Chapter 5

Outlook for Information and Telecommunications Policies

Section 1
Promotion of Comprehensive Strategy

1. Promotion of national strategy

The IT Strategy Headquarters (hereinafter referred to as the 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.

The Headquarters also developed the New Strategy for the New Digital Age (three-year emergency plan) in April 2009 to overcome current economic difficulties. Considering the deceleration of the growth caused by the global financial crisis and the emergence of new technologies, the Headquarters intends to formulate a new medium-term strategy for 2015 by around June 2009.

2. Realization of a smart ubiquitous network society

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 an ubiquitous society.

The MIC also set up the Panel on ICT Growth in February 2008, and published a report titled x-ICT Vision: Towards a Profound Fusion of All Industries/Regions and ICT in July 2008.

Furthermore, the Panel on ICT Vision was established by MIC in October 2008 to draw up a vision for integrated ICT policy by around 2015, looking to the future age of full-digitization, the advent of which is expected after 2011, and released a report titled the Strategy for Achieving a Smart Ubiquitous Network Society in June 2009. The report recommends creating a more advanced ubiquitous society, or a "smart ubiquitous network society" where ubiquitous ICT networks are universally accepted by users so that all people are able to use ICT with a sense of safety and receive benefits from it.

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, 2006. In response to this agreement, the 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).

In response to the agreement in which the government promised to commence deliberations on the comprehensive legal systems governing communications and broadcasting based on the assumption that the concept for mainstay broadcasting will be maintained and committed itself to reaching a conclusion by 2010, the MIC organized meetings of the Study Group on Comprehensive Legal System Governing Communications and Broadcasting between August 2006 and December 2007 to examine the framework of the comprehensive legal system.

Furthermore, in order to proceed with discussions on specific systems, the MIC made inquiries to the Information and Communications Council in February 2008 about the comprehensive legal system governing communications and broadcasting in order to promote deliberations on a specific system. The Review Committee on the Comprehensive Legal System Governing Communications and Broadcasting was established within the Information Communications Policy Committee of the Information and Communications Council and it announced the Comprehensive Legal System Governing Communications and Broadcasting (summary of medium-term agenda) in June 2008, and public opinions were solicited. Based on the public opinions, the agenda to be discussed concerning the Comprehensive Legal System Governing Communications and Broadcasting, which outlined the agenda discussed at the said committee, was compiled and published in December 2008.

The MIC intends to submit a draft law to the ordinary Diet in 2010 upon receiving a report in response to the said inquiries.

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

The ICT industry accounts for about 10% of

Japan's nominal GDP and, as such, is the largest industry. Its contribution ratio to real GDP growth is high. However, Japan's share in the global ICT market is not sufficiently high, and there are growing issues, for instance, active overseas business development and the acquisition of standardization/intellectual property rights.

Being aware of this, the MIC held a series of ICT International Competitiveness Meetings between October 2006 and April 2007, and established a basic policy for enhancing international competitiveness in the ICT industry in Japan. Based on the outcomes of the meetings, the MIC has been committed to strengthening the international competitiveness of the ICT industry by setting up the Panel on ICT International Competitiveness, by creating a ubiquitous-specific district and by formulating the ICT International Competitiveness Enhancement Program (ICT International Competiveness Enhancement Program ver.2.0 was formulated in July 2008), which is a comprehensive package combining basic programs, including the promotion of the Japan Initiative Project and individual programs, such as R&D and enhancement of standardization.

Furthermore, in order to address these challenges, the MIC reorganized the ICT-related departments and established the Global ICT Strategy Bureau in July 2007.

5. ICT Productivity Acceleration Program

Since improvement of productivity through the use of ICT is essential to put the Japanese economy on a new growth path, given the declining population, the MIC established the Committee on Productivity Enhancement through ICT within the Information and Communications Council in August 2007 and formulated a report titled Strategy for Productivity Enhancement through ICT in June 2008. The report recommends that measures should be taken in the following three strategic areas aiming for a paradigm change focusing on network power, while utilizing the strengths of Japan, namely, that it is a country with the world's most advanced broadband infrastructure: (1) a full-fledged utilization of ASP/Saas, (2) development of a corporate directory and (3) utilization of location codes

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 2007) in the ICT sector. The purposes of 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 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. Development of an environment for the realization of IP communications terminals

Since November 2007, discussions from various perspectives have been conducted on future visions, functions and necessary measures to promote the broad and smooth utilization of IP communications terminals by establishing the Development and Promotion Working Group and Responsibility Sharing Model Working Group under the IP Terminal Group of the Next Generation IP Network Promotion Forum, which comprises industry, academia and government. Furthermore, the MIC established the Panel on the Telecommunications Service Users in April 2008 and a report was prepared in February 2009.

D. Review of universal service system

Based on the report of the Study Group of the Future Visions on the Universal Services System compiled in December 2007, with regard to the review of universal systems responding to IP telephony, the MIC made inquiries to the Information and Communications Council in April 2008 and received a report in December 2008.

