

Annual Report 2020

April 2020 - March 2021

A stable, secure public pension system
leading to a happy future for all



日本年金機構

Japan Pension Service

**In order to secure the trust
and support of the people of/in Japan,
the Japan Pension Service
has established an organizational
goal of “contributing to social stability
and peace of mind.”**

MESSAGE

From the President
to the People of/in Japan

President, Japan Pension Service

Toichiro Mizushima

After graduating from Hitotsubashi University, Toichiro Mizushima joined the Mitsui Bank. After serving as Vice President of the Sumitomo Mitsui Banking Corporation, he became President of the Readjustment of Facilities for Insured Persons and Beneficiaries Organization in 2005. He has been President of JPS since January 2013.



FY 2020's Major Initiatives on Mission-Critical Operations

First, I would like to summarize FY 2020's initiatives on core mission-critical operations, which include National Pension contribution collection initiatives, measures promoting Employees' Pension Insurance coverage, and measures pertaining to pension benefits payments, pension records problems, and pension consultation service.

JPS's National Pension contribution collection initiatives included ongoing efforts to encourage contribution payments as appropriate, as well as efforts to offer to those who suddenly lost income due to COVID-19 pandemic the Temporary Special Measures for National Pension Contribution Exemptions, also to encourage them to apply for the special payment exemption for the unemployed. These efforts resulted in the achievement of a current-year payment rate of 71.5% and a final payment rate of 77.2%, surpassing JPS's targets and marking the ninth consecutive year that current-year payment rates have increased, as well as the eighth consecutive year that final payment rates have increased.

In terms of measures promoting Employees' Pension Insurance coverage, circumstances placed limitations on our efforts to promote coverage through traditional in-person visits. In this context, JPS implemented coverage guidance using information on national tax withholding agents and implemented coverage guidance early on through the use of company registry information. As the result of these efforts, JPS achieved its rough target of 100,000 workplaces to be newly covered through coverage guidance efforts. Additionally, JPS's efforts have successfully reduced the number of workplaces subject to examination to roughly 207,000, down from roughly 277,000 as of the end of FY 2019. For Employees' Pension Insurance and Employees' Health Insurance, JPS worked to contribute to the continuation of business activity amidst the COVID-19 pandemic by providing guidance on the Special Payment Postponement System for Employees' Pension Insurance Contribution to workplaces that were facing difficulty making pension contribution payments, in addition to promoting applications for the Special Payment Postponement System and other measures. Through the prioritization of prompt and flexible implementation that took full consideration of the circumstances and anxiety at each workplace, JPS achieved a contribution collection rate of 97.5%. Excluding monetary amounts of granted cases of special payment postponement and the legal postponement, the contribution collection rate was 99.3%, or equal level with previous fiscal year's rate.

Additionally, the Corporation Special Enforcement Department was established in April 2021 as a specialized organization at JPS headquarters in charge of nationwide control of difficult cases in Employees' Pension Insurance coverage, workplace examinations, and contribution collection. Moving forward, JPS will continue strengthening initiatives that promote mission-critical operations.

For pension benefits, JPS worked to ensure payments of all due benefits by eliminating failures to apply for old-age pensions as a result of forgetting to apply or other reasons. To this end, in addition to encouraging people to apply through conventional measures, JPS began full-fledged efforts to encourage specific individuals over 70 years of age who have not claimed their pensions to do so to boost receipt of pension benefits. In pursuit of ensuring people to claim their pension benefits JPS worked to build a system to annually inform those who are aged 66 years and older of their estimated delayed benefits amount, which incorporates the new plan in 2022 of increase in the age to delay the old-age pension to 75 years old. In order to ensure accuracy in benefits eligibility examination and decisions conducted at branch offices, a dedicated department was established at the Central Pension Center in April 2020 for the purpose of examining the entitlement decisions and thereby building a system that the whole organization of JPS guarantees the accuracy of benefits payments. Meanwhile, JPS created a system to manage headquarters operations involving customers' personal data and strengthened progress management, quality management, and administrative risk management.

In initiatives on pension records problems, JPS steadily continued work from the previous fiscal year to eliminate unmatched records through initiatives such as using Pension Coverage Regular Notices (NENKIN TEIKI BIN) to encourage people to check their pension records for any omissions and errors. Additionally, to prevent recurrence of unmatched records problems, JPS worked on various measures to manage the records properly, including matching every individual's basic pension number to respective individual's "My Number" (national individual numbers.)

For pension consultation service, JPS worked to achieve reduction of wait-times and more accurate consultation services at branch offices by continuously promoting and publicizing the appointment system for pension consultation, pushing the average appointment rate to 95.6%. Additionally, JPS made the IT systems-related, operational, and institutional preparations towards the May 2021 trial launch of a service for making pension consultation appointments over the internet.

Future Operations in COVID-19 Pandemic

In society at large, various measures are currently required based in response to the impact of the COVID-19 pandemic. In this context, JPS set an organizational goal of "contributing to social stability and peace of mind" in FY 2021, resolving to contribute to ensuring that the people can live stable lives even with the impact of COVID-19 pandemic on Japanese society. To achieve this, JPS set the following priority measures: "Managing mission-critical operations that contribute to safety and peace of mind," "Promoting the achievement of an online business model," "Taking a responsible approach to pension reforms," and "Establishing a path to reform the record management system." This Annual Report presents Special Reports on two such measures to you: "Promoting the achievement of an online business model" and "Taking a responsible approach to structural reforms."

Among various responsive measures that need to be taken to the impact of the COVID-19 pandemic, I promise that JPS will fulfill the mission assigned to us: correct and reliable payment of pension benefits, thus supporting stability to the livelihoods of the people, and providing the economic foundation and peace of mind to ease concerns and anxiety for the future. Each and every JPS executive member and staffer will reaffirm that role and mission, putting public pension system into practical operation in a fair and precise manner, conducting correct and reliable implementation of JPS mission-critical operations including coverage, contribution collection, benefits payments, records management, and consultation service. This is my promise to you.

Annual Report

Since the establishment in January 2010, the Japan Pension Service (JPS) has published an annual report every fiscal year to clearly report to the people of/in Japan the status of JPS operations, the level of accomplishment of its goals, and other topics. This marks our twelfth annual report.

This year's annual report covers initiatives undertaken in fiscal year (FY) 2020 and includes Special Reports on JPS's priority measures for 2021.

In my remarks below, I will explain "FY 2020's Major Initiatives on Mission-Critical Operations" and "Future Operations in post COVID-19 pandemic era."

How does the public pension system provide stability and peace of mind?

There are four key points.



1

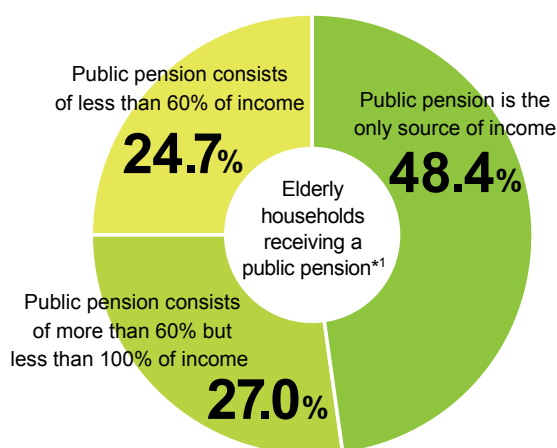
Preparedness for Post-Retirement Livelihood and Against Unexpected Events

POINT!

Around 50% of elderly households currently receiving pension benefits live on their pension alone. Around 70% of elderly households' income is provided by pensions. The public pension system is the bedrock of a secure life in old age. Pensions can also be received when someone suffers a disability or the household's breadwinner passes away. In this way, the pension is a preparedness measure that provides peace of mind to not just the elderly, but the young as well.

Approx. 50% of people live on pensions alone

Public pension accounts approx. 70% of income



Average total annual income per household: 3.126 million yen

Public pension: 1.99 million yen

63.6%

+

Other income*2

36.4%



Source: 2019 Comprehensive Survey of Living Conditions (Ministry of Health, Labour and Welfare)

*1 Elderly household: Consists only of people aged 65 or older, or such a household that also contains unmarried individuals under the age of 18.

*2 Other income includes income from work, income from investment in land, buildings, marketable securities, financial support from children, corporate pension funds, personal pension.

2

POINT!

All People Are Covered and Support One Another



Under Japan's public pension system, all people living in Japan aged 20 to 59 must be covered by the National Pension (also called the Basic Pension.) This entire coverage system is called universal pension, and this is the source of the peace of mind. As long as you are making contribution payments, all people are guaranteed the basic essentials to living a stable lifestyle.

Our lives entail some risks that we will have difficulty being financially independent due to causes including our own age, the ages of our family members, disability, or death. Moreover, many risks cannot be foreseen. The public pension enables the people to receive benefits when they need them by making contributions in advance. It is difficult to predict what age one will live to, or what changes to one's economic circumstances or society as a whole will take place in the course of one's long life. It is highly possible that you will not have enough savings when you need them, that you may cut down on living expenses more than necessary in the name of savings, or that you may not be able to rely on your children or family. That is why the public pension system provides peace of mind.

Old-Age Pension



Disability Pension



Survivors' Pension



The public pension system is an intergenerational support system.



Working generation: Approx. 67.62 million (Contributions)



National Government (Subsidy from tax revenue)

Working generation



National Government

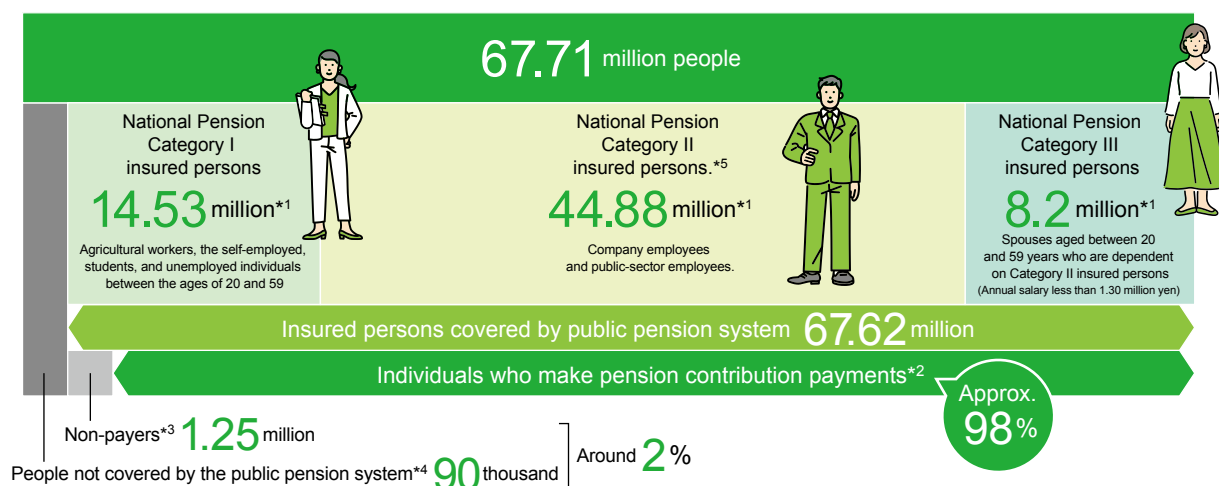
The mechanism of the public pension system can also be described from an insurance perspective. In an insurance system, everyone pays premiums and support each other via the group. In the public pension system, all the people are enrolled and support each other in a social insurance system. Different generations support one another, with current pension beneficiaries receiving benefits funded by pension contributions from the current working age population. Moreover, in addition to the contributions of the people, the national government also contributes (taxes) to support the livelihood of people receiving pensions. The types of pensions available are the old-age pension, disability pension, and survivors' pension.

3

Reliable and Correct Payment of Important Funds under Government Responsibility

POINT!

All people in Japan aged between 20 and 59 are obligated to make contribution payments to the pension system, and all people have the right to receive pension benefits in old age or at the unexpected life events. At present, around 98% of all people enrolled in the public pension system are making pension contribution payments. The Japan Pension Service is entrusted by the Japanese national government to properly handle indispensable contributions collected from the people and to pay out pension benefits accurately and promptly. In general, it is not possible to receive pension benefits without making contributions.



[Source] "FY 2019 National Pension Enrollment and Pension Contribution Payment Status," Ministry of Health, Labour and Welfare, Japan Pension Service; "Employees' Pension Insurance and National Pension Annual Report," Ministry of Health, Labour and Welfare (FY 2019)

*¹ As of the end of FY 2019. Number of the Category I insured persons include 190,000 people under voluntary coverage.

*² Including individuals whose contribution payments are either exempted or postponed.

*³ A non-payer is someone who has not made a contribution payment in 24 months (April 2018 to March 2020.)

*⁴ Number of persons based on the 2016 Survey on Public Pension Insured Persons.

*⁵ Category II insured persons refers to beneficiaries of Employees' Pension Insurance (In addition to Category II insured persons, this includes individuals 65 years or older with the right to receive pension benefits due to old age or retirement.)

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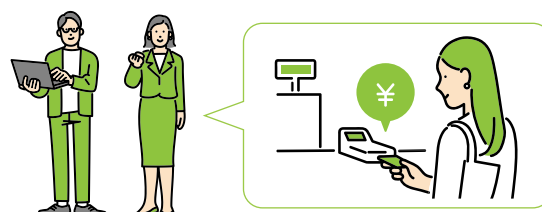
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Special Report

The Future of the Japan Pension Service

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4

POINT!

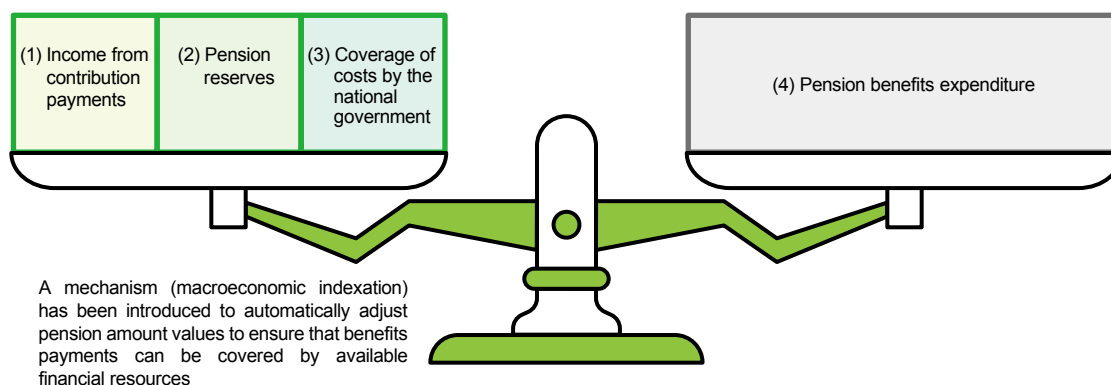
Public Pension System Will Never End

The public pension system is designed to be able to pay benefits covered by the national government funds. Mechanisms have also been introduced to automatically adjust annual monetary values of benefits, in order to maintain the system even in time of the population aging and low birth rate, ensuring a long-term balance of income and expenditures. Additionally, the public pension system works such that pension benefits are paid based on the contribution payments one has made, so even if some people do not make contribution payments, the system itself will not collapse. Therefore, you can say the system is reliable on into the future.



- (1) Set an upper limit on future contributions burden
- (2) Investment of pension reserves
- (3) Increase national government's subsidy rate to the Basic Pension expenditure
- (4) Automatic adjustment of benefit levels based on financial resources available

- Balance long-term incomes and expenditures
- Regular check on the financial status of the pension system



Chapter 2

Mission-Critical Operations

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Japan Pension Service and the Public Pension System

This is a summary
of the JPS organization
and public pension
system.

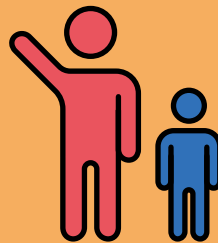


Chapter 1 covers the organization and operations of the Japan Pension Service. It also summarizes the current state and history of the Japanese public pension system.

How many insured persons and pension beneficiaries are there in the public pension system?

At present, approximately one in every two people of Japanese population is insured by the public pension system. Roughly one in every three people is a beneficiary.

Approx.
1 in
2 people



Insured persons covered by the public pension system

67.62 million

Approx.
1 in
3 people



Pension beneficiaries

40.40 million

* The population of Japan is 125.93 million.

Source: "Employees' Pension Insurance and National Pension Annual Report,"
Ministry of Health, Labour and Welfare (FY 2019.)

When was the public pension system established? ▶ P.15

79 years ago

The roots of the Japanese public pension system date back 79 years. It has undergone various revisions and changed over the years to become the current system.



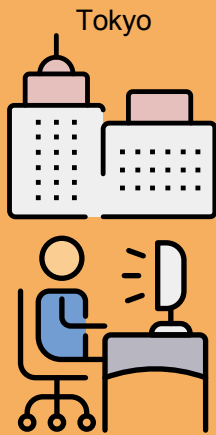
1942

Worker's Pension Insurance established

What Kind of Organization is the Japan Pension Service? ▶ P.9

JPS implements the public pension system under the supervision of the national government (Minister of Health, Labour and Welfare.) In addition to the headquarters, there are customer service frontline offices.

Headquarters



Customer service frontline offices

Branch Offices
312
locations nationwide



Pension Consultation Centers
80
locations nationwide



Call Centers
(Telephone consultation service)

Nenkin Dial / Hotline for Consultation Appointments / Pension Coverage Regular Notices (NENKIN TEIKI BIN) and Nenkin Net Dial (hotline for pension statements and internet accounts) / Nenkin Kanyusha Dial (hotline for consultation on pension coverage)



What is the Job of the Japan Pension Service? ▶ P.12

JPS primarily performs five mission-critical operations pertaining to public pensions.



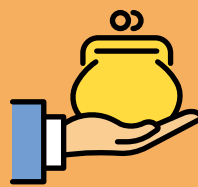
Coverage

Ensuring that customers are registered to be covered by the pension system



Contribution collection

Ensuring that pension contribution payments are made



Benefit payments

Paying out pension benefits accurately and promptly



Records management

Accurately managing pension records



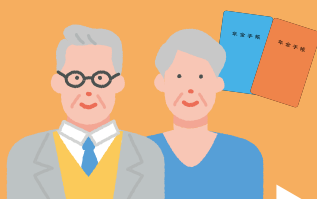
Consultation service

Pension consultations service



1961

Universal pension coverage is launched for all the people of Japan



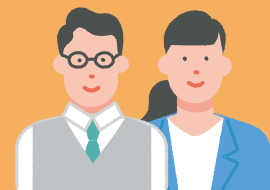
1986

Basic Pension system established



2010

Social Insurance Agency abolished
JPS established



2021

Enhancement of mission-critical operations that contribute to safety and peace of mind

About the Japan Pension Service

Organizational structure

Overview [Basic information]

Name	Japan Pension Service (Nippon Nenkin Kiko)
Headquarters address	3-5-24, Takaido-nishi, Suginami-ku, Tokyo 168-8505 Japan
Telephone (main)	03-5344-1100
Organization	Special public corporation with non-government employees: Headquarters and 312 Branch Offices
Founded	January 1, 2010 - Replaced the Social Insurance Agency, which was abolished.
President	Toichiro Mizushima
Staff	Approximately 11,000 regular staff members (as of April 1, 2021) - In addition to the above, there are also special-purpose (contract) staff engaged in specific operations and assistant (contract) workers engaged in support operations.
Operations	The Japan Pension Service (JPS) is responsible for public pension system operations (coverage, contribution collection, records management, pension consultation service, entitlement, and benefits payments) that are delegated and entrusted by the Japanese government (Minister of Health, Labour and Welfare).



JPS logo
(Selected June 25, 2009)

This logo consists of the rising sun overlaid with the character “年”(representing nenkin, or “pension”), which serves to symbolize that JPS is responsible for the public pension system for the people of Japan.

Check out the JPS website

The JPS website contains all kinds of information about the public pension system and the Japan Pension Service. You can search for the information you need easily from menus specific to certain types of users and scenarios.

Homepage overview

1

You can find main categories for specific information, including pension systems and procedures, application and report forms, and pension Q&A.

2

You can find information on JPS operation and initiatives, timely announcements.

3

There are five menus available for different types of users, such as employers and National Pension beneficiaries.

4

You can find what to do in relation to pension system for specific situations, such as turning 20 years old, hired to work, changing jobs, or retirement.

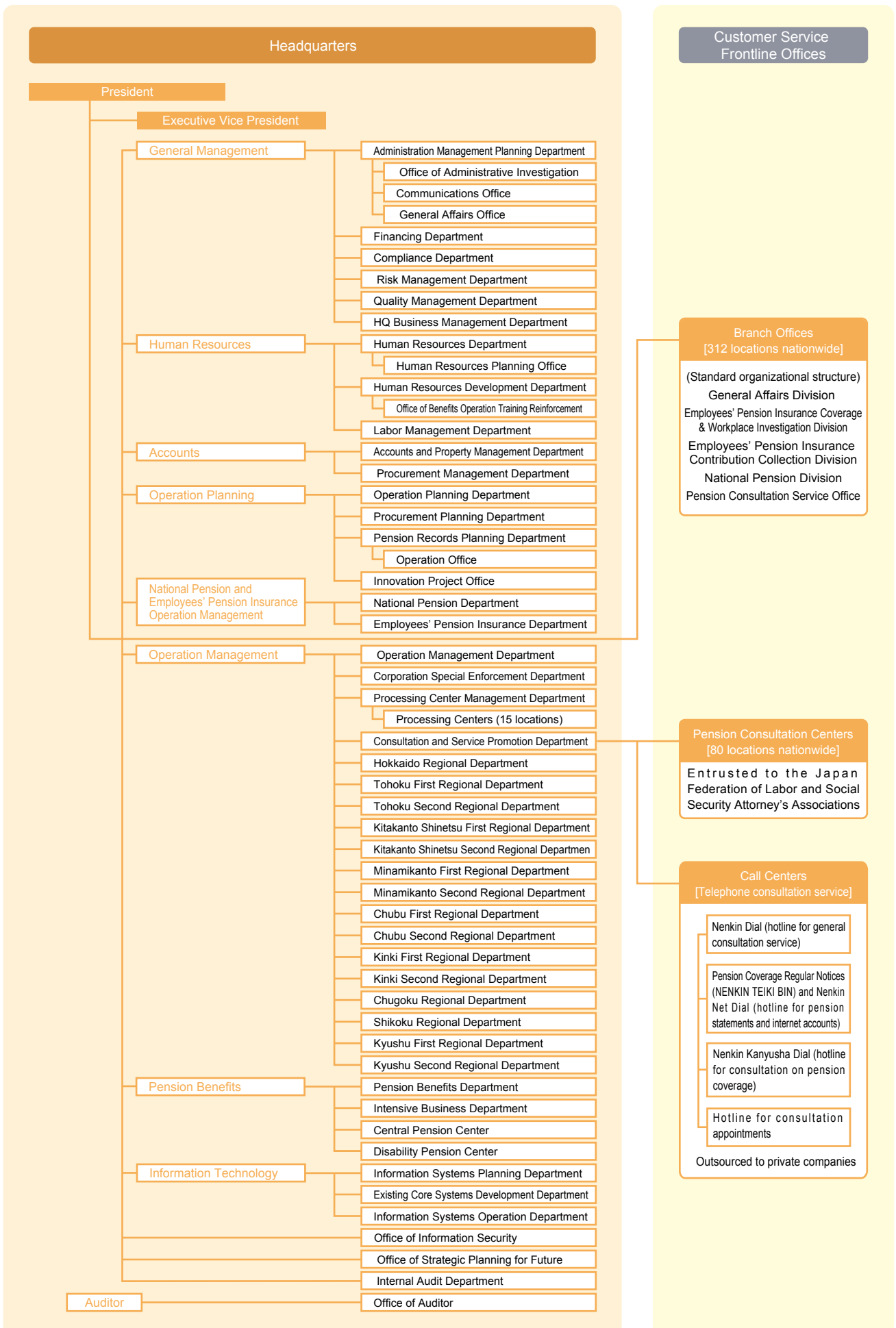


Smartphone browsing

The JPS website is automatically adjusted to be easy to view on smartphone and tablet screens.



JPS organizational structure (April 2021)



About the Japan Pension Service

Operations

Basic Principle and Operating Policy

JPS's top priority is to perform its operations with speed and accuracy.

JPS, establishing the following basic principle and operating policy, ensures the proper operation of its business and secures the trust of its customers throughout Japan.

Basic Principle

The JPS basic principle is established in Article 2 of the Japan Pension Service Act as follows.

“The government-managed pension system shall be operated stably and sustainably, based on public trust and a principle of solidarity. The Japan Pension Service, therefore, shall strive for a higher quality of service reflecting people's needs and opinions on government-managed pension systems, and assure effective operation as well as fairness and transparency in operation.”

Operating Policy

Based on the basic principle, JPS has set out the following Operating Policy that is employed in the operation of its organization and business.

- 1** To provide a courteous, prompt, accurate, and efficient service from the customers' point of view.
- 2** To reflect customers' opinions in its operations, and to promote disclosure of the outcome of its activities and other information in easy-to-understand terms.
- 3** To establish new personnel principles based on ability and performance by employing both public sector and private sector human resources, and to change the corporate culture.
- 4** To establish corporate governance by ensuring compliance and building a risk management system.

JPS Operations

JPS engages in five primary operations in order to properly sustain customers' livelihoods.

JPS implements wide range of public pension operations, under the supervision of the national government (Minister of Health, Labour and Welfare.)*

* The national government (Minister of Health, Labour and Welfare) is responsible for financing, management of the public pension system operation as well as for providing guidance and supervision to JPS.

1 Coverage Registration

- Ensuring that customers are registered to be covered by the pension system fairly and properly

JPS ensures proper coverage registration for each individual under the National Pension and Employees' Pension Insurance systems. For Employees' Pension Insurance, JPS promotes coverage registration by providing non-registered workplaces with appropriate guidance.

2 Contribution Collection

- Ensuring that customers make pension contribution payments.

JPS takes various measures to ensure that both individuals and employers properly pay their pension contributions. For the National Pension, to give some examples, JPS promotes contribution payments through payment encouragement, compulsory collection, and application guidance for exemptions. For Employees' Pension Insurance, JPS provides workplaces with payment guidance and undertakes compulsory collection.

3 Benefits Payment

- Ensuring that pension benefits are properly paid out to customer

JPS receives pension applications from customers, sends out Pension Certificates, and works to quickly and accurately make pension benefits payments.

4 Records Management

- Managing customers' pension records

In addition to accurately managing customers' pension records, JPS sends Pension Coverage Regular Notices (NENKIN TEIKI BIN) to customers and provides Nenkin Net (individual internet account) service so that customers can easily confirm their personal records.

5 Pension Consultation Service

- Courteously and thoroughly responding to pension inquiries

JPS promptly and meticulously responds to customers' inquiries and consultations regarding pensions through a variety of channels, such as by telephone and at JPS's frontline offices.

About the Public Pension System

Mechanism

Foundation of the Public Pension System

Three fundamental concepts support people's livelihoods.

The public pension system was created based on the idea of all working people banding together to support the livelihoods of those in need, including people in old age, people with disability due to illness or injury, and surviving family members whose primary wage earner has died. The public pension system is built on the following three fundamental concepts.

Public Pension System

Universal pension coverage

In general, all residents of Japan aged 20 to 59 must be covered by the pension system. This universal pension coverage enables society as a whole to band together to support the livelihoods of people in Japan.

Social insurance system

The pension system is financially sustained by contributions from individuals and companies as well as by national tax-funded subsidies. In the social insurance system, pension benefits are paid out using funds collected in advance from contribution payments. In general, it is not possible to receive pension benefits without making pension contributions.

