



Chapter 3

Outlook for Information and Telecommunications Policies



Section 1 Promotion of Comprehensive Strategy

1. Promotion of national strategy

The IT Strategy Headquarters announced the IT New Reform Strategy in January 2006 as Japan's new national strategy to keep the position as the most advanced ICT nation with the world's highest infrastructure, ability to use ICT, and technical environment. In April 2007, the IT Strategy Headquarters also formulated the New IT Reform Strategy Policy Package to clarify the basic directions of future IT policy.

The Basic Policy 2007 was formulated (July 2007) on the basis of the IT New Reform Strategy and the New IT Reform Policy Package. Now, various plans are being promoted under the Basic Policy 2007.

2. u-Japan Policy

In the face of a rapidly-growing aging population with a declining birthrate in Japan, ICT is expected to serve as the trump card in solving various social issues. To maximize the potential of ICT, the Ministry of Internal Affairs and Communications (MIC) promotes the "u-Japan policy" as a systematic policy for realizing a ubiquitous society. As a means for promoting this policy, the MIC has established an ICT Policy Outline, etc. that includes priority measures to be taken each year (for the budget, tax system, and system reform, etc.) in the ICT field, based on which the MIC is undertaking various measures.

3. Promotion of reform in communication and broadcasting fields

To promote reform in the telecommunication and broadcasting fields, the government and the ruling parties formulated an "Agreement between the government and the ruling parties on regulatory frameworks for communications and broadcasting" on June 20, 2006. In response to this Agreement, the Ministry of Internal Affairs and Communications (MIC) developed the Process Program for the Reform of the Communications and Broadcasting Field in September 2006. The program includes concrete plans to be carried out within the next 5 years (by 2010).

To support the commitment pledged in the Agreement that the government will commence deliberation on the comprehensive legal systems governing communications and broadcasting based on the

assumption that the concept for mainstay broadcasting will be maintained and will reach a conclusion by 2010. The MIC has convened meetings of the Study Group on Comprehensive Legal System Governing Communications and Broadcasting since August 2006 with the purpose of identifying the direction of deliberations on the legal system governing the convergence/linkage of communications and broadcasting and the Study Group released a report in December 2007. The MIC also consulted the Information and Communications Council, in February 2008, on the comprehensive legal system governing communications and broadcasting in order to promote deliberations on a specific system governing the convergence/linkage of communications and broadcasting.

4. Enhancement of international competitiveness — promotion of Program for Enhancement of International Competitiveness —

The ICT industry accounts for about 10% of nominal GDP and is the largest industry in Japan, and its contribution ratio to real GDP growth rate is about 40%. However, Japan's share of the ICT market is not sufficiently high, and if the industry is to maintain its growth momentum in the future, it is essential to expand its share of the global market.

Being aware of this, the Ministry of Internal Affairs and Communications (MIC) held ICT International Competitiveness Meetings from October 2006 to April 2007, establishing a basic policy for enhancing international competitiveness in the ICT industry in Japan. Based on the outcomes of the meetings, the MIC set up the Panel on ICT International Competitiveness, created a ubiquitous-specific district and formulated an ICT International Competitiveness Enhancement Program, which is a comprehensive package combining basic programs, including promotion of the Japan Initiative Project and individual programs, such as R&D and enhancement of standardization. The MIC also designated FY2007 and FY2008 as the Years of Enhancement of ICT International Competitiveness and has been committed to strengthening international competitiveness through the concentration and selection of policy resources and the enhancement of industry-academia-government collaboration, etc.

5. ICT Productivity Acceleration Program

Since improvement of productivity through the use of ICT is essential to put the economy of Japan on a new growth path, given the circumstances of a declining population, the Ministry of Internal Affairs and Communications (MIC) formulated the “ICT Reform Promotion Program” in April 2007, which advocates the development of a common ICT infrastructure to improve productivity through the use of

ICT. The ICT Productively Acceleration Program was developed in June 2007 to launch specific measures and to make efforts for (1) the development of a general code structure and common ICT infrastructure, (2) the development of the RFID usage environment that optimizes network characteristics, and (3) the penetration and promotion of ASP/SaaS. Furthermore, the MIC set up the ICT Productivity Improvement Committee under the Information and Communications Council to deliberate on (1)-(3) of the above, and compiled a report on the direction of the development of a common ICT infrastructure.



Section 2 Development of Information and Communications Policies

1. Development of telecommunications

(1) Establishment of fair competition rules

A. New competition promotion program 2010

In response to the change in the market environment along with the advancement of broadband and IP networks, in September 2006, the Ministry of Internal Affairs and Communications (MIC) formulated a “New competition promotion program 2010 (Program 2010)”, which is a roadmap for the development of rules for fair competition to be implemented by the beginning of the 2010’s in the telecommunication field and also a concrete implementation plan for the Process Program for the Reform of the Communications and Broadcasting Field (September 2006) in the ICT sector. The purposes of the Program 2010 include promotion of further competition in the telecommunication market and protection of user benefits. The MIC is presently committed to steady promotion of the Program 2010.

B. Promotion of competitiveness in mobile communications market

The recent rapid advancement of technological innovation, broadband and IP in the mobile communications market brings about business opportunities that go well beyond a conventional market framework, such as integration of fixed and mobile communications markets and penetration of vertically-integrated business models. In response, the MIC established the Mobile Business Study Group in January 2007, aiming for economic vitalization and for the improvement of user benefits through the growth of new mobile business and the final report was released in September 2007. Based on the final report, the MIC announced the Mobile Business Revitalization Plan in September 2007, which was formulated as a roadmap for programs to be implemented by the target year of 2011, in order (1) to review sales models for the mobile business, (2) to promote new market entry by MVNOs, and (3) to promote development of market environment aimed at revitalizing the mobile business.

C. Review of universal service system

The New Competition Promotion Program 2010 points out that the universal service system should be reviewed in a step-wise manner amidst drastic changes

in market conditions, such as the progress of the transition from PSTN to IP networks and further penetration of broadband services. In response, the MIC has convened meetings of the Study Group for the Future Visions on the Universal Service System since January 2007 and the final report was submitted in December 2007.