In order to respond to the issues that may arise with the advancement of IP telephony and in view of achieving stable operation of the system, the report introduced concepts of the institutional review during 2009 and 2011: (1) although it is appropriate to basically continue the operation of the existing systems, (2) cost accounting modification is desirable so as to add the number of lines which have been switched from subscription lines to optical IP phones to the number of subscription lines, while following the existing cost accounting method. Based on this report, the MIC revised ordinances concerning the modification of the cost accounting method (above (2)) in May 2009.

E. Development of environment towards ensuring neutrality of networks

The MIC established the Working Group on Network Neutrality in December 2006 in order to deliberate the "neutrality" of networks as IP networks proliferate, such as fairness of network use and fairness of the cost burden of networks, and the final report was released in September 2007.

Furthermore, the MIC established the Panel on Internet Policy in February 2008, in order to extract and summarize policy issues and to organize the directions of future policy for securing network neutrality and the sound development of the Internet from the various viewpoints of the stakeholders, and a report was compiled in January 2009.

F. Consideration for enhancement of platform collaboration

The MIC set up the Study Group on Communications Platform in February 20008 with the aim of considering issues involved in developing a market environment and future visions to enhance collaboration of platform functions (authentication/billing) essential for smooth distribution of contents applications through the broadband network and to create new business, and a report was compiled in January 2009.

(2) Advancement of network

A. Promotion of network advancement

IPv4 has been used for IP addresses that identify computers connected to the Internet. In order to respond to the exhaustion of IPv4, possibly in early 2011, it is necessary to shift to IPv6. The MIC has held the Study Group on High Level Utilization of the Internet through IPv6 since February 2009 and formulated the Basic Guidelines concerning Advance Utilization of the Internet Service, etc.

B. Developing regulations concerning telecommunication numbers

IMSI that internationally and uniquely identifies terminals, such as mobile phones, and conducts authentication of contractors, had been assigned to mobile phone operators under Article 8 of the regulations concerning telecommunication numbers. With the revision of ITU-T Recommendation E.212 of May 2008, the conditions for the use of IMSI have been made more flexible. Since IMSI is expected to be used for BWA, XGP and WiMAX in Japan, the provisions concerning IMSI in the rules concerning telecommunications numbers were revised in December 2008. This enabled IMSI to be used for services other than mobile phones, and allowed telecommunications operators without a wireless station license for their base station to use IMSI when they install facilities that identify terminal devices connected to telecommunication line facilities.

C. Proper management of IP address/domain name

Currently, the international management and coordination of Internet resources has been conducted by a private non-profit organization named ICANN, and the MIC, as an official member of the Governmental Advisory Committee (GAC) of ICANN, has been working on creating an international cooperation system. With regard to domain names, in 2001 it became possible to use Japanese characters as part of the domain name, except for the top domain: for example, it is now possible to use domain names such as “総務省.jp”. Since June 2008, discussions started at ICANN about specific ways to introduce country-specific multilingual top domains, which is expected to be introduced as early as the end of 2009. In response, discussions are now under way about new top domains in Japan at the Internet Infrastructure Group, Information and Communications Policy sectional meeting of the Information and Communications Council.

(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 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) Summary of broadcast policy

A. Revision of Broadcast Law

A drastic revision was made in 2008 with respect to broadcasting. In response to this, NHK on-demand services were launched on December 1, 2008. This is a range of fee-paying on-demand services such as a Missed Program Service and Special Selection Library Service, which allows viewers to watch via the Internet programs that have already been broadcasted on NHK.

International programs for foreigners started under a new system under the amended Broadcast Law in February 2009.

B. Re-licensing of broadcast stations

The MIC re-issued a license dated November 1, 2008, to broadcast stations and broadcast satellite stations whose license expires as of October 31, 2008.

At the time of reissuance, the MIC requested the following of all broadcast operators, including NHK: (1) compliance with Broadcasting Law and program standards, (2) setting up of as many closed-caption and audio description programs as possible, (3) enhancement of disaster broadcasting and (4) active efforts for digitization.

(2) Promoting the advancement of broadcasting

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

Terrestrial analog broadcasting will end and be completely replaced by a terrestrial digital service by July 24, 2011. Terrestrial digital TV broadcasting was launched in the three largest metropolitan areas, Tokyo, Osaka and Nagoya, in December 2003, and in December 2006, the service was started in all prefectural capitals.As of the end of FY2008, about 48 million households (97% of all households) have access to digital services, and the number of shipments of terrestrial digital radio receivers constitutes about 449.69 million sets. The number of households with cable TV connections is 22.4 million (as of September, 30, 2009).

B. Promotion of satellite broadcasting policy

Japan's satellite broadcasting is a pioneer in high-function broadcasting, such as the provision of various special broadcasting services and high-definition TV programs. Particularly, the number of shipments of special satellite receivers (BS and 110 CS digital broadcast) constitutes about 50.1 million sets (as of end-FY2008) and the number of households connected to special satellite broadcasting is about 20.9 million (as of end of FY2007).