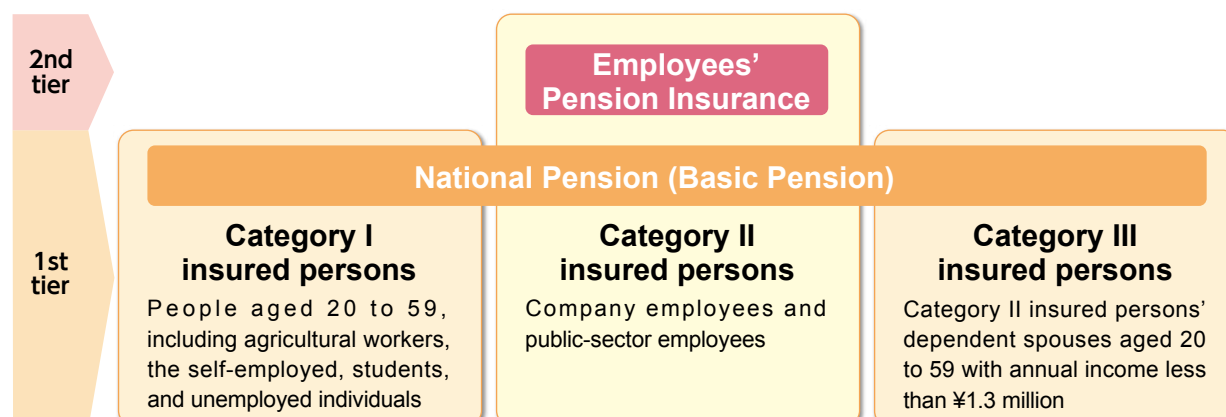
Intergenerational support

Japan's public pension system is not a "savings" system in which workers save funds that they will receive as benefits in the future. Instead, it is a "pay-as-you-go" system in which different generations support one another, with current pension beneficiaries receiving benefits funded by pension contributions from the current working age population.

Structure of the Public Pension System

The system is structured to suit your lifestyle.

The public pension system consists of a two-tier structure: the National Pension which covers all people aged 20 to 59, and Employees' Pension Insurance which covers company employees and public-sector employees. Company employees and public-sector employees are covered by both pension systems, the National Pension and Employees' Pension Insurance. Furthermore, individuals are categorized as Category I, Category II, or Category III insured persons according to individual status. Each of these categories has different contribution payment schemes and processes.



Overview of pension benefits types

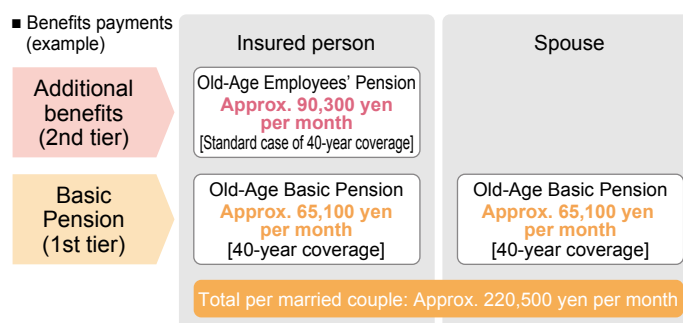
There are three types of pension benefits: old-age, disability, and survivors' pensions.

Pensions are not only for senior citizens. Even young people can receive the disability pension or survivors' pension when in need. The pension system is essential for its role in supporting the livelihoods of the elderly as well as the working population and young people.

1 Old-Age Pension

Individuals can receive the Old-Age Basic Pension benefits provided by the National Pension system for the rest of their lives. If an individual is also covered by Employees' Pension Insurance system, they will receive the Old-Age Employees' Pension in addition to their Old-Age Basic Pension. For both the National Pension and Employees' Pension Insurance, the amount of pension benefits payable depends on the period of coverage that individuals have made contribution payments. Although beneficiaries can begin receiving pension benefits at age 65 in general, it is also possible to receive benefits early, from age 60 to 65, or to delay benefits until age 66 through 70.*

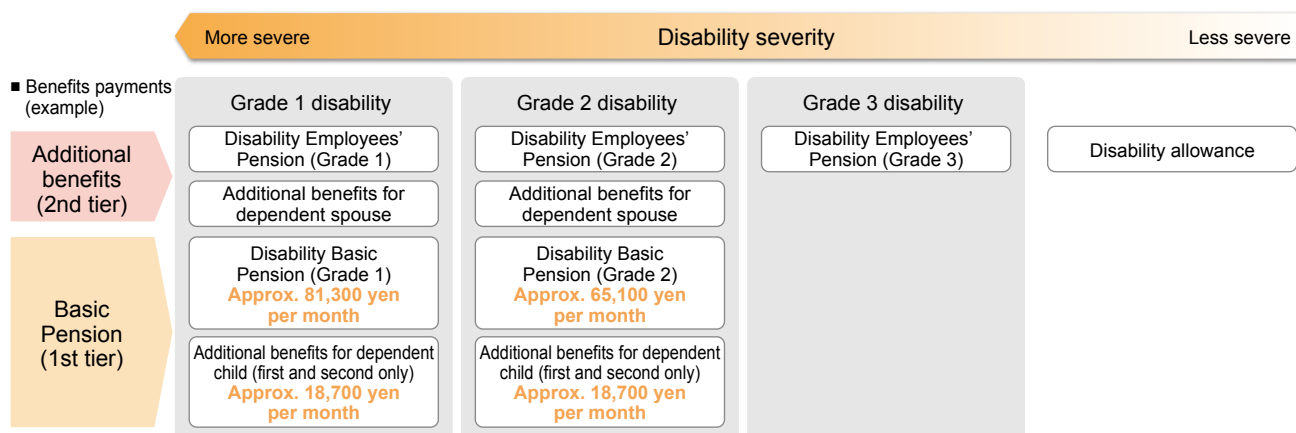
* Benefits will be reduced if received early and increased if received late. Additionally, beginning April 2022 as per the Pension System Reform Act, individuals can delay benefits until the age of 75 if they were born on or after April 2, 1952.



Note: FY 2021 figures for pension benefits

2 Disability Pension

Individuals can receive a disability pension when disabled by illness or injury. The Disability Basic Pension is paid by the National Pension system and varies according to the disability's degree of severity. Individuals covered by Employees' Pension Insurance will receive a Disability Employees' Pension in addition to their Disability Basic Pension.

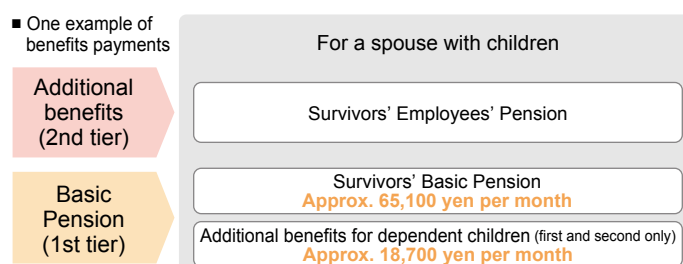


Note: ▷ FY 2021 figures for pension benefits.

- ▷ Additional benefits for dependent child is **6,240 yen per month** for the third and subsequent children.
- ▷ To receive the additional benefits for spouse, the spouse must be under 65 years old and not qualified to receive benefits including the Old-Age Employees' Pension (i.e. they do not satisfy the requirement of 240 months of coverage) or a disability pension.
- ▷ To be eligible for additional benefits for children, children must be 18 or younger, and if they are 18, it must still be the fiscal year in which they turned 18. Alternatively, children must be under 20 and have a Grade 1 or 2 disability.

3 Survivors' Pension

In the event that an insured wage earner has died, survivors' pensions are paid out to the dependent family members including spouses with the children or to the children. Depending on the type of pension system under which the deceased person was covered, the survivor(s) can receive the Survivors' Basic Pension if covered by the National Pension system, or the Survivors' Employees' Pension if covered by Employees' Pension Insurance.



Note: ▷ FY 2021 figures for pension benefits.

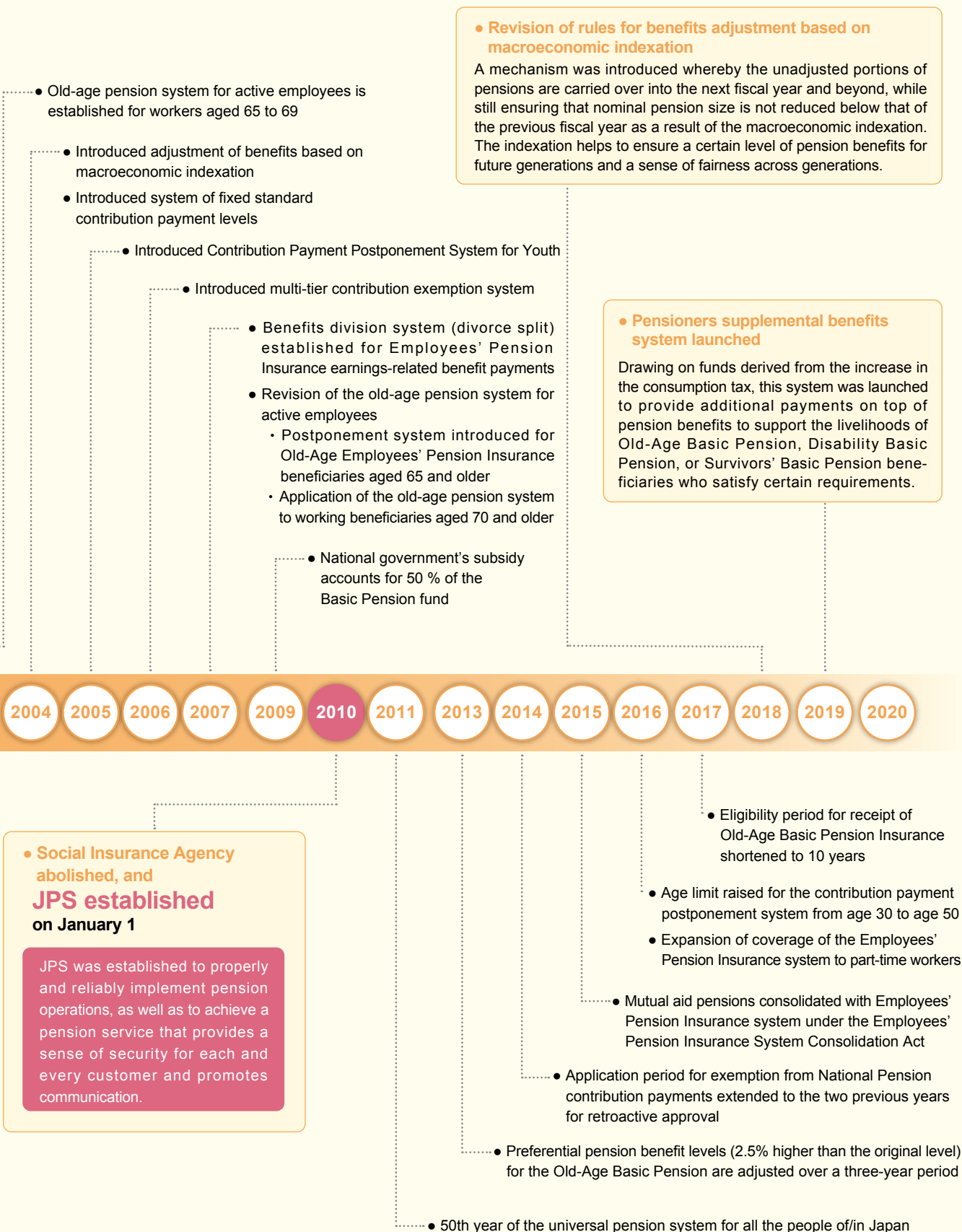
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- ▷ To be eligible for additional benefits for children, children must be 18 or younger, and if they are 18, it must still be the fiscal year in which they turned 18. Alternatively, children must be under 20 and have a Grade 1 or 2 disability.

About the Public Pension System

History

The history of Japan's public pension system begins with the establishment of Worker's Pension Insurance in 1942, followed by the establishment of a universal pension system for all the people of Japan in 1961 (universal coverage under public pension system). Later, the universal pension system was reformed several times, eventually leading to the current system.





Special Report

Towards Contributing
to Social Stability
and Peace of Mind

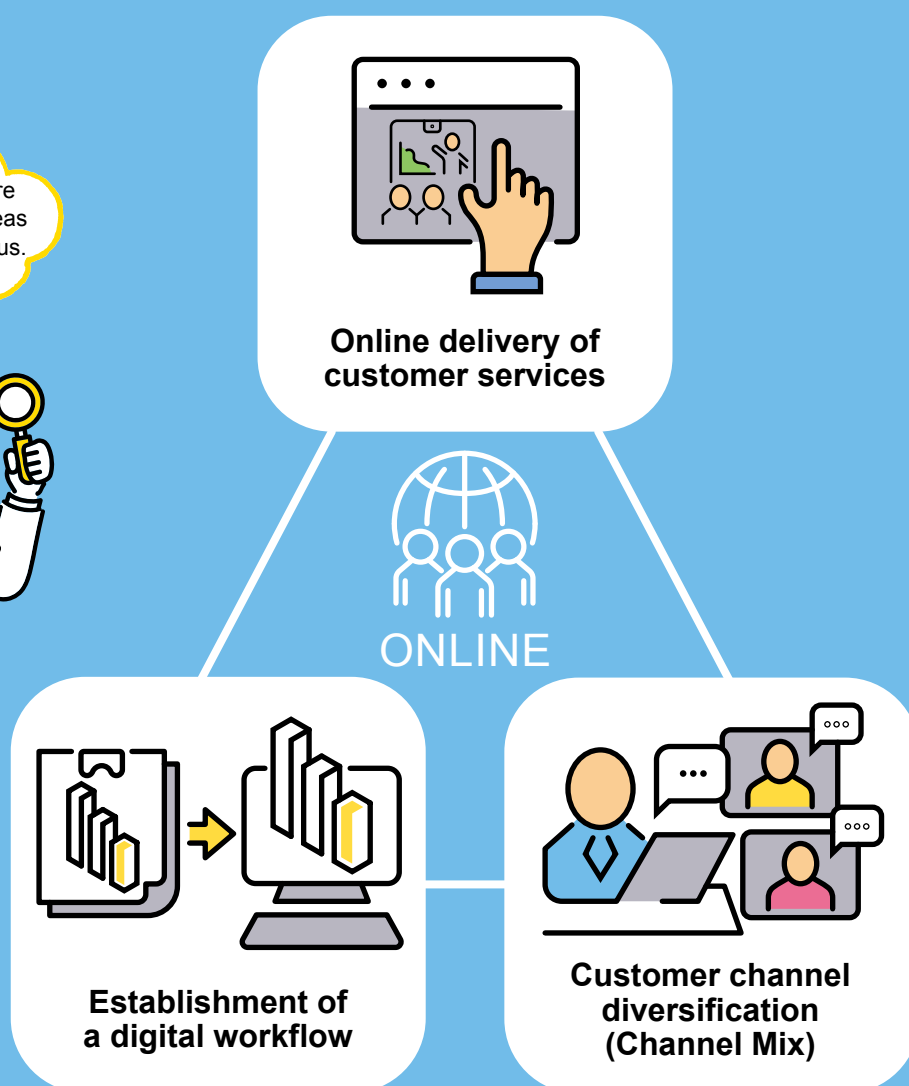
Priority Initiatives of the Japan Pension Service



JPS's 2021 organizational goal is "contributing to social stability and peace of mind." In order to contribute to social stability and peace of mind in everyday life for the people through stable administration of the public pension system, JPS is advancing important measures for immediate issues, such as achieving an online business model, responsibly addressing pension system reforms, and responding to the COVID-19 pandemic.

Three Policy Directions for the Online Business Model ▶ P.19

JPS is building an online environment for more efficient procedures with customers. We are also promoting a digital workflow to transfer operations to a digital data-centric format from the conventional paper-centric format. JPS is also focusing on expanding contactless channels with customers.

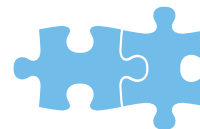


What is the Purpose of the Pension System Reform? P.25

Promulgated in 2020, the Pension System Reform Act aims to reflect economic and social changes in the pension system and enhance the economic foundation for people in old age in a context in which more people are expected to work for longer in a variety of different forms. JPS is advancing all possible preparations to implement the new system.



Worsening labor shortages



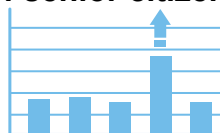
Longer health spans



Rapid decline in the working population



Increasing employment of senior citizens



Increasing female workforce



How is JPS Addressing COVID-19 Pandemic? P.27

JPS is implementing a variety of measures to support people's livelihoods affected by the COVID-19 pandemic, such as special measures for pension contribution payments to assist people facing economic hardship. Additionally, JPS created the Japan Pension Service Guidelines for COVID-19 Countermeasures and is implementing safety measures.

Appropriate response to various special measures

Measures to prevent COVID-19 at branch offices



Implementation of an Online Business Model (Future Direction)

JPS is working to implement an online business model based on the impact of COVID-19 by promoting contactless operations and digitalization while still properly addressing the needs of traditional face-to-face services. JPS will make effective use of ICT (information and communications technology) to reduce the administrative burden on people as well as to improve usability, with the aim of achieving accurate, faster, and more efficient administrative processing at JPS.

Three Policy Directions for the Online Business Model

For the online business model, JPS is implementing measures based on the following three policy directions and considering further measures to realize this model.

**Online delivery
of customer
services**

**Establishment
of a digital
workflow**

**Customer
channel
diversification
(Channel Mix)**

(1) Online Delivery of Customer Services

Using e-Gov^{*1} and the “My Number Portal”^{*2}, JPS is bringing procedures online such as applications, bookkeeping submissions, and receipt of notifications, thereby improving convenience and usability such that customers can complete administrative procedures anytime and anywhere while also reducing the administrative burden on customers. Additionally, expansion of contactless operations is providing easier services to use in the context of COVID-19 pandemic.

Workplace initiatives	<ul style="list-style-type: none"> • Further promotion of use of electronic applications (Large companies with over 100 million yen in capital and 101 and more insured workers are required to use of e-application by law. In addition to focusing on such companies' e-applications, JPS reached out to workplaces with 51 insured workers or more to use e-application. JPS provided support for making e-applications via phone or in-person visit depending on the status of the workplace, and create and distribute an Electronic Application Guidebook that contains procedures and operational instructions for the e-application process.) • Build an “online pension information service for workplaces” (tentative name) that realized online notifications delivery using the e-Gov transmission service, which were previously sent in paper format
Individual customer initiatives	<ul style="list-style-type: none"> • Improve usability by enabling login via “My Number Portal” even if users do not have a Nenkin Net user ID. • Consider adding functionality that enables simplified report creation and application, such as application for the National Pension Contribution Exemption, via “My Number Portal”. • Consider adding functionality that enables providing notifications to individuals in an electronic format via “My Number Portal,” such as social insurance (National Pension) contribution payment deduction certificates, and tax deduction slips. • Consider improving, expanding, and realizing contactless services. <ul style="list-style-type: none"> • Expand pension seminars and pension system information sessions online. • Enhance chatbot^{*3} services. • Consider launching a service for making pension consultation appointments over the internet (i.e. establishing a dedicated site for pension consultation appointments.)

^{*1}: e-Gov is a government-run portal site that provides comprehensive search and guidance services for government information provided by various government ministries over the internet, in addition to serving as a point of contact for online applications submitted to various ministries and other such procedures, 24 hours a day, 365 days a year.

^{*2}: “My Number Portal” is a government-run portal site that enables users to do government procedures and check on notifications online.

^{*3}: A chatbot is an automated conversation program that automatically responds to users' questions.

(2) Establishment of a Digital Workflow

JPS will work to convert over to a “paper-free” digital workflow and end practices of passing around paper materials, thoroughly improving work efficiency by establishing methods of managing documents in digital format and required digital environment.

JPS internal initiatives	<ul style="list-style-type: none"> • Reform of the business model at local processing centers in line with the launch of the Progress Management and Electronic Decisions System. <ul style="list-style-type: none"> • Establish a system in which reports are converted to image data and electronically transmitted for processing as locations other than the local processing center that originally received the report, enabling a smooth administrative processing. • Expand the scope of reports submitted in paper format that are targeted for conversion to image data, and reduce the amount of labor through use of RPA (work automation technology). • Promote the electronic use and storage of transmissions output in paper form. • Conduct contactless disability pension assessments and consider ways of conducting eligibility examinations in pension benefits operations using electronic data. • Digitalization of deposit funds inquiries sent to financial institutions in connection with dispositions for failures to make social insurance contribution payments. • Revise data transmission operations conducted inside and outside of JPS in which data is exchanged on electronic media, and consider the proper state of electronic document management.
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(3) Customer Channel Diversification (Channel Mix)

JPS is working to expand primarily contactless online channels while promoting the systematic organization of diversifying customer channels.

Channel Mix initiatives	<ul style="list-style-type: none"> • Expand contactless (online) channels with customers. <ul style="list-style-type: none"> • Expand video phone consultations. • Revise JPS branch office placements throughout Japan. <ul style="list-style-type: none"> • Placement of pension branch sub offices. • Revise the roles of JPS branch offices based on these diversified channels.
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Initiatives Promoting Use of Nenkin Net

- Nenkin Net enables users to easily view their own pension information at any time and anywhere using their PC or smartphone. It has around 6.66 million users as of the end of FY 2020.
- Being as this is an important customer service channel, JPS is implementing the following initiatives to further improve usability.
 - Print access keys that can be used to instantly acquire user IDs and enclose them in Pension Coverage Regular Notices (NENKIN TEIKI BIN) and notifications sent to those turning 20 years old.
 - Improve usability by enabling login via “My Number Portal” using a My Number Card even if users do not have a Nenkin Net user ID.
 - Actively publicize information to encourage new usage and more frequent use of Nenkin Net via “My Number Portal” using My Number Cards.
 - Request workplaces and My Number Card-issuing departments at municipalities to also promote Nenkin Net usage with access keys and the “My Number Portal.”

Primary Initiatives in FY 2020 to Realize an Online Business Model

In FY 2020, in order to lessen the administrative burden on customers, improve usability, and promote more accurate, faster, and more efficient operations, JPS pursued initiatives such as encouraging use of e-applications and building an environment for that purpose. JPS also steadily expanded customer services that use ICT, the internet and “My Number” (national individual numbers) and improved operational efficiency. Additionally, JPS took COVID-19 pandemic as the opportunity to promote a business model that brought basic administrative procedures online into a priority theme, and began considering and implementing related measures.

(1) Promotion of Electronic Applications

- In December 2020, the Ministry of Health, Labour and Welfare established the Basic Plan to Increase Online Usage Rates based on the Regulatory Reform Implementation Plan (approved by the cabinet on July 17, 2020.) On this basis, JPS terminated reporting formats for summary tables for remuneration calculation reports and bonus payment reports as of the end of March 2021, and steadily advanced its action plan to address issues by, for example, preparing to implement measures such as online data transfers to workplaces (previously done in paper or CD format) and increasing the amount of CSV data that can be submitted electronically at one time.
- Began requiring specific companies (e.g. companies with over 100 million yen in capital) to conduct electronic reporting (remuneration calculation reports, monthly remuneration change reports, bonus payment reports) and began e-applications using gBizIDs^{*1} in April 2020. Encouraging use among mandatory companies and workplaces with at least 101 insured workers resulted in a substantial increase of +18.0 points YoY in the seven major reports^{*2} filed electronically.

^{*1}: gBizID is an authentications system that enables access to multiple government services using a single account, and it can also be used for e-applications.

^{*2}: The seven major reports include applications for coverage registration, coverage-end reports, remuneration calculation reports, monthly remuneration change reports, bonus payment reports, dependents report forms, and National Pension Category III insured person reports).

➤ Usage of Electronic Applications at All Covered Workplaces

Period	April 2020 to March 2021 (Total)	April 2019 to March 2020 (Total)
Number of e-applications (proportion to total)	54,551,000 (41.9%)	31,677,000 (23.9%)

(Note) Proportion of e-applications in all of the seven major reports received (based on the number of insured workers)

➤ Status of Transition to Electronic Applications at Mandatory Workplaces and Workplaces with 101 or More Insured Workers (as of the end of March 2021)

Category	Number of workplaces as of the beginning of the fiscal year	Number of workplaces beginning e-applications	Proportion beginning e-applications	Number of workplaces not using e-applications
Mandatory (paper)	7,814	4,367	55.9%	3,447
Mandatory (media)	9,401	6,802	72.4%	2,599
101 or more insured workers (paper)	13,013	4,035	31.0%	8,978
101 or more insured workers (media)	15,223	5,425	35.6%	9,798
Total	45,451	20,629	45.4%	24,822

- Began one-stop online service for incorporation procedures in February 2021. Enabled procedures for new coverage together alongside company registration, in addition to simplifying procedures such as eliminating the attachment of company registration certificate.
- Consolidated social insurance- and tax-related procedures into a “one-stop” location by bringing them online, and pursued the “once-only” principle by launching support in April 2020 (ahead of schedule) for e-applications using gBizID, a common ID for various government procedures. Published a report creation program on the JPS homepage.

(2) Expansion of Internet Services

- Began system development towards the goal of launching the Online Pension Information Service for Workplaces (tentative name) in FY 2022. This service will enable users to view various information online in order to make administrative processes more efficient and costs effective.
- Laid the groundwork for the May 2021 launch of an online service through which employers are asked to submit materials required for workplace examination purposes, such as payroll books and workers' attendance records.
- As an online service for individuals, JPS worked towards launching a feature in FY 2022 that enables the creation and submission of simplified applications for National Pension Contribution Exemptions and other such applications and reports via the "My Number Portal," and launching a service that provides electronic data for documents such as certificate of social insurance (National Pension) contribution deduction and tax deduction slips.
- Began preparations for launching, in the first half of FY 2021, improved linkage functionality enabling login via "My Number Portal" for users without a Nenkin Net user ID.
- Began preparations towards launching, in May 2021, a service that enables customers to make appointment online for pension consultation at JPS branch offices and Pension Consultation Centers (including ones in small offices) to improve usability. For the near future, consultation appointments are only accepted for old-age pension TURNAROUND form requests (green envelopes.)

(3) Use of "My Number" (National Individual Numbers)

- At JPS, "My Number" (national individual numbers) have been used since April 2019 as a way of linking information between government agencies.
- Information lookup (information requests sent from JPS to a municipality or other such organization) has seen increased use, associated with JPS's launch of full-fledged operations such as income information lookup in the process of encouraging application for the National Pension Contribution Exemption.
- There has also been an increase in the use of information coordination with respect to the provision of pension-related information to municipalities and other organizations.

▶ Information Lookup and Provision

		FY 2019	FY 2020
Information lookup for:	National Pension related reporting	18.11 million	42.11 million
	Encouragement to apply for a National Pension Contribution Exemption	5.09 million	41.44 million
	Payments of pension benefits / pensioners supplementary benefits	11.42 million	25.45 million
	Other purposes	1.24 million	5.59 million
Information provision		1.53 million	6.03 million

(4) Implementation of Operational Improvements Using ICT

- In addition to the automation of preliminary preparatory work for pension consultation service, JPS used RPA in various different operations and advanced work automation.
- Launched chatbot service focused on frequently asked questions at call centers in order to improve usability and lessen workload.
- Digitalized forms, which are a major source of paper output at JPS branch offices, to reduce overall paper output and respond to customer inquiries more efficiently.

(5) Expansion of Pension Consultation Channels

- Based on the trial run in the city of Sado, Niigata Prefecture, JPS established video phone consultation service in March 2021 on two isolated islands (Goto, Nagasaki Prefecture and Iki, Nagasaki Prefecture) which had a high need for on-site consultation service by visiting staff.
- In order to address the population concentration of urban areas, aging populations, and other issues, JPS established Nenkin Satellite Office of Sagami-hara Chuo (sub office of the Sagami-hara JPS Branch Office) in the Chuo Ward of Sagami-hara City, Kanagawa Prefecture, where needs for consultation services are high.

Online Pension Seminars and Pension Information Sessions

**No
course
fee**

JPS provides online pension seminars and pension information sessions that can be viewed from anywhere customers feel comfortable.

Type of Online Briefing Service

Pension Seminars

Participants

Students and teachers at high schools and universities

JPS organizes seminars in cooperation with educational institutions (e.g. high schools, universities, technical colleges) with the aim of providing knowledge about public pension system and promoting understanding of pensions among young people, who are future insured persons and recipients.

Pension Information Sessions

Participants

Employees and pension beneficiaries

JPS organizes sessions to deepen understanding of the public pension system so that people recognize the pension system closer to their lives. These sessions also provide an easy-to-understand overview of pension systems reforms.

Advantages of Online Seminars

Online: enabling customers to participate from anywhere

Easy to participate



Participate from anywhere as long as you have an internet access. Use a PC, smartphone, or tablet device to join.

On-the-spot answers



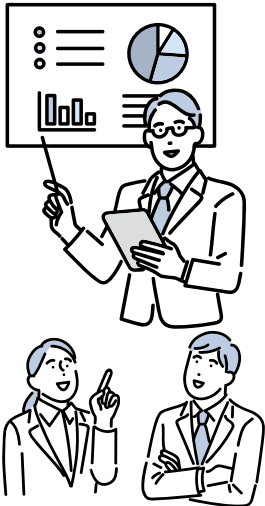

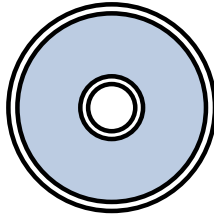
Raise your hand virtually to ask the lecturer a question on the spot and resolve hard-to-understand points about pension system.