Based on the final report, the MIC has just consulted the Information and Communications Council concerning a review of the universal service system to respond to the progress in IP, and a conclusion will be reached within 2008 after deliberations by the Council.

D. Development of environment towards ensuring neutrality of networks

The Ministry of Internal Affairs and Communications (MIC) established the Working Group on Network Neutrality in December 2006 in order to deliberate on the so-called “neutrality” of networks as IP networks proliferate, such as fairness of network use (neutrality of communication layer to other layers) and fairness of the cost burden of networks (neutrality of cost sharing model for enhancement of communication networks), and the final report was released in September 2007.

Furthermore, the MIC has convened meetings of the Panel on Internet Policy since February 2008, in order to extract and summarize policy issues and to organize the directions of future policy for securing network neutrality and sound development of the Internet from the various viewpoints of the stakeholders, and the report is expected to be compiled in December 2008.

(2) Advancement of network

A. Promotion of network advancement

In response to recent dramatic changes, such as the advancement of IP networks, home-networks and ubiquitous networks, the Ministry of Internal Affairs and Communications (MIC) had held meetings of the Study Group on Network Architecture since January 2007 with the aim of discussing new networks in view of the “next generation” of the next-generation network and released its report in August 2007.

In response, the MIC has been promoting research and development activities concerning the technology for new generation network infrastructure as a priority

theme from a mid- to long-term perspective. The MIC is also making efforts towards the realization of a new-generation network in a strategic and comprehensive fashion by gathering together the wisdom of Japan, through the New-Generation Network Promotion Forum (established in November 2007), etc.

B. Evaluation on telecommunication numbers

The FMC service is identified as a new service based on the convergence of networks, such as fixed and mobile networks, and various system modes and service forms are envisioned. In response to the report on the Regulatory Frameworks Pertaining to Telecommunications Numbers for Introducing Fixed-Mobile Convergence (FMC) Services submitted by the Information and Telecommunication Committee on March 30, 2007, the Ministry of Internal Affairs and Communications (MIC) consulted the Information and Communications Council about a draft ministerial ordinance for partially revising the Regulations Governing Telecommunications Numbers on June 21, 2007. On receiving the report from the Council, the MIC issued the “Ministerial Ordinance for the Partial Amendment to the Regulations Governing Telecommunications Numbers” (Enforcement, November 21, 2007).

(3) Dispute settlement between telecommunications business operators

The Telecommunication Business Dispute Settlement Commission is endowed with the following three functions: (1) to implement mediation and arbitration procedures, (2) to conduct investigation and submit reports on orders and awards made by the Prime Minister when consulted, and (3) to make the necessary recommendations to the Ministry of Internal Affairs and Communications (MIC) on the development of rules, etc. concerning the items within its vested powers. Besides these functions, the Commission has set up a consultation desk for “telecommunication business operators” to offer advice and answer questions on connections and issues among telecommunication business operators.

2. Development of broadcast policy

(1) Broadcast policy summary

A. Revision of Broadcast Law

Based on the “Agreement between the government and the ruling parties on regulatory frameworks for communications and broadcasting” etc. of December 2007, the Law Partially Amending the Broadcasting Law was established and then enacted on April 1, 2008. It stipulates the reform of the governance of the NHK and implementation of the estab-

lishment of the authorized broadcasting holding company system, with the aim of promoting reforms in the telecommunication and broadcasting field.

Amendments to the Broadcast Law established in this law include the following:

- (a) NHK ... 1. Enhancement of governance, 2. Provision of program archives using broadband services, 3. Building a system for new international broadcasting, and 4. Review on enforced broadcasting system
- (b) Commercial broadcasters ... 1. Introduction of authorized broadcasting holding company system, 2. Independent use of one-segment broadcasting, etc.

B. Study on a fair and transparent reception fee structure

The NHK’s reception fee structure has contributed to securing stable financial sources through which the NHK is able to fulfill its mission as a public broadcaster. However, recent scandals committed by the NHK employees has undermined people’s trust in the NHK and the number of nonpayments of reception fees has increased, which greatly impairs the fairness among viewers, imposing serious consequences on fee receipts, which is the NHK’s financial foundation.

Under these circumstances, the Ministry of Internal Affairs and Communications (MIC) has held meetings of the Study Group on Current Status and Issues on a Fair Reception Fee Structure since June 2007, in order to address urgent issues concerning sharing the reception fee structure fairly, and the first report and the second report were released in November 2007 and July 2008, respectively.

(2) Promoting the advancement of broadcast

A. Promoting the transfer of terrestrial broadcasting from analog to digital format

Terrestrial digital TV broadcasting was launched in the three largest metropolitan areas, Tokyo, Osaka and Nagoya, in December 2003, and gradually expanded its coverage area. By December 2006, service was started in all prefecture capitals. The current analog broadcast television will be fully converted to digital format by July 24, 2011. In January 2004, the Ministry of Internal Affairs and Communications (MIC) consulted with the Information and Communications Council for “appropriate usage of terrestrial digital broadcasting and the role of the administration in its penetration” to examine issues and solutions regarding future usage of terrestrial digital TV in various fields and a complete conversion to digital broadcasting by 2011. The Council issued the fourth report in August 2007.

Moreover, the Office of Terrestrial Digital

Broadcasting was set up in September 2007 with the aim of promoting the comprehensive and well-organized efforts of the MIC, and a liaison council of relevant ministries and agencies for the full transition to digital broadcasting was established under the Cabinet Secretariat in order to promote the smooth switchover to digital broadcasting.