3. Promotion of radio policy

(1) Summary of radio policy

A. Formulation of the Radio Utilization Vision in the 2010s

It is expected that the quality and quantity of Japan's radio wave utilization will balloon in the future and radio wave utilization in new areas will emerge, including responses to deal with the aging society with fewer children, creation of new industries, revitalization of local economies and responses to environmental issues, in addition to the realization of systems and services that use new wireless technologies.

The MIC has clarified its vision for Japan's radio wave utilization in 2010s and issues involved in realization of this vision, in view of the future progress of radio wave utilization technologies and international trends. The Radio Wave Policy Council was established in October 2008 with the aim of discussing measures for the effective utilization of radio wave in the 2010s.

B. Efforts for transfer and reallocation of radio spectrum

In order to secure radio spectrum that allows installment of new radio wave utilization systems, the MIC carries out an annual investigation and evaluation of the utilization status of radio wave and has formulated the Action Plan for Spectrum Reallocation, which sets out a vision for the transfer/reallocation of spectrum. Based on the results, Minister of Internal Affairs and Communications prepared the spectrum allocation plan.

With respect to the reallocation/transfer of spectrum, it has been decided that the utilization efficiency of spectrum will be increased through digitization, thereby (1) responding to increasing needs through a capacity increase, and principles will be developed for a fundamental revision of the allocation of medium- and long-range spectrum and the spectrum allocation plan will be revised on an as-needed basis, thereby (2) allowing the installation of a new radio wave utilization system that uses free spectrums. It is still necessary to install new systems and carry out the dynamic transfer and reallocation of spectrum, responding to increasing spectrum demand.

The radio waves to be reallocated after completion of the transfer to terrestrial digital TV broadcasting in July 2011 will be used for the following purposes: (1) broadcasting of multi-media for mobile matters, (2) independent communication that allows broadband communication to realize a safe/secure society, (3) telecommunications for mobile phones that are required to secure spectrum as a result of increased demand and (4) ITS necessary to create a safer traffic society. With respect to spectrum band for these four purposes, discussions are currently under way in view of their use in 2011 or 2012.

(2) Approach to advancement and diversification of radio usage

A. Advancement of mobile communication system and wireless access system

The 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, the one that follows the third generation mobile telecommunications systems, in and around 2011, the MIC 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 2005 in a number of metropolitan areas (Tokyo, Nagoya, Osaka and surrounding areas) where high demand is expected, prior to nationwide installation. The period of use for the fixed station for telecommunications services expired at the end of November 2007, when the use of the

wireless access system become possible. Thus, the MIC has been developing the relevant regulations and expanding eligible areas for a nationwide registration system (except for some regions) from December 1, 2007.

B. Advancement of independent mobile communications system

Low-power 950MHz band active wireless systems and 950 MHz band passive tag systems are expected to play an important role in a wide range of areas including production, distribution, medicine and transportation. The MIC has developed relevant regulations at the advice of the Information and Communications Council concerning the Technological Conditions for Low-power 950MHz Band Active Wireless Systems and Technological Conditions Necessary to Advance 950 MHz Band Passive Tag Systems.

In recent years, independent mobile communications, such as MCA wireless and simple wireless stations, have been used in wide areas since they involve inexpensive and easy systems tailored for users' needs. At the advice of the Information and Communications Council, the MIC developed relevant regulations in August 2008 concerning the digitization of simple wireless stations, animal position detection/reporting systems using radio waves. These regulations aim to further the utilization and advancement of small-scale systems used mainly for medium- and small-sized corporations and individuals.

In March 2009, the MIC developed relevant regulations in response to discussions by the Information and Communications Council concerning the high-quality digital sound systems for specified wireless radio microphones often used in theaters.

C. Promotion of ITS

The MIC established the Study Group on Advancement of ITS Wireless System in October 2008 to deliberate its vision for the utilization of the Wireless ITS Safe Driving Support System, its functions and required specifications and technological issues and promotional measures for its realization.

In order to achieve the goal of creating the world's safest roads, which is listed in the New IT Reform Strategy, the ITS Promotion Council, comprising ITS-related ministries and agencies (Cabinet Office, National Police Agency, MIC, Ministry of Economy, Trade and Industry, and Ministry of Land, Transport, Infrastructure and Tourism), Nihon Keidanren, and ITS-Japan, conducted large-scale demonstration experiments in FY2008 at nine sites throughout the country for the purpose of technological development envisioning commercialization and verification of operational compatibility of systems. At the end of February 2009, the safe driving support system was taken for a test drive on public roads and exhibitions and symposiums were held, mainly in the new Tokyo waterfront sub-center (Odaiba).