Sharing Consistent Information



During the sessions, all participants will see the same screen, so everyone will receive the same content.

Image of JPS's Pension Seminars

Face-to-face	Contactless (e.g. online seminars)	In addition to
<p>A lecturer* visits the partner organization and delivers a seminar face-to-face with participants</p>  <p>* JPS staff, Regional Pension Promotion Staff, Community Pension Assistants</p>	<p>Web teleconferencing service is used to connect lecturers and participants online and a seminar is conducted using monitors</p>  <p>Available in various formats: broadcasts from dedicated devices at JPS branch offices, group sessions, and distributed sessions</p>	<p>JPS provides a video (DVD) of a seminar for participants to watch</p>  <p>In addition to a general-purpose seminar video based on common material called "Public pension system you need to know," JPS also plans to create multiple versions of videos based on various themes and participants needs.</p>



Example of commonly used material for pension seminars

* Actual material may be different.



Online seminar in progress (Tochigi Branch Office)

Notes to participate in online seminars

- Seminars use Microsoft Teams. If participating in a seminar using a smartphone or tablet, download the Microsoft Teams app before the seminar begins. If participating on a PC, it is not necessary to download an app.
- An internet connection is required to participate in a seminar. Participants are responsible for paying the connection fees associated with their connection.
- Before starting seminars, we ask for your cooperation to confirm both side are connected.
- Although seminars do not handle personal information or confidential information, do not record or film seminars out of consideration of other participants' privacy, or upload such footage to social media.
- The camera settings for seminar participants are set to "off" by default.
- For the seminar itself, participants will need to register their name when entering the Microsoft Teams room. The name entered does not need to be the participant's real name.
- The email address of participants will be used exclusively for the purpose of the seminar. If you receive a suspicious emails that claims to be associated with the Japan Pension Service, do not open it. Contact the appropriate JPS branch office.

Contact your local JPS branch office about any inquiries for participation.

Responsible Implementation of the Pension System Reform

On June 5, 2020, the Act for Partial Reform of the National Pension Act for Strengthening the Functions of the Pension System (hereinafter “Pension System Reform Act”) was promulgated. The Pension System Reform Act aims to reflect future economic and social changes in the pension system and enhance the economic foundation for people in extended old age in a context in which more people are expected to work for longer in a variety of different forms. The reform expanded choices regarding when benefits can begin to be received (increasing the maximum age to which individuals can postpone receiving benefits,) revised how pension benefits are received by those still employed (revision of the old-age pension system for active employees and implementation of active-employment revisions,) and expanded employees’ insurance coverage (Employees’ Pension Insurance and Employees’ Health Insurance.) JPS is taking all possible measures to prepare for the implementation of these new systems.

Primary Reforms to be Enacted in FY 2021 and after

(1) Expansion of Choices of Age to Start Benefits (Increase of maximum age to start benefits)

Current system	<ul style="list-style-type: none"> Public pension benefits is payable at age 65 as a general rule, but under the current system, individuals can choose the age to start receiving benefits within the range of 60 to 70 years old. If individuals choose to start receiving pension benefits at age 66 or older (i.e. delaying benefits,) they can receive increased amount of benefits for the rest of their lives (up to a maximum 42% increase.)
New system	<ul style="list-style-type: none"> The maximum age to start benefits is expanded from 70 year old to 75, and individuals can choose the age between 60 and 75 years old to start pension benefits. Through this, maximum increase ratio for delayed pension benefits is 84%. (Enacted April 2022)

(2) Revision in Pension Benefits While You Work

(Revision of the Old-Age Pension Payable to Active Employees and Introduction of Annual Wage-Benefits Adjustments)

Current system	<ul style="list-style-type: none"> For workers aged 60 years or older, partial or full Old-Age Employees’ Pension benefits are suspended if their combined income from monthly wages (including bonuses) and monthly pension benefits exceeds a certain threshold amount. (Old-age pension system for active employees) Wages of workers aged 65 or older are reflected to the amount of Old-Age Employees’ Pension benefit amounts only when they resign from workplace or turn 70 years old (i.e. end of coverage under Employees’ Pension Insurance.)
New system	<ul style="list-style-type: none"> For workers aged 60 to 64, the threshold amount of combined monthly income (i.e. pension benefits and wages) to determine benefits amount suspension is raised from 280,000 yen to 470,000 yen*, which is the same level as workers aged 65 years or older. (Enacted April 2022) Wages of workers aged 65 or older are reflected to the amount of Old-Age Employees’ Pension benefit amounts in every October in addition to when their coverage under Employees’ Pension Insurance end. This revision aims at enhancement in pension amounts at earlier ages, and enabling beneficiaries to truly benefit from their larger pensions by working longer without waiting for retirement. (Enacted April 2022) <p>* Amount for FY 2021. Subject to annual review. * See the diagram on the next page.</p>

(3) Coverage Expansion under the Employees’ Pension Insurance and Employees’ Health Insurance

Current system	<ul style="list-style-type: none"> Part-time workers (individuals whose work hours and workdays are less than 3/4 those of full-time employees) are covered by employees’ insurance systems if they satisfy the following requirements. (1) 20 or more work hours per week (Work Hours Requirement); (2) Monthly wages of 88,000 yen or more (Wage Requirement); (3) Work period is expected to be at least one year (Work Period Requirement); (4) Not a student (Student Exclusion Requirement); (5) Company that normally hires over 500 employees (Company Size Requirement) Offices run by individuals who normally hire 5 or more employees in a business subject to compulsory coverage of the employees’ insurance.
New system	<ul style="list-style-type: none"> Of the requirements for employees’ insurance coverage for part-time workers, the Company Size Requirement (normally having over 500 employees) will be gradually reduced to “normally over 100 employees” in October 2022 and “over 50 employees” in October 2024. Additionally, the Work Period Requirement will be removed. (Enacted October 2022 / October 2024) Added “Lawyers, certified public accountants, and other businesses engaged in the practice of law or accounting” to the list of covered occupations. (Enacted October 2022)

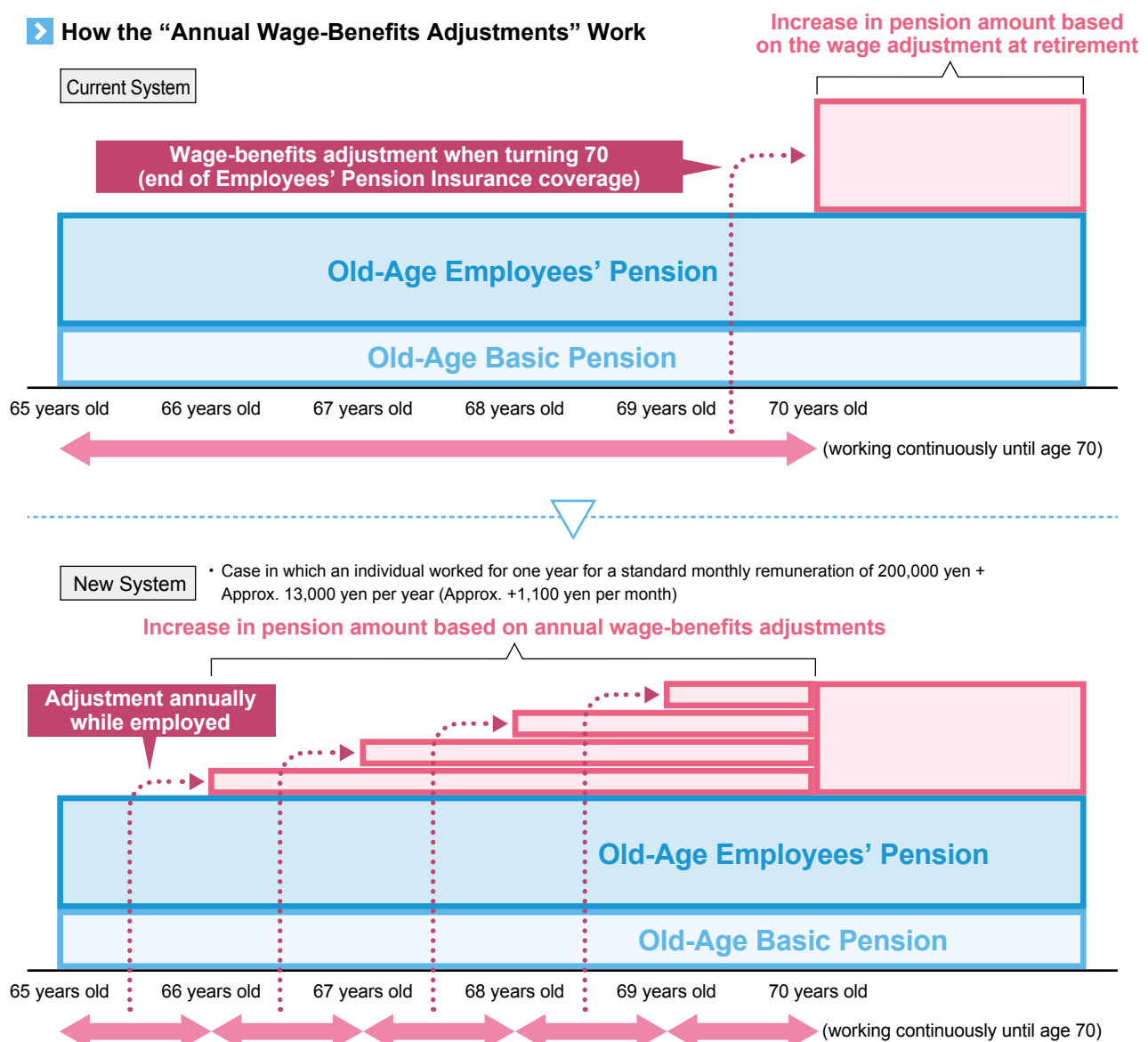
(4) Other Reform

New system	<ul style="list-style-type: none"> Added “unmarried and single parent” to the list of eligible applicants for a full exemption from National Pension contribution payments. (Enacted April 2021) Raised the maximum number of years (from three years to five years) to be accommodated to calculate the amount of Lump-sum Withdrawal Payments which is payable to non-Japanese people who stay in Japan for a short period of time. (Enacted April 2021) The National Pension Handbook has been abolished. Insured persons will receive a Basic Pension Number Notification that informs them of their Basic Pension Number. (Enacted April 2022)
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JPS Response to the Pension System Reform

FY 2020 Major Initiatives	<ul style="list-style-type: none"> With respect to the system revision items in the Pension System Reform Act that take effect April 2021, JPS studied how to conduct administrative processing, developed computer systems and updated operational processing manuals which are necessary for implementation of the revised systems. For publication of pension reform, JPS updated its homepage and added an article on the revisions to the “Announcements from Japan Pension Service,” a publication sent to municipal government and businesses.
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How the “Annual Wage-Benefits Adjustments” Work



COVID-19 Countermeasures

In order to prevent the spread of the COVID-19 pandemic, JPS has established the Japan Pension Service Guidelines for COVID-19 Countermeasures and has been implementing measures from the perspectives of sanitation and labor management, reducing person-to-person contact, and operations/customer service. Whenever a JPS staff member is infected by COVID-19, such infections are published to the JPS website.




Primary Initiatives

JPS created the JPS Guidelines for COVID-19 Countermeasures (June 19, 2020) in response to the spread of the COVID-19 pandemic and based on recommendations from the government's expert advisory body. In addition, JPS implemented the following initiatives primarily via COVID-19 Prevention and Control Councils established at local offices based on these guidelines.

[Key points of the Guidelines]

- Thorough enforcement of mask-wearing and hand sanitizing.
- Business trips and meetings (online meetings, social distancing, creating lists of participants.)
- Placement of antiseptic solutions (front reception desk, waiting areas, restrooms.)
- Elimination of chairs in waiting areas and thorough ventilation
- Steps to control the spread of contagions in staff rest areas
- Requests for customer cooperation in mask wearing
- Responding to the case when staff have been infected

Details of Initiatives

 <p>Sanitation and labor management</p>	<ul style="list-style-type: none"> • Implementation at local offices of basic measures to prevent the spread of COVID-19. <ul style="list-style-type: none"> • Use of masks and face shields, hand sanitizing (disinfecting, washing,) use of acrylic plate partitions in consultation booths, indoor ventilation. • Disinfectants, face shields, and acrylic plates distributed to local offices. • Staff with cold-like symptoms were asked to stay home; staff's health status was monitored and reported. • Creation of a system to enable staff to take leave if they needed to care for primary school-aged children for whom school had been canceled. • Created special exceptions to work hours needed for vaccination purposes.
 <p>Reducing person-to-person contact</p>	<ul style="list-style-type: none"> • Staggered commute times. Implementation of shift systems at local offices in regions subject to state-of-emergency declarations. • Cancellation or postponement of large meetings and training sessions with many participants, or transitioning to video conferencing instead.
 <p>Operations / customer service</p>	<ul style="list-style-type: none"> • As a form of support for students as presented via the Ministry of Health, Labour and Welfare "Protecting Livelihoods" Project Team, JPS hired 116 students as special contracted employees at local processing centers throughout Japan whose job offers have been rescinded and who have lost part-time job income. (As of the end of March 2021) • Regarding the mission-critical operations of visits and requests to visit JPS offices, JPS did not halt door-to-door visits across the board and has generally restarted them out of consideration for the impact of suspended visits. However, in case of a COVID-19 state-of-emergency declaration based on the Act on Special Measures against Novel Influenza. (Act No. 31 of 2012,) door-to-door visits and similar activities shall be suspended in that region, as a general rule. (As of October 2021) <p>Note: These policies are subject to change based on the future state of COVID-19 infections.</p>

With the “Emergency Economic Measures to Cope with COVID-19” as government policy, JPS responded with special payment postponement system for Employees’ Pension Insurance contributions and temporary special measures for the National Pension contribution exemption.

(1) Special postponement system of payments of Employees’ Pension Insurance contributions. (enacted April 30, 2020)

System overview	<p>If an individual experiences income loss due to COVID-19 pandemic in any past period of one month or longer since February 2020, it is possible to apply for one-year postponement of Employees’ Pension Insurance contributions, due between February 1, 2020 and February 1, 2021.</p> <p>This special payment postponement system, once granted, requires no collateral or interest charge on postponed payments.</p>
JPS response	<ul style="list-style-type: none"> Established a temporary call center at Headquarters (Takaide, Tokyo) for consultation service for the special postponement system. Explanation of the postponement system and posting its application forms and instructions on the JPS website, and implementing chatbot service. Sending invitation to use the special postponement system to workplaces which didn’t fulfill the payment during the period stated above. Prioritized efforts on promoting this system resulted in 98,000 workplaces, equivalent to roughly 970 billion yen, which were granted the contribution postponement (as of the end of March 2021.)

(2) Special revision to the standard monthly remuneration due to temporary business closures associated with COVID-19 (Application acceptable from June 26, 2020)

System overview	<p>Individuals whose remuneration has dropped off considerably as a result of temporary work stoppage due to COVID-19 pandemic in the period from April 2020 to December 2021, and who meet certain requirements will see a revision to their standard monthly remuneration for Employees’ Health Insurance and Employees’ Pension Insurance contribution payments in the following month exceptionally, rather than in the typical ad-hoc revision cycle of every four months.</p>
JPS response	<ul style="list-style-type: none"> Explanation of the special revision system on the JPS website, including the application form. Sending invitation to use the special revision system to the workplaces that have been granted the special postponement system. Rapid processing resulted in standard monthly remuneration adjustments being made for approximately 29,000 workplaces and 498,000 individuals (as of August 27, 2021.)

(3) Temporary special measure for National Pension contribution payment exemption. (Application acceptable from May 1, 2020)

System overview	<p>Temporary special measure that enables individuals to apply for National Pension contribution payment exemptions through a simple, accelerated process if they have experienced an acute drop in income caused by the COVID-19 pandemic and their expected income for the current year qualifies for exemption based on standards for National Pension contributions, even if they do not suffer a loss of work or temporary closure of a business.</p>
JPS response	<ul style="list-style-type: none"> Explanation of the temporary special measure on the JPS website, as well as promotion by various types of leaflets. Adding explanation of the special temporary measure on the letters sent out to short-term non-payers to remind payments. 320,000 individuals were benefitted from this measure and were granted postponement as a result of JPS’s active encouragement to individuals who lost their jobs or substantial income. (as of the end of March 2021.)

(4) Extension of deadlines for disability status reports to be submitted by disability pension beneficiaries (as per the ordinance issued by the Minister of Health, Labour and Welfare dated April 28, 2020)

System overview	<p>Disability pension beneficiaries ordinarily need to submit disability status (medical reports) by respective deadline in order to continuously receive benefits. Such deadlines were extended by one year if the respective deadline was between the last day of February 2020 and the last day of February 2021.</p>
JPS response	<ul style="list-style-type: none"> Sending notifications to approximately 260,000 beneficiaries subject to the deadline extensions for disability report submission. Publication on JPS website. JPS continuously paid benefits to eligible beneficiaries subject to the deadline extension. After the January 2021 state-of-emergency declaration, JPS announced on the JPS website that for a certain period it would not suspend disability pension benefits payments for the beneficiaries whose disability status report deadline was on or after the last day of February 2021, even if they did not submit the reports.

Your Pension on Simple and Convenient Nenkin Net!

Nenkin Net is an online individual account service that enables you to easily check your own pension information, anytime and anywhere on your personal computer or smartphone.

What can I do on Nenkin Net?

Check your own pension records	You can check your National Pension records, your covered work history, standard monthly remuneration, and bonuses you have received.
Estimate future pension amounts	Estimate your future pension benefits amount under a variety of scenarios, such as benefits amount while you work or delayed benefits amount
View electronic Pension Coverage Regular Notices (NENKIN TEIKI BIN)	You can electronically view pension records one month earlier than you receive them on paper-based Pension Coverage Regular Notices (NENKIN TEIKI BIN.) These electronic records can also be downloaded.
Check notices and other information	Check direct deposit notices and notifications of pension amounts change. These records can also be downloaded.

And more Easily apply for the reissue of tax deduction slips for public pension, and create and print some reports.

How do I use Nenkin Net?

▶ If you have a My Number Card and a smartphone, it's easy to use Nenkin Net via "My Number Portal".

■ How to use your smartphone to complete initial registration

STEP1 Log in to "My Number Portal"

- (1) Enter your My Number Card digital user ID certification password.
- (2) Scan your My Number Card.
- (3) Login to the "My Number Portal" completed

STEP2 Nenkin Net initial user registration

- (4) Under the "Remarkable Information" section of the "My Number Portal" main page, click icon for pension named "View pension qualification and amount receivable (Nenkin Net)."
- (5) Nenkin Net initial user registration completed



Access
"My Number Portal"
here

<https://myna.go.jp>

▶ You can use Nenkin Net even if you do not have a My Number Card.

- You need to register on the JPS website. Please have your basic pension number ready.
- If you have your "access key", you can start Nenkin Net immediately, with easy registration. You can find your access key on the Pension Coverage Regular Notices (NENKIN TEIKI BIN) which is sent to you in your birth month.

For more information, refer to the Nenkin Net page on the JPS website.

Nenkin Net

Search



https://www.nenkin.go.jp/n_net/

For inquiries, please call dedicated hotline for the Pension Coverage Regular Notices (NENKIN TEIKI BIN) and Nenkin Net.



Service
hours

0570-058-5555

Mondays (or if a national holiday falls on Monday, the first day after the holidays are over): 8:30 AM - 7:00 PM
 Tuesdays - Fridays: 8:30 AM - 5:15 PM Second Saturday of the month: 9:30 AM - 4:00 PM
 ▶ Not available on Sundays, national holidays, Saturdays (excl. Second Saturday of the month,) or Dec. 29 through Jan. 3.



Access and
register on
Nenkin Net here

Chapter 2 FY 2020 Initiatives

This section reports on the Japan Pension Service's initiatives implemented based on its annual plan. JPS implemented many initiatives in FY 2020.

Mission-Critical Operations

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1 Initiatives to Promote National Pension Coverage

All people who are registered residents of Japan and aged between 20 and 59 must be covered by the National Pension system. There is a need to work to reduce the number of individuals who are not covered by the system. JPS's initiatives in FY 2020 to promote National Pension coverage are as follows.

(1) Ensuring Coverage

FY 2020 Plan Overview

- JPS planned to have individuals turning 20 years old be promptly registered in the system as National Pension Category I insured persons, regardless of their submission of applications for coverage. JPS also planned to use videos explaining the pension systems and other measures to promote broader understanding of pension systems in an easy-to-understand way, as well as to expand measures such as encouraging people to use automatic bank account transfers and make advance payments as early as possible.
- JPS planned to use the Basic Resident Registration Network System to identify individuals aged 34, 44, and 54 and encourage them to submit applications for National Pension coverage. If the application was not received by JPS, it would ensure these individuals to be registered as National Pension Category I insured person.
- Moreover, if an insured person fails to submit "category change" report, JPS planned to work to register such persons as National Pension Category I insured persons.

Status of FY 2020 Initiatives

- **Extensive and easy-to-understand explanations of the systems to improve contribution payment rates among younger people**
 - JPS worked to promptly register all 20-year-olds subject to coverage as National Pension Category I insured persons, and sent coverage notifications along with payment invoices and other documents to improve contribution payment rates among younger people. Shared information with municipalities enabled JPS to make phone calls to urging individuals pay contributions, and provide guidance (for approx. 43,000 people) for contribution exemption system.
 - JPS created easy-to-understand videos that provide 20-year-olds with an overview of the National Pension system and its benefits, options to pay contributions, application for contribution exemptions and, and other administrative procedures, and published the video on JPS website in January 2021. JPS also requested cooperation of universities, municipalities, and other organizations to promote broad understanding of these topics.

Outcomes of Initiatives for FY 2016 to FY 2020

Year (FY)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Number of people reaching 20 years of age	1.25 million	1.25 million	1.27 million	1.26 million	1.24 million
Of which, number of people who should be covered as Category I insured persons	1.02 million	1.00 million	1.04 million	1.09 million	1.00 million
Coverage registration done by JPS without application*1	510,000	490,000	560,000	800,000	1.00 million
Application filed	510,000	510,000	480,000	290,000*2	—

*1: These individuals did not file application for coverage but were rather automatically registered in the system for coverage by JPS

*2: Individuals who applied voluntarily before September 2019

- **Coverage registration done by JPS to the people who have not filed registration application**
Additionally, JPS called for submission of registration application by the people aged 34, 44, and 54 years old (identified via the Basic Registration Network System; approx. 4.9 million,) who did not have a basic pension number yet (e.g. because they moved to Japan from abroad,) and those who have been out of coverage for a certain period of time (12 months) after losing their coverage status under Employees' Pension Insurance (Category II insured persons) or as Category III insured persons. If applications were not received in spite of JPS's encouragement, JPS simply registered them (approx. 26,000 people) as National Pension Category I insured persons.
- **Promotion of voluntary category changes**
JPS also encouraged those leaving their jobs as well as their dependent spouses to voluntarily report a "category change" to their status as Category I insured persons. Steps were first taken to encourage registrations two months after they quit their jobs. If applications were not received in spite of JPS's encouragement, JPS simply registered them (approx. one million people) as Category I insured persons.

(2) Coordination and Cooperation with Affiliated Organizations

FY 2020 plan overview

- JPS planned to strengthen its coordination with municipalities in order to improve National Pension registration procedure and to promote proper reporting.
- JPS planned to strengthen its coordination with HELLO WORK (employment offices) to use occasion of the employment insurance explanatory sessions to encourage the submission of National Pension “category change” reports and to explain about special payment exemption systems for the unemployed.

Status of FY 2020 Initiatives

• Strengthening collaboration with municipalities

JPS also created the information magazine “KAKEHASHI” (meaning “bridge”) to provide National Pension updates to municipal government staff in charge, and also gave briefing sessions to explain National Pension registration procedures, requesting them to widely distribute the information among residents. Furthermore, to enhance coordinated efforts, JPS issued blanket requests to municipalities to share insured persons’ phone numbers. This resulted in agreements of 1,475 municipalities as of the end of October 2020, a major increase from 497.

• Strengthened collaboration regarding leaflets in order to promote broad understanding of COVID-19 responsive measures

At information sessions for employment insurance beneficiaries held by HELLO WORK (employment offices,) which were temporarily cancelled due to the impact of COVID-19, JPS worked to create new leaflets regarding temporary exemptions and special payment exemptions for unemployment associated with the COVID-19 pandemic, in addition to existing leaflets, and requested that such information be publicized at HELLO WORK.

(3) Addressing People Unqualified for a Pension or Receiving Low Pension Benefits

FY 2020 Plan Overview

- JPS planned to encourage use of the voluntary coverage system among individuals who are unable to satisfy the eligibility period requirement within the mandatory coverage period.
- JPS planned to consider efficient, effective measures based on the impact of FY 2019 efforts to encourage retroactive payment among individuals turning 27 years old as well as in the 2nd year and 9th year for individuals who have had a period in which they were approved for exemptions and for which they can make retroactive payments.

Status of FY 2020 Initiatives

• Encouraged use of the voluntary coverage system

JPS encouraged 21 thousand people to apply for voluntary coverage and pay contributions while aged between 60 and 65 in order to satisfy required period to receive benefits, whose coverage period during the mandatory coverage term alone would not satisfy eligibility period requirement. This resulted in applications from approximately 1,800 people.

• Effective encouragement of retroactive payment

Based on the results of an examination of retroactive payment applications in FY 2019, JPS also newly targeted for retroactive payment encouragement individuals in their 9 year after being approved for contribution exemption who are still being approved for contribution exemption. Approximately 7.68 million people were encouraged to make retroactive payments, which resulted in a growth in users of the retroactive payment system from approx. 185,000 people last fiscal year to approx. 225,000 this year.

(4) Measures to Cover Foreign Nationals

FY 2020 Plan Overview

- JPS planned to compare information on foreign nationals supplied by the Ministry of Justice with JPS’s own records to encourage people not covered by the pension system to submit applications for coverage and to complete procedures to give them eligibility for coverage if they fail to submit an application.
- JPS planned to continue to expand on explanatory pamphlets on National Pension systems available in a variety of languages in order to provide easy-to-understand explanations of pension systems.

Status of FY 2020 Initiatives

• Extending coverage to specified skilled non-Japanese workers who are not covered by the pension system

In June 2019, JPS worked without exceptions to register specified skilled non-Japanese workers who were not covered by the National Pension and were employed at workplaces that are not classified as Employees’ Pension Insurance-covered workplaces, based on information received as of the end of December 2020 on specified skilled non-Japanese workers and their accompanying families, which JPS received every month from the Immigration Services Agency of Japan.