Furthermore, in November 2007, the “National Council for Promotion of Terrestrial Digital Broadcasting” consisting of top leaders from a wide range of fields such as broadcasters, manufacturers, dealers, consumer groups, mass media and business groups, and concerned government ministries including the Ministry of Internal Affairs and Communications issued the “Action Plan for the Promotion of Digital Broadcasting (No. 8)”, to clarify the issues to be addressed by concerned parties. The MIC is determined to implement specific plans and to make efforts for a full transition to digital broadcasting following the termination of analog broadcasting in 2011, in cooperation with broadcasters, manufacturers and other related organizations.

B. Promotion of satellite broadcasting policy

Currently, a total of 12 frequencies are assigned to BS broadcasting in Japan through international coordination. Of these, 8 are already in use (5 for BS digital broadcasting and 3 for BS analog broadcasting), and, following a report from the Radio Regulatory Council in July 2007, it has been decided to use the remaining 4 for BS digital broadcasting from 2011. In accordance with the Basic Plan for Broadcast Dissemination, it has also been decided to reassign the 3 frequencies currently assigned to BS analog broadcasting to BS digital broadcasting with the complete termination of the former, scheduled for July 24, 2011.

Based on the recent progress of globalization and in response to an emerging need for an enhanced capacity of message transmission, the Ministry of Internal Affairs and Communications (MIC) consulted the Information and Communications Council regarding “International TV Broadcasting for Foreigners” and the method of its promotion in August 2006 and received a report in August 2007. The Council’s report made recommendations on (1) the specific direction to take in enhancing international TV broadcasting, and (2) ideal business entities and financial resources for international TV broadcasting. In response, the MIC has introduced a new system including commissioning program productions from new business entities, and has taken measures for a drastic expansion of national expenditures with the amendment to the Broadcast Law. After the enforcement of the amended law of April 2008, affiliated companies which receive business consignments from the NHK have been established, making efforts to

launch new TV programs for foreigners scheduled for early 2009.

C. Advancement of cable television

Due to recent changes in the environment surrounding cable broadcasting, represented by the progress of digital broadcasting and the wide coverage of large volume networks, etc., the future of re-transmission though cable broadcasting is re-emerging as an issue to be discussed. Thus, the MIC had held meetings of the Study Group on Broadcast Retransmission by Cable Broadcasters since September 2007 and the Study Group released the final report in March 2008. In response, the MIC formulated and released, in April 2008, the “Guidelines for Interpretation of Due Reasons in the Consultation Procedures and Arbitration Concerning the Agreement on Broadcast Retransmission by Cable Broadcasters”

3. Promotion of radio policy

(1) Radio policy summary

A. Promotion of Strategy for Frequency Liberalization

Today, use of the radio spectrum is expanding remarkably in terms of both quality and quantity, and domestic needs for the radio spectrum are being increasingly widened and diversified, with technological innovation in the ICT field as a driver. Under these circumstances, the Ministry of Internal Affairs and Communications (MIC) has created a framework to open up the radio spectrum drastically toward delivery of radio broadband services, which is the key to the realization of a ubiquitous society in Japan. Based on the “Radio Policy Vision,” a report was submitted from the Information and Communications Council in July 2003. The MIC also promotes the Strategy for Frequency Liberalization as a policy measure to assign frequencies to new fields.

In order to establish the world’s leading radio broadband environment, it is necessary to secure the radio spectrum needed for mobile communications systems and wireless access systems promptly and smoothly, as they are the core of such the broadband environment. Thus, the MIC formulated its- Action Plan for Radio Spectrum Reallocation in August 2004 to follow-up the reallocation of the radio spectrum smoothly and steadily, which is to be reviewed, in a sequential manner, responding to the results of an assessment of the annual usage survey on the radio spectrum and changes in the radio usage environment.

B. Review of spectrum user fee systems

The MIC has hosted its Study Group on the Spectrum User Fee System since April 2007, to facilitate a review of the next Spectrum User Fee System

(from fiscal 2008 to fiscal 2010), and the Study Group compiled recommendations concerning a review of usage and the amount of spectrum user fees. Based on these recommendations and an additional resolution passed at the 163rd Diet concerning the previous session for the review of the spectrum user fee system, the MIC has submitted a Bill on this again below for the partial amendment of the Radio Law to the 169th Diet session.

C. Establishing a procedure to facilitate a quick and flexible radio usage

In response to the recommendations made in January 2007 to establish processes aiming to use the radio spectrum more promptly and smoothly, which is the common infrastructure for communications and broadcasting, in the deliberations at the “Study Group on Comprehensive Legal System Governing Communications and Broadcasting”, the Radio Law and the Telecommunications Business Law have been partially amended and the amendments contain the following four provisions: (1) expansion of a test radio station system, (2) introduction of mediation and arbitration concerning the establishment of radio stations, (3) introduction of a change system for radio station operators and (4) review of items to be consulted on by the Radio Regulatory Council. These amended laws entered into effect on April 1, 2008 (on December 28, 2007 for item (4)).

In order to eliminate areas with poor reception for mobile phones, such as high-rise buildings, condominiums, houses and underground malls into which licensees are not easy to enter, super small-sized femto cell base stations have been developed. The MIC has submitted a Bill for the partial amendment of the Radio Law to the 169th Diet session with the aim of establishing a system that allows building managers and users to operate recovery and facility transfers of such super-small sized base stations for mobile phones.

(2) Approach to advancement and diversification of radio usage

A. Advancement of mobile communication system and wireless access system

The Ministry of Internal Affairs and Communications (MIC) has been making efforts toward the introduction of a wide-area mobile wireless access system, such as WiMAX and the next-generation PHS, and the advancement of a third-generation mobile communication system. With the aim of realizing the practical application of so-called fourth generation mobile telecommunications systems (IMT-Advanced), the one that follows the third generation mobile telecommunications systems (IMT-

2000:International Mobile Telecommunications-2000), in and around 2011, the Ministry of Internal Affairs and Communications is actively promoting efforts for research and development and international standardization with industry-academia-government cooperation.