(3) Development of radio usage environment

A. Efforts concerning effects of radio waves on the human body and medical equipment

The 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 (Safety Guidelines for Use of Radio Waves) to be applied in Japan. The MIC also evaluates and analyzes domestic and international research on the effects of the radio spectrum on the human body, promotes studies by extracting research themes to be addressed by Japan and has held meetings of the Committee on Bioelectromagnetic Environment since June 2008 with the aim of creating a society where people can use radio spectrum safely. Furthermore, since concerns about the effects of radio waves on implantable medical devices, such as cardiac pacemakers, have increased in recent years, the MIC has conducted studies on the effect of radio waves on medical equipment since FY 2000, and has amended the Guidelines to Prevent Effects of Electromagnetic Waves from Various Types of Equipment on Implantable Medical Devices (established in August 2005, revised in May 2009).

B. Measures for unnecessary radio waves

As electrical and electronic equipment become more widespread, there are growing concerns that the use of wireless is affected by electromagnetic interference from unnecessary radio waves emitted by various types of equipment and facilities.

The MIC has set up the International Special Committee on Radio Interference (CISPR) within the Information and Communications Council, and through national discussions that also have a bearing on discussions on international standards at the CISPR, has established Electro Magnetic Compatibility (EMC) Standards.

C. Appropriate surveillance and supervision of radio waves and correct management of wireless stations

The MIC conducts investigations to immediately remove spectrum interference caused by illegal wireless stations that is affecting wireless communication designated as critical wireless communication, including communication related to telecommunications activities, broadcasting activities, the protection of life and property, the maintenance of order, meteorological activities, electricity supply and rail trans-

port. Also, in cases where illegal wireless stations have been set up and have been conducting unlicensed operations, the MIC investigates, presses charges and takes corrective measures against stations that have committed violations.

Since FY 2006, the MIC has been implementing publicity and enlightenment campaigns to promote Radio Law and regulations concerning the utilization of radio waves for electronics retail stores and retailers of electromagnetic equipment and at the same time, has been implementing publicity and enlightenment campaigns to create awareness of the fact that the use of radio waves requires a license and that wireless equipment is required to bear an appropriate technology mark, .

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 Internet has penetrated Japan at a remarkable pace and has been used as a form of social infrastructure, serving as an indispensable part of people's lives. At the same time, the rapid penetration of the Internet has also generated negative effects, such as the transmission of illegal and harmful information. The Ministry of Internal Affairs and Communications (MIC) established the Study Group to Address Illegal and Harmful Information on the Internet in November 2007 to examine comprehensive actions to deal with illegal and harmful information, including further promotion of installation of filtering software to protect children and released a final report in January 2009.

B. Establishment of the Law Concerning Environment for Children to Safely Use the Internet

At the 169th Diet session, the Law Concerning Environment for Children to Safely Use the Internet (hereinafter referred to as the Law on Internet Environment for Children) was initiated by lawmakers and enforced in April 1, 2009. The law focuses on measures to protect minors (those under 18 years of age) from harmful information and explicitly provides for the direction of future efforts with respect to a vision of the environment for Internet utilization.

C. Promotion of filtering

Today, we are seeing a number of cases where young people access harmful Internet sites, such as so-called online dating sites and get involved in crime, which is becoming a social problem. With the development of the Law on the Internet Environment for Children in June 2008, the following measures have been taken since April 1, 2009: Mobile phone business operators shall in principle be obliged to set up filtering functions before selling minors (those under the age of 18) mobile phones that can be used to access the Internet; providers shall be obliged to provide filtering functions when requested by users; and manufacturers of equipment that can be used to access the Internet, such as personal computers, shall be obliged to take measures to facilitate the use of filtering functions before selling the equipment. Also, guardians and parents shall be responsible for the appropriate supervision of Internet use by minors under their protection.

D. Formulation of a program to promote the creation of a safe network

In response to the establishment of the Law on Internet Environment for Children and the revised Law on Regulation of Transmission of Specified Electronic Mail at the 169th Diet session, the MIC formulated a program to promote the creation of a safe network and protect the ministry against illegal/harmful information in January 2009. This program is a comprehensive policy package with the three pillars: (1) development of basic framework that provides a sense of safety, (2) promotion of voluntary efforts by the private sector and (3) promotion of efforts to educate users.

E. Formulation/revision of the guidelines related to the Provider Liability Limitation Law

The Provider Liability Limitation Law was enforced in May 2002 as a measure against increasing cases of information violation of the rights of others on a website or BBS, etc. This law provides (1) limitation/clarification of damage liability of providers in cases where the rights of others are violated and (2) the rights of a person whose rights have been violated to demand the provider to disclose the information source. So as to ensure the stringent enforcement of the law, the MIC supports and provides information about the Council for the Guidelines for the Provider Liability Limitation Law, which comprises business associations and right holders' associations.

F. Support for voluntary response of providers to illegal/harmful information on the Internet

The MIC, together with four organizations associated with the Telecommunications Carriers Association, examined the measures for promoting appropriate and prompt responses of providers to illegal information and information that may offend public order and morals on the Internet, and formulated Guidelines concerning Responses to Illegal Information on the Internet and the Model Conditions of Contract concerning the Responses to Illegal/Harmful Information in November 2006. In response to newly emerging problems such as "dark

sites" or the transmission of information on committing suicide using hydrogen sulfide, the above-mentioned guidelines and the model conditions were revised in December 2008. Also in January 2008, the Consultation Center for Illegal/Harmful Information Business was established within the Telecommunications Services Association to offer advice and consultation pertaining to illegal/harmful information for business operators, such as providers.