• Improvement of initiatives with the aim of making explanations of systems easier to understand

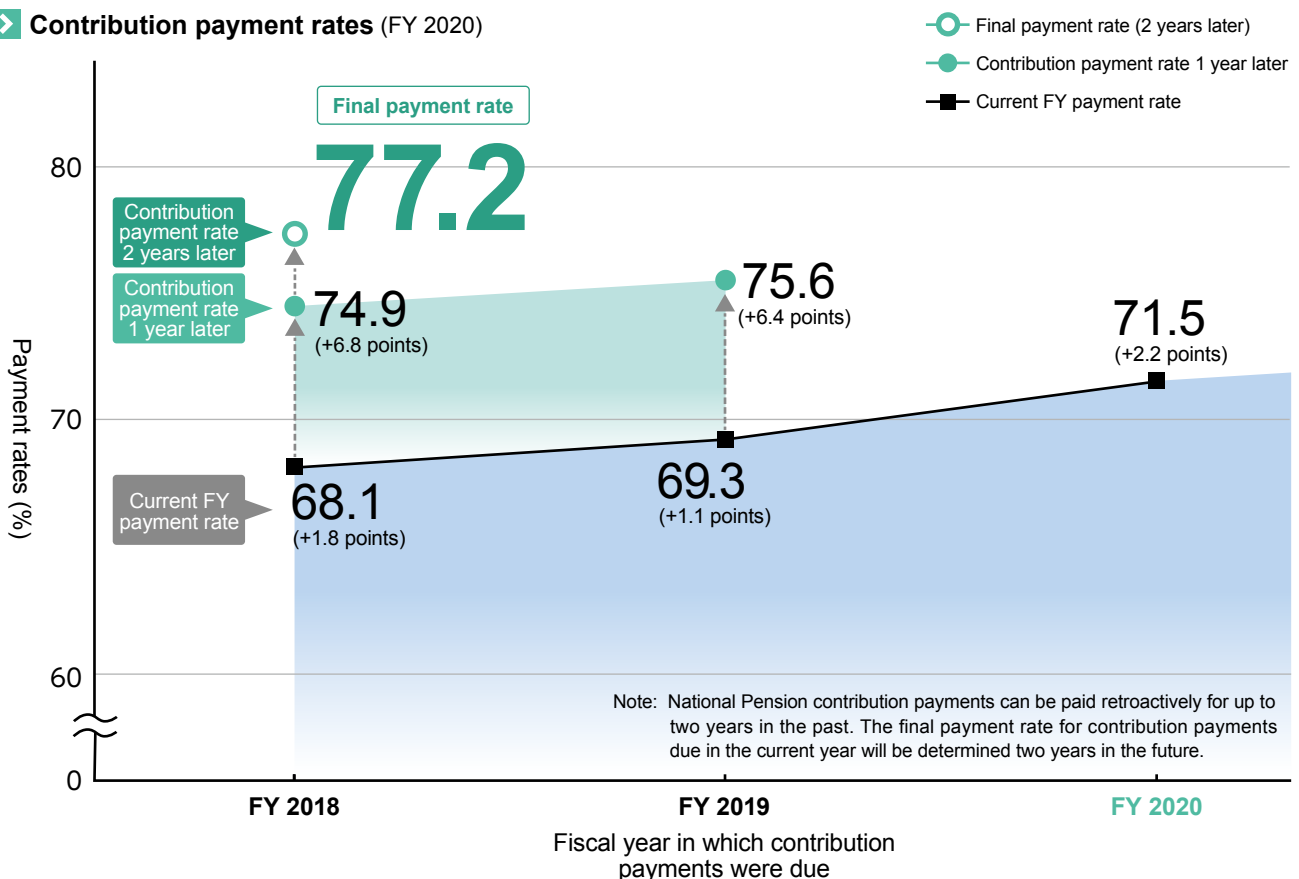
In order to better explain the system to non-Japanese readers in an easy-to-understand way, JPS created the following pamphlets and posted them to the JPS website, in addition to working with the Ministry of Justice to set up a new “Pension / Social Insurance” category on the “Daily Life Support Portal for Foreign Nationals” on the Immigration Services Agency of Japan website.

- JPS has created educational pamphlets on National Pension systems in 14 languages thus far for the purpose of enabling non-Japanese residents to complete the various procedures without issue.
- In March 2021, JPS created new explanatory pamphlets for “National Pension insured person reports” and “National Pension coverage encouragement letters” in 14 languages.

Initiatives to Improve National Pension Contribution Payment Rates

Underlying the public pension system is an intergenerational support system (pay-as-you-go system) in which the working-age population's pension contribution payments fund the elderly population's pensions. Reducing the numbers of those who are not making National Pension contribution payments (non-payers) and improving contribution payment rates are essential to ensuring the systems function correctly. The continued implementation of the initiatives described here has boosted contribution payment rates every year, with the current-year payment rate reaching 71.5% and the final payment rate reaching 77.2% in FY 2020.

> Contribution payment rates (FY 2020)



Column

Why Are National Pension Contribution Payments Mandatory?

There are risks in life for all of us. However, it is difficult to predict how long we will live or when something drastic might occur. That is why we need to prepare - but it is not easy to prepare enough savings or personal pensions for this purpose. The public pension system serves as a safety net that ensures all people of/in Japan a safe and stable livelihood. For that reason, failing to make your National Pension contribution payments will mean you cannot receive pension benefits later.

If you don't make contribution payments...

- You will be unable to receive Old-Age Basic Pension benefits in the future (or your benefits will be reduced.)
- You will be unable to receive disability pension benefits when disabled.
- Survivors will be unable to receive survivors' pension benefits when you die.
- Late fees will be applied to contributions, or you may be subject to seizure of property.

The public pension provides a safety net against unexpected events. If you do not make contribution payments, then the system cannot guarantee you a stable and secure future.



(1) Contribution Collection Initiatives for Specific Types of Non-payers

FY 2020 Plan Overview

- JPS established the following targets with the aim of securing a current-year payment rate between 70-79% while pushing the final payment rate above 76%.
 - Secure a roughly 1.0 point increase in the current-year payment rate for FY 2020 contributions relative to the previous year.
 - Secure at least a 5.0 point increase in the contribution payment rate for FY 2018 contributions as of the end of FY 2020, relative to the payment rate for those contributions as of the end of FY 2019.
 - At least 8.0 point increase in the final payment rate for FY 2018 contributions relative to the current-year payment rate for those contributions in FY 2018.
 - Secure higher rates of payment by automatic bank account transfer and credit card than last fiscal year.

Status of FY 2020 Initiatives

• Promptly encouraged use of the contribution exemption system in connection with the COVID-19 pandemic

As the COVID-19 pandemic forced JPS to make changes to initially planned measures (e.g. changing the content of Special Payment Reminders and halting compulsory collection,) JPS promptly encouraged the use of temporary contribution exemptions* and special payment exemption systems for unemployment by those who have experienced a rapid decline in income or lost their jobs. JPS responded accurately to the demands of society at large and in FY 2020 strengthened initiatives targeting new non-payers and individuals turning 20 years old.

* Special contribution exemptions are applied for individuals whose income has declined due to COVID-19 and are estimated to reach an income level for the current year that satisfies requirements for National Pension contribution payment exemptions or similar.

• Achieved the target contribution payment rates

These efforts resulted in the increase of the current-year payment rate for FY2020 contribution payments to 71.5% (+2.2 points relative to the previous year,) the increase of the contribution payment rate for FY 2019 contributions at the end of FY 2020 to 75.6% (+6.4 points relative to the end of FY 2019,) and the increase the final payment rate of FY 2018 contributions to 77.2% (+9.0 points relative to the FY 2018 current-year payment rate.) All of these exceeded targets.

• Provided guidance to those making contribution payments in cash regarding the use of automatic bank account transfers and other such tools

JPS promoted the use of automatic bank account transfers and credit cards to make contribution payments through both the existing initiatives in place as well as through efforts targeting individuals paying in cash, timed to coincide with these individuals' 20th birthdays when they become qualified for coverage, the end of a period in which the Special Payment System for Students was used, and other such timings. These initiatives resulted in a total automatic bank account transfer and credit card usage rate of 39.4%, topping that of the previous fiscal year.

• Built a convenient contribution payment infrastructure

JPS continued to include explanations of how to make payments at convenience stores, by internet banking, or by credit card on the backs of payment notices and included leaflets to promote usage of those payment methods.

➤ Rates of payment by automatic bank account transfer or credit card

Year (FY)	FY 2019	FY 2020	Relative to previous FY
Automatic bank account transfer	33.5%	33.9%	+0.4 points
Credit card usage rate	4.5%	5.5%	+1.0 point
Total	38.0%	39.4%	+1.4 points

➤ Status of payment by convenience store, internet banking, and credit card

Year (FY)	FY 2019	FY 2020	Relative to previous FY
Convenience store	15.28 million cases	15.42 million cases	+0.9%
Internet banking	2.80 million cases	2.96 million cases	+5.7%
Credit card	2.29 million cases	2.61 million cases	+13.8%
Total	20.38 million cases	20.99 million cases	+3.0%

(2) Measures for Young People

FY 2020 Plan Overview

- JPS planned to build an environment that makes it convenient to make payments in order to increase contribution payment rates among young people, in addition to encouraging people to submit automatic bank account transfer applications once their period covered by the Special Payment System for Students comes to an end.
- JPS planned to send out special dedicated payment reminders that have had their content revised to be more effective on non-payers.

Status of FY 2020 Initiatives

- **JPS accurately chose effective timings to encourage people to make contribution payments and apply for automatic bank account transfers.**

JPS encouraged people to promptly submit applications to use automatic bank account transfers and other such payment methods to make contribution payments by timing such messaging at individuals' 20th birthdays when they become qualified for coverage or at the end of a period in which the Special Payment System for Students was used. JPS also sent out payment reminders to non-payers based on their contribution payment status as of their 20th birthday when they become qualified for coverage or at the end of a period in which the Special Payment System for Students was used, and sent out special envelopes designed to encourage reading to heads-of-household with joint payment obligations as a way of encouraging them to make contribution payments.

(3) Measures for Long-term Non-payers

FY 2020 Plan Overview

- JPS planned to send payment reminders to insured persons with 24 unpaid months who have made a certain number of months of contributions to indicate the amount of time remaining before each such person attains eligibility.
- In order to extend coverage to Category I insured persons who could be covered by Employees' Pension Insurance, JPS planned to conduct employment status surveys among long-term non-payers with a certain level of income.

Status of FY 2020 Initiatives

- **JPS successfully eliminated 24-month non-payers by sending out payment encouragement and other notices**

JPS sent notices encouraging contribution payment / exemption to 26,000* 24-month non-payers who are close to fulfilling eligibility requirements (between 50-59 years old and with 84 to 119 months in their eligibility period.) Additionally, phone calls and door-to-door visits were made to individuals who did not respond to these mailings to encourage payment / exemption. As a result of these efforts, as of the end of March 2021, approximately 8,000 people had made contribution payments or applied for exemptions, and 3,000 of those fulfilled the eligibility requirements for the old-age pension.

- **Employees' Pension Insurance coverage provided via workplace inspections**

Based on the results of employment status surveys implemented March 2020, JPS conducted workplace inspections (inspections of covered workplaces and implementing coverage guidance at workplaces lacking coverage) at 123 covered workplaces and 396 workplaces lacking coverage. These efforts resulted in Employees' Pension Insurance coverage for an additional 344 people (125 at covered workplaces, 219 at workplaces lacking coverage.)

* Those who have not made a contribution payment in 24 months (April 2018 to March 2020) as of the end of FY 2019.

(4) Measures Suited to the Circumstances of Each Region

FY 2020 Plan Overview

- JPS planned to build the required systems and implement the required support measures for Okinawa Prefecture, which has lower contribution payment rates than other prefectures.

Status of FY 2020 Initiatives

- **Ongoing Okinawa Project Contribution payment rates improved due to the ongoing Okinawa Project**

In order to improve contribution payment rates and prevent people from falling to unqualified for pensions or receiving low pension benefits in Okinawa Prefecture, where contribution payment rates are low, JPS continued to implement standardized contribution collection measures within Okinawa Prefecture and engage in information-based collaboration with municipalities as part of the Okinawa Project launched FY 2019. These initiatives significantly increased the current-year payment rate for FY 2020 contributions in Okinawa Prefecture to 61.1% (+5.7 points relative to the previous fiscal year's contribution payment rate.)

In prefectures with low contribution payment rates, contribution payment rates tend to be especially low among younger generations. Prepare for future risks by properly making contribution payments once you turn 20 years old.



(5) Consistent Implementation of Compulsory Collection

FY 2020 Plan Overview

- JPS planned to target for compulsory collection and send final ultimatums regarding payment to all individuals, based on contribution payment status, who have an income after applying deductions of at least 3 million yen and have failed to make contribution payments for at least 7 months.
- JPS planned to implement disposition for failure to make contribution payments with respect to individuals who do not voluntarily make contribution payments despite being sent reminder letters.

Status of FY 2020 Initiatives

- Halting compulsory collection in light of the impact of the COVID-19 pandemic**
JPS halted compulsory collection in FY 2020 in light of the impact of the COVID-19 pandemic.

➤ National Pension Contribution Collection Initiatives

This initiative reduces the number of non-payers.

Building a Convenient Payment Infrastructure

Promotion of payment by automatic bank account transfer

- Implementation of discounts for payments by automatic bank account transfer (Beginning Apr. 2005)
- Standardization of the use of automatic bank account transfers for voluntarily covered insured persons (Beginning Apr. 2008)

Implementation of two-year advance payments via automatic bank account transfer

(Beginning Apr. 2014)

Implementation of payment via credit card

(Beginning Feb. 2008)

Implementation of payment at convenient stores

(Beginning Feb. 2004)

Implementation of payment via the internet

(Beginning Apr. 2004)

Implementation of two-year advance payments via cash and credit card

(Beginning Apr. 2017)

Non-payers

Income data from municipalities (acquired from information provision network systems beginning FY 2020)

Targeted for compulsory collection and payment encouragement

Payment encouragement (better quality / more efficient)

Year (FY)	FY 2018	FY 2019	FY 2020
By mail	37.85 million cases	32.72 million cases	35.31 million cases
By phone	25.82 million cases	23.50 million cases	20.89 million cases
In-person visits	5.26 million cases	4.19 million cases	10,000 cases

No response to repeated payment encouragement

Compulsory collection (to eliminate feelings of unfairness and generate ripple effects)

Year (FY)	FY 2018	FY 2019	FY 2020
Final ultimatums	133,900 cases	142,871 cases	42 cases
Reminder letters	81,597 cases	89,615 cases	0 cases
Seizures of property	17,977 cases	20,590 cases	41 cases

- Numbers of cases of final ultimatums, reminder letters, and seizures of property refer to those cases begun in that fiscal year.

➤ Delegation of compulsory collection to the National Tax Agency

Year (FY)	FY 2018	FY 2019	FY 2020
Criteria	Income of at least 10 million yen and delinquency of at least 13 months (Beginning Oct. 2015)		
Result	75 cases	79 cases	0 cases

➤ Payment encouragement outsourced

Year (FY)	FY 2018	FY 2019	FY 2020
By mail	7.56 million cases	5.82 million cases	6.17 million cases
By phone	25.80 million cases	23.48 million cases	20.52 million cases
In-person visits	5.20 million cases	4.12 million cases	0 cases
Total	38.56 million cases	33.42 million cases	26.69 million cases

Eligible for exemptions

Promoting understanding of and encouraging use of the exemption system.

Promote understanding and encourage use of the exemption system and the Special Payment System for Students (program that enables students to postpone pension contribution payments) to ensure people's rights to receive pensions and increase the sizes of pensions.

- Promoting understanding of the exemption system among unemployed individuals through collaboration with HELLO WORK (Beginning Oct. 2004)
- Introduction of the Contribution Payment Postponement System for Youth (Beginning Apr. 2005)
- Expansion of the range of those eligible for payment postponement (Beginning Jul. 2016)
- Relaxation of exemption criteria and approval of retroactive exemptions (Beginning Apr. 2005)
- Revision of the period of validity for retroactive exemptions (Beginning Apr. 2014)
- Simplification of application procedure for exemptions
 - Confirmation of intent to extend current exemption (Beginning July 2005)
 - Simplification of application procedure for exemptions (Beginning Oct. 2009)
 - Simplification of application procedures for income tax non-filers (Beginning Oct. 2014)
- Simplification of application procedures for the Special Payment System for Students (Beginning Apr. 2008)
- Launch of system in which beneficiaries can delegate exemption application procedures to third parties by phone (Beginning Apr. 2016)
- Launch of system providing exemptions from National Pension contribution payments before and after giving birth (Beginning Apr. 2019)

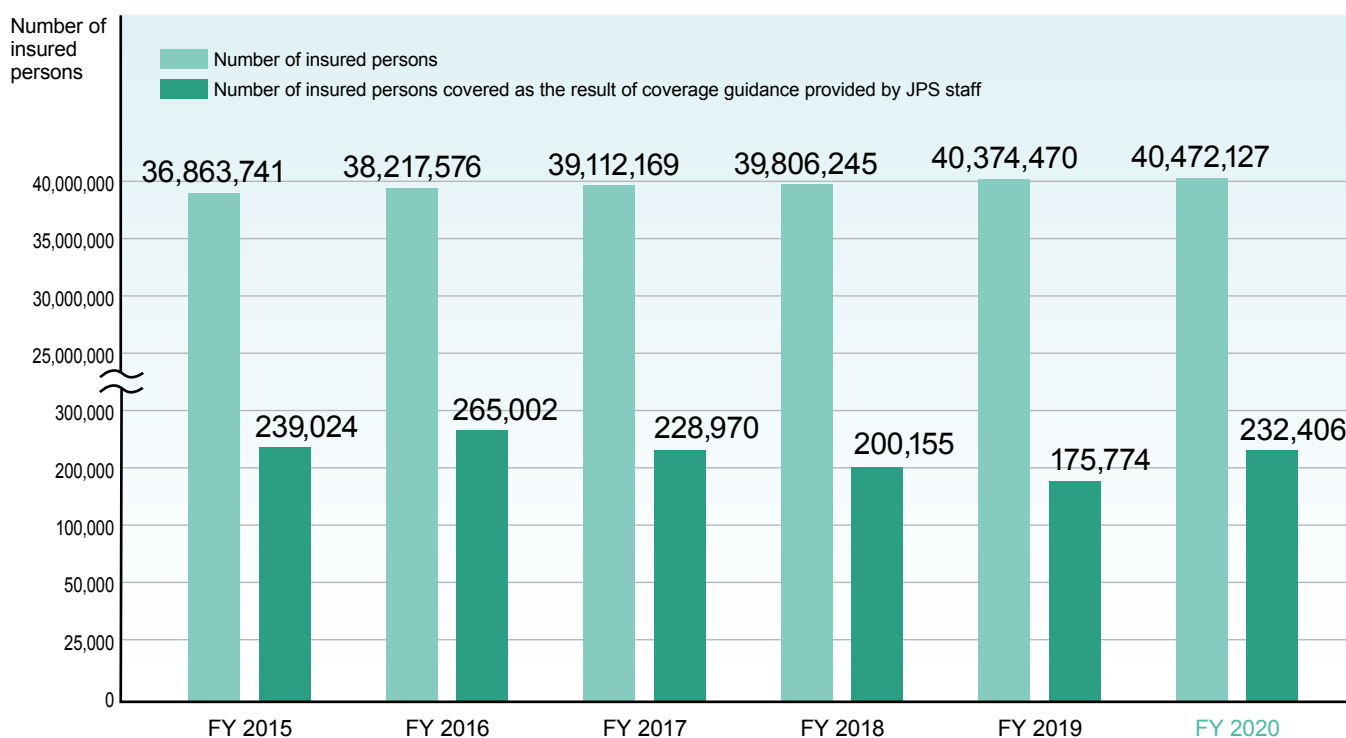
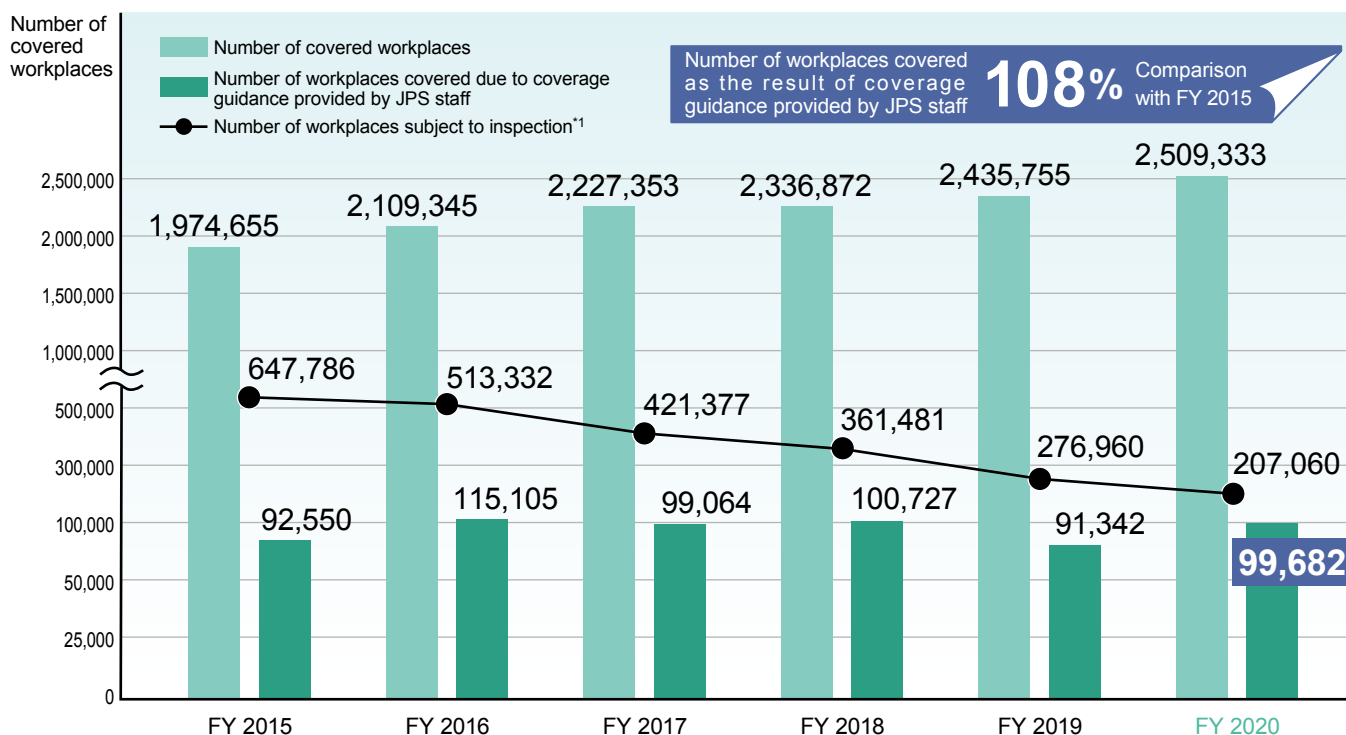
* JPS suspended procedures and door-to-door visits related to compulsory collection in light of the impact of the COVID-19 pandemic in FY 2020.

3

Initiatives to Promote Coverage of Employees' Pension Insurance and Employees' Health Insurance

In general, all corporate workplaces and small business workplaces with at least five regular employees (excluding some industries) are required to be covered by the Employees' Pension Insurance and Employees' Health Insurance system. In order to ensure a fair distribution of the burden on employers and to prevent individuals from falling to unqualified for a pension or receiving only low pension benefits, JPS works to systematically promote coverage at workplaces who have employees that should be covered.

► Status of initiatives since FY 2015



^{*1}: Of such corporate workplaces that employ and pay wages to employees on whom information is provided by the National Tax Agency, workplaces subject to inspection are the subset not covered by Employees' Pension Insurance, according to JPS data

(1) Measures to Promote Coverage of Workplaces That Are Not Covered

FY 2020 Plan Overview

- JPS planned to implement initiatives that utilize information on national tax withholding agents and other information to further reduce the number of workplaces lacking coverage, and to intensively implement such initiatives over a four-year period beginning FY 2020.
- JPS planned to aim coverage extension to all corporate workplaces which employ at least five employees, or workers who are not family members, by utilizing information on national tax withholding agents and employment insurance information. When creating the FY 2020 action plan, the aim was to extend coverage to corporate workplaces that were found to have such employees, including workplaces where it is difficult to contact the employer or business owner.
- For corporate workplaces where the employer or business owner does not respond to coverage encouragement or where investigation is otherwise needed, JPS planned to check on the workplaces' actual conditions through on-site inspection or other type of investigation by the end of FY 2021. Corporate workplaces that were newly discovered as a result of these investigations to have at least five employees or to employ workers who are not family members were targeted for coverage by the end of FY 2023.
- In order to promote coverage in an effective way, JPS planned to revise the procedures for coverage guidance and conducting on-site investigations for difficult-to-contact workplaces, also to register the workplaces without receiving an application in some cases, depending on the results of the on-site investigation.

Status of FY 2020 Initiatives

• Provided guidance based on individual branch office plans

JPS set the target of 82,000 workplaces to newly cover through coverage guidance provided by JPS staff, with individual targets set for specific branch offices. JPS created plans to achieve those targets and worked towards them. In order to help prevent the spread of COVID-19, JPS stopped coverage guidance through on-site workplace inspections and requests to visit JPS offices from the beginning of the fiscal year through September. Instead JPS implemented coverage guidance primarily by mailings and by phone.

• About 100,000 workplaces covered through coverage guidance

In addition to extending coverage to approximately 58,000 newly covered workplaces through coverage guidance using information on national tax withholding agents, JPS also promptly implemented coverage guidance for newly established companies using company registry information, ultimately extending coverage to approximately 100,000 workplaces and 232,000 individuals in total. Additionally, the number of workplaces subject to inspection dropped to approximately 207,000 as of the end of FY 2020, down from approximately 277,000 as of the end of FY 2019.

• Extended coverage to approx. 3,000 workplaces through priority coverage guidance

JPS put coverage guidance priority on corporate workplaces which were discovered to have at least five employees or to employ workers who are not family members when the FY 2020 action plan was established. Of these, coverage was extended to 3,036 workplaces, reducing the number of targets by 5,019 workplaces.

• Investigated non-responding workplaces

When the employer or business owner does not respond to coverage encouragement, JPS initiated necessary status survey by sending questionnaires to check on actual conditions of the workplaces. This effort reduced the number of workplaces subject to status survey to 146,287 from 222,583 at the end of FY 2019.

Column

Are Full-time Regular Employees (Seisha-in) the Only Ones Covered by Employees' Pension Insurance?

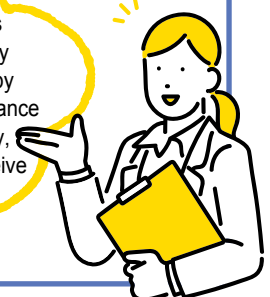
Employees' Pension Insurance covers both private company employees and public-sector employees. Part-timers are also eligible for coverage if they satisfy certain conditions.

For example, individuals are eligible for coverage if they work full-time hours like regular employees, or if their prescribed working hours per week and prescribed working days per month are at least 3/4 that of regular employees working at the same workplace. Additionally, even if individuals have prescribed working hours less than 3/4 that of regular employees, prescribed working days less than 3/4 that of regular employees, or where both of these are true, those individuals can still be eligible for coverage if all of the following five requirements are met.

Requirements for Employees' Pension Insurance coverage

1. Prescribed working hours of at least 20 hours per week
2. Employment period expected to be at least a year
3. Monthly wages of at least 88,000 yen
4. Not a student
5. Employed at a specific covered workplace or voluntary specific covered workplace (Includes all covered workplaces belonging to a national or local government body)

People under 70 years of age who are regularly employed are covered by Employees' Pension Insurance regardless of nationality, sex, or whether they receive pension benefits.



(2) Measures to Improve Coverage through Workplace Inspections

FY 2020 Plan Overview

- JPS planned to conduct workplace inspections at all covered workplaces within the Mid-term Plan period, as a general rule. The inspection were categorized into on-site inspections, mail survey (questionnaires), and hearing inspections at JPS branch offices, and effectively conducted by prioritizing workplaces based on the number of employees and other factors.
- For large workplaces, JPS planned to strengthen collaboration between headquarters and branch offices, and to implement inspections through effective, efficient on-site visits.
- JPS planned to initiate inspections of workplaces employing non-Japanese workers but discovered not yet covered, using non-Japanese workers information shared by the Ministry of Justice.

Status of FY 2020 Initiatives

• Implemented workplace inspections aiming to cover around 2.4 million workers

At the beginning of FY 2020, JPS had halted workplace inspections and office surveys due to the COVID-19 pandemic. Instead JPS used primarily mail surveys with the aim of conducting workplace surveys, equivalent to a total of 2.4 million workers. Beginning November 2020, while taking thorough precautions against COVID-19, JPS resumed on-site inspections starting with high-priority workplaces and other workplaces which responded to the survey.

• Implemented contactless inspection systems

The COVID-19 pandemic forced JPS to postpone inspections of large workplaces. Beginning in July, JPS requested 11 workplaces to electronically submit documents in response to survey and conducted contactless data surveys, not by on-site inspections or JPS office visits. JPS also worked to clarify decision-making criteria used in inspections.

• Promoted accurate coverage for specified skilled non-Japanese workers

Beginning June 2019, JPS began checking on Employees' Pension Insurance coverage status using information on specified skilled non-Japanese workers and their accompanying families, which is monthly provided by the Immigration Services Agency of Japan. Through the end of December 2020, of the approximately 16,000 individuals with the "Specified Skills" visa, coverage was promptly extended to 31 individuals who were not covered by Employees' Pension Insurance despite being actually employed at covered workplaces. Furthermore, JPS also used multilingual pamphlets and other materials to promote understanding of pension systems among non-Japanese readers.

➤ Status of workplace inspection initiatives

Target number of insured persons	Number insured persons at inspected workplaces	Number of workplaces inspected
2,400,000	3,173,728	234,321

➤ Workplace inspection identification status

Number of workplaces identified for targeting by initiatives ^{*2}	Matters related to coverage / loss of coverage	Matters related to remuneration
	15,395	70,940

Number of insured persons covered as the result of JPS inspection

19,725

^{*2}: Workplaces identified for targeting by initiatives: This refers to workplaces for which proper registrations/reporting were finally made as a result of workplace inspections. (Including workplaces for which JPS made corrections or registrations without receiving applications/reports from the workplace.) These inspections checked whether proper registration application/reporting had been made for insured persons' eligibility and remuneration, and identified omissions or errors in registration applications/reporting.

