

oping countries, assists with development of information and communications infrastructure through implementation of joint international experiments and so on, and supports international and regional organizations that promote global cooperation for eliminating the international digital divide. At the same time, it contributes to the sustainable development of the information and communications field in developing countries in cooperation with such organizations as the Ministry of Foreign Affairs, the Japan International Cooperation Agency (JICA), and the Japanese Bank of International Cooperation (JBIC), mainly through official development assistance (ODA).

3 Promotion of international standardization activities

The ITU (International Telecommunication Union) plays a key role in international standardization in the field of information and communications. The standardization activities within the ITU are undertaken by the ITU-T (ITU Telecommunication Standardization Sector) and the ITU-R (ITU Radiocommunication Sector). The ITU-T conducts standardization work for various technical issues in the telecommunications field. In the current session (2005-2008) emphasis is being made on the pro-

motion of standardization of the optical transmission network and next generation network (NGN) which is the next-generation all-packet network that can replace the existing telephone network. In addition, discussions have been undertaken about the standardization plan for new issues such as home networks and radio frequency identification (RFID).

Japan has made a positive contribution to the Study Groups (SGs), which undertake specific standardization activities, by appointing two Chairmen and eight Vice-Chairmen of the SGs from Japan.

The tasks of the ITU-R include revision of radio regulations, research and formulation of recommendations for issues such as technologies and operations of radiocommunication, and allocation and registration of frequencies. The standardization work has currently been taking place for the fourth-generation mobile communications system, broadband wireless access system, Emergency Warning System, and disaster radio system.

Japan is making a positive contribution to the work of the ITU-R during the current session (2003-2007); for example, Japan assumes a number of key positions, including appointing four Vice-Chairmen to the SGs and the participation of a number of experts in SG meetings.

Section 10

● Development of Postal Service Administration

1 Efforts of Japan Post

(1) Overview and privatization of Japan Post

Regarding the postal business, the Basic Law on the Administrative Reform of the Central Government (enacted in 1998), which was established to lay down the basic principles for reforming government ministries, stipulated that a new state-run public corporation should be established that would operate in accordance with policies, such as to enable autonomous and flexible management under the self-supporting accounting system, an introduction of corporate accounting principles, and a shift from ex-ante control through Diet approval of its budget to ex post facto evaluation of the formulation of mid-term management goals. Japan Post was then inaugurated in April 2003 after the enactment of the Japan Post Law (2002).

Based on “the Basic Policy on the Privatization of the Postal Services” (issued in September 2004), the government submitted the bills on postal services priva-

tization to the Diet, which were then enacted on October 14, 2005. Japan Postal Services Holding Company was established on January 23, 2006 as a preparation and planning company to formulate the implementation plan concerning the inheritance of services of Japan Post and prepare the establishment of four companies that would inherit the services: Postal Service Company, Post Office Company, Postal Savings Bank, and Postal Insurance Company. Japan Post will be privatized in October 2007, and the final state of privatization will be realized within a 10-year transitional period.

(2) Discussions about measures to promote competition in postal services

With the establishment of Japan Post, the “Law concerning Correspondence Delivery Provided by Private-Sector Operators” was enforced in April 2003, allowing private businesses to conduct correspondence delivery services, which had been conducted solely by the state. Delivery services by private businesses are classified

into two groups: the general correspondence delivery business that provides services nationwide and the special correspondence delivery business that provides services in a specific area of interest. No companies have entered the general correspondence delivery business while 159 companies (as of the end of March 2006) have entered the special correspondence delivery.

In light of the fact that no company has entered the general correspondence delivery business, MIC set up the "Study Group on the Reserved Area and Competition Policies in Postal Services" under the auspices of the Minister of Internal Affairs and Communications in January 2006 in order to conduct a wide range of discussions about measures to diversify the services and to realize higher returns for the people through promotion of competition in postal services. The Study Group is scheduled to compile a report six months following its creation.