(2) Measures against nuisance e-mails/ phishing

A. Measures against nuisance e-mails

The MIC established the Study Group to Examine Comprehensive Ways to Deal with Nuisance e-Mails in July 2007, and the interim report of the study group was released in December 2007 and the final report in August 2008.

The interim report made recommendations on the revision of the Law on Specified Electronic Mails. Based on the recommendations, the law was revised to include regulations against nuisance e-mails by the opt-in method and was developed in June 2008 and enforced on December 1, 2008.

The final report includes recommendations on the following matters: (1) framework of comprehensive measures against nuisance e-mails, (2) operation and enforcement of laws and regulations by the opt-in method, (3) technological measures, (4) voluntary measures by telecommunications business operators, (5) improvement of PR campaigns and consultation for users, (6) promotion of international collaboration and (7) system for comprehensive measures against nuisance e-mails. Based on these recommendations, the MIC formulated and released the Guidelines concerning Sending Specified Electronic Mails in November 2008.

B. Measures against phishing

Phishing is illegally obtaining personal information such as addresses, names and bank account numbers by sending an e-mail in the guise of a person with credibility, such as a financial institution, and inducing the recipient to access a false website. Sending an e-mail is one of the main ways of luring users to a phishing site. Since the amended Law on Specified Electronic Mails includes a provision whereby telecommunications operators can refuse the provision of service if a sender sends e-mails from a false e-mail address, it can also be an effective countermeasure against phishing.

(3) Safe and secure use of mobile phones

A. Appropriate enforcement and revision of the Law on Prevention of Abusive Use of Cellular Phones

The Law on Identification of Cellular Phone Users by Mobile Operators and Prevention of Abusive Use of Cellular Phones (hereinafter referred to as the Law on Prevention of Abusive Use of Cellular Phones) stipulates the following with regard to countermeasures against the illegal use of cellular phones, such as billing fraud: (1) mobile phone business operators shall be obliged to identify the contractor at the time of concluding a contract or transfer (2) the police chief unit may demand that the mobile phone business operator verify the contractor if a phone is suspected of being used for a crime, (3) renting (with charge) a mobile phone without confirming the name and address of a client and unauthorized transfer of a mobile phone shall be strictly prohibited. The MIC is committed to appropriately enforce the amended law, and two correction orders were issued in FY2008.

In recent years, since cases have emerged where the existing regulations cannot strictly control crimes, such as an increase in cases of rental mobile phones being used for crimes like billing fraud, the said law was partially amended in June 2008 and put into effect on December 1, 2008, together with the revised ordinances. The amended law stipulates that (1) mobile phone business operators shall be obliged to make the confirmation of the customer's identity more imperative at the time of concluding a rental contract and to keep identity verification records in a safe place, (2) the unauthorized transfer of a SIM card shall be subject to penalty and (3) the government shall provide information and take measures to heighten public awareness.

(4) Protection of personal information in the telecommunications field

A. Formulation/revision of Guidelines concerning Protection of Personal Information by Telecommunications Business Operators

In 1991, the MIC formulated and enforced the Guidelines concerning Protection of Personal Information by Telecommunications Business Operators in order to protect personal information in the area of telecommunications business. Then, the MIC conducted discussions based on the establishment of the Personal Information Protection Law and full-fledged revisions and additional interpretations were added to the guidelines in August 2004. In October 2005, additional provisions and revised interpretations were made based on the Specified Electronic Mails Law. In September 2007, the interpretation of the guidelines was partially revised in response to the diversification of positioning informa-

tion services and penetration of terminals with GPS functions.

B. Formulation/revision of the Guidelines concerning Protection of Personal Information of Broadcast Receivers

The MIC formulated the Guidelines concerning the Protection of Personal Information of Broadcast Receivers in August 2006 after 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) clarifying who may acquire personal information of viewers, etc., and (2) safe handling of the personal information recorded on a reception device.

2. Promotion of information security policy

(1) Information security measures of the government

Japan's efforts for information security issues have been enhanced, with the setting up of the National Information Security Centre (NISC) in the Cabinet Office in April 2005 and the establishment of the Information Security Council in the IT Strategy Headquarters in May 2005.

In February 2006, the Information Security Council developed the First National Strategy on Information Security, which is a medium- and long-term strategy covering the three years from 2006 to 2008, and in February 2009, the Second National Strategy on Information Security covering the three years from 2009 to 2011. Also, based on this plan, Secure Japan 2009 was finalized in June 2009.

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

Based on the u-Japan policy and the Second Information Security Basic Plan, etc., the MIC has been making efforts toward responding to diversified products and the improvement of human and organizational 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

As IP telephony networks advance and the use of various new IP-related services expands, IP service-related communications interferences have been occurring more frequently, and they are also larger in scale and longer in duration.