(3) Acceleration of Administrative Processing for Registrations and Reports

FY 2020 Plan Overview

- In order to promote the rapid issuance of health insurance cards, JPS planned to accelerate the process by setting targets for the lengths of administrative processing periods for applications and conducting progress management on a monthly basis.
- For e-applications for coverage registration and other applications pertaining to those covered by health insurance, JPS aimed to submit eligibility information within three business days to the Japan Health Insurance Association, as a general rule.

Status of FY 2020 Initiatives

• Successfully accelerated the processing of e-applications

JPS prioritized the processing of registration applications and similar documents, in addition to implementing IT system improvements to further accelerate the processing of e-applications. This resulted in a general reduction in the average number of days required for processing compared to April 2019. Of these, the average number of days required for the processing of e-applications in particular was far less than the target of three business days.

E-applications made over the internet are a convenient method by which customers can complete the necessary procedures from any location, 24 hours per day. The JPS website features explanatory videos, pamphlets, and other information on e-applications.



➤ Average Number of Processing Days by Registration Application/Report Type

Registration applications						
Type	E-application		Electronic media		Paper	
Year (FY)	Apr. 2019	Apr. 2020	Apr. 2019	Apr. 2020	Apr. 2019	Apr. 2020
Average number of processing days	3.3	1.4	2.3	1.6	4.2	5.1

Report for dependent person change						
Type	E-application		Electronic media		Paper	
Year (FY)	Apr. 2019	Apr. 2020	Apr. 2019	Apr. 2020	Apr. 2019	Apr. 2020
Average number of processing days	2.8	1.9	2.5	1.5	4.1	6.0

Note: The "processing days" is the length of the period from the day after the registration application/report is received by JPS to the day on which pension eligibility is confirmed. The period does not include the period of time required by the Japan Health Insurance Association to create the health insurance card.

Initiatives for Contribution Collection for Employees' Pension Insurance and Employees' Health Insurance

The contribution collection rate for Employees' Pension Insurance has been at a high level ever since JPS was founded. JPS continues to conduct contribution collection in a fair and equitable way and improve its performance. In FY 2020, JPS prioritized acting promptly and flexibly with sufficient consideration of individual circumstances and with compassion, such as by promoting the application of special payment postponement* for workplaces affected by COVID-19 to pay pension contributions.

(1) Initiatives to Achieve Target Contribution Collection Rates

FY 2020 plan overview

- JPS planned to maintain or improve contribution collection rates relative to the previous fiscal year.

Status of FY 2020 Initiatives

Responding to the impact of COVID-19

JPS engaged in a flexible review of contribution collection measures for Employees' Pension Insurance in FY 2020 in light of the impact of COVID-19. If a workplace reports its difficulty with contribution payments due to the impact of COVID-19, JPS provided guidance on and encouraged application for special payment postponement. This resulted in the application of special payment postponement to approximately 98,000 workplaces and payment postponement totaling approximately 970 billion yen (as of March 26, 2021.)

Excluding postponed payments, contribution collection rates are roughly level with the previous fiscal year

JPS conducted prompt and flexible contribution collection operations, taking into consideration workplace circumstances and with compassion, such as by promoting the application of special payment postponement for workplaces affected by COVID-19 to pay pension contributions. This resulted in contribution collection rates as follows.

Employees' Pension Insurance contribution collection rate

The collection rate was 97.5% in FY 2020, a drop from the previous fiscal year. However, removing the 584.2 billion yen approved for special payment postponement and the legal postponement system, the contribution collection rate was 99.3% and equal with last fiscal year's rate.

Health insurance contribution collection rate

The contribution collection rate for the Employees' Health Insurance managed by the Japan Health Insurance Association (including past years' portions) reached 96.8% in FY 2020. Removing 213.8 billion yen approved for special payment postponement and the legal postponement system, the contribution collection rate was 98.8%.

Employees' Pension Insurance contribution collection rate

Year (FY)	FY 2019	FY 2020	FY 2020 (Removing postponed amounts approved by special / legal postponement systems)
Confirmed contribution amount to be collected	32.9209 trillion yen	32.8717 trillion yen	32.2875 trillion yen
Contributions collected	32.6197 trillion yen	32.0612 trillion yen	32.0612 trillion yen
Collection rate	99.1%	97.5%	99.3%

Employees' Health Insurance contribution collection rate

Year (FY)	FY 2019	FY 2020	FY 2020 (Removing postponed amounts approved by special / legal postponement systems)
Confirmed contribution amount to be collected	10.6997 trillion yen	10.7665 trillion yen	10.5527 trillion yen
Contributions collected	10.5249 trillion yen	10.4235 trillion yen	10.4235 trillion yen
Collection rate	98.4%	96.8%	98.8%

* Enacted April 30, 2020. In case of income loss over the inspection period (one month or longer) occurring in or after February 2020 due to the effects of the COVID-19 pandemic, it is possible to apply to postpone for one year contribution payments due between February 1, 2020 and February 1, 2021. No collateral is necessary and no late fees will be assessed.

(2) Payment Guidance, Suspension of Conversions Into Cash, and Delinquency Dispositions for Delinquent Workplaces

FY 2020 plan overview

- JPS planned to take appropriate action as suited to the delinquent workplace's individual circumstances and based on the relevant laws and regulations, when delinquent workplaces report difficulty making a contribution payment.

Status of FY 2020 Initiatives

• Rapid switch from special payment postponement and the legal postponement system

JPS encouraged workplaces to apply for special payment postponement when they claimed it was difficult to make contribution payments due to the impact of COVID-19. Beginning March 2, 2021, the postponement periods (one year) for special payment postponement began coming to an end, starting with contributions originally due January 2020. Therefore, JPS moved to rapidly switch over to the legal postponement system, notifying customers three months before scheduled end dates. JPS conducted payment consultations with full consideration for customers' individual circumstances and with compassion as it worked to transition to the legal postponement system.

➤ Use of the payment postponement system

Year (FY)		FY 2018	FY 2019	FY 2020
Payment postponement		10	15	39
Special payment postponement		—	—	97,877
Suspensions of conversion into cash	By applications	623	732	2,850
	Implemented without application	120	144	4,919

➤ Number of delinquent workplaces

Year (FY)		FY 2018	FY 2019	FY 2020
Number of delinquent workplaces		133,807	142,139	160,308
Delinquent workplaces' proportion of all covered workplaces		5.7%	5.8%	6.4%

- The number of delinquent workplaces has increased dramatically to 160,308, and of those, 54,579 workplaces have been subject to special payment postponement only. JPS engaged in proper payment consultations with workplaces, including regarding switching over to the legal postponement system.

• Overall suspension of compulsory collection

In light of the major impact of COVID-19 on covered workplaces, JPS suspended compulsory collections in general, except in cases where workplaces have gone bankrupt. Due to this, only 3,357 workplaces were targeted for seizure of property in FY 2020 (compared to 33,142 in FY 2019).

• Contribution payment postponement system for torrential rain disasters

At workplaces that have suffered due to the torrential rains of July 2020, JPS thoroughly checked into the individual circumstances of each workplace and utilized the contribution payment postponement system and other forms of disaster response.

JPS prioritized use of special payment postponement. As of the end of March 2021, this has resulted in the use of special payment postponement at approximately 98,000 workplaces that are facing trouble making pension contribution payments due to COVID-19, amounting to 970 billion yen postponed.



(3) Contribution Collection Enhancement for Difficult-to-Collect Workplaces

FY 2020 plan overview

- JPS planned to improve its contribution collection systems, centered on the Contribution Collection Special Enforcement Department at headquarters, to handle difficult-to-collect workplaces with long-term, delinquency and eliminate their delinquencies.

Status of FY 2020 Initiatives

- Transfer of control to the Contribution Collection Special Enforcement Department to provide payment guidance for all delinquent workplaces**

JPS transferred control over handling difficult workplaces to the Contribution Collection Special Enforcement Department to provide payment guidance for all delinquent workplaces. JPS promptly transferred control over workplaces that are facing difficulty in payment of contribution due to the effects of COVID-19, applying both special payment postponement and the legal postponement system while promoting improvement of contribution payment plans based on the recovery status of workplaces' financial resources. This resulted in total delinquent payments (including late fees) of 6.8 billion yen as of the end of FY 2020, an increase of 300 million yen compared to the beginning of the fiscal year. Removing monetary amounts approved as special payment postponement and the legal postponement system, there was a drop in delinquent payments (incl. late fees) of 3.6 billion yen.

➤ Number of delinquent workplaces

Cases handled by the Contribution Collection Special Enforcement Department	Cases overseen for FY 2020			End of FY 2020		End of FY 2020 (Removing monetary amounts approved as special / legal postponement)
	Carried over from the previous fiscal year	Cases transferred over for FY 2020	Total		Special / legal postponement systems	
Number of workplaces overseen	95	109	204	145	123	—
Total of delinquent amounts (incl. late fees)	3.1 billion yen	3.4 billion yen	6.5 billion yen	6.8 billion yen*	3.9 billion yen*	2.9 billion yen*

* Includes the delinquent amounts of workplaces which have been transferred during the fiscal year.

- Improved the branch offices' operational system for special payment postponement and the legal postponement system**

In light of increasing numbers of delinquent workplaces, JPS improved the branch offices' operational system to promote the use of special payment postponement and the legal postponement system.

(4) Training of Contribution collection Staff

FY 2020 plan overview

- JPS planned to conduct job-specific administrative staff training to cultivate high expertise.

Status of FY 2020 Initiatives

- Video training of contribution collection staff to cultivate high expertise**

Due to COVID-19, JPS suspended face-to-face training for FY 2019 and instead implemented "contribution collection training" in a video format for 1,225 staff members.

- Training for operating special payment postponement and the legal postponement system**

The Contribution Collection Special Enforcement Department shared information on examples of difficult cases that were handled with good results. It also conducted practical administrative training to promptly initiate the operation of special payment postponement and the legal postponement system, in response to local needs.

(5) Promoting Systemization of Contribution Collection Operations

FY 2020 plan overview

- JPS planned to consolidate support tools for contribution collection operations and gradually begin operations in FY 2020, while promoting the systemization of contribution collection operations with the aim of analyzing trends among delinquent workplaces and the effectiveness of JPS initiatives.

Status of FY 2020 Initiatives

Integration of data in order to reduce the work involved in data input operations

By importing workplace data and delinquency data (hereinafter “workplace data”) into support tools that assist in the creation of contribution collection-related documentation used for compulsory collection, JPS was able to reduce the work involved in data input operations and make it easier to create documents. Additionally, JPS consolidated nine support tools and aggregated databases to enable users to import tool-specific workplace information and input basic data all at once.

Added data to systems to monitor the status of workplaces for which payments have been postponed

JPS imported an increasing amount of data into systems, including data of the postponement periods related to special payment postponement and the legal postponement system, and used that data to monitor the status of workplaces for which payments have been postponed.

(6) Promotion of Payment by Automatic Bank Account Transfer

FY 2020 plan overview

- JPS planned to promote the use of automatic bank account transfers to pay pension contributions, in addition to encouraging newly covered workplaces to pay them via automatic bank account transfers.

Status of FY 2020 Initiatives

Promoted pension contribution payments by automatic bank account transfer

JPS ensured that newly covered workplaces were encouraged to use automatic bank account transfers for payment. In addition JPS phoned the workplaces which had not applied for the automatic bank account transfer and urged them to do so. However, due to the temporary suspension of payment by automatic bank account transfer as a result of requests from workplaces receiving special payment postponement, the rate of automatic bank account transfer usage for FY 2020 was 81.0% (0.8 points decline from last fiscal year) for Employees' Pension Insurance and 80.7% (1.2 points decline from last fiscal year) for the Employees' Health Insurance managed by the Japan Health Insurance Association.

Column

The Special Payment Postponement System Under COVID-19

The COVID-19 pandemic, yet raging across the globe, continues to have a major impact on the livelihoods of the people and business. JPS has responded to these circumstances by introducing the special system that enables individuals who have experienced a major drop in income to postpone payment of a year's worth of Employees' Pension Insurance contribution payments and other payments without collateral or penalties. JPS is implementing prompt and flexible contribution collection initiatives such as encouraging eligible employers and business owners to submit applications. These efforts caused lower contribution collection rate in FY 2020 than that in FY 2019. However, removing monetary amounts approved for special payment postponement and the legal postponement system, the contribution collection rate was equal with last fiscal year's rate.

Even if a workplace is ineligible for special payment postponement, schemes that enable installment payments (“special payment postponement” and “suspension of conversion into cash”) may be approved in specific circumstances, such as if a workplace has experienced significant loss of property.



5 Pension Benefits Initiatives

In FY 2020, in order to properly manage the complex pension system and promote accuracy in pension benefits payments and improvements to customer services, JPS worked to strengthen consultation service systems at branch offices, determine responsibility for benefits entitlement decisions, establish headquarters operation system to check the content of benefits entitlement decisions, and implement staff training to support benefits payment operations. Additionally, JPS restructured benefits payment operation system and implemented tailored, age-specific service to encourage applications.

(1) Improving Operational Structure for More Accurate Benefits Payments

FY 2020 Plan Overview

- In order to establish integrated systems centered on the Central Pension Center, JPS planned to set up appropriate system to each roles of branch offices, local processing centers, and the Central Pension Center.
- JPS planned to set up a department to reexamine the entitlement decisions in order to ensure accurate pension benefits payments and to promptly detect erroneous payments.
- JPS planned to improve the personnel system for the pension consultation service in order to maintain a stable consultation service.

Status of FY 2020 Initiatives

- **Began consolidating and streamlining pension benefits payment operations**
With control over pension benefits eligibility examination operations having been successfully transferred, JPS began examining and preparing to consolidate pension benefits payment operations conducted at local processing centers, such as by encouraging the redetermination of entitlements, in order to restructure operational systems and streamline operations.
- **Built systems for checking benefits entitlement decisions after they have been made**
In April 2020, JPS set up the Entitlement Inspection Group in the Central Pension Center in order to ensure accurate pension benefits payments and to promptly detect erroneous payments. Of the old-age, survivors', and disability pension decisions (approximately 1.44 million) made between April 2020 and March 2021, approximately 280,000 decisions prone to administrative errors were checked immediately after the benefits entitlement decisions were made, and steps were taken to prevent or promptly address administrative errors in 279 cases.
- **Promoted a stable pension consultation service system (increased the regular staff allocation rate to consultation services to 96.1%)**
In order to maintain a stable consultation service system supported by staff with thorough knowledge of pension consultations, JPS worked to retain indefinite-term staff for pension consultation service. 607 staffers were placed as of April 2021, consisting 96.1 % of pension consultation booths throughout Japan filled with full-time staff.
- **Studying establishment of simplified consultation service**
In order to manage expanding role of pension consultation service at branch offices, JPS reexamined the roles of the consultation frontline service and back offices. It prepared to establish a frontline function dedicated for simple services, such as the reissuing of notices. JPS also studied revising roles and authorities for each service and function of pension consultation service.

(2) Realizing More Accurate Benefits Payments

FY 2020 Plan Overview

- In addition to encourage people to file pension applications when they turn 60, 65, and 69 years old, JPS planned to expand it to those turning 74 in an effort to eliminate cases where people forgot and failed to claim their pension benefits.
- JPS planned to implement follow-up service for individuals targeted for a “comprehensive inspection of administrative errors in benefits payments.”
- JPS planned to enhance data exchange with mutual aid associations as well as “system check” functionality for pension entitlements.

Status of FY 2020 Initiatives

• Expanded initiatives encouraging old-age pension applications

In addition to the notifications and encouragement to file pension applications that JPS has conventionally sent out to individuals turning 60, 65, and 69 years of age, JPS began encouraging applications among individuals aged 70 years and older (approx. 25,000 people) who have not claimed their old-age pension, including those turning 74 years old. As the result JPS received applications from approximately 22,000 people.

• Began sending information of estimated delayed old-age pension amounts

From April 2022 individuals may opt to delay the pension to the age 75 at the latest, which had been extended from age 70. JPS sent information of estimated delayed pension amounts to individuals aged 66 years and older who have not yet claimed their benefits. Additionally, JPS prepared to send application forms to individuals turning 75 years old.

• Ensuring “comprehensive inspections of administrative errors in pension benefits payments”

If JPS could identify cases subject to “comprehensive inspections of administration errors in pension benefits payments,” JPS inspected them on a case-by-case basis and published the results thereof every month.

• Enhancement of data exchange with mutual aid associations

For more appropriate pension benefits payments, JPS began strengthening data links with mutual aid associations in October 2020. JPS also enhanced “system check” functionality to ensure consistency in entitlement timing for delayed pension benefits from each sources, or choice or combination of respective benefits.

(3) Improvement of Administrative Processing for the Disability Pension

FY 2020 Plan Overview

- In order to achieve more fairness in the disability assessment process, JPS planned to implement a mechanism where more than one certifying doctors would contribute.
- JPS planned to create explanatory documents and enclose them in the disability pension adverse disposition notices.
- JPS planned to re-organize the roles of staff and doctors certifying disabilities, set up a mechanism for sharing information with each other, and reexamine operational systems at the Disability Pension Centers.

Status of FY 2020 Initiatives

• Response to the impact of COVID-19

In order to prevent the spread of COVID-19 and make the disability assessment process more efficient, JPS lent mobile devices to certifying doctors and set up an environment for certifying disabilities remotely.

• Enhancement of Disability Pension Entitlement System

■ System for multiple number of certifying doctors to contribute

In order to ensure more fairness in the disability assessment, JPS in July 2019 implemented a system where multiple number of certifying doctors participate in assessment which particularly required comprehensive medical judgment. This resulted in 2,100 cases in FY 2020, over twice that of last fiscal year.

■ Comprehensive explanatory documents to support adverse dispositions for the disability pension

In October 2019, JPS began sending explanatory documents for adverse dispositions for the disability pension with respect to some disabilities. Beginning April 2020, JPS began sending explanatory documents for all disabilities and worked to promote understanding of assessment results.

• Strengthening the functions and operational systems of the Disability Pension Center

Beginning December 2020, JPS reviewed administrative process of disability pension eligibility examinations and assessment, re-organized the roles of staff and certifying doctors, and revised organizational and personnel systems, preparing for implementation in FY 2021.

• Expanded consultation services for the disability pension

In November 2020, JPS began attaching audio codes to envelopes used to send disability status report forms to help serve beneficiaries with visual impairments. Additionally, JPS considered establishing dedicated contact point or help desks aiming at expanding disability pension consultation services.

(4) Customer Service Improvements

FY 2020 Plan Overview

- JPS planned to improve guidance for various options of receiving pension benefits, such as applications to delay pension benefits.
- JPS planned to properly monitor the level of accomplishment of the service standard* and maintain service standard achievement levels at 90% or higher.

Status of FY 2020 Initiatives

• More communication on various options to receive pension benefits

The proportion of people seeking to delay benefits or waiting on applications increased from around 8-9% before the improved guidance (FY 2018) to around 13-14% in FY 2020, and JPS disseminate information on various options to receive pension benefits. Additionally, beginning April 2022, the age at which individuals can delay the old-age pension will be extended to 75, and for that reason JPS revised leaflets and other materials on delayed pension to be sent together with pension application forms beginning in April 2021.

• Service standard targets achieved for old-age and survivors' pensions

JPS met its service standard achievement target of over 90% for the old-age pension and survivors' pension. Due to COVID-19, JPS suspended on-site assessment of certifying doctors, and among other factors this resulted in a drop in achievement rates for the disability pension to around 60% at the end of August 2020. However, improvements to Disability Pension Center systems enabled JPS to maintain achievement rates of 90% on a month-by-month basis beginning in December, and by the end of FY 2020 achievement rates had recovered to 75.4%.

[Service standard achievement levels]

> Old-Age Pension (FY 2020)

If there is NO need to reconfirm coverage records (Within one month)		If there is a need to reconfirm coverage records (Within two months)	
Avg. days required	Achievement rate	Avg. days required	Achievement rate
23.6	97.5%	31.7	97.4%

> Survivors' Pension (FY 2020)

If there is NO need to reconfirm coverage records (Within one month)		If there is a need to reconfirm coverage records (Within two months)	
Avg. days required	Achievement rate	Avg. days required	Achievement rate
23.6	97.7%	32.6	95.8%

> Disability Pension (FY 2020)

Within three months	
Avg. days required	Achievement rate
80.1	75.4%

* The "service standard" is the standard number of days required after receiving a pension benefits application to determine pension benefits and deliver a Pension Certificate. For the old-age pension and survivors' pension, this standard is "within two months" (or within 2 months if there is a need to reconfirm coverage records.) For the disability pension, the standard is "within 3 months."

(5) Reliable Implementation of a Pensioners Supplementary Benefits System

FY 2020 Plan Overview

- JPS planned to continue to pay accurate benefits to current beneficiaries of pensioners supplementary benefits and to individuals newly qualified for the benefits based on Basic Pension entitlement decisions.
- JPS planned to pay accurate benefits to individuals to be qualified for supplementary benefits due to lower income and other conditions.

Status of FY 2020 Initiatives

- Properly confirmed incomes of supplementary benefits beneficiaries and continued to pay benefits

JPS received income information from municipalities on beneficiaries of pensioners supplementary benefits and continued to pay supplementary benefits to the roughly 7.16 million individuals who meet the requirements to receive benefits.

- Provided guidance on application procedures to individuals newly expected to receive supplementary benefits

JPS received income information from municipalities on individuals who could be eligible to receive supplementary benefits. JPS sent simple postcard-style application forms to the approximately 580,000 individuals who newly met the requirements due to a drop in income or other reason. Moreover, JPS reminded each who have not filed application to do so for three times. As the result approximately 520,000 people claimed their benefits and JPS began payment in December 2020.

- Set up consultation service systems and publicized related information

To accompany postcard style application forms sent out to individuals subject to supplementary benefits, JPS also established the Pensions Supplementary Benefits hotline on October 19, 2020 to address customer inquiries. In order to ensure their application procedures, JPS collaborated with the Ministry of Health, Labour and Welfare to publicize related information through various media including internet ads and Twitter.

➤ Communication activities in collaboration with the Ministry of Health, Labour and Welfare



Public relations via the Ministry of Health, Labour and Welfare and JPS websites
(beginning October 13, 2020)



Publicity via the JPS Twitter
(beginning October 28, 2020)



Posters and leaflets distributed to
JPS branch offices and municipalities
(October 5, 2020)



Communication with municipalities through
the "KAKEHASHI" informational magazine
(November 2020)



Requested welfare institutions for the elderly or
persons with disabilities to properly handle the application
(October 8, 2020)



Publicity via internet ads and physical signage
(Internet ads: Oct. 14 to Dec. 13, 2020.
Signage: Oct. 14 - Nov. 30, 2020.)



Publicity via radio programs
(November 1, 2020)

Pensioners supplementary benefits are additional benefits paid on top of pension benefits to help support the livelihoods of pensioners receiving less than a certain amount of public pension or other income. These benefits are not a single lump sum payment. They can be received on a continual basis as long as the conditions are met.



Initiatives to Address Pension Records Problems

JPS continues to work to regain the public's trust since the pension records problems that occurred at the old Social Insurance Agency. JPS's initiatives on this issue in FY 2020 are as follows.

(1) Checking Pension Records and Investigating Unidentified Records

FY 2020 plan overview

- JPS planned to send out notifications to insured persons who have not replied to records aggregation special mailings (NAYOSE TOKUBETSU BIN) and similar mailings, in order to have them check whether there are omissions or mistakes in their own pension records.
- To resolve pension records problem, JPS planned to take various opportunities such as pension benefits application and coverage status confirmation through Pension Coverage Regular Notices (NENKIN TEIKI BIN) or Nenkin Net, with respect to customers' pension records-related requests and reports.
- JPS planned to properly manage pension records by linking Basic Pension Numbers with "My numbers" (national individual numbers).

Status of FY 2020 Initiatives

Continuous encouragement for self-check on pension records

In order to investigate unidentified records, JPS sent an additional "request for pension records self-check" to persons who had not replied to records aggregation special mailings (NAYOSE TOKUBETSU BIN.) Additionally, JPS continued to encourage people to check their records for omissions and mistakes using Pension Coverage Regular Notices (NENKIN TEIKI BIN). For customers' pension records-related requests and reports made during the pension application process, JPS thoroughly checked records by following the operational processing manual (pension records confirmation chapter.)

Unidentified records declined by 290,000 since last fiscal year

As a result of these initiatives, the number of unidentified records in FY 2020 was 17.94 million, a reduction of 290,000 relative to FY 2019.

▶ Investigation Status of Unidentified Records (50.95 million) (as of Mar. 2021)

Base population: 15.57 million

Beneficiaries: 10.52 million

Insured persons: 5.05 million

Identified records

**Approx.
33.01 million**

(1) Records matched to owners' basic pension numbers: **20.29 million**

(2) Records for deceased persons: **12.72 million**

- Records for individuals determined to be deceased: **7.40 million**

- Records not linked to any pension benefits payments: **5.31 million**

Records under investigation or needing further investigation:

**Approx.
17.94 million**

Decrease of
290,000 from
FY 2019

(3) Records currently under investigation (reply from individual received): ... **4,000**

(4) Owners of records unknown due to lack of reply to records aggregated

special mailings (NAYOSE TOKUBETSU BIN): **6.80 million**

- No reply from the individual: **2.25 million**

- Reply of non-ownership: **1.64 million**

- Undelivered notices: **400,000**

- Other: **2.51 million**

(5) No clue or indication of ownership: **8.39 million**

(6) Records believed to belong to the same individuals as in (3), (4), or (5): ... **2.75 million**

(2) Pension Records: Problem Prevention and Accurate Management

FY 2020 plan overview

- JPS planned to properly manage pension records by linking basic pension numbers with “My Number” (national individual numbers) and similar measures.

Status of FY 2020 Initiatives

- Requested collaboration with linking “My Number” (national individual numbers) to basic pension numbers.**

JPS requested cooperation from employers, municipalities, and individuals and worked to encourage the submission of My Number registration forms. These efforts resulted in the 99.7 % linkage rate of basic pension numbers to My Numbers, consisting approx. 9,000 Category I insured persons; approx. 13,000 Category II insured persons; approx. 1,000 Category III insured persons; and approx. 21,000 pension beneficiaries.

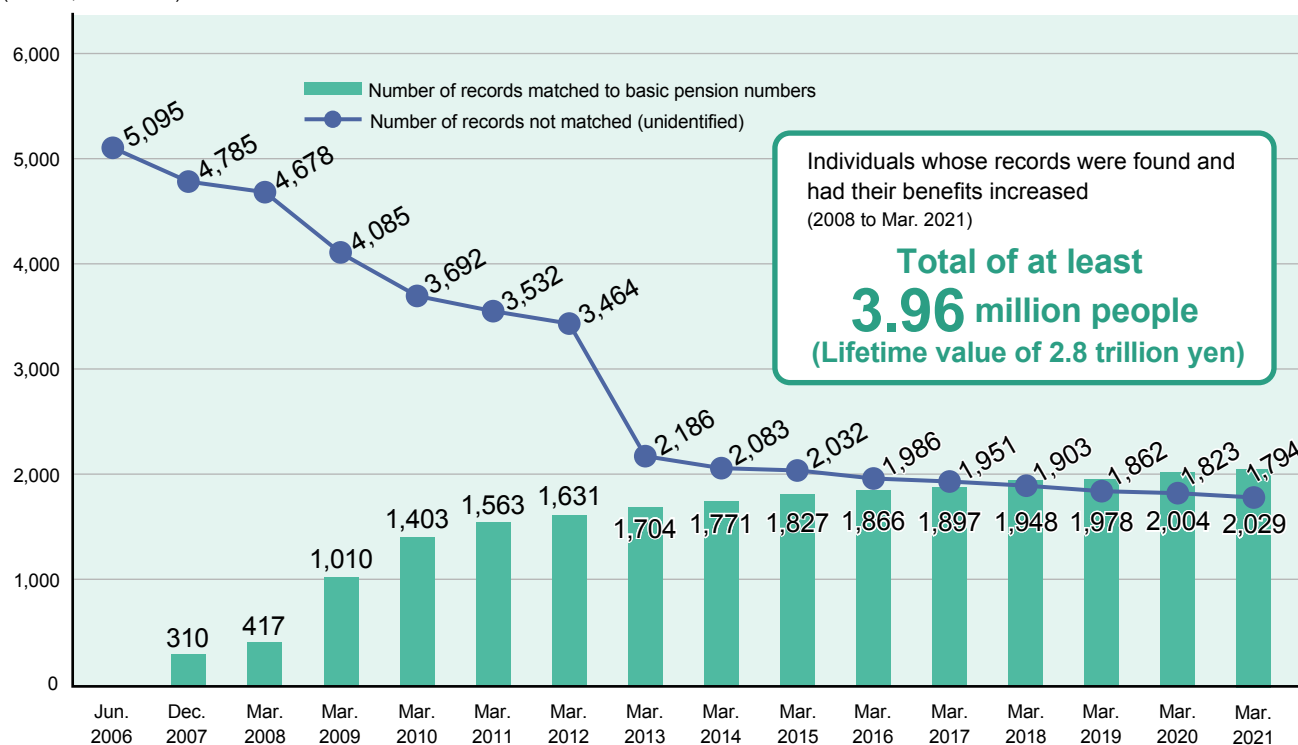
Number of Linkages of Basic Pension Numbers and My Numbers



Investigation Status of Unidentified Records (50.95 million) Over Time

Note: The method of statistical aggregation used was changed in Sept. 2012 (Records for the deceased and records of receiving the withdrawal allowance were classified as “identified records”).