Also, with respect to a high output wireless access system that uses 5GHz band, the MIC introduced a register system in December 2007 in a number of metropolitan areas (Tokyo, Nagoya and Osaka and surrounding areas) where high demand is expected, prior to nationwide installation. The period of use for the fixed station for telecommunications service expired at the end of November 2007, and then use of the wireless access system has become possible. Thus, the MIC has developed the relevant regulations and expanded the eligible areas for a nationwide registration system from December 1, 2007.

B. Promotion of ITS

At meetings of the ITS Promotion Council, which have been held since April 2006, the MCI, together with the Cabinet Secretariat, National Police Agency, Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism, Nippon Keidanren and ITS Japan, has been conducting deliberations on the implementation of large-scale demonstration tests for a support system for safe driving in FY2008. Also, with the aim of realizing ubiquitous ICT under a three-year plan from FY2005, the MIC has been promoting the Research and Development of Ubiquitous ITS. Furthermore, the MIC has been conducting demonstration tests on technologies for supporting safe driving toward the realization of Road-to-Vehicle Communications/Vehicle-to-Vehicle Communications.

(3) Development of radio usage environment

The Ministry of Internal Affairs and Communications (MIC) has conducted research on the effect of the radio spectrum on the human body to protect the human body from the effect of the radio spectrum. Using the research results and international guidelines as a reference, the MIC has established safety standards to be applied in Japan. Furthermore, the use of radio waves has rapidly expanded along with the penetration of mobile phone services and concerns about the effects of radio waves on implantable medical devices, such as cardiac pacemakers, have increased in recent years. In response, the MIC has conducted the Study on the Effect of Radio Waves on Medical Equipment since 2000.

Recently, with the expansion of radio usage, inappropriate use of radio frequencies by unlicensed radio stations has increased and a number of failures in radio usage have been reported. In response to these circum-

stances, the MIC has been undertaking measures against wireless communication interference and illicit/illegal radio stations and implementing dissemi-

nation campaigns and enlightenment activities for the protection of the radio environment.



Section 3

Establishment of a Safe and Secure Ubiquitous Network Society

1. Consumer administration in relation to telecommunications services

(1) Illegal and harmful information on the internet

A. Dealing with illegal/harmful materials on the internet

The rapid development and penetration of the Internet have brought about convenience to users on one hand, while on the other hand, so-called “black websites” are becoming a social issue and there is an increasing number of incidences where minors can get access to harmful material and consequently become involved in crime. The Ministry of Internal Affairs and Communications (MIC) has held meetings of the Study Group to Address Illegal and Harmful Information on the Internet since November 2007 to deliberate on the promotion of the introduction of further filtering for young people, support for measures to be taken by providers, etc., including deletion of illegal and harmful information, comprehensive measures against illegal and harmful information, such as dissemination and enlightenment campaigns to improve Internet literacy. Subsequently, an interim report on improvement measures for filtering for mobile phones, etc., was compiled in April 2008.

B. Promotion of dissemination of filtering

Today, we are seeing a number of cases where young people get access to harmful Internet sites, such as so-called “online dating sites” and get involved in crime, which are emerging as a social problem. As a tool for dealing with harmful information on the Internet, filtering is one of the effective methods, which allows users to take what is good and refuse what is bad through their own will. In December 2007, the Ministry of Internal Affairs and Communications (MIC) requested mobile phone operators to gain parental consent for using filtering services when young people use mobile phones. In April 2008, the MIC also requested mobile phone operators to make efforts to improve filtering services, in line with the directions set forth in the interim report of the Study Group to Address Illegal and Harmful Information on the Internet.

(2) Measures against nuisance e-mails/ phishing

The Ministry of Internal Affairs and

Communications (MIC) has convened meetings of the Study Group to Address Methods of Dealing with Nuisance E-mails since July 2007, and the interim report of the Study Group was released in December 2007, which focused on a review of legal systems. Based on the interim report, the Law Partially Amending the Law on Regulation of Transmission of Specified Electronic Mail was promulgated on June 6, 2008. Since the amended law includes a provision whereby telecommunication operators can refuse the provision of service if a sender sends e-mails with a false e-mail address, it can also be effective as a countermeasure against phishing.

(3) Safe and secure use of mobile phones

In order to promote the safe and secure use of mobile phones, the Ministry of Internal Affairs and Communications (MIC) is committed to the appropriate enforcement of the “Law on Identification of Cellular Phone Users by Mobile Operators and Prevention of Abusive Use of Cellular Phones.” (Law No. 31, 2005) This Law obliges mobile phone operators to conduct identity verification when concluding contracts or transfers to prevent the abuse of mobile phones.

Since we have seen a surge in the number of cases where consumers are seeking advice regarding the expensive packet communication fees of mobile phones in recent years, the MIC is conducting PR activities with regard to implementing measures, such as the use of services that inform the user or restrict use if the communication fee exceeds a certain amount.

(4) Protection of personal information in the telecommunications field

In view of the fully-fledged enforcement of the Private Information Protection Law, the Ministry of Internal Affairs and Communications (MIC) had held discussions through the Panel on Personal Information in the Telecommunications Services since February 2003 and revised the guidelines to ensure stricter implementation of the proper handling of personal data in August 2004. And in September 2007, in response to the diversification of positioning information services and penetration of terminals with GPS functions, the interpretation of the guidelines was partially revised in order to clarify the contents of neces-

sary measures to be taken by telecommunication service operators when providing positioning information services.

With respect of the protection of personal information in the broadcasting field, the MIC formulated the “Guidelines concerning Protection of Personal Information of Broadcast Viewers/Listeners” in August 2004 prior to the fully-fledged enforcement of the Private Information Protection Law in April 2005. These guidelines were reviewed in July 2007 in line with the changes that occurred after the enforcement, and were partially revised with respect to the following two points: (1) to clarify who may acquire personal information of viewers, etc., and (2) to handle the personal information recorded on a reception device safely.

2. Promotion of information security policy

(1) Information security measures of the government

The government has made a concerted attempt to promote information security measures by establishing the National Information Security Center in the Cabinet Secretariat (NISC) in April 2005, as a central organization for information security measures, and the Information Security Council in the Strategic Headquarters for Promotion of an Advanced Information and Telecommunications Network Society in May 2005.

