

## Section 1

# Realizing a Society of Advanced Information and Communications Networks

### 1. Building a New, Japan-Inspired IT Society

The Telecommunications Council, an advisory body of the MPHPT, conducted discussions on the direction of IT strategy from now on, and in July 2003 the Internet Use-Promoting Committee of the Department on Information Communications Policy issued its third interim report. In this interim report, it is proposed that the government, industry, and academia should cooperate in the creation of a “new, Japan-inspired IT society” that takes advantage of the special features and strengths of Japan, such as its mobile phone, intelligent home appliance, digital television, and optic-fiber technologies, does not simply follow the West, and can be transmitted as a model to the whole world.

The interim report suggests that a “new, Japan-inspired IT society” will be formed centered on the three use axes of (a) the ubiquitous network society, (b) the age of high-quality images, and (c) the interconnection of the Internet and digital television. In addition, as measures for realizing a “new, Japan-inspired IT society,” the interim report proposes, among other things, the realization of a network environment that is useful for users and the distribution of contents that lead to affluent lives for users.

### 2. Promoting the IT National Strategy

Responding correctly to the social and economic structural changes that are occurring on a global scale as

a result of the utilization of information and communications technology has become an urgent issue for Japan as well. In January 2001 the government established the IT Strategic Headquarters, formulated the e-Japan Strategy aimed at “making Japan the world’s most advanced IT nation within five years,” and set about constructing IT infrastructure. Since then Internet diffusion in Japan has made great strides. The goal of constructing an environment enabling “high-speed Internet use by 30 million households and ultra-high-speed Internet use by 10 million households” has already been achieved, and the construction of systemic infrastructure related to e-commerce and e-government has also made progress.

Accordingly, recognizing that the first-phase targets of the IT strategy are in the process of being achieved, the IT Strategic Headquarters evolved the strategy into the second phase of the expansion of IT use and in July 2003 formulated the e-Japan Strategy II. For the realization of an “energetic, worry-free, exciting and more convenient” society, the e-Japan Strategy II takes up seven areas for leading efforts: medical services, food, lifestyle, small and medium enterprises financing, knowledge, employment and labor, and public service.

### 3. Budget Related to e-Japan

The fiscal 2004 government budget relating to the formation of an advanced information and communications network society totals 1.40 trillion yen. Of this, the IT-related budget of the MPHPT amounts to 134.8 billion yen, up 2.1% over the initial budget for the previous fiscal year of 132.0 billion yen.

## Section 2

# Development of Information and Communications Policies

### 1. Development of Telecommunications Policies

#### (1) Revision of the Telecommunications Business Law

In consideration of the advance of broadband and IP networks and in order to actively develop competition policy, improve consumer administration, and introduce a new competition framework, the MPHPT carried out a

partial revision of the Telecommunications Business Law and the Law Concerning Nippon Telegraph and Telephone Corporation, etc. The revised law, which promotes deregulation so that private carriers can fully demonstrate their capabilities, ensures the minimum safety net required by society, and seeks to make the entire system more convenient for users in Japan, went into effect in April 2004 (**Figure 3-2-1**).