(Unit: 10,000 records)



7 Initiatives to Improve Pension Consultation Service

In order to achieve customer-centric, effective, stable, and accurate pension consultation services, JPS is working to improve its pension consultation service system, reduce waiting times, and address COVID-19. Moreover, JPS provides various types of training to improve the skills of pension consultation staff with the aim of creating a consultation service system that is more satisfying for customers.

(1) Consultations at Branch Offices

FY 2020 plan overview

- JPS planned to revise the number of permanent booths placed at local offices based on the results of analysis of future demand for consultations in light of population fluctuations and other factors.
- In order to maintain a stable consultation service system, JPS planned to actively assign pension consultation staff and promote a system to provide service by regular staff members, pension consultation staff, and labor and social security attorneys.
- JPS aimed to make the appointment system commonly used among people. JPS also planned to improve efficiency in appointment system by excluding cases which do not require substantial service time by making appointment. In this plan, JPS would implement a trial system where a dedicated counter would serve customers with simple procedures without appointment, such as reissuance of various certificates.
- JPS planned to prepare for the launch of a service for taking pension consultation appointments over the internet.
- JPS planned to consider further expansion of consultation services for those in remote locations.

Status of FY 2020 Initiatives

- **Research on permanent consultation booths status with the aim of reducing the number of wait days**
With the increase in the pensionable age for the Old-Age Employees' Pension, the number of visits to JPS branch offices is expected to decrease in FY 2021. However, JPS only slightly reduced the number of permanent consultation booths in order to maintain a stable consultation service system. Additionally, in order to reduce the number of days in waiting times as the appointment system prevails, JPS inspected the management status of local offices and began considering further adjustment of booth numbers and revisions to how to operate the appointment system.
- **Maintained high appointment rates over 95% during the COVID-19 pandemic**
Efforts to promote the appointment system resulted in an appointment rate of 95.6% (+1.7 points YoY) as of the end of FY 2020. JPS took a variety of steps to prevent the spread of COVID-19, thoroughly avoiding crowding in waiting areas, and in the event of an outbreak at a local office, promptly changing customers' appointment dates and times.
- **Survey by hearings toward establishment of dedicated service counter for simple procedures**
JPS conducted hearings on the actual operational status at the branch offices' reception, and considered the establishment of service counter dedicated to simple consultation services that do not require a consultation booth, such as the reissuing of certificates. JPS prepared for the implementation of these initiatives in FY 2021.
- **Prepared for the launch of consultation appointments via the internet**
JPS made IT systems-related, operational, and institutional preparations towards the launch of a service for making pension consultation appointments over the internet.
- **Establishment of video phone consultation service for isolated island regions**
Based on the trial run in the city of Sado, Niigata Prefecture, JPS established video phone consultation service on two isolated islands (Goto, Nagasaki Prefecture and Iki, Nagasaki Prefecture) with a high need for on-site consultations by visiting JPS staff. This service was launched in March 2021.

Keeping branch offices safe to visit

At branch offices and Pension Consultation Centers throughout Japan, JPS is implementing COVID-19 countermeasures to protect the health of our customers and staff. Beginning with thorough management of the health of JPS staff, other measures that JPS has taken to ensure the safety of everyone at branch offices include better cleaning and disinfecting policies for desks and facilities, countermeasures against infection by droplet, and the reduction of the number of chairs in waiting areas.



Reception for pension consultation services
(Shinjuku Branch Office, Tokyo)



Waiting area for pension consultation services
(Shinjuku Branch Office, Tokyo)



Pension consultation video phone service

*Available at local offices listed below:

Sawata Administrative Service Center, Niigata Prefecture
Iki Municipal Office, Ashibe Branch and Goto Municipal Office, Nagasaki Prefecture



Table to fill in pension consultation forms and bulletin board
(Shinjuku Branch Office, Tokyo)

(2) Consultations at Pension Consultation Centers*1

FY 2020 plan overview

- JPS planned to promote the use of Pension Consultation Centers specifically called “small offices” through publicity of related information.
- JPS planned to improve the quality of pension consultation staff by strengthening collaboration with the Japan Federation of Labor and Social Security Attorney's Associations.

Status of FY 2020 Initiatives

- Promoted understanding and publicity using the JPS website and informational magazines

JPS took measures to encourage the use of Pension Consultation Centers, such as posting information on Pension Consultation Centers to the JPS website and the websites of the Japan Federation of Labor and Social Security Attorney's Associations as well as prefectural Associations of Labor and Social Security Attorneys (in the 41 prefectures in which Pension Consultation Centers have been established) to promote public understanding of Pension Consultation Centers.

- Expanded training to build the skills of pension consultation staff

JPS expanded training to improve the quality of pension consultations, including training for pension consultation staff conducted at each Pension Consultation Center at least once per month, and training on the content of pension system reforms and associated revisions in administrative procedures.

- Clarified emergency response standards

JPS consulted with the Japan Federation of Labor and Social Security Attorney's Associations to clarify response standards in the event of a disaster or pandemic emergency.

*1: Pension Consultation Centers are operated by the Japan Federation of Labor and Social Security Attorney's Associations. Pension Consultation Centers provide pension consultation services to visitors only, not phone-in consultation services.

(3) Consultations via Call Centers

FY 2020 plan overview

- JPS planned to continue to engage in flexible call center management and maintain a call center framework that distinguishes by customer attributes and consultation content.
- JPS planned to implement a trial run for the automated conversion of consultation interaction into text using voice recognition tools, and assess the efficiency thereof towards the full launch of this functionality.
- For multilingual support^{*2}, JPS planned to continue providing interpretation services in 10 languages^{*3}.

Status of FY 2020 Initiatives

• Achieve an answer rate over 70%

JPS provided service by purpose-specific call centers, avoided an overconcentration of phone calls by leveling the schedule of massive notices mailing to customers, introduced chatbot, and simplified documentation of consultation records. Such efforts achieved the overall answer rate for all call centers above last year's level and above the fiscal year target of 70%.

• Reduced the work required for tracking consultations by introducing voice recognition tools

In order to further streamline operations, JPS in October 2020 introduced a voice recognition tool that created text records of voice conversation during phone consultation sessions, thereby reducing the work required to document consultation records.

• Provided interpretation services usable for National Pension service at municipal offices

For multilingual support^{*2}, JPS continued providing phone interpretation services in 10 languages. Beginning in October 2020, this service also became available for National Pension purposes at municipal offices and 441 municipalities used the service as of the end of March 2021.

• Achieved higher customer satisfaction scores than last fiscal year

For the second year in a row, a customer satisfaction survey was conducted in the aim of contributing to quality call center services. Questionnaires were sent out to customers in postcard form. Responses were given on a five-tier scale, including "satisfied," "mostly satisfied," "average," "somewhat unsatisfied," and "unsatisfied," and the combined total of "satisfied" and "mostly satisfied" responses accounted for 86.8% of the total (83.0% last fiscal year.) "Somewhat unsatisfied" and "unsatisfied" accounted for a combined total of 3.0% of the total (4.0% last fiscal year,) indicating a higher level of satisfaction than last fiscal year.

^{*2}: Telephone interpretation services used at branch offices and call centers for consultation from customers who are not proficient in Japanese.

^{*3}: English, Chinese, Korean, Spanish, Portuguese, Vietnamese, Tagalog, Thai, Indonesian, and Nepali

➤ Overall Call Center Statistics Over Time

Year (FY)	FY 2018	FY 2019	FY 2020
Total number of incoming calls	10,880,736	11,881,535	10,469,409
Number of calls answered	7,770,721	7,984,711	7,395,303
Answer rate	71.4%	67.2%	70.6%

➤ Major Purpose-specific Hotlines Established in FY 2020

April 2020 to February 2021

Hotline for Employees' Pension Insurance Payment (Postponement)

(Consultation services for inquiries from employers or business owners facing temporary difficulties making Employee's Pension Insurance contribution payments due to the COVID-19 pandemic)

July 2020

Hotline for Natural Disaster Victims

(For inquiries from those affected by the torrential rains of July 2020)

In addition to consultation services in person and over the phone, JPS has also set up a chatbot consultation service on its website. Feel free to use this service at any time. We respond to general customer inquiries in a dialogue format, 24 hours a day.



Initiatives to Promote Understanding of the Public Pension System

JPS implements the local pension communication project, a project led by JPS branch offices throughout Japan to propagate and promote understanding of the public pension system. The local pension communication project is focused on community-based activities implemented in collaboration with communities, companies, schools, and other related organizations.

FY 2020 plan overview

- In order to build correct knowledge and understanding of pension systems which leads people to insurance coverage and pay contributions, JPS planned to promote the propagation and public awareness of pension systems in communities, companies, and schools.
- JPS planned to expand training and contests mainly for young staff members to be the instructors to promote pension system, as well as to revise teaching materials for targeted group and to improve the quality of pension seminars.
- JPS planned to hold regular liaison meetings and training sessions to provide Pension Assistants with sufficient information and enhance support for their activities.

Status of FY 2020 Initiatives

Held virtual pension seminars during COVID-19 pandemic

JPS held 2,125 pension seminars throughout Japan for students at universities, senior high schools. JPS also held 1,083 pension system information sessions for neighborhood councils and companies across Japan. JPS also incorporated virtual sessions using new web conferencing tools and incorporated videos in DVD format in an attempt to continue holding sessions even amidst the COVID-19 pandemic and provided information on new systems and procedures.

Trained especially young staff members to be seminar instructors

JPS conducted training to develop the skills to be instructors and teach important points necessary to lead online pension seminars.

Provided information needed for Pension Assistant activities via informational magazine.

JPS held training sessions for Pension Assistants and liaison meetings for Community Pension Assistant at branch offices throughout Japan. JPS also distributed Pension Assistant activity handbooks and informational magazines providing guidance on systems and procedures, working to provide information necessary to Pension Assistants' activities. Moreover, JPS headquarters also provided information on "special COVID-19 exemptions for Employees' Pension Insurance and National Pension contribution payments" to Pension Assistants throughout Japan.

Changed to training programs using video conferencing systems

JPS changed the way of Pension Assistant training throughout Japan from conventional in-person training sessions to training sessions broadcast via video conferencing systems, which saw a large number of participants.

Distributed information on public pension system during Pension Month

At branch offices throughout Japan during Pension Month (November) and Pension Day (Nov. 30,) JPS dispatched staff members to municipal offices and local schools (e.g. universities, professional schools, senior high schools) to promote understanding about the public pension systems (via pension seminars, information sessions on pension systems. JPS also dispatched staff members to provide on-site pension consultation services needed by the target audience. At headquarters, as well, JPS created videos for pension seminars and posted them to the JPS website, and used Twitter to actively provide basic information on the pension system.

➤ Pension Seminars and Pension System Information Sessions

Type	Number of times held	Details (breakdown of times held)
Pension seminars (for students)	2,125 seminars (3,834 in FY 2019) Including 148 virtual seminars and 848 sessions conducted via DVD	Seminars provided by Regional Pension Promotion Staff^{*1} • Number of times worked as seminar instructors: 199
Pension system information sessions	1,083 seminars (3,028 in FY 2019) Including 165 virtual sessions	Sessions provided by Workplace Pension Assistants^{*2} and Community Pension Assistants^{*3}(based on request) • Number of sessions held at companies: 380 • Number of sessions held at neighborhood councils: 54

^{*1}: Regional Pension Promotion Staff are alumni instructors appointed by JPS to promote correct understanding of the mechanisms and basic concepts of public pension system among the younger generations.

^{*2}: Pension Assistants are appointed by the Minister of Health, Labour and Welfare to provide general overviews of pension systems for new employees and promote understanding of pension systems within a company.

^{*3}: Community Pension Assistants are appointed by the Minister of Health, Labour and Welfare to serve in the community, providing pension consultation services at neighborhood associations and serving as pension instructors at community-hosted training sessions.

9 Improving Customer Service

(1) JPS's "Ten Promises to Our Customers"

Upon its establishment in January 2010, JPS created its core customer service policy titled "Ten Promises to Our Customers." This policy was created as a message to customers as well as the foundation for JPS's spirit of customer service. JPS displays this poster in prominent locations at its offices, in part so that customers can check on the implementation status of the promises it contains.

A "Ten Promises" poster is displayed in a prominent location at a branch office (Shinjuku Branch Office, Tokyo)



Ten Promises to Our Customers

Stand in the customer's shoes

1) We will explain courteously and thoroughly, in easily understood terms.

In a customer satisfaction survey conducted among customers visiting branch offices and Pension Consultation Centers throughout Japan, a total of 92.8% of respondents said that they were "satisfied" or "mostly satisfied" in response to the following question: "Were the explanations provided at the consultation desk sufficient and easy to understand?"

2) In pension consultations, we will endeavor to go the "extra step" to provide extra-helpful advice to the customer.

JPS has been praised by our customers for "careful, thorough customer service," as well as for "giving detailed explanations of even future procedures and processes."

3) We will answer phone calls within three rings.

JPS staff always keep in mind to pick up the phone within three rings, and they work to put that promise into practice.

4) We will respond promptly to inquiries, both via phone and in person at our offices.

If we're unable to provide an answer right away, we'll promptly look into the issue and communicate our findings to customers within two days.

In a customer satisfaction survey conducted with customers visiting branch offices and Pension Consultation Centers throughout Japan, a total of 98.3% of respondents said that visiting JPS offices successfully resolved the uncertainty or questions they had prior to their visit.

5) We will aim to minimize visitors' waiting time to less than 30 minutes.

Even during busy times, we will display estimated waiting times and work to minimize them.

JPS works to minimize waiting times by implementing the appointment system, sharing good practices, and pursuing other initiatives that lead to shorter waiting times.

6) We will make notifications, reports, and applications as easy to read and understand as possible.

JPS works to improve its forms and notices from a customer perspective so that it is easy to understand, establishing a dedicated team at headquarters focused on this task as well as holding regular "Monitor Meetings" where average customers provide monitoring oversight and share their opinions.

7) We actively work to apply customer opinions and requests to improve customer services.

JPS works to collect customer opinions and improve services via opinion boxes set up at branch offices and the "Comments and Feedback for JPS" page on the JPS website.

Reliably and correctly

8) Through prompt service, we will deliver your pension correctly, reliably, and as quickly as possible.

JPS sets "service standard" which is a standard number of days that should elapse between when a pension application is first filed until a Pension Certificate is delivered to the applicant. Achievement rates for service standards are also continuously monitored.

9) We will provide customers with various pension information such as the Pension Coverage Regular Notices (NENKIN TEIKI BIN) sent to customers in their birth month.

Through the online service Nenkin Net, customers are able to make use of a variety of services from their personal computers and smartphones 24 hours per day, to check pension coverage records, estimate future pension benefits, and more.

10) We will manage customers' personal data properly and take meticulous care in its use.

Through training and self-inspections, JPS improves staff awareness of personal data protection and information security. JPS will also continue to work to eradicate clerical errors such as mismailings.

(2) Initiatives to Promote Customer Satisfaction

FY 2020 Plan Overview

- JPS planned to continue conducting training based on the Service Promotion Guidelines while working to promote awareness for customer service among executives and staff members.
- JPS planned to keep track of individual issues, provide practical instructions on improvements to make, and give follow-up training sessions at JPS branch offices throughout Japan.

Status of FY 2020 Initiatives

- **Implemented workplace training to promote awareness for customer service**
In order to promote staff's awareness for customer satisfaction, JPS conducted new employee training focused on customer satisfaction concepts and ways of serving customers with disabilities. Additionally, JPS provided in-house training on customer service for all employees using the Service Promotion Guidelines. Additionally, JPS implemented individualized instruction and post-training follow-up for JPS branch offices found to need improvements upon analysis of "customer opinions and comments," "customer satisfaction survey questionnaire" results, and other data.
- **Prioritized implementing COVID-19 countermeasures**
In order to ensure customer safety and security, JPS thoroughly implemented COVID-19 countermeasures a top priority for improving customer service, and provided appraisals to the implementation status and necessary guidance at local offices throughout Japan.
- **Conducted inspections on barrier-free initiatives at all local offices**
JPS conducted inspections on barrier-free initiatives for facilities and equipment at local offices throughout Japan, the result of which would be posted on the JPS website.

(3) Initiatives to Collect Customer Opinions and Improve Operations

FY 2020 Plan Overview

- JPS planned to collect customer opinions and comments on a daily basis via opinion boxes placed at branch offices and the "Comments and Feedback for JPS" page on the JPS website, and to manage and analyze those opinions and comments using the Customer Service System to study and implement necessary improvement.
- In order to monitor customer feedback and satisfaction with JPS services, JPS planned to conduct a customer satisfaction survey questionnaire and analyze the results thereof for key issues to be addressed in the study and implement of necessary improvement.

Status of FY 2020 Initiatives

- **Collected customer opinions and comments to improve services and operations**
JPS worked to collect customer opinions and improve services via opinion boxes placed at branch offices and the "Comments and Feedback for JPS" page on the JPS website. Additionally, JPS used the Customer Service System to manage and analyze customer comments and opinions, in addition to studying necessary improvement measures. Ultimately, JPS made 51 improvements, including making website content and documents sent to customers easier to understand.
- **Incorporated opinions of every generation to create documents that are easier to understand**
JPS used the opinions, comments, and observations given in the Customer Document Monitoring Meeting to create easier-to-understand documents from a customer perspective and improved communication of meaningful information. Beginning December 2020, JPS launched a trial run of a Questionnaire Monitoring System to incorporate the opinions of younger generations and make documents even easier to understand.

- **Achieved a customer satisfaction rate of 91.2%**

In February and March 2021, JPS conducted a customer satisfaction survey questionnaire focused on branch offices and Pension Consultation Centers throughout Japan. In the questionnaire, a total of 91.2% of respondents reported that they were "satisfied" or "mostly satisfied," while "somewhat unsatisfied" and "unsatisfied" responses totaled 1.2%, representing levels on par with the previous year's results. In general, around 90% of customers were satisfied. JPS used the results of this questionnaire to understand and analyze issues to be addressed in order to further improve customer service and took the necessary improvement measures, including implementing individualized guidance and training on customer service for branch offices where satisfaction rates are low.

➤ Overall Satisfaction of Customers Visiting Offices

Year (FY)	FY 2019	FY 2020
"Satisfied"	65.4%	68.2%
"Mostly satisfied"	23.9%	23.0%
"Average"	9.1%	7.6%
"Somewhat unsatisfied"	1.1%	0.9%
"Unsatisfied"	0.5%	0.3%

Satisfaction rate
91.2%

* Total of "Satisfied" and "Mostly satisfied"

Initiatives to Ensure the Effective Internal Controls System

JPS has taken various measures to ensure proper operations and achieve an organization that can live up to the peoples' expectations and trust. JPS's Major initiatives on this issue in FY 2020 are as follows.

(1) Initiatives Ensuring Accuracy in Administrative Processing

FY 2020 Plan Overview

- JPS planned to analyze the causes of administrative errors as well as formulate and thoroughly implement revisions to manuals and other measures to prevent reoccurrence of such errors.
- JPS planned to address risks to headquarters operations*¹ by establishing departments to comprehensively manage risks in headquarters operations followed by the systematically organized risk analysis results and evaluation conducted in FY 2019. JPS will establish a specialized post to handle everything from planning to execution for operations facing major risks that will impact a large number of customers.
- JPS planned to establish a complete progress management system for headquarters operations by creating overall management tools for those operations and visualizing operational progress, in addition to improving manuals and introducing an implementation framework for quality control.

*1: Of the operations performed at JPS headquarters and Central Pension Center such as creating, enclosing, sealing, and sending out notifications and reports forms, the subset of administrative processes that has a direct impact on customer rights, duties, and eligibility records.

Status of FY 2020 Initiatives

Implemented initiatives to prevent the occurrence of administrative errors and thoroughly enforced rules

In an effort to prevent administrative errors including processing delays, the misplacing of documents, and mistakenly sent physical mailings / fax sent to wrong numbers / mistakenly issued documents (collectively called "three priority issues"), JPS took various measures including revising the rules based on an analysis of the causes of the errors, improving the content of manuals, thoroughly implementing rules using JPS internal newsletters, conducting inspections of incomplete cases, and implementing various types of training.

Established new departments and groups to eliminate risk

JPS established the HQ Business Management Department to comprehensively manage progress, quality, and administrative risk in headquarters operations, as well as the Specified Operations Department to provide the integrated execution of important operations at JPS that impact a large number of customers. In operations with data links with mutual aid associations, JPS established Mutual Aid Pension Planning and Coordination Group in the Pension Benefits Department in April 2021 to work on identifying risks, performing risk assessments, eliminating identified issues and risks, and coordinating with mutual aid associations.

Managed progress of and monitored headquarters operations

In April 2020, JPS worked to standardize headquarters operations by creating the "Headquarters Operations Manual for Common Work Processes" for administrative processes shared across headquarters operations. Additionally, JPS established a system wherein group directors of headquarters operations make daily operational reports and initiatives are taken to manage quality and monitor operational implementation status. In July 2020, JPS achieved integrated progress management for headquarters operations by creating overall management tools for those operations and visualizing operational progress. Additionally, JPS considered indicators to evaluate operational results for the purpose of promoting operations, and these indicators were scheduled to be introduced in FY 2021.

Prevented administrative errors in external contracting

JPS conducted analysis and evaluations based on monitoring of daily reports from local offices, and worked to monitor problems and work on improvements to issues found by pre-work inspections and other inspections conducted by the department responsible for the relevant operations.

Comprehensive response to administrative errors

- JPS advanced customer service throughout the organization, issuing instructions for what response is needed in the future based on reports from the departments where the errors occurred.
- JPS planned to analyze the causes of errors, share these with other departments at headquarters, and formulate and thoroughly implement revisions to manuals and other measures to prevent reoccurrence of such problems.

Occurrences of Administrative Errors (as of the end of March 2021)

Year (FY)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Number of administrative errors	1,418	1,501	1,137	914	592

Occurrences of the three priority issues (Annual occurrences as of the end of March 2021)

Year (FY)	FY 2018	FY 2019	FY 2020
Processing delay	37	30	8
Misplaced document	43	30	12
Mistakenly sent physical mailings / fax sent to wrong numbers / mistakenly issued documents	82	75	92
Total	162	135	112

(2) Risk Management and Compliance Initiatives, Promotion of Sharing Information

FY 2020 Plan Overview

- JPS planned to respond properly to each type of risk, including information security risk, system risk, administrative risk, and disaster and other risks, taking measures to monitor and prevent risks before they occur, in addition to continuously implementing compliance-related self-inspections and awareness surveys. JPS also planned to deal strictly with staff wrongdoing and thoroughly enforce strict official discipline.

Status of FY 2020 Initiatives

• Risk management

• Information security risk

JPS examined its records management system and Nenkin Net with information security analysis/evaluations and vulnerability assessments conducted by external experts.

• System risk

JPS checked the malfunction status of its systems, took the necessary measures to address malfunctions, and analyzed the causes of malfunctions, in addition to taking measures to prevent similar malfunctions from occurring in the future.

• Administrative risk

JPS worked to rapidly detect and respond to risks through monitoring of daily reports and other information from local offices, as well as to thoroughly implement measures to prevent reoccurrence. Additionally, in order to monitor administrative risk information pertaining to headquarters operations, JPS built mechanisms which report operational status on a daily basis and manage progress using management tools.

• Disaster and other risk

JPS improved system for better functionality of pension payment system which is set up in a remote location in order to prepare for the risk of headquarters being affected by a disaster. JPS also planned to review implementation mechanisms to improve operations.

• Compliance

JPS implemented compliance training for executives and staff members, while also conducting awareness surveys and self-inspections on compliance. - JPS properly implemented and publicized punishments and sanctions based on its staff sanction rules and also worked to prevent the reoccurrence of similar issues by including such cases in training materials.

(3) Proper Auditing

FY 2020 Plan Overview

- JPS planned to hire specialized auditing professionals from outside the organization, in addition to revising checking mechanisms to improve audit quality and building a quality control system for audits.
- JPS planned to implement proper audits while studying audit items and methods, and to conduct follow-up audits at poorly evaluated local offices and provide guidance to ensure implementation of improvement initiatives.

Status of FY 2020 Initiatives

• Expanded audit systems for more effective auditing and reviewed audit items

JPS worked to expand audit systems by employing experienced auditors and credentialed experts from outside the organization, and reviewed checking mechanisms to ensure uniformity among audit working papers. Additionally, JPS conducted audits at all local offices, as well as follow-up audits at local offices that were poorly evaluated in last fiscal year's audit. Furthermore, JPS reviewed audit items and methods based on the findings of outside experts in an effort to make audits more effective.

(4) Initiatives for Contract: Competitiveness, Transparency and Cost Reduction

FY 2020 Plan Overview

- JPS planned to make use of appropriate and reasonable contracting methods that are suitable for the nature of the contract, in addition to conducting strict reviews and inspections of procurement projects. Through this, JPS aimed to ensure the transparency and competitiveness of contracts as well as cut costs, while working to improve the accuracy of operations and the quality of services.

Status of FY 2020 Initiatives

• Appropriate procurement procedures

JPS implemented regular training sessions to the staff of the departments responsible for the operations subject to procurement and participated in professional training hosted by external organizations in order to cultivate well-versed skill in procurement procedures.

• Selection of appropriate procurement methods

JPS used open competitive bidding for all competitive contracts, except contracts with a low target price.

• Preliminary review by a procurement committee

For procurement projects above a certain target price, JPS conducted an examination of the bidding method, participation eligibility, units of procurement, and contingency plans. JPS established planned annual procurement amounts and published quote ads to its website for small discretionary contracts just as it would for open bidding. In this way, JPS sought to improve the competitiveness and transparency of procurement procedures, the accuracy of operations, and the quality of services, while reducing costs. JPS's use of competitive contracts, excluding the use of the comprehensive scoring auction model for bidding, succeeded in reducing procurement by 9,820 million yen relative to the planned annual procurement amount (of 34,332 million yen,) a 28.6% reduction.

Protection of Personal Information

Placing a priority on the protection of customer privacy, JPS steadily implemented organizational, technical, and operational information security measures in order to ensure protection and management of customers' personal data.

(1) Information Security Measures

FY 2020 plan overview

1) Organizational measures

- JPS planned to keep the systems needed for information security measures in place by drawing sufficiently on the Information Security Task Force that centrally manages information security measures, the subordinate Office of Information Security that implements security measures, and JPS CSIRT*.

* The Computer Security Incident Response Team is an organization established to address security incidents. In normal times, this organization works on the collection and analysis of incident information as well as the formulation of associated response policy and procedures. When an incident actually occurs, the organization performs emergency response.

- JPS planned to properly implement information security measures and address new threats by maintaining operational support systems provided by advanced expertise of professional institute.

2) Technical measures

- JPS planned to regularly check on the shared folders used to manage pension-related personal information.
- JPS planned to promote and improve security of Nenkin Net and to study information security measures that will promote the expansion of services including pension consultation appointments via the internet.

3) Operational measures

- JPS planned to conduct training and drills such that when an incident occurs, individual staff can act quickly and correctly in accordance with information security incident response manuals.
- JPS planned to independently manage the results of external audits and issues discovered by JPS itself in order to establish a continuous, autonomous PDCA management cycle and conduct organized operations.

Status of FY 2020 Initiatives

1) Organizational measures

• Implemented initiatives to strengthen information security measures

The Information Security Task Force maintained and strengthened information security measures by setting JPS's information security policies and monitoring progress while organizing response measures for issues identified in audits conducted by external organizations.

Additionally, JPS maintained its operational support systems with its Chief Information Security Advisor and Information Security Support Contractors, and improved information security measures by receiving recommendations based on their professional and technical expertise.