In order to respond to these changes, deliberations have been conducted at the Information and Communications Council, and the MIC received a partial report titled 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, the MIC set up the IT Network Management Human Resources Study Group in April 2008 with the aim of collecting opinions and views on the system management of the network with advancing IP and related human resources activities, and the final report was prepared and announced in February 2009. The report examined the skills of chief telecommunications engineers responding to the advancement of IP and reviewed the certification exam for chief telecommunications engineers.

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 2009, 18 specific certification services have been accredited.

The "time business" (a collective term for the Time Authority and Time Stamp Authority) is becoming increasingly important. This includes time stamps attached to electronic data that would improve reliability at the time of creating electronic data that is distributed and stored in the field of e-commerce and associated services. The MIC has been actively making efforts to promote the use of time business by formulating and releasing the Guidelines concerning Time Business in November 2004.

Section 4
Development of an Affluent and Vital Ubiquitous Network Society

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

In order to deliberate specific measures to eliminate the digital divide in view of the changes that are expected to take place by 2010, the Ministry of Internal Affairs and Communications (MIC) set up the Strategic Council on Bridging the Digital Divide in October 2007 and a final report was prepared and announced in June 2008. Based on this, the Strategy on Bridging the Digital Divide was formulated as a master plan. The strategy lists the following items as goals for developing a broadband infrastructure: (1) eliminating broadband-zero areas by end of FY2010 and (2) raising the super-high-speed broadband service area coverage rate of households to more than 90%. In addition, the progress of related measures will be followed up under this strategy.

Since it is difficult to rely on private operators to develop a broadband infrastructure to eliminate the remaining zero-broadband areas (1.4% as of end of September 30, 2008), early elimination will be pursued through the active intervention of public programs. The MIC set up the Council on Broadband Development to further facilitate collaborative partnerships with telecommunications business operators.

The MIC also established the Study Group to Promote Development of Mobile Phone Coverage Areas in March 2009 with the aim of reviewing the goals for further coverage area development for mobile phone services and considering specific measures based on the Strategy on Bridging the Digital Divide. A report is expected to be produced around February 2010.

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

Acknowledging that correcting the regional divide is an urgent issue, the MIC is committed to upgrading local economies and societies through the power of the structural reform of ICT as, for example, a means of dispatching regional informatization advisors. Specifically, the MIC has set up the Portal Site for Community Revitalization through ICT (jointly with the Association for Promotion of Public Local Information and Communication/July 2008) and has been implementing the Program to Establish Regional ICT-utilization Models (since FY2007).

Furthermore, the MIC has been promoting the dissemination of the Community Information Platform, which is the standard specification stipulating the rules to be followed by individual systems, so that information systems of municipalities, etc., can be mutually connected and coordinated. The MIC has performed demonstration tests on systems meeting the standard specification for the Community Information Platform, which would enable coordination among municipalities and between municipalities and the private sector, targeting the moving industry and local revitalization sector since FY2008 as a project to promote the Community Information Platform.

Furthermore, the MIC has implemented the Hometown Mobile Service Promotion Project with the aim of creating an ubiquitous society and promoting local industry, thus realizing the revival of the local community through the promotion of hometown mobile businesses that provide services limited to specific functions so that the elderly people living in the local area can easily use mobile phones using an MVNO.

3. Promotion of barrier-free information

Today, various services are widely offered through information and communications devices or websites, and therefore, it is important to ensure accessibility for elderly and disabled people. The MIC is promoting the active use of the Operational Models for Government Websites for Everyone that offer specific operational models for maintaining and improving web accessibility, enabling all people to use public websites.

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 2007. In response, the MIC has been making efforts toward the dissemination and penetration of the said guidelines.

The MIC has also formulated guidelines necessary to improve usability of ICT products and services for elderly people.

Moreover, in order to enable people with visual and auditory disabilities to easily acquire information through broadcasting media, the MIC subsidizes part

of the costs of production of closed-caption and audio description programs. The Guidelines for Broadcasting Administration for the Visually and Auditory Impaired Persons, formulated in January 2007, aims to provide closed-caption services to all possible broadcasting programs by 2017.

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 New IT 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 in December 2008).

The 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. In March 2007, the MIC issued the New Guidelines 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 MIC 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 MIC will continue promoting the development and enhancement of the disaster prevention communication network while setting up effective measures to address network interruption through, for example, activities of the Conference of Emergency Communications.

6. Promotion of content policy

Under the basic policy of market expansion in the contents field as part of its efforts for strengthening the capacity for Japan's growth and international competitiveness, Japan set forth the numerical target of "increasing the value of the contents market to about 5 trillion yen within the next 10 years" in the Basic Guidelines 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) designated "making Japan a first-class global digital content super-power" as a main pillar of its efforts, thus promoting collaboration between public and private sectors.