The First Information Security Basic Plan (the Basic Plan) was formulated by the Information Security Council in February 2006 as a strategy to cover information security issues in Japan during the three years from FY2006 and FY2008, and “Secure Japan 2007” was compiled as a specific annual plan for FY2007 based on the Basic Plan.

(2) Realization of an environment for safe and secure use of the Internet

Based on the u-Japan policy and the First Information Security Basic Plan, etc., the Ministry of Internal Affairs and Communication (MIC) has been making efforts toward responding to diversified products and the improvement of human and organiza-

tional capacities that would lead to the enhancement and increased reliability of networks which, from the standpoint of a competent ministry in the ICT field, is one of the most important infrastructures, in order to develop an environment where people can use information and communications networks safely.

(3) Ensuring safety and reliability in the telecommunications services

In recent years, as IP networks progress, accidents and disturbances have been occurring more frequently on a larger scale and for longer periods. In order to respond to these changes, deliberations have been conducted at the Information and Communications Council, and the Ministry of Internal Affairs and Communications (MIC) received a partial reports entitled “Safety/Reliability Measures for IP Based Networks” in May 2007 and “Safety and Reliability Standards for IP Based Networks” in January 2008 from the Council. Based on these reports, the MIC reviewed (1) the revision of ministerial ordinances to include a review of reporting criteria and control regulations for accidents and periodical reporting of accidents, and (2) the revision of guidelines.

3. Ensuring reliability of electronic data

In order to promote socio-economic activities further, using a network such as e-commerce and ensuring a smooth user environment for electronic signatures attached to electronic data, the Law concerning Electronic Signature and Certification Services has been enforced since April 2001 in Japan. As of the end of April 2008, 18 specific certification services have been accredited.

Since the importance of a time stamp attached to electronic data that would improve reliability at the time of creating electronic data that are distributed and stored in the field of e-commerce, and the associated “time business service”, the Ministry of Internal Affairs and Communications (MIC) has been actively making efforts toward promotion of the use of time business by formulating and releasing the Guidelines concerning Time Business to allow people to use time business services provided by private business safely.



Section 4

Development of affluent and vital ubiquitous network society

1. Elimination of geographic digital divide and promotion of information system to local communities

In the New Reform Strategy, the government of Japan listed the promotion of optic fibers, etc., in its efforts toward elimination of zero-broadband regions by 2010 as one of its targets. In line with government policy, the Ministry of Internal Affairs and Communications (MIC) formulated the “Next Generation Broadband Strategy 2010” in August 2006.

Furthermore, in order to discuss specific measures for the elimination of zero-broadband regions, poor radio reception zones for mobile phones and digital divide, the MIC has held meetings of the Strategic Meeting on Bridging Digital Divide since October 2007. The MIC has also held meetings of the Study Group on Establishing Usage Environment for Next-Generation Broadband Technology since November 2006 with the aim of discussing measures for establishing the usage environment for the technological aspects that would facilitate penetration of next-generation broadband technologies toward elimination of zero-broadband regions. The Study Group released its report in June 2007. Based on the recommendations of the Study Group, the MIC will continue to deliberate on the measures for establishing the usage environment for broadband technology.

2. Regional development, etc. utilizing the information and communications infrastructure

Since correction of the regional divide is an urgent issue, the Ministry of Internal Affairs and Communications (MIC) is committed to the development of a support system for creating a model for success, by means of (1) dispatch of regional informatization advisors, and (2) taking measures, such as the launch of a regional informatization caravan, etc., in the areas which are making active efforts for regional revitalization through ICT, with a view to revitalizing the regional socio-economy through the creation of a ubiquitous network society in the regions. At the same time, the MIC will boost the local economy and society that would make use of the structural reform capacity of ICT by disseminating its knowledge, experience and knowhow throughout the country.

Furthermore, the MIC has been promoting the dissemination of a “regional information platform”, the standard specification that stipulates rules to be followed by individual systems, so that information systems of municipalities, etc. can be mutually connected and coordinated. The MIC then developed technologies that would enable coordination between systems for municipalities, etc., and formulated standard specifications, etc. In the future, in order to put systems in place at the earliest possible time, which are in line with the standard specifications, the MIC will conduct demonstration tests in the house-moving field and will extract various operational issues and present solutions for such issues.

3. Promotion of barrier free information

Currently, various services are widely offered through information and communication devices or websites, and therefore, it is important for the elderly and disabled persons to be able to use these devices and services easily, or, in other words, to ensure accessibility. The Ministry of Internal Affairs and Communications (MIC) is promoting the active use of the “Operational Models for Governments’ Websites for Everyone” that offer specific operational models for maintaining and improving web accessibility, enabling all people to use public websites. Also, with respect to telecommunications accessibility, the ITU-T approved the Telecommunications Accessibility Guidelines, which had been discussed at the instigation of Japan, as an ITU Recommendation in January 2007. In response, the MIC has been making efforts toward the dissemination and penetration of the said guidelines.

Furthermore, the MIC formulated the “Guidelines for Broadcasting Administration for the Visually and Auditory Impaired Persons” in October 2007 for the promotion of close-captioned broadcasting, sign language broadcasting, and narration broadcasting, in view of progress in digital broadcasting technologies and services in the future.

4. Promotion of informatization of administrative services

(1) Realization of e-Government

The government has thus far been promoting

improvements of usability and service quality, administrative reform to leverage IT, and establishment and enhancement of e-Government, based on the e-Government Construction Program, the Future Administrative Reform Policy, and the IT Policy Package-2005. Also in the IT New Reform Strategy, realization of “the most convenient and efficient e-Government in the world” is specified as one of the IT structural reform policies.

Based on the IT New Reform Strategy, the Liaison Conference for Chief Information Officers (CIO) of Respective Ministries formulated the “e-Government Promotion Plan” (August 2006) to implement future e-government plans properly and to achieve the expected results following the PDCA cycle (revised on August 2007). The Ministry of Internal Affairs and Communications (MIC) plans to conduct the steady promotion of the informatization of administrative services based on the plan.