• Reviewed procedures for responding to information security incident

JPS revised procedures, such as by clarifying reporting standards for cases in which leaks of personal information are suspected.

2) Technical measures

• Building safe work-from-home systems

JPS built work-from-home systems that include information security measures based on JPS's information security policies, limiting the application of the systems to headquarters staff engaged in planning- and management-type operations, not handling pension-related personal information.

• Studying measures associated with internet services expansion

JPS implemented information security measures in support of the implementation of pension seminars.

• Built mechanisms of surveillance over important information

JPS build mechanisms of surveillance of shared folders containing pension-related personal information and regular checking to ensure no falsification of files.

• Improved Nenkin Net security

JPS introduced a mechanism into Nenkin Net that enables the system to more rapidly detect security events and improved surveillance systems.

3) Operational measures

• Checked response measures through escalation training

JPS conducted mock drills for major incidents to check whether proper response can be taken based on the information security incident response manuals.

• Launched a continuous, autonomous PDCA management cycle for information security

JPS detected information security issues through audits, risk assessments, and other initiatives. JPS centrally managed such issues and ensured operations to provide for shared ownership of the issues within JPS.

> Initiative history (since the data leak caused by unauthorized access)

	- FY 2015	- FY 2016	- FY 2017	- FY 2018	- FY 2019	- FY 2020
Organizational development	Established the Information Security Task Force, Office of Information Security, and JPS CSIRT					
	Established the chief information security advisor; hired information security support contractors					
	Established the information security policy liaison council					
Technical development	Implemented biometric authentication					
	Established shared dedicated folders for the management of pension-related personal information					
	Introduced use of secure quarantined computers					
	Test runs of internet usage				Began full-on internet usage	
	Built safe work-from-home systems					
	Improved Nenkin Net security					
Operational development	Created information security policies and rules; conducted self-inspections					
	2nd personal information protection and management promotion plan (FY 2014-16)		3rd personal information protection and management promotion plan (FY 2017-18)		4th personal information protection and management promotion plan (FY 2019 - present)	
	Implemented training / self-inspections		Improved training / self-inspections (clarified training hours, added training / self-inspections for dispatch staff, added test-type questions.)			
	Implemented incident response training					
	Conducted risk and vulnerability assessments by external experts					
	Established administrative work guidelines for protection and management of specific personal information					
	Confirmation when using name index query processing			Created manuals for name index query processing, use of clear bags.		
	Launched a continuous, autonomous PDCA management cycle for information security					

(2) Management of Personal Information at External Contractors

FY 2020 plan overview

- In order to thoroughly implement better management of pension-related personal information, JPS planned to verify inadequate items identified for improvement in external contractor operations, and to revise rules and guidelines along with other necessary review.
- JPS planned to conduct regular training for procurement staff in responsible departments, and to work to promote knowledge of and thoroughly enforce rules governing suppliers and external contractor management.
- JPS planned to properly implement its pre-work inspections of work execution systems and methods, mid-work operational management, product testing / inspections, and post-work inspections, and to conduct organized management thereof.

Status of FY 2020 Initiatives

• Properly managed external contractors handling pension-related personal information

- In order to conduct better management of external contractors handling pension-related personal information, JPS verified inspections conducted by responsible departments in a cross-sectional manner, and revised the JPS guidelines for external contracting involving personal information on April 1, 2020 and March 1, 2021 in addition to making the necessary revisions to inspection working papers and other documents.
- JPS conducted multiple regular training sessions to promote knowledge of and thoroughly enforce rules governing suppliers and external contractor management. Additionally, training sessions for FY 2020 were conducted remotely, as the conventional in-person format was replaced in order to prevent the spread of COVID-19.
- JPS conducted pre-work inspections, mid-work inspections, and delivery inspections to check that external contractors were implementing the work in compliance with the work execution systems, work execution methods, and personal information protection and information security systems. Additionally, if pre-work or mid-work inspections discovered inadequate work, JPS immediately issued instructions and corrected all cases immediately.

FY 2020 Performance (Primary operational performance indicators)

JPS has created a Mid-term Plan and an Annual Plan that aim to satisfy mid-term targets set by the Minister of Health, Labour and Welfare, and JPS implements various initiatives to achieve those plans. Additionally, JPS's operational performance is evaluated by the Minister of Health, Labour and Welfare every fiscal year for every mid-term target period, based on the Japan Pension Service Act. This section covers the primary operational performance indicators for FY 2020 and explains the evaluations given by the Minister of Health, Labour and Welfare.

Note: The third mid-term target period began in FY 2019 (April 2019 to March 2024,) and assessment items have been partially reorganized.

The "Evaluation of the FY 2020 Operational Performance of the Japan Pension Service" is available on the Ministry of Health, Labour and Welfare website.

I Quality improvement in services provided and other operations

Operational performance items			Primary operational performance indicator					
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	
National Pension contribution collection	National Pension contribution payment rate for the current fiscal year		65.0%	66.3%	68.1%	69.3%	71.5%	
	National Pension contribution final payment rate*1		Contributions for FY 2014 72.2% (+9.1 points)	Contributions for FY 2015 73.1% (+9.8 points)	Contributions for FY 2016 74.6% (+9.6 points)	Contributions for FY 2017 76.3% (+10.0 points)	Contributions for FY 2018 77.2% (+9.0 points)	
Employees' Pension Insurance coverage	Number of newly covered workplaces		182,422 workplaces	165,007 workplaces	157,818 workplaces	146,533 workplaces	120,898 workplaces	
	(Of the above numbers) Number of workplaces covered as a result of measures to promote coverage		115,105 workplaces	99,064 workplaces	100,727 workplaces	91,342 workplaces	99,682 workplaces	
Employees' Pension Insurance contribution collection	Employees' Pension Insurance contribution collection rate		98.9%	99.0%	99.1%	99.1%	97.5% <small>Note: Removing the 584.2 billion yen approved for special payment postponement and the legal postponement system associated with COVID-19, the contribution collection rate was 99.3%.</small>	
Benefits payment	Percentage of contribution payments via automatic bank account transfer		83.0%	82.7%	82.8%	81.8%	81.0%	
	Service standard*3 (Target period for pension benefits payment processing)	Old-age Employees' Pension	95.9%	88.2%	92.2%	95.3%	97.4%	
		Disability Employees' Pension	91.7%	85.0%	88.5%	90.1%	75.4%	
Pension records problems	Progress of investigating unidentified records	Records matched	18.97 million (As of Mar. 2017)	19.48 million (As of Mar. 2018)	19.78 million (As of Mar. 2019)	20.04 million (As of Mar. 2020)	20.29 million (As of Mar. 2021)	
		Records under investigation or needing further investigation	19.51 million (As of Mar. 2017)	19.03 million (As of Mar. 2018)	18.62 million (As of Mar. 2019)	18.23 million (As of Mar. 2020)	17.94 million (As of Mar. 2021)	

*1: National Pension contribution payments can be paid up to two years retroactively, and final payment rates for current-fiscal-year contributions are determined after two years have passed. The number in parentheses refers to the improvement in the payment rate compared to the current-year rate.

*2: The "budget implemented" amounts given are determined according to certain assumptions and do not include the staff costs of regular and associate staff members.

- Individual grades given by the Minister of Health, Labour and Welfare
- S: Notably exceeded the Annual Plan
- A: Exceeded the Annual Plan
- B: Generally achieved the Annual Plan
- C: Somewhat worse than the Annual Plan
- D: Worse than the Annual Plan and in need of drastic improvement

Individual grades given by the Minister of Health, Labour and Welfare						Primary reasons
FY 2016	FY 2017	FY 2018	FY 2019	FY 2020		
A	A	A	A	A		<p>FY 2020 budget implemented*2: Approx. 37.541 billion yen (incl. approx. 10.08 billion yen pertaining to operation of coverage)</p> <ul style="list-style-type: none"> • The current-year payment rate of FY 2020 contribution payments was +2.2 points relative to the previous year, exceeding the target. • The final payment rate of FY 2018 contribution payments was +9.0 points relative to the FY 2018 current-year payment rate, exceeding the target.
A	B	A	A	A		<p>FY 2020 budget implemented: Approx. 31.291 billion yen</p> <ul style="list-style-type: none"> • In extending coverage to workplaces lacking coverage, JPS gave priority to issuing coverage guidance to workplaces subject to examinations as known as of the previous fiscal year. In addition, JPS promptly issued coverage guidance to workplaces newly subject to examinations that were discovered through the use of national tax withholding agent information. These efforts resulted in a total of 99,682 workplaces (versus the target of 82,000 workplaces) being covered through the issuance of coverage guidance, thereby exceeding the target. • In conducting workplace inspections of covered workplaces, JPS thoroughly enforced protocols to prevent the spread of the COVID-19 pandemic as it began on-site inspections with high-priority workplaces (workplaces to which result of employment status survey indicated high probability of hiring workers who meet coverage requirements, workplaces for which information had been provided, workplaces with long-term retroactive applications, workplaces that have not submitted remuneration calculation reports,) and surveyed 3.17 million insured persons, exceeding the target of 2.40 million insured persons.
A	A	A	A	A		<p>FY 2020 budget implemented: Approx. 5.672 billion yen</p> <ul style="list-style-type: none"> • Removing monetary amounts approved for special payment postponement and the legal postponement system helps condense the amount of uncollected contributions. The Employees' Pension Insurance contribution collection rate was 97.5% (compared to 99.1% in the previous fiscal year,) and the contribution collection rate for the Employees' Health Insurance managed by the Japan Health Insurance Association was 98.8% (compared to 98.4% in the previous fiscal year,) indicating better performance than the previous fiscal year.
B	B	B	B	B		<p>FY 2020 budget implemented: Approx. 12.246 billion yen</p> <ul style="list-style-type: none"> • JPS worked to consolidate benefits payment operations conducted at local processing centers, in addition to establishing a dedicated department to check benefits payment operations and prevent or rapidly address administrative errors. • JPS maintained service standard achievement rates over 90% for the old-age pension and survivors' pension. • For the disability pension, JPS experienced difficulty establishing eligibility examination systems due to the impact of the COVID-19 pandemic. However, by improving processing systems at the Disability Pension Center, JPS maintained a service standard achievement rate over 90% for the period beginning December 2020.
B	B	B	B	B		<ul style="list-style-type: none"> • JPS urged individuals to check on unidentified records during efforts to publicize about the shorter eligibility period to receive benefits, using preliminary mailings of Pension Coverage Regular Notices (NENKIN TEIKI BIN) and pension application forms, in addition to reaching out to non-responders to Aggregated Special Mailings (NAYOSE TOKUBETSU BIN.) • In order to properly manage pension records, JPS worked to link basic pension numbers with "My Number" (Individual Numbers) when individuals became newly covered by the pension system. Further, JPS implemented initiatives focused on municipalities, employers, and insured persons with respect to the type of insured person in question in order to fully link all basic pension numbers with "My Number" (Individual Numbers.)

*3: "Service standard" which aims to promote prompt and accurate pension benefits payment, sets the standard number of days needed from the intake of a pension benefits application to the entitlement of pension benefits and mailing of a Pension Certificate to new beneficiaries. Here, the entitlement procedure for the old-age pension requires reconfirmation of the individual's pension coverage records and the standard is "within 2 months." The standard for the disability pension is "within 3 months." (Through FY 2018, the figures used were for the Old-Age Employees' Pension and the Disability Employees' Pension. In FY 2019, JPS merged categories that were separated between the Basic Pension benefits and Employees' Pension Insurance benefits, and therefore the figures listed from FY 2019 are for the old-age pension and the disability pension. Additionally, the standard number of days required for the Disability Employees' Pension had been 3 and a half months through FY 2018.)

Operational performance items	Primary operational performance indicator					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	
Response to the pension system reform	B	A	A	A	A	

II Effectiveness of operations

Operational performance items	Primary operational performance indicator					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	
Efficient and effective operational (Reforms to business processes)	B	B	B	B	B	
Proper use and management of external contracting	B	D	C	B	B	
Management, improvement, and development of the Social Insurance Online System	B	B	B	B	B	
ICT promotion	B	B	B	A	A	

III Fairness and transparency and other critical operational issues

Operational performance items	Primary operational performance indicator					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	
Ensuring the effectiveness of the internal controls system	C	C	C	B	B	
Protection of personal information	C	C	C	B	B	
Document management and information disclosure	B	B	B	B	B	

Primary reasons	
	<ul style="list-style-type: none"> • In addition to study and plan of administrative processing for system reform items enacted April 2021, JPS worked on system development, building operational processing guidelines, and other necessary preparatory measures. Further, JPS also steadily worked on matters related to reforms to be enacted in the future, such as notifications of estimated delayed pension amounts sent to individuals aged 66 years and older who have not claimed for their old-age pension. • In terms of public pension system responses to the COVID-19 pandemic, JPS built implementation frameworks including temporary special measures for National Pension contribution exemptions, special payment postponement for Employees' Pension Insurance, and special adjustments to standard monthly remuneration for Employees' Pension Insurance, and these were implemented promptly and appropriately.
Primary reasons	
	<ul style="list-style-type: none"> • By transferring some of the authorities to regional department directors at headquarters from headquarters department senior directors and local office directors, JPS is expanding the functions of the regional departments and strengthening the operational promotion and support functions of headquarters. • In order to address highly difficult cases throughout Japan, JPS established the Company Survey Group and the Coverage Promotion Specialist Team to serve as organizations specializing in coverage and survey/inspection operations at headquarters. JPS also established the Special Corporate Measures Department to handle highly difficult cases, including with these specialized organizations and contribution collections generally, thereby strengthening its efforts with respect to cases where contribution collection is difficult.
	<ul style="list-style-type: none"> • JPS revised various types of inspection working papers from the perspective of conducting proper management of external contractors, in addition to working to promote understanding and thorough enforcement of procurement rules through training. Additionally, JPS properly conducted pre-work and mid-work inspections, in addition to improving and strengthening proper management of contracted work.
	<ul style="list-style-type: none"> • JPS expanded support for electronic examinations and decisions to 11 reporting items for which there are over 100,000 submissions per year, and further worked to improve the efficiency by electronic decisions for return processing. • Besides maintaining stable computer system operations through proper maintenance and management, JPS conducted appropriate system development for public pension system reforms based on its plan. JPS also made work operations more efficient by consolidating support tools needed to execute operations.
	<ul style="list-style-type: none"> • For initiatives encouraging usage of e-applications JPS prioritized workplaces required by law to file e-applications and workplaces with at least 101 insured persons (45,451 cases.) These initiatives raised the proportion of the seven major reports filed electronically relative to last fiscal year. • In addition to launching e-application processing for the seven major reports using the Progress Management and Electronic Decisions Sub-system, JPS worked to maintain institutional systems within local processing centers. Also, JPS began performing IT system checks for electronic certifications and other items in November 2020. These initiatives managed to reduce the number of days required to process coverage registration application and report for dependent persons change, relative to last fiscal year. • With the COVID-19 pandemic, JPS worked beyond the Annual Plan including building the environment needed for online submission of workplace inspection materials.
Primary reasons	
	<ul style="list-style-type: none"> • JPS worked to rapidly detect administrative errors through daily monitoring of administrative error reports and daily reports. After incidents occurred, JPS took the necessary measures to address them, including cause analysis and revising rules. • JPS built operational systems to properly execute and manage headquarters operations, including establishing the Headquarters Business Management Department to comprehensively manage the progress, quality, and administrative risks of headquarters operations. JPS also established the Intensive Business Department in charge of integrated planning and execution of JPS's crucial operations from operational planning to execution. • JPS reported its risk analysis and inspection status to a Risk Management Committee and is taking the necessary measures to address those risks. • JPS worked on its procurement; correct procurement process, transparency, work process accuracy, and high-quality services while cutting costs. The percentage of cost reduction exceeded the target of 10%.
	<ul style="list-style-type: none"> • JPS continued to maintain its Information Security Task Force, Office of Information Security, and JPS CSIRT systems, in addition to establishing policies for information security and managing progress on relevant measures. • JPS thoroughly enforced isolation of shared dedicated folders for pension-related personal information from internet-connected networks or shared administration system networks. JPS also took the necessary new safety management measures in implementing remote work. • JPS conducted drills on how to handle targeted email attacks for staff who frequently use email in their work, in addition to implementing escalation training based on revised response manuals and working to establish systems for linkage and collaboration.
	<ul style="list-style-type: none"> • For reports and other documents converted to an image format via the Progress Management and Electronic Decisions Sub-system, JPS studied ways of properly managing such digital data as the original copies of those reports. • In accordance with rules and regulations, JPS appropriately publicized information as necessary on administrative errors, operational management, and annual reports.

Evaluations of Operational Performance Indicators for FY 2020 by Minister of Health, Labour and Welfare

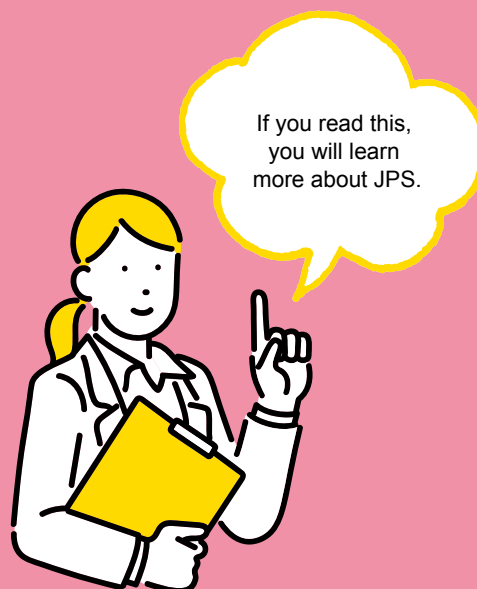
As per Article 36-1 of the Japan Pension Service Act (Act No. 109 of 2007,) the Minister of Health, Labour and Welfare evaluates JPS's performance of its operations every fiscal year.

For FY 2020, JPS submitted a report on its performance to the Minister of Health, Labour and Welfare on June 29, 2021, and after deliberation by the Pension Business Management Subcommittee of the Social Security Council, the Minister of Health, Labour and Welfare notified JPS of the results of his evaluation on September 16, 2021.

This section presents a variety of data pertaining to pensions and the Japan Pension Service. This section also contains the award-winning “My Pension and Me” essays for FY 2020.

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JPS Data

1 Board Members (as of July 2021)

Four full-time board members, including the President, have been appointed from the private sector.

President

Toichiro Mizushima

*From the private sector



Career highlights

Vice president, Sumitomo Mitsui Banking Corporation; President, Readjustment of Facilities for Insured Persons and Beneficiaries Organization

Executive Vice President

Hisashi Noguchi



Career highlights

Director, Shikoku Regional Bureau of Health and Welfare, Ministry of Health, Labour and Welfare (MHLW); Director, General Affairs Department, Japan Health Insurance Association HQ; Executive Director for National Pension and Employees' Pension Insurance Operation Management, JPS; (Board member on loan)

Executive Director for Human Resources and Accounts

Takashi Abe



Career highlights

Senior Director, Operation Management Department, JPS; Associate Executive Director (Director, Central Pension Center [concurrent]), JPS; Executive Director for Operation Management, JPS

Executive Director for Operation Planning

Kenichi Suzuki



Career highlights

Director, Public Assistance Division, Social Welfare and War Victims' Relief Bureau, Ministry of Health, Labour and Welfare (MHLW); Director, General Affairs Division, Health Policy Bureau, MHLW; Associate Executive Director (Senior Director, Administration Management Planning Department); Director, Office of Strategic Planning for Future [concurrent], JPS; (Board member on loan)

Executive Director for National Pension and Employees' Pension Insurance Operation Management

Katsuhiro Iwai



Career highlights

Director, General Affairs Division, Pension Bureau, Ministry of Health, Labour and Welfare (MHLW); Councilor, Pension Fund Association; Councilor for Social Welfare, War Victims' Relief and Humanitarian Survey, MHLW; (Board member on loan)

Executive Director for Operation Management

Hiroshi Machida



Career highlights

Deputy Director, Office of Information Security, JPS; Senior Director, Human Resources Department, JPS; Executive Director for Human Resources and Accounts, JPS

Executive Director for Pension Benefits

Yuko Ishikura



Career highlights

Director, Benefits Guidance Group, Benefits Planning Department, JPS; Director, 2nd Operational Reforms Group, Revitalization Project Office, JPS; Senior Director, Quality Management Department, JPS

Executive Director for Information Technology

Hiroyuki Hisashima

*From the private sector



Career highlights

Director, IIJ Innovation Institute Inc.; Representative Director, IIJ Innovation Institute Inc.

Executive Director for Special Tasks

Tsukasa Furusawa

*From the private sector



Career highlights

Director, 1st Audit Group, Internal Audit Department, JPS; Auditor, Internal Audit Department, JPS; Risk Advisor, JPS

Executive Director (part-time)

Yoshiharu Kawabata



Career highlights

Lawyer, Kasumigaseki-Sogo Law Offices (current); Vice President, Japan Federation of Bar Associations; President, Daini Tokyo Bar Association; Director and Chairman of the Nomination and Remuneration Committee, NKSJ Holdings, Inc.

Executive Director (part-time)

Eiko Oya



Career highlights

Representative Director, Eiko Oya Jimusho Co., Ltd. (current); President, Oya Soichi Library (current); Outside Independent Director, Seibu Holdings Inc. (current)

Executive Director (part-time)

Masafumi Tsujihiro



Career highlights

Director, Seibu Railway Co., Ltd. (current); Professor, Department of Business Administration, Faculty of Economics, Teikyo University (current)

Executive Director (part-time)

Hiroshi Toda



Career highlights

Vice Chairman, Nomura Securities Co., Ltd.; Ambassador, Japanese Embassy in Greece; Outside Director, Yusen Logistics Co., Ltd. (current)

Auditor

Toru Ishihara

*From the private sector



Career highlights

Director, 2nd East Japan Audit Group, Internal Audit Department, JPS; Director, Audit Planning Group, Internal Audit Department, JPS; Director, Internal Audit Department, JPS

Auditor (part-time)

Norimitsu Yanai



Career highlights

Head, Multinational Client Division, Ernst & Young ShinNihon LLC; Deputy Head, Assurance Division 3, Ernst & Young ShinNihon LLC; Auditor (part-time), Nihon Unisys, Ltd. (current)

2 Board Member Remuneration and Staff Salaries

(1) Board Member Remuneration

Position and name	Total remuneration in FY 2020
President Toichiro Mizushima	18.88 million yen
Executive Vice President Hisashi Noguchi	16.27 million yen
Executive Director Takashi Abe	15.52 million yen
Executive Director Tomohiro Onishi (resigned May 19, 2021)	15.73 million yen
Executive Director Hiroshi Choda (resigned June 30, 2021)	15.45 million yen
Executive Director Hiroshi Machida	15.47 million yen
Executive Director Yuko Ishikura	15.63 million yen
Executive Director Hiroyuki Hisashima	15.86 million yen
Executive Director Tsukasa Furusawa	14.09 million yen

Position and name	Total remuneration in FY 2020
Executive Director (part-time) Masafumi Tsujihiro	420,000 yen
Executive Director (part-time) Eiko Oya	410,000 yen
Executive Director (part-time) Hiroshi Toda	390,000 yen
Executive Director (part-time) Yoshiharu Kawabata	390,000 yen
Auditor Toru Ishihara	14.45 million yen
Auditor (part-time) Norimitsu Yanai	2.26 million yen

- ▷ Total remuneration includes salary and other benefits.
 ▷ Directors' remuneration is determined based on JPS regulations on remuneration for board members.

[Note] Based on certain assumptions, estimated annual pension amounts for board members are ; Approx. 3.03 million yen for the President (originally from the private sector,) and approx. 2.62 million yen for the Executive Vice President (originally from the Ministry of Health, Labour and Welfare).

(2) Board Member Retirement Allowance (paid during FY 2020)

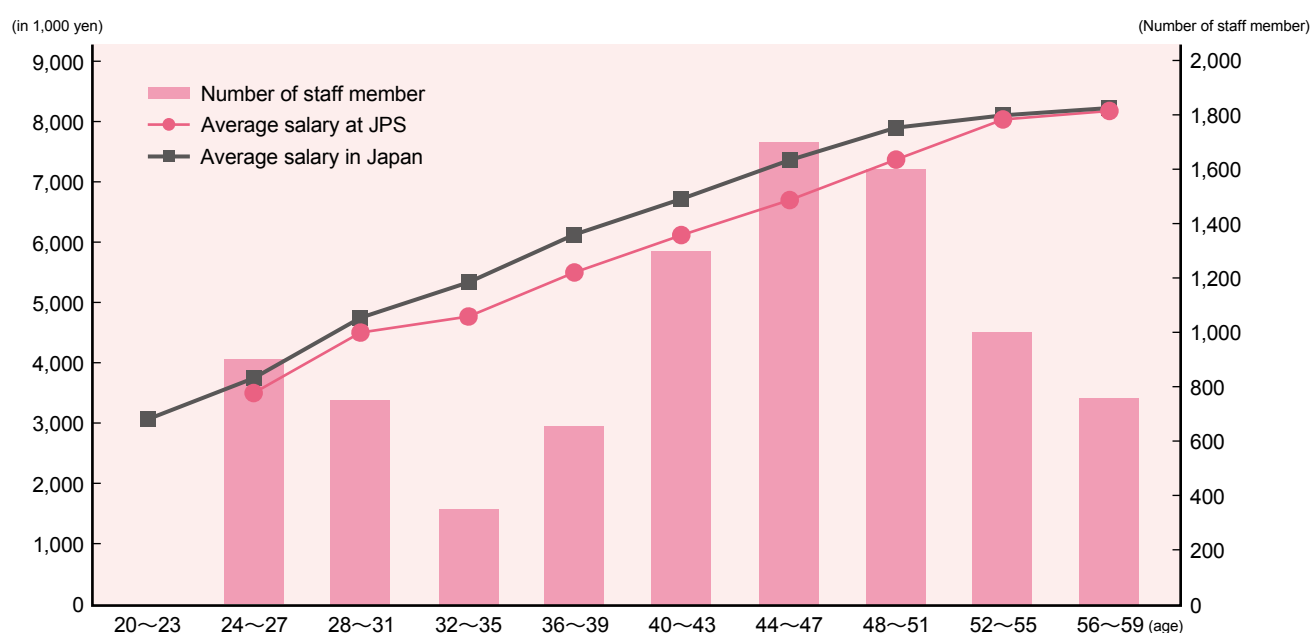
Former position and name	Date of retirement	Amount of retirement allowance
Executive Vice President Osamu Fukada	(resigned December 31, 2019)	2.22 million yen
Executive Director Tamio Ueno	(resigned December 31, 2019)	2.12 million yen

(3) Staff Salaries

Category	Average age	Total annual salary (Average)
Regular staff	43.6 years old	6.52 million yen

- ▷ Total annual salary includes bonuses and other benefits.

▶ Annual Salary Distribution by Age Group (average annual salary and number of beneficiaries)



(4) Average Retirement Allowance Payment

Amount of retirement allowance	22.54 million yen
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- ▷ Average retirement allowance paid in FY 2020 to those who have served at JPS for 20 years or longer.

3 FY 2020 Financial Data

(1) Financial situation

1) Income statement summary (From April 1, 2020 to March 31, 2021)

Expenses and income	Amount
Recurring expenses	2,931
Operating expenses	2,755
Staff expenses	689
Other personnel expenses	389
Communication expenses	296
Outsourcing expenses	858
Other	523
General administrative expenses	174
Staff expenses	72
Outsourcing expenses	34
Repair expenses	11
Other	57
Financial expenses	2
Recurring income	3,227
Grants for operational expenses	2,976
Other	251
Recurring income – Recurring expenses	297

▷ Unit: 100 million yen

▷ Totals may be inconsistent due to rounding of fractions.

▷ "0" is used to signify that the relevant figure is less than 100 million yen, while "-" is used to represent a null value.

▷ The above data are published on the JPS website under "Financial statements."

▷ JPS is a non-profit corporation. Unlike a private company, JPS has no operating revenue, and its recurring revenue is primarily provided via grants from the national government.

