from various quarters such as heads of municipalities, journalists, persons of learning and experience, enterprise managers, etc., in Nagoya City, Hiroshima City, and Tokyo. The Board also held discussion meetings with Director-Generals, etc., of the Secretariat of the Cabinet Office and each Ministry and meetings with editorial writers of the press in Tokyo.

**2. Questionnaire Surveys**

In FY 2006, the Ethics Board conducted the following questionnaire surveys.

- Questionnaire survey of private enterprises (June)
- Questionnaire survey of non-profit corporations (June)
- Questionnaire survey of public employees (June)
- Questionnaire survey of monitors on national public employees (Monitoring by citizens) (November)
- Questionnaire survey of monitors on public employee ethics (Monitoring by intellectuals) (November)

**Section 2. Awareness-raising Activities to Maintain Ethics****1. Thorough Understanding, Observance, and PR Activities of the Ethics System**

The Ethics Board held a meeting, inviting personnel in charge of ethics affairs at the headquarters of the Cabinet Office, each Ministry, etc., to explain application of the Ethics Law and the Ethics Code. The Board also produced the training material using presentation software *Outline of the Ethics Law and the Ethics Code* and the DVD case

study training material *Learning the Ethics Law and the Ethics Code by Case Studies*, and distributed them to the Cabinet Office, each Ministry, etc. It also produced a PR pamphlet *Answers to Eight Questions from the Public*, distributed it to business groups, etc., and requested them to post the pamphlet on their websites or distribute it to their member corporations.

Other initiatives by the Ethics Board included lectures for personnel in charge of ethics at the Cabinet Office, each Ministry, etc., requests to Ethics Supervisory Officers to give lectures on public service ethics for employees at their own organizations, and a special feature on public service ethics carried in the NPA's PR periodical *National Personnel Authority Monthly Report*.

The Board furthermore set up the "Public Service Ethics Hotline" to receive information on behavior that allegedly violates public service ethics during "National Public Employees Ethics Week," as it does every year, and additionally set the hotline in June in FY 2006.

Prior to the Week, the Board held the "Seminar on Public Service Ethics" in Nagano City in November for public employees, etc., working in local cities.



Lecture on public service ethics

## **2. Training to Maintain Ethics Related to the Official Duties of Public Employees**

The Board held an explanatory meeting aimed for personnel in charge of ethics affairs at the headquarters of the Cabinet Office and each Ministry, as well as for officers in charge of personnel management at regional offices and bureaus of the Cabinet Office and each Ministry at nine locations across the country, where some of the actual reference cases were introduced and explanation on the Ethics Law and the Ethics Code was provided.

## **Section 3. Reporting System**

### **1. Outline of the Reporting System**

The outline of the reporting system follows.

#### **(1) Mandatory Report on the Receipt of Gifts and Other Benefits**

A. When officials at the rank of Assistant Director and above at the headquarters of the Cabinet Office and Ministries receive gifts or other benefits from business entities or others exceeding 5,000 yen in value, they must submit a quarterly report on the receipt of gifts and other benefits to the head of the relevant Ministry or Agency or to any other designated person.

The head of each Ministry or Agency or the designated person must send a copy of the reports submitted by officials at the rank of Designated Service and above to the Ethics Board.

B. Furthermore, from the perspective of preventing the awarding and receipt of inappropriate gifts and other benefits by ensuring transparency in the relationships between the official concerned and the business entities, etc., a system has been established whereby anyone can request to view reports on the receipt of gifts and other benefits that exceed 20,000 yen in value.

#### **(2) Mandatory Report on Stock Transactions and Others**

Each official at the rank of Deputy Director-General and above at the headquarters of the Cabinet Office and Ministries must submit a report on stock transactions and others if he/she has purchased or transferred stocks or the like during the previous fiscal year. The submission must be made to the head of each Ministry or Agency or to any other designated person from March 1 to March 31 every year.

The head of each Ministry or Agency or any other designated person must send a copy of such reports to the Ethics Board.

#### **(3) Mandatory Report on Income and others**

Each official at the rank of Deputy Director-General and above at the headquarters of the Ministries must submit a report on his/her income, etc., earned during the previous fiscal year. The submission must be made to the head of each Ministry or Agency or to any other designated person from March 1 to March 31 every year.

The head of each Ministry or Agency or any other designated person must send

copies of such reports to the Ethics Board.

## 2. Reports Submitted in Recent Years

### (1) Reports on the Receipt of Gifts and Other Benefits

#### A. FY 2005 Reports

The total number of FY 2005 reports on the receipt of gifts and other benefits submitted by officials at the rank of Designated Service and above was as follows:

	FY2005 Reports (rate)	
Gifts of money, goods, etc.	84 cases	(3.5%)
Offering of food and drink	535 cases	(22.2%)
Compensation (for lectures, manuscripts, etc.)	1,791 cases	(74.3%)
Total	2,410 cases	(100.0%)

The number of employees who submitted reports was 589, which shows that four reports were submitted per person on average.