(2) Realization of e-Local Governments

e-Local Governments aim to upgrade administrative services and simplify and streamline administration through the use of ICT by local governments. In March 2007, the Ministry of Internal Affairs and Communications (MIC) issued the “New Guideline for Promoting e-Local Governments” in order to “realize a useful, effective and vital e-local government by fiscal 2010.” and conducts annual follow-ups of the progress of implementation.

Hence, using such infrastructure as Local Government Wide Area Networks, the Resident Registration Network System, and the Public Certification Service for Individuals, the MIC has been promoting effective e-Local Government and taking various measures from financial and human resource viewpoints, etc., to improve local services.

5. Promotion of ICT in disaster prevention field

In addition to public networks for subscribed phones and cellular phones and exclusive lines, the Ministry of Internal Affairs and Communications is now establishing a robust, congestion-free independent network called the “disaster prevention communications network” across the nation, prefectures and municipalities, to secure communications and collect and submit information promptly and steadily in the event of disaster.

The Ministry is promoting development and enhancement of the disaster prevention communication network while setting up effective measures in the event of network interruption, including activities of the Conference of Emergency Communications.

6. Promotion of content policy

Under the basic policy of market expansion in the content field as part of its efforts for strengthening the capacity for growth and international competitiveness of Japan, Japan set forth the numerical target of “increasing the value of the content market to about 5 trillion yen within the next 10 years” in the “Basic Guideline for Economy and Fiscal Management and Structural Reform 2006” (cabinet decision in July 2006). Also, the “2007 Intellectual Property Promotion Plan (Headquarters for Intellectual Property Strategy in May 2007) listed “Making Japan a first-class global digital content super-power” as a main pillar of its efforts, and efforts toward collaboration between public and private sectors have been promoted.

In order to develop an environment for content production and distribution, the Ministry of Internal Affairs and Communications (MIC) has been (1) discussing rules and other issues concerning the use/distribution of content, (2) making efforts toward the development of a content-trading market, (3) considering the promotion of an appropriate broadcasting content trade, and (4) preventing illegal content on networks. In addition, the MIC has been making active efforts for IPTV and for improving international competitiveness of content.

7. Creation and fostering of ICT venture businesses

ICT ventures create new businesses with innovative and indigenous technology and business models are expected to serve as the front-runners of innovation that enables the ICT industry of Japan to achieve further development in an era of increasingly fierce global competition.

The government of Japan advocates strengthening comprehensive support measures for research and development-oriented ventures, etc. as where should this close promotion of corporate activities such as research and development-oriented ventures in its “Third Science and Technology Basic Plan” and development of ventures that would create innovation in its “2007 Basic Policy for Economic and Financial Reform.” The Ministry of Internal Affairs and Communications (MIC) also takes measures to promote the creation and growth of ICT ventures in cooperation with related ministries and agencies, covering various aspects from fund supply, securing and development of human resources, and information provision, etc. In specific terms, in order to support the development of human resources in ICT ventures, the MIC has developed the “Manual for Formulation Business Plan and Venture Management” and the

“Management of Courses on Support for Formulation of Business Plan and Points to Remember in Supporting Ventures.” It has also formulated the “ICT Venture Leadership Program” and the “Guidelines for Securing and Developing Human Resources in ICT Ventures.”

8. Development of ICT personnel

(1) Development of advanced ICT personnel

Development of human resources with highly advanced knowledge and skills in the rapidly advancing ICT field is crucial for Japan to maintain its status as the world’s leading ICT-based country and to maintain and improve international competitiveness. Thus, the Ministry of Internal Affairs and Communications (MIC) has been implementing a support scheme for ICT human resources development programs since fiscal 2001 to assist the quasi-public organizations and public-interest corporations which develop human resources in the information and communications field.

To deal with the urgent issue of securing human resources with research and development capabilities who can plan and promote innovation strategies in line with the latest technological trends and market needs, the MIC has held meetings of the Study Group on R&D Human Resources Development in the ICT Sector since November 2006 and the report of the Study Group was issued in June 2007. Furthermore, the Study Group on Development of Advanced ICT Human Resources was set up with the aim of conducting deliberations on fully-fledged measures for developing advanced ICT human resources, including advanced ICT human resources organizations and their functions that are required for strengthening international competitiveness, and the report was released in May 2008.

(2) Informatization of education and improvement of ICT media literacy

Since it is important for children who are the main players in the future of Japan, to become familiar with ICT at an early stage of their life, to improve their information utilization ability, and to build a society where new intellectual and cultural values are created, the Ministry of Internal Affairs and Communications (MIC) has formulated a manual that describes model plans for establishing networks in schools, entitled the “Manual for Installing School LAN” and posted it on its website.

In order to support ICT use in elementary and junior high-schools, the MIC has been conducting a large scale demonstration test, entitled the “Oasis Project.” This project is to transmit content owned by the NHK, such as programs and video clips for

schools, to elementary and junior high-schools throughout the country free-of charge, on a demand basis, for three years from November 2006, in cooperation with the Ministry of Education, Culture, Sports, Science and Technology.

9. Promotion of telework

Telework is expected to provide a solution for various issues such as an ageing population with a declining birthrate, regional revitalization, reduction in environmental load, etc., while improving business efficiency and productivity in an effort to strike a proper work-life balance. The government of Japan raised the target for a telework population accounting for 20% of the working population by 2010 in the Telework Population Doubling Action Plan. The Ministry of Internal Affairs and Communications (MIC) also has been making a concerted effort to promote telework, in cooperation with relevant ministries and agencies. Specifically, working with the Ministry of Health and Welfare, the MIC started “demonstration experiments on telework model projects” and also implemented pioneering telework system model experiments to verify and present the various effects of telework on society.