In order to develop a business environment for contents production and distribution industries, the MIC has been (1) discussing rules and other issues concerning the use/transmission of contents, (2) making efforts toward the development of a contents trade market, (3) considering the promotion of appropriate broadcasting contents production and trade, and (4) making efforts for preventing illegal contents on networks. In addition, the MIC has been making active efforts for IPTV and for strengthening the international competitiveness of the contents business and reinforcement of the creative industry.

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.

In the Third Science and Technology Basic Plan (cabinet decision in March 2006), the government of Japan advocates the strengthening of the comprehensive support system for research and development-oriented ventures, etc., by promoting corporate activities for R&D-oriented ventures. Also, in the 2008 Basic Policy for Economic and Financial Reform (cabinet decision in June 2008), the government states that it

intends to continue its efforts for the creation of venture businesses. The 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 Leader 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 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, etc., which develop human resources in the information and communications field.

Based on the ICT International Competitiveness Enhancement Program ver.2.0 of July 2008, the MIC intends to support the development of functions serving as a national center for coordination between universities and supported corporations towards developing highly capable ICT human resources in partnership with industry, academia and government.

(2) Promotion of informatization of education

Since it is very important for children--the main players in the future of Japan--to become familiar with ICT at an early stage in their life, to improve their information utilization ability, and to build a society where new intellectual and cultural values are created, the MIC has been making efforts to promote the installation of in-school LAN, to promote the Oasis Project and to improve media literacy, etc.

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. With respect to telework, the government of Japan raised the target for teleworkers to 20% of the working population by 2010 in the Telework Population Doubling Action Plan (decision by the Inter-ministerial Committee on the Promotion of Telework, approved by the IT Strategy Headquarters in May 2007). The MIC also has been making a concerted effort to promote telework, in cooperation with relevant ministries and agencies.

Specifically, the MIC has implemented the Telework Trial/Experience Project to encourage small- and medium-sized enterprises to offer telework opportunities and carried out demonstration tests to establish a next-generation advanced telework model system.

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, as well as to present solutions to global warming through more efficient business operations. On the other hand, consideration of global warming issues is becoming increasingly necessary because of the increase in power consumption and in the number of ICT devices in use. The Hokkaido Toyako G8 Summit held in July 2008 adopted a declaration that calls for signatory countries to the U.N. Framework Convention on Climate Change to set a goal of cutting greenhouse gas emissions in half by 2050. This signifies that environmental and climate change issues have become a challenge to be addressed by the international community.

Based on these, the MIC set up the Study Group on Ecology Measures in ICT Sector in November 2008 and prepared a report in May 2009.

Also, at the Symposium on ICT and Climate Change held by ITU in April and June 2008, intensive measures focusing on these issues have been taken and the ITU-T launched the Focus Group on ICT and Climate Change (FG) in July 2008. The MIC hosted the final meeting of the FG in March 2009.

11. Promotion of ICT use for medical care

In the medical sector in Japan, malpractice caused by the increased burden on medical professionals is 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 to these issues, the MIC has been conducting demonstration

tests through the advanced use of ubiquitous network technologies, such as electronic tags for improving the safety of medical practices, in collaboration with the Ministry of Health, Labor and Welfare. The MIC has also been conducting three-year demonstration projects from 2008 to 2010 to build a foundation for health information utilization that would contribute to the provision of seamless medical care and to daily health promotion measures 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 rural areas, the MIC and the Ministry of Health, Labor and Welfare have jointly set up the Panel on Telemedicine Promotion Measures (jointly hosted by the prime minister and the minister of health, labor and welfare) since March 2008, with the aim of studying the possible use of telemedicine technologies to enhance medical care in rural 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

The Ministry of Internal Affairs and Communications (MIC) has been promoting R&D in accordance with the 3rd Science and Technology Basic Plan (cabinet decision in March 2006) and the Sector-wise Promotion Strategy (Council for Science and Technology Policy, March 2006) formulated for the strategic prioritization of the plan.

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 Competiveness in June 2008. The MIC identifies the UNS R&D Strategic Program II (UNS: Universal Communications, New Generation Networks, Security and Safety for the Ubiquitous Network Society) as Japan's R&D strategy, and has been promoting active R&D activities based on the strategy. The UNS R&D Strategic Program II consists of three areas: (1) new-generation networks, (2) safe and secure ICT, and (3) universal communications. Global environmental conservation (anti-global-warming technologies) that covers all of the three areas has been added as a new R&D area.

(1) New-generation networks

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 MIC has been intensively promoting research and development of the new-generation network technology. Specifically, the following are some examples of what has been undertaken: (1) R&D concerning new-generation network infrastructure technology, (2) R&D concerning next-generation photonic network technology, (3) R&D concerning quantum information communications network technology, (4) R&D on ubiquitous platform technology, and (5) R&D concerning terahertz wave technology.