Major “gifts of money, goods, etc.” were tickets for plays, sporting events, etc., and books while major “compensations” were payments for writings, royalties on a book, and payments for lectures and participation in discussion meetings. Major providers of “food and drink” were incorporated foundations and associations, foreign governments, and international organizations.

The Board reviewed the reports and concluded that there was no violation of the Ethics Law, etc.

#### B. FY 2006 Reports (April-December)

The number of reports on the receipt of gifts and other benefits submitted by officials at the rank of Designated Service and above in FY 2006 (from April to December) was as follows.

The Board reviewed the reports and concluded that there was no violation of the Ethics Law, etc.

	FY2006 (Apr-Dec) Reports (rate)	
Gifts of money, goods, etc.	89 cases	(5.5%)
Offering of food and drink	371 cases	(23.2%)
Compensation (for lectures, manuscripts, etc.)	1,141 cases	(71.3%)
Total	1,601 cases	(100.0%)

## **(2) Reports on Stock Transactions and Others**

Concerning stock trading performed in 2005, 63 reports were submitted by officials at the rank of Deputy Director-General and above at the headquarters of the Ministries.

The Board reviewed the reports and concluded that there was no violation of the Ethics Law, etc.

## **(3) Reports on Income and Others**

Concerning income in 2005, 1,192 reports were submitted by officials at the rank of Deputy Director-General and above at the headquarters of the Ministries.

The breakdown of income was: 755 cases (63.3%) consisting solely of regular pay and 437 cases (36.7%) including income other than regular pay. The main categories of income other than regular pay were miscellaneous income and real estate income.

The Board reviewed the reports and concluded that there was no violation of the Ethics Law, etc.

## **Section 4. Investigations and Disciplinary Actions for Suspected Violations of the Ethics Law, etc.**

### **1. Outlines of Investigations and the Disciplinary Procedures**

Pursuant to the National Public Service Act and the Ethics Law, appointing authorities and the Ethics Board respectively reserve the right to investigate cases and take disciplinary actions concerning any conduct in violation of the Ethics Law or other related regulations under this Law. Moreover, NPA Rule 22-1 (Standards of Disciplinary Actions Taken for Violation of the Ethics Law or Orders based on the Law) stipulates the standards of disciplinary actions for cases in violation of the Ethics Law, etc., while Rule 22-2 (Procedures for Investigations and Disciplinary Actions related to Violation of the Ethics Law or Orders based on the Law) stipulates details of the investigations and disciplinary procedures for cases of violation of the Ethics Law, etc.

Based on these regulations, when an appointing authority suspects any conduct of violating the Ethics Law, etc., a preliminary report on the case will be submitted to the Ethics Board, and the appointing authority will investigate the case. When necessary, the appointing authority and the Ethics Board will jointly investigate the case. When a special necessity is recognized, the Ethics Board may independently investigate the

case.

When, as a result of the investigation, the appointing authority intends to impose any disciplinary action on an employee on the charge of any conduct that violates the Ethics Law, etc., the appointing authority must obtain the approval of the Ethics Board in advance. The Ethics Board strictly reviews the details of the violation and determines appropriateness of the disciplinary action intended by the appointing authority. When the Ethics Board has independently investigated a case, the Board may directly take disciplinary action.

The Ethics Board receives information on alleged violations of the Ethics Law, etc., by mail, phone, and other means. The Board is also informed through communication with the Cabinet Office and each Ministry and press reports. The Board examines these pieces of information and, when necessary, conducts preliminary investigations either by itself or by entrusting appointing authorities to confirm details. When the result of these investigations confirms allegations of any violating conduct under the Ethics Law, etc., the investigation and disciplinary action pursuant to the Ethics Law, etc., will be initiated.

## **2. Situation of Investigations and Disciplinary Actions for Suspected Violations of the Ethics Law, etc.**

During FY 2006, 32 cases were newly investigated while 4 cases were continuously investigated from the previous fiscal year for alleged violation of the Ethics Law, etc. Among these, 21 cases (26 employees) were put to disciplinary actions for violations of Ethics Law, etc., while 9 cases (28 employees) were put to measures of admonishment or serious warning (“corrective measures”) under the inner rules of the Cabinet Office and each Ministry. (3 cases, which involved more than one employee and for which both disciplinary action and corrective measures were taken, are counted in both categories. The above numbers of employees for whom disciplinary actions or corrective measures were taken include 2 employees scheduled to be put to measures after their return to office.) Six cases were carried over to FY 2007.

Compared to FY 2005, the cases of new investigations increased by 15 while the cases of disciplinary actions increased by 4; while the number of corrective measures decreased by one.

Meanwhile, disciplinary action was taken for a total of 190 employees (33 dismissals, 17 suspensions from duty, 41 reductions in remuneration, and 99

reprimands) and corrective measures were taken for a total of 211 employees for violation of the Ethics Law, etc., from April 2000 to the end of FY 2006.