10. Dealing with global warming issues in the ICT field

As global warming issues have become increasingly serious in recent years, ICT is expected to contribute greatly to the realization of a safe and secure society, improvement of convenience, and revitalization of regional economies, as well as to present a solution for global warming issues through more efficient business operations. On the other hand, consideration for global warming issues is increasingly necessary due to an increase in power consumption as a much higher number of ICT devices is in use and more functions are attached to them. In response to these circumstances, the Ministry of Internal Affairs and Communications (MIC) has convened meetings of the Study Group on ICT Policy for Addressing Global Warming since September 2007 and the Study Group released its report in April 2008. Now, based on the report, the MIC will contribute to the development of international standards for the ITU, etc., toward the establishment of an international index for the effect of ICT on CO2 reduction and to implement effective evaluations, and will conduct discussions about support measures to promote further ‘environment’-conscious efforts in the home.

1.1. Promotion of ICT use for medical care

In the medical practice- in Japan, medical malpractice caused by the increased burden on medical professionals has been frequently reported. The burden of national health costs is expected to increase rapidly along with the advancement of an aging population and preventive measures for lifestyle-related diseases are increasingly necessary.

With the aim of contributing to solutions for these issues, the Ministry of Internal Affairs and Communications (MIC) has been conducting demonstration tests since 2008 toward building a foundation

for the provision of seamless medical care among medical institutions and for the use of health information, which would contribute to daily measures for the promotion of health through the effective use of personal health data, in cooperation with Ministry of Health, Labor and Welfare and the Ministry of Economy, Trade and Industry. Recognizing the shortage of doctors in regional areas, the MIC and the Ministry of Health, Labour and Welfare have jointly convened the “Panel on Telemedicine Promotion Measures” since March 2008, with the aim of studying the possible use of telemedicine technologies to enhance medical care in regional areas as well as measures to promote such use.



Section 5 Promotion of Research and Development

1. Research and development strategy to enhance international competitiveness of Japan

In view of enhancing the international competitiveness of Japan, the Information and Communications Council released the “ICT R&D and Standardization Strategy to Enhance Japan’s International Competitiveness” in June 2008. The R&D activities of the Ministry of Internal Affairs and Communications (MIC) will be promoted based on the “UNS R&D Strategic Program II” (UNS: Universal Communications, New Generation Networks, Security and Safety for the Ubiquitous Network Society), as part of the R&D strategy of the above report.

The “UNS R&D Strategic Program II” consists of three areas: (1) “new-generation network” area, (2) “safe and secure ICT” area, and (3) “universal communications” area and R&D measures in the field of “global environmental conservation (anti-global warming technologies)” that covers all of the three areas. In the future, it will be increasingly necessary to implement R&D activities effectively and efficiently based on the “UNS R&D Strategic Program II”, through the further enhancement of cooperation among industry, academia and government, lead by the National Institute of Information and Communications Technology (NICT).

(1) “New-generation network” area

Future networks are the foundation of the ICT industry and are expected to meet emerging needs flexibly and accurately. In order to support such future networks, the Ministry of Internal Affairs and Communications (MIC) has been promoting research and development of the “new-generation network technology.” Specifically, the following have been undertaken: (1) R&D concerning new-generation network infrastructure technology, (2) R&D concerning next-generation photonic network technology, (2) R&D concerning next-generation backbone, and (4) R&D concerning next-generation network infrastructure technology.

(2) “Safe and secure ICT” area

As “ICT Safe and secure Technology” aimed at establishing a safe and reliable society, the Ministry of Internal Affairs and Communications (MIC) promotes research and development activities to overcome

issues in various fields including disaster prevention, natural environment, and welfare as well as research and development activities to provide a dependable ICT infrastructure so that anyone can use ICT effectively. Specifically, the R&D activities include research/development of: (1) space communication technology, (2) remote sensing technology, (3) next-generation advanced network infrastructure, (4) ubiquitous platform technology, (5) information security technology, high-speed, large capacity satellite communication technology, and (6) integration between robots and ubiquitous networks.

(3) “Universal communications” area

With regard to the field of “Universal Communications” for boosting intellectual energies, the Ministry of Internal Affairs and Communications (MIC) promotes research and development activities to realize communications technologies that promote intellectual creativity and communications technologies friendly to people, including the elderly and the disabled who can then overcome age, physical, language and cultural barriers through the use of the most advanced ubiquitous networks in the world. Specifically, the research and development activities include (1) automatic speech translation technologies and (2) the Super High Reality Video and Sound System.

(4) Global environment conservation (anti-global warming technology)

R&D in ICT, which has thus far been conducted with the aim of improving services and business operations and reducing costs, has a positive effect on the reduction of CO₂ emissions. Now that global warming issues are getting more serious by the day, it is necessary to promote R&D that will contribute proactively to the reduction of CO₂ emissions. The Ministry of Internal Affairs and Communications (MIC) is resolved to promote R&D activities for such technologies as the management of consumption and supply of power through informatization of energy flows, technology to realize a paperless society, fully-optical networks, energy-saving ICT devices and measurement of CO₂ emissions.

2. Development of a research and development environment

In order to promote effective and efficient research

and development activities in a concerted manner by developing the research and development environment, it is essential to create an open, flexible and competitive research/development environment.

Hence, the Ministry of Internal Affairs and Communications (MIC) is now developing an advanced test-bed network for research and development (JGN2), utilizing competitive research funds.



Section 6 Promotion of International Strategy

1. Promotion of international policy

(1) Support for international business

With the aim of strategically supporting the international business activities of private companies in the fields of digital broadcasting, next-generation IP networks and wireless communications in which Japan has a particular strength, the Ministry of Internal Affairs and Communications (MIC) set up the ICT Office for International Promotion in January 2007. Specific activities of this Office in the three fields mentioned above include (1) comprehensive support and a contact point for launching the international activities of ICT companies, (2) implementation of various dissemination and enlightenment activities and (3) collection and organization of useful information from other countries and the sharing of such information among industry, academia and government. The MIC has also been making efforts to strengthen the presence of Japan internationally to gain an advantage in negotiations for technological standardization, as well as to develop a competitive environment for telecommunication markets in Asia and others in bilateral and multilateral negotiations.