2) Recurring expenses by segment (From April 1, 2020 to March 31, 2021)

Expenses	Monetary amount	Breakdown		
		Pension contributions	National treasury	National treasury (for pensioners supplemental benefits)
Recurring expenses	2,931	1,910	969	52
Operating expenses	2,755	1,908	795	52
Insurance operations	873	873	-	-
Online system operations	580	580	-	-
Pension consultation operations	454	454	-	-
Payment operation of pensioners supplemental benefits	36	-	-	36
Measures addressing pension records problems	0	-	0	-
Personnel expenses	811	-	795	16
General administrative expenses	174	-	173	1
Personnel expenses	85	-	84	1
Internal management administrative expenses	89	-	89	-
Financial expenses	2	2	0	0

3) Assets and liabilities Balance sheet summary (As of March 31, 2021)

Assets	Monetary amount
Cash and deposits	612
Entrusted securities for payment	8
Tangible fixed assets	1,171
Investments and other assets	1,011
Other	444
Total assets	3,246
Liabilities	Monetary amount
Accounts payable	255
Deposits received for pension contributions	8
Entrusted securities for payment of pension contributions	8
Retirement benefit allowance	1,011
Other	666
Total liabilities	1,948
Capital stock (Government investment)	1,001
Capital surplus	△159
Retained earnings	457
Total net assets	1,299
Total liabilities and net assets	3,246

(2) Summaries of Budget and Statement of Accounts

1) Income

(From April 1, 2020 to March 31, 2021)

Income	Budgeted	Actual	Difference
Grants for operational expenses	3,226	3,226	—
Grants for operational expenses	1,069	1,069	—
Grants for business operational expenses	2,093	2,093	—
Grants for administration and payment of pensioners supplemental benefits	64	64	—
Other income	4	6	2
Total	3,230	3,232	2

▷ Unit: 100 million yen

▷ Totals may be inconsistent due to rounding of fractions.

▷ "0" is used to signify that the relevant figure is less than 100 million yen, while "-" is used to represent a null value.

▷ The above data are published on the JPS website under "Statement of accounts."

▷ "Difference" is calculated by subtracting the budgeted value from the actual value.

2) Expenditures

(From April 1, 2020 to March 31, 2021)

Expenses	Budgeted	Actual	Difference
Insurance business expenses	971	868	△103
Online system expenses	627	585	△43
Pension consultation expenses	495	461	△33
Administrative costs for payment operation of pensioners supplemental benefits	64	52	△12
General administrative expenses	1,073	991	△82
Total	3,230	2,957	△273

4 FY 2020 Operational Data

In general, the following data does not include data for the National Public Service Personnel Mutual Aid Association, the Local Public Service Personnel Mutual Aid Association, or the Promotion and Mutual Aid Corporation for Private Schools of Japan, which used to operate independent pension schemes and now fall under Employees' Pension Insurance due to consolidation of pension schemes.

(1) Insured Persons and Covered Workplaces

1) Employees' Pension Insurance and Seamen's Insurance (as of the end of FY 2020)

Employees' Pension Insurance	Insured persons	40,421,060 people	Seamen's Insurance	Insured persons	51,067 people
	Covered workplaces	2,505,188 workplaces		Covered workplaces (ship owners)	4,145 workplaces

2) Employees' Health Insurance system managed by the Japan Health Insurance Association*¹ (as of the end of FY 2020)

Insured persons	Insured persons	24,877,229 people	Covered workplaces	2,398,948 workplaces
	Dependent family members	15,419,118 people		

*1: Employees' Health Insurance for workers not covered by a Health Insurance Society is called "Kyokai Kempo", which is an Employees' Health Insurance managed by the Japan Health Insurance Association.

3) National Pension (as of the end of FY 2020)

Category I insured persons ^{*2}	14,494,591 people
Category III insured persons	7,929,684 people

*2: Includes voluntarily covered insured persons.

(2) Contribution Collection

1) Employees' Pension Insurance (FY 2020)

Confirmed amount to be collected	Collected revenue	Loss from non-collection	Uncollected revenue	Collection rate ^{*1}
32,871,700 million yen	32,061,200 million yen	23,300 million yen	787,200 million yen	97.5%

2) Seamen's Insurance (FY 2020)

Confirmed amount to be collected	Collected revenue	Loss from non-collection	Uncollected revenue	Collection rate
37,500 million yen	35,700 million yen	30 million yen	1,800 million yen	95.1%

3) Employees' Health Insurance system managed by the Japan Health Insurance Association (FY 2020)

Confirmed amount to be collected	Collected revenue	Loss from non-collection	Uncollected revenue	Collection rate ^{*2}
10,766,500 million yen	10,423,500 million yen	13,700 million yen	329,300 million yen	96.8%

4) National Pension (FY 2020)

Current fiscal year (FY 2020)			Past fiscal years	
Number of months paid (unit of payment)	Number of months due (unit of payment)	Contribution payment rate	Final payment rate (FY 2018 payments)	Contribution payment rate (FY 2019 payments)
70.74 million months	98.95 million months	71.5%	77.2%	75.6%

*1: Removing the 584.2 billion yen approved for special payment postponement system associated with COVID-19 and the legal postponement system, the contribution collection rate was 99.3%.

*2: Removing the 213.8 billion yen approved for special payment postponement system associated with COVID-19 and the legal postponement system, the contribution collection rate was 98.8%.

▷ The payment due date for National Pension contribution payments is the end of the month after the month in which the contribution is to be paid. Contribution payment status for the current fiscal year refers to the payment status as of the end of April 2021, regarding contributions for April 2020 through March 2021.

▷ The contribution payment rate for payments for past fiscal years (i.e. FY 2018 and FY 2019) refers to the payment rates as of the end of April 2021, regarding contributions for FY 2018 and FY 2019.

The contribution payment rate for FY 2018 payments is the final payment rate.

(3) Pension Beneficiaries and Payments

1) Employees' Pension Insurance and National Pension beneficiaries as of the end of FY 2020 (March 2021)

Number of Employees' Pension beneficiaries			
Old-age benefits		Disability benefits	Survivors' benefits
A: 15,529,535 B: 14,147,294		468,396	5,669,580
Number of National Pension beneficiaries			
Old-age benefits		Disability benefits	Survivors' benefits
33,832,190		2,037,458	91,366

2) Number and size of payments for Employees' Pension Insurance and the National Pension (sum of FY 2020)

Number of payments	Amounts paid
448.32 million payments	47.3111 trillion yen

▷ "Employees' Pension beneficiaries" refers to the total numbers of beneficiaries covered by Employees' Pension Insurance under the old and new laws.

▷ For "old-age benefits" (Employees' Pension Insurance beneficiaries,) A refers to those with a coverage period of 20 years or more and those subject to the exception for the middle-aged and older beneficiaries (however, for those born on April 2, 1952 or later, the period has been gradually raised to between 21 and 25 years, and therefore those who satisfy that requirement are eligible.) B refers to those not classified as A.

▷ "National Pension beneficiaries" refers to the total number of beneficiaries under the contributory National Pension under the old law and the Basic Pension under the new law.

▷ In addition to the above, there were 10 Old-Age Welfare Pension beneficiaries as of the end of FY 2020.

Public Pension by the Numbers

These figures showcase the size and importance of the public pension system.

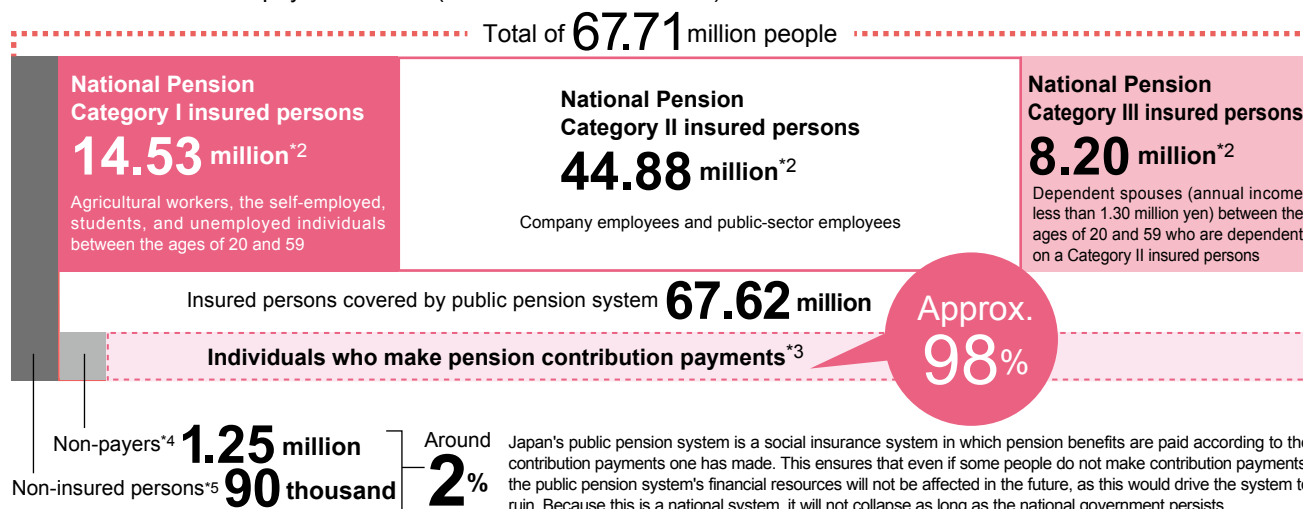
Insured persons in public pension system (as of the end of FY 2019) **67.62** million people

This refers to insured persons covered by public pension system (the National Pension and Employees' Pension Insurance.) Given that the population of Japan is roughly 125.93 million^{*1}, this is equivalent to more than half the population of Japan.

Source: "Employees' Pension Insurance and National Pension Annual Report," Ministry of Health, Labour and Welfare (FY 2019.)

Proportion of insured persons covered by public pension system who make pension contribution payments (as of the end of FY 2019)

■ Pension contribution payment status (as of the end of FY 2019)



The contribution payment rate (current-FY) for National Pension Category I insured persons' payments due in FY 2019 was 69.3%, but if combined with Employees' Pension Insurance and other programs, around 98% of all insured persons covered by public pension programs have made their contribution payments. In reality, just 2% have not made their contribution payments.

Source: "FY 2019 National Pension Coverage and Pension Contribution Payment Status," Ministry of Health, Labour and Welfare, Japan Pension Service, "Employees' Pension Insurance and National Pension Annual Report," Ministry of Health, Labour and Welfare (FY 2019)

Revenues from contribution payments (FY 2019) **39.0904** trillion yen

Contribution payments made for the National Pension and Employees' Pension Insurance total 39.0904 trillion yen. Employers cover half of the Employees' Pension Insurance contribution payments.

Source: "Revenues and Expenditures of the Public Pension System, FY 2019 (single-year data)," Ministry of Health, Labour and Welfare

Plus national government subsidy and pension reserve fund investment income

Pension benefits payments (FY 2019) **52.9607** trillion yen

Pension benefits payments paid out total around 52.9607 trillion yen, a sum covered by pension contribution revenues, national government subsidy, and pension reserve fund investment income. This sum is equal to around 10% of Japan's nominal GDP.^{*6}

Source: "Revenues and Expenditures of the Public Pension System, FY 2019 (single-year data)," Ministry of Health, Labour and Welfare

Pension beneficiaries (FY 2019) **40.40** million people

The population of Japan is around 125,930,000. Approximately 30% of the people in Japan are beneficiaries^{*7} of the old-age pension, disability pension, or survivors' pension.

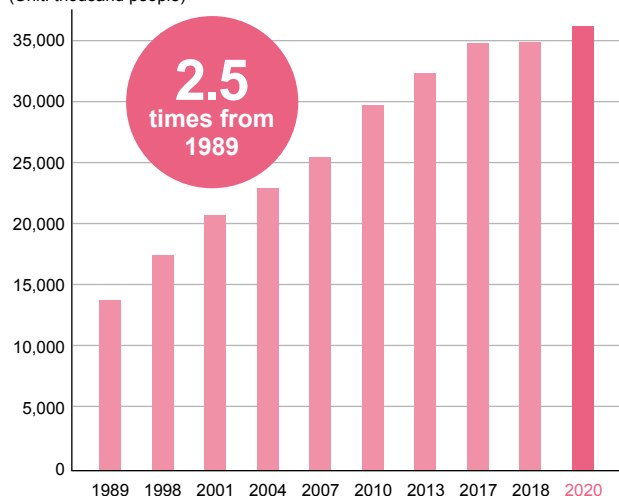
Source: "Employees' Pension Insurance and National Pension Annual Report," Ministry of Health, Labour and Welfare (FY 2019.)

Population aged 65 and over (April, 2020)

36.05 million people

Population aged 65 and over

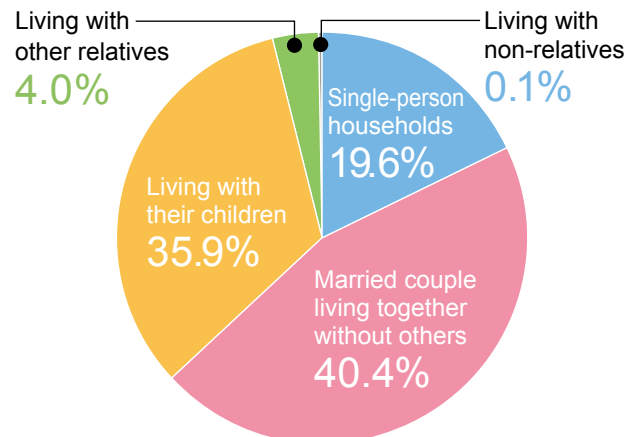
(Unit: thousand people)



The senior citizen population has reached a level approx. 2.5 times of that in 1989 (14.31 million.)

Source: "Population Estimates," Ministry of Internal Affairs and Communications.

Family structure of those aged 65 and older



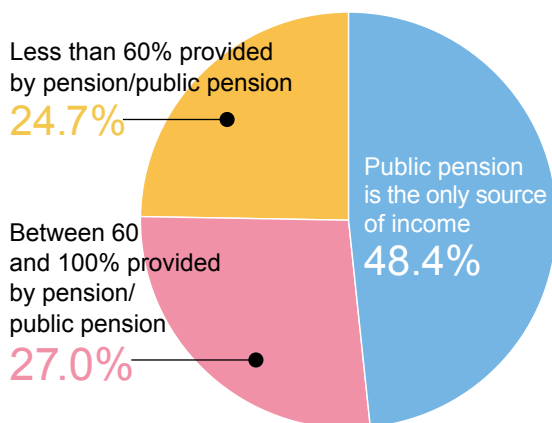
Looking at the various family structures in which senior citizens live, the largest group is the 15.208 million "married couples living together without others" (one or both members of the couple is aged 65 or older; 40.4% of the population aged 65+), followed by the 13.527 million "living with their children" (35.9% of the same,) and finally the 7.37 million "single-person households" (19.6% of the same.)

Source: FY 2019 Comprehensive Survey of Living Conditions (Ministry of Health, Labour and Welfare)

Elderly households for which pension/ public pension⁸ is the only source of income

48.4%

Pension/public pension as percentage of total income



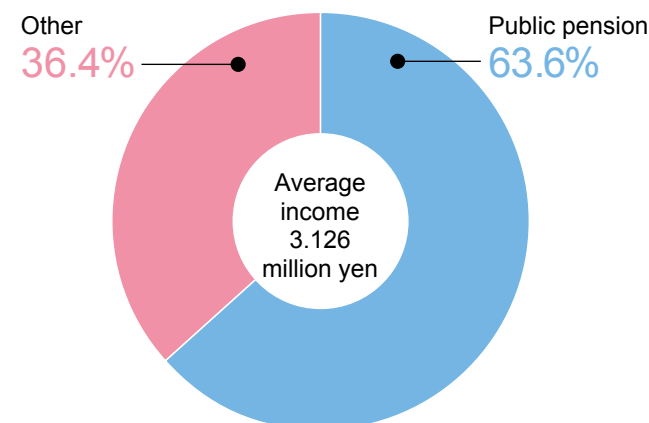
Of the elderly households receiving a public pension, the public pension is the only source of income for about 50% of them.

Source: 2019 Comprehensive Survey of Living Conditions (Ministry of Health, Labour and Welfare)

Amount of public pension benefits paid to elderly households

1.99 million yen

Breakdown of average income per elderly household



Public pension benefits average 1.99 million yen per year, which is equivalent to 63.6% of the average income of an elderly household.

Source: 2019 Comprehensive Survey of Living Conditions (Ministry of Health, Labour and Welfare)

▷ Totals may be inconsistent due to rounding of fractions.

*1: Population Estimates by Age (Five-Year Groups) and Sex (final estimates as at April 2020, provisional estimates as at September 2020) (Statistics Bureau, Ministry of Internal Affairs and Communication)

*2: This population statistic is valid as of the end of FY 2019. Category 1 insured persons include voluntarily covered insured persons (190,000 people.)

*3: Includes individuals who are exempt from or approved to postpone their contribution payments.

*4: A non-payer is someone who has not made a contribution payment in 24 months (April 2018 to March 2020.)

*5: Number of persons based on the 2016 Survey on Public Pension Insured Persons.

*6: This refers to the total value of goods and services produced in a year, calculated using market prices. (GDP is gross domestic product.)

*7: This refers to actual discrete public pension beneficiaries, with no double-counting.

*8: An elderly household is one consisting only of people aged 65 or older, or such a household that also contains unmarried individuals under the age of 18.

“My Pension and Me” Essays

FY 2020 Winning Entries

In order to deepen people's understanding of Japan's pension systems, JPS worked with the Ministry of Health, Labour and Welfare to mark every November as “Pension Month” to promote and raise awareness of the public pension system. As part of these initiatives, JPS has been seeking entries to the “My Pension and Me” essay contest since FY 2010 to encourage people to think about the value and significance of the public pensions system. Below are two winning essays selected from the 942 entries to the contest for FY 2020.

Ministry of Health, Labour and Welfare's Award

Yuta Yoshida

Hokkaido Prefecture (Male, 30s)

I have been receiving the disability pension since I was 21 years old. This is because I had my right leg amputated due to an injury suffered during an extracurricular activity in university and was left disabled.

However, I wasn't the one who applied for disability pension benefits. I was confined to a wheelchair and busy with rehabilitation and creating my artificial leg. It was difficult for me to go anywhere but the hospital, so it was my mother who consulted about pension benefits at the local government office, prepared the necessary paperwork, and applied on my behalf.

The truth is that there are a lot of barriers to applying for a disability pension at age 21. The disability pension system has a “contribution payment” rule that requires insured persons to have made pension contribution payments for a certain minimum period between their 20th birthday (when all people in Japan become subject to National Pension coverage) and the date on which their injury or disease is first diagnosed, or alternatively to have contribution payment exempted or approved to be postponed (Special Payment System for Students) for that period. If this requirement is not met, the insured person cannot receive disability pension benefits. If you have not made contribution payments, then you will be unable to receive disability pension benefits as “financial assistance at critical time” regardless of how severe your disability is.

I was 21 at the time of the accident, so it had only been around a year since I enrolled in National Pension coverage at age 20. For over half of that period, I was required to have had contribution payments or, alternatively, to have had an exemption or postponement applied. For that reason, even one unpaid month would have a major impact on whether I cleared the “contribution payment requirement.”

As a 20-year-old student, I never even considered that I might someday become disabled and need to apply for a disability pension. It was my mother who found time during her work to go to the local government office and apply for both National Pension coverage when I turned 20 and the Special Payment System for Students. I simply did as my mother said and mailed her the copy of my student ID that she needed for the Special Payment System for Students paperwork. If my mother had not applied for the Special Payment System for Students on my behalf, I not only would have been unable to receive disability pension benefits, I would have faced heavy expenses for costs such as surgery, hospitalization, and having my artificial leg made.

When my mother went to apply for a disability pension at the local government office after my accident, the government employee who confirmed my pension records said to my mother: "It is really fortunate that you signed your son up for the Special Payment System for Students." My mother always said that she "only did what you're supposed to do," but she herself never even imagined that her son would become disabled. When I think about how I would not have the life I do now if she had not submitted an application on my behalf, I just know I can never thank her enough.

Now, by some strange twist of fate, I actually work at the pension section at the city office. In my daily work at the pension section, I naturally receive submissions for the Special Payment System for Students, but the students themselves, their mothers, and others in the working generation very frequently think of "pensions" as synonymous with the "old-age pension received by the elderly." "Is there any point to applying for the Special Payment System for Students?" "Is there a point to making pension contribution payments?" "With low birth rates and an aging population, we won't even be able to receive pension benefits when we are elderly, will we?" We receive many questions like this. In these situations, I explain the nature of the public pension system, namely the relationship between the contributions paid by the working generation and the benefits received by the elderly. I also explain my own personal experiences, telling them that in the case of the disability pension or survivors' pension, choosing to make payments or seek exemptions now may save you a lot of headache later if something does happen. After convincing the person in this way, I proceed with the paperwork for making contribution payments, payment exemption, or postponement.

On the other hand, in the course of my daily work at the pension section, I also encounter people who are unfortunately unable to receive disability pension payments because they did not have pension coverage when they were first diagnosed, or because their low pension contribution payments meant they did not meet the "contribution payment requirements." In these cases, people often point out that they would have applied for coverage and made payments or filed for exemptions if we had only told them sooner, that the pension section at the city office never explained this to them, or that the pension section failed to tell them this even though they have a physical disability certificate. Although it is true that you have to apply for the pension system to use it, I do feel keenly on a daily basis that I, at the pension section, need to work harder to explain the public pension system to the public so that they are not left in a situation where they could have received pension benefits but cannot.

As someone who works in pension operations, there is something I always strive to do. When someone comes in for a pension consultation or to complete paperwork, and they walk with a cane, have a physical disability certificate or rehabilitation certificate, or have quit their job due to depression or some other mental issue, I always make an effort to ask them, "Do you know about the disability pension?" Even if their injury, disease, or disability does not immediately lead them to apply for a pension, they often reply that they did not even know about the disability pension, or that they did not think they could apply for the disability pension with their specific disease.

In my work at the pension section at the city office, I consider it my vital mission, as someone whose post-accident life has benefited from the disability pension, to tell as many people as possible about the importance of the public pension system -- not only the pension for the elderly, but also the disability pension that helps people get by after an unexpected accident, and the survivors' pension that guarantees the livelihoods of survivors after someone special has passed away.



All winning entries (full text) are posted on the JPS website.

"My Pension and Me" essays results

Search

We accept entries to the contest every year.
Please participate!






Japan Pension Service President's Award

○
Hinata Imai

Gifu Prefecture (Female, senior high school student)



When I heard the word “pension,” I used to think of it as something received by the elderly. This is because I often heard my grandparents talking about pensions. However, as I looked up information about the National Pension, I began to view the pension system as a very kind one.

In writing this essay, I first asked my mother what a pension is. My mother replied, “It’s like insurance in case you are ever unable to work at some point in the future.” But I had one question with respect to that reply: “How is it different from insurance?” What is the difference between a pension, which my mother calls “like insurance for the future,” and what is normally considered insurance?

I was curious and looked this up, and I felt there was one big difference between the two: human kindness. I felt that there was human kindness in the pension system. If something unexpected happens to my body and I am in trouble, I can get help. If someone else is in trouble, then I can help that person. Unlike insurance, which only protects myself and my own future, the pension system is a kind one in which people help one another.

As I researched pensions, I learned that there is something called the disability pension. One of my relatives, my grandmother’s older sister (my great aunt,) is actually a beneficiary of the disability pension. My great aunt is currently 72 years old, and since her 30s she has suffered from chronic kidney disease. She has had to undergo dialysis once every two days. When I first learned this, I felt so sorry for my great aunt, and it makes me sad to realize that there are so many people in the world suffering from a variety of diseases. Yet there is nothing I can do about this. My great aunt is currently living in Tokyo with my grandmother’s older brother (my great uncle.) Due to her dialysis treatments, my great aunt is unable to come visit us, and we also are not able to go visit her frequently. Despite feeling sorry for her, I feel so powerless lacking any way to help. But the fact that the disability pension exists has been a tremendous help to my great aunt. I do not want to be glib, as I am not sick and do not know the pain of such an illness; however, I believe that although we may not think about it, the pension system is enabling us to support each other just by living our everyday lives. That is why I felt that the pension system is “kind.”

Once I began to think of pensions as a “kind” system, I found myself wanting to tell my mother, who had described pensions as “like insurance for the future.” When I told her, she said, “I’d never thought that much about it. Now that you mention it, it really is a kind system.” I felt a respect for my parents and all adults for making pension contribution payments to this kind system, although of course it is an obligation to do so.

I know there are some people in the world who will think that their money is wasted if they themselves end up not needing pension benefits. Since I have still not made any money myself, I cannot pretend to be qualified to speak on such matters. However, I think that if everyone came to think of the pension system as a “kind” one that we use to help one another, no one would think their money is wasted. Moreover, even if you keep paying your pension contributions and nothing bad happens to you, it would be wonderful to be able to say, “I’m glad nothing happened to me” and “I helped someone out.”

I did not know anything about pensions before writing this essay, but now I have positive feelings towards the pension system. I believe that there are many people, including high school students like myself and adults, who do not know much about pensions but nonetheless have a negative impression of the pension system. I would like them to start first by learning, like I did. If they did that, I think that even people with a bad impression of the pension system would no longer feel that way. I would like the adults who make pension contribution payments to be proud of the fact that they are covered by such a wonderful system.

I will definitely seek out pension coverage when I am an adult. I am still a high school student and too young to make contribution payments, so I am on the side being helped out. As a person born in Japan who still lives here now, I would like to give back to those around me by cherishing this system of kindness that we use to help one another, and to work together to protect it in the future ahead.

Pension Consultation Service Contact Information

Call Nenkin Dial for general inquiries about pension.

“Nenkin Dial” hotline for general consultation services



0570-05-1165

If your phone number starts with 050, please call:
(Tokyo) 03-6700-1165

Service hours

Monday (If Monday is a national holiday, then the first post-holiday workday): 8:30 AM to 7:00 PM
Tuesday to Friday: 8:30 AM to 5:15 PM **Second Saturday of the month:** 9:30 AM to 4:00 PM

▷ The Nenkin Dial service is not available on Sundays, national holidays, Saturdays (excl. the second Saturday of the month,) or from December 29 to January 3.

To make an appointment to visit an office for consultation, call the Hotline for Consultation Appointments.



0570-05-4890

If your phone number starts with 050, please call:
(Tokyo) 03-6631-7521

Service hours

Monday to Friday (Weekdays): 8:30 AM to 5:15 PM

▷ Not available on Saturdays, Sundays, national holidays, or Dec. 29 through Jan. 3.

The pension consultation service is available throughout Japan.

The pension consultation service is available at branch offices and Pension Consultation Centers.

Monday (If Monday is a national holiday, then the first post-holiday workday): 8:30 AM to 7:00 PM

Tuesday to Friday: 8:30 AM to 5:15 PM **Second Saturday of the month:** 9:30 AM to 4:00 PM

◦ Some Pension Consultation Centers are not open after 5:15 PM or on the second Saturday of the month.

Please call our “Nenkin Kanyusha Dial” for inquiries about insurance coverage.

For insured persons covered by the National Pension system



0570-003-004

If your phone number starts with 050, please call:
(Tokyo) 03-6630-2525

For workplaces and employees covered by the Employees’ Pension Insurance



0570-007-123

If your phone number starts with 050, please call:
(Tokyo) 03-6837-2913

Service hours

Monday to Friday: 8:30 AM to 7:00 PM **Second Saturday of the month:** 9:30 AM to 4:00 PM

▷ Not available on Sundays, national holidays, Saturdays (excl. Second Saturday of the month,) or Dec. 29 through Jan. 3.

For inquiries about Pension Coverage Regular Notices (NENKIN TEIKI BIN) and Nenkin Net

Call the Pension Coverage Regular Notices (NENKIN TEIKI BIN) and Nenkin Net Dial (hotline for pension statements and internet accounts)



0570-058-555

If your phone number starts with 050, please call:
(Tokyo) 03-6700-1144

Service hours

Monday (If Monday is a national holiday, then the first post-holiday workday): 8:30 AM to 7:00 PM

Tuesday to Friday: 8:30 AM to 5:15 PM **Second Saturday of the month:** 9:30 AM to 4:00 PM

▷ Not available on Sundays, national holidays, Saturdays (excl. Second Saturday of the month,) or Dec. 29 through Jan. 3.

Use Nenkin Net to check your pension coverage records and estimate future pension amounts.

▷ Check your up-to-date pension coverage records on your computer or smartphone anytime and anywhere, 24 hours per day.

- Check your National Pension coverage records and contribution payment record.
- If you are employed by a company, check your Employees’ Pension Insurance coverage record.

▷ Estimate your future pension amount based on your various plans.

- Estimate your future pension amount based on various factors, such as if you chose to continue working, change jobs, or retire.

▷ Check pension benefits direct deposit notices, tax deduction slips for public pension, and other notices pertaining to pension payments.

For more information, visit the JPS website

https://www.nenkin.go.jp/n_net/

Nenkin Net

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For user registration with your smartphone





日本年金機構

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(Postal code) 168-8505
Phone: 03-5344-1100 (main)

<https://www.nenkin.go.jp>

Please visit
JPS website.

