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## Targets and Achievements of Operational Reform

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Since making a fresh start as an Independent Administrative Institution in October 2003, we have been striving to improve our programs and operations for greater effectiveness, efficiency, and responsiveness to social needs.

In fiscal 2009, or the third year of our Second Mid-Term Plan (for the five-year period from fiscal 2007 to fiscal 2011), we continued our efforts in cost reduction, efficiency improvement, achievement of revenues aside from government subsidies, organizational reform, and to meet stakeholders' needs, aiming to achieve the plan's targets both in terms of programs and operations.

**Mid-Term Plan:** Operations of independent administrative institutions are guided by their approved mid-term (three to five-year) plans, developed by the institutions based on the guiding plans for the corresponding period established by the respective ministers. The Japan Foundation successfully achieved the targets of its First Mid-Term Plan (three and a half years from October 2003 to March 2007). The Second Mid-Term Plan outlines specific targets and plans for the five years from April 2007 to March 2012.

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### 1. 15% Reduction in Administrative Expenses within the Five Years from Fiscal 2007

In the third year, we were able to reduce these expenses by 16.4% in total, primarily through the relocation of our headquarters to Yotsuya, Shinjuku-ku in Tokyo in April 2008.

### 2. Annual Reductions of at Least 1.2% in the Program Operation Costs Funded by Government Subsidies

In fiscal 2009, we achieved a 4.5% reduction of these costs while improving the quality of programs by collaborating with other organizations, promoting price competition, focusing on prioritized programs, providing information through websites, and executing other methods.

### 3. Increasing Operational Efficiency and Flexibility

We made reform to implement our programs more efficiently and flexibly in April 2009. We have also consolidated some departments within our headquarters and language institutes, and empowered some departments by building internal teams initiatives.

### 4. Utilizing External Resources and Increasing Revenues

We have partnered up with a number of domestic and international organizations to jointly conduct programs. For instance, with leading higher educational institutes in Japan, we participate in the operation of the Joint Research Institute for International Peace and Culture, and the Center for Japanese-Language Testing.

At the same time, we undertook a greater number of commissioned projects and solicited donations to grow our revenues.

### 5. Expanding Our Global Networks and Strengthening Partnerships

In addition to our overseas offices, we have conducted the projects in other countries while attempting cooperation and coordination with various institutions; the core members of the JF Nihongo Network "the Sakura Network," "the Center for Face-to-Face Exchanges" in China and cultural exchange organizations such as the British Council and the Goethe-Institut.