



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.