(2) Promotion of international policy in Asia/Pacific region

The Ministry of Internal Affairs and Communications (MIC) has been making various efforts concerning the promotion of international policy in the Asia/Pacific region, which included cooperation with the member countries of APEC (Asia Pacific Economic Cooperation), the Asia Pacific Telecommunity (APT) and the Association of South East Asian Nations (ASEAN). With regard to cooperation with ASEAN countries, at the second ASEAN-Japan ICT ministers' meeting, Japan proposed the "ASEAN-Japan ICT Work Plan 2007-2009" as a work plan concerning cooperation between Japan and ASEAN during the period between 2007 and 2009, which was then deliberated and accepted. Japan also proposed to hold an "Asia Information Security Policy Conference (provisional)" to enhance information security which is of importance in conducting smooth economic activities. The proposal was then accepted.

(3) Promotion of international policy among international institutions and multiple nations (except for Asia-Pacific region)

A. Enhancement of strategic activities for international standardization

In order to enhance Japan's international competitiveness in the ICT field, it is essential to elucidate target technologies and systems for international business activities based on the needs of relevant countries and to proceed with strategic activities in cooperation with industry, academia and government, covering a range of activities from international standardization, to the production of technologies and sales of systems in international markets. Hence, in August 2007, the Ministry of Internal Affairs and Communications (MIC) consulted the Information and Communications Council about ICT R&D and the Standardization Strategy to Enhance Japan's International Competitiveness, and a report was released in June 2008 with the following three measures for enhancing international standardization activities: (1) ICT standardization strategy map in the prioritized technological areas where Japan should make efforts toward international standardization and a policy for formulating an ICT patent map, (2) method for developing human resources engaged in international standardization activities, and (3) establishment of a center for ICT standardization and intellectual properties that controls these standardization activities through cooperation between the government, industry and academia.

B. Participating in International Telecommunication Union activities

The International Telecommunication Union (ITU) is a specialized agency in the United Nations in the telecommunication field. Japan is making a positive contribution to the work of the ITU; for example, Japan has accepted the assignments of chairperson and vice-chairperson to study groups in different sections and submitted various recommendations. Besides these, Japan participated in the second meeting of the Internet Governance Forum held in Rio de Janeiro in November 2007 and also takes an active part in the New Round Negotiations of the World Trade Organization (WTO).

(4) Promotion of international policy in bilateral relationship

Japan has been having multifaceted discussions with the United States every year since June 2001, based on “US-Japan Economic Partnership for Growth”, which was created to promote sustainable growth through dialogue. In June 2007, as a result of 6th year dialogue on the U.S.-Japan Regulatory Reform and Competition Policy Initiative, a report concerning regulatory reform and competition policy in various fields including telecommunication was summarized and announced. Then in October 2007, petitions were exchanged during the 7th year dialogue.

As well, the Ministry of Internal Affairs and Communications is having consultations on policy with other countries’ ministries and agencies of information and communication, including bilateral policy dialogues with European countries and China. Also, the Ministry is making active effort to conclude FTA (Free Trade Agreements) and EPA (Economic Partnership Agreements).

2. Promotion of international cooperation

Recently, the information gap (digital divide) has

been growing internationally, and there is an increasingly recognized need to build information and communications networks on an international scale, including developing countries.

The Ministry of Internal Affairs and Communications provides various supports, including ICT human resources development, support for ICT policy and system formulation through policy dialogue with the information and communications ministries of developing countries, support for the development of information and communication infrastructure by implementing international joint experiments, etc., and support for the international and regional organizations that promote international cooperation in eliminating the digital divide. The Ministry also contributes to sustainable development in the information and communications field in developing countries through Official Development Assistance (ODA) in cooperation with various agencies and organizations, including the Ministry of Foreign Affairs, Japan International Cooperation Agency (JICA), and Japan Bank for International Cooperation (JBIC).



Section 7 Development of Postal Service Administration

1. Smooth and secure execution of privatization of Japan Post

To institute the privatization and splitting up of Japan Post, the Ministry of Internal Affairs and Communications (MIC) has started making preparations toward privatization, such as approving the Execution Plan for Transferring Services of Japan Post to establish Japan Post Corporation and to transfer assets, services and personnel from Japan Post to Japan Post Corporation and respective companies. On October 1, 2007, based on the Japan Post Law, operations formerly conducted by Japan Post were transferred to Japan Post Corporation (holding company) and 4 other business corporations (a mail delivery company, an over-the-counter service network firm, a postal savings company and an insurance services company), together with the Organization of Postal Savings and Postal Life Insurance (an independent administrative agency). This is how the postal service privatization started.

2. Promotion of new postal administration

In response to the postal service privatization of October 2007 and emerging movements in the field of postal and mail delivery services, such as movements toward enforcement of the postal reform law in the

United States, the Ministry of Internal Affairs and Communications (MIC) has started to convene meetings of the Investigation Study Group for Reviewing Postal and Mail Delivery Services since February 2007 with the aim of holding discussions regarding reviews of the overall system for postal and mail delivery services after the postal service privatization.

In preparation for the postal service privatization of October 2007 and to enhance a conventional claims processing capacity, the MIC set up the Consumer Advisory Center for Postal Administration in May 2007 and has formed the Study Group for Evaluating the Level of Postal Services to conduct deliberations on maintaining and improving the level of postal services in dealing with particularly frequent complaints and comments.

With respect to the promotion of personal data protection, the MIC held meetings of the “Study Group on Protection of Personal Information in Corresponding Delivery Service Field” and the “Study Group on Protection of Personal Information in Postal Service Field” from December 2006 to November 2007. Based on the deliberations of these study groups, the MIC formulated and announced the “Guidelines for Personal Information Protection in Corresponding Delivery Service Field” and the “Guidelines for Personal Information Protection in Postal Service Field” in March 2008.