(2) Safe and secure ICT

In the area of ICT safety and security, the MIC promotes research and development activities to overcome various problems with ICT, including disaster prevention and the natural environment, to realize a safe and secure society and to provide a dependable ICT infrastructure so that anyone can use ICT effectively. Specifically, R&D activities are being carried out in several areas, including: (1) space communication technology, (2) remote sensing technology, (3) information security technology, (4) promotion of network security infrastructure technology, (5) anti-information-leak technology, (6) detection/recovery/prevention of route hijacking, (7) integration between robots and ubiquitous networks and (8) home network technology to curb energy consumption.

(3) Universal communications

With regard to the field of universal communications, the 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 being carried out include (1) universal auditory/linguistic communications technology, (2) technology for Super High Definition video and (3) super reality communication technology through innovative three-dimensional video technology.

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

R&D in ICT, which has traditionally 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, it is necessary to promote R&D that will contribute proactively to the reduction of CO2 emissions.

In response to the report of the Study Group on ICT Policies for Anti-Global-Warming Measures released in April 2008, the MIC resolved to promote R&D activities for such technologies as the management of consumption and supply of power through the informatization of energy flow, 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

The MIC not only singlehandedly carries out Japan's own measures from the stage of R&D, but also promotes effective and efficient research and development activities of Japan in a concerted manner by developing the research and development environment. Specifically, the MIC established the Strategic Information and Communications R&D Promotion Programme (SCOPE) in FY2002. Futhermore, the National Institute of Information and Communications Technology (NICT) constructed JGN2 plus which is the most advanced test bed network for R&D, in April 2008.

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 under the ICT International Competitiveness Council 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. Specific achievements have already been observed: for instance, the launch of terrestrial digital broadcasting services in Brazil, where Japan's technology systems have been adopted.

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 developments in Asia/Pacific region

The 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).

The Third ASEAN-Japan ICT Ministers Meeting was held in Indonesia in August 2008 and the ASEAN-Japan ICT Work Plan for 2008-2009 was adopted, which includes comprehensive cooperation measures in the ICT sector between Japan and ASEAN. It was the first work plan in the ICT sector to include specific measures adopted by Japan and ASEAN countries. Currently, efforts towards the steady implementation of the plan are under way between Japan and ASEAN.

In February 2009, the First ASEAN-Japan Information Security Policy Meeting was held in Tokyo. With the participation of high-level officials from Japan and ASEAN member countries, an agreement was made on the Framework for Japan-ASEAN Cooperation in Information Security, which is a medium- and long-term strategy showing the direction of cooperation between Japan and ASEAN in information security.

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

A. Enhancement of strategic activities for international standardization

As active efforts are being made by China and Korea, in addition to western countries, to standardize ICT areas of remarkable technological innovation, if Japan aspires to enhance its 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 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. The MIC intends to strengthen strategic international standardization activities, led by the ICT Standardization and Intellectual Property Promotion Center (iSIPc).

B. Participating in International Telecommunication Union (ITU) activities

The International Telecommunication Union (ITU) is a specialized organization of the United Nations for telecommunications and comprises three sectors: (1) International Telecommunication Union-Radio-communications (ITU-R), (2) International Telecommunication Union-Telecommunication Standardization (ITU-T) and (3) International Telecommunication Union-Telecommunications Development (ITU-D), and its activities include the allocation of radio frequencies, standardization of telecommunication technologies and development support for the telecommunications of developing counties. 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.

Japan also actively participates in the Internet Governance Forum (IFG), whose secretariat was established by the United Nations as a forum to discuss various public policy issues concerning the Internet; as well as in the negotiations at the Doha Round of WTO talks and the negotiations at OECD.

(4) Promotion of international policy in bilateral relationship

For the purpose of facilitating sustainable growth through dialog between Japan and the United States, the Japan-US Economic Partnership for Growth was agreed at the Japan-U.S. summit meeting held in June 2001, and annual multifaceted discussions, including vice-ministerial-level economic talks, have been held.

In 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.

Furthermore, the MIC engages in policy consultations with ministries and agencies responsible for information and communications from the EU, western countries, and China, etc. Also, the MIC is making active effort to conclude EPA (Economic Partnership Agreements).

2. Promotion of international cooperation

Recently, the international digital divide has been growing; for instance, there are about 30 developing countries with less than one telephone subscriber per 100 people, although ICT networks are a critical part of the infrastructure necessary for realizing economic growth, employment expansion and improving people's lives. Therefore, there is an increasingly recognized need to build information and communications networks on an international scale, including in developing countries.

The MIC provides various support, 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 MIC 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 and Japan International Cooperation Agency (JICA), etc.

Section 7
Development of Postal Service Administration

1. Secure and smooth execution of privatization of Japan Post

Japan started the privatization of its postal services on October 1, 2007, with the aim of increasing its independence, creativity and efficiency, promoting fair and free competition, improving convenience and revitalizing the economy through the provision of diversified and high quality services, while maintaining the level of postal networks and the standard of postal/deposit/insurance services of post offices. Various opinions and views have been expressed by users with regard to the level of postal networks and services. Based on these opinions, the MIC appropriately supervises privatized companies and incessantly investigates the post-privatization conditions, asking for opinions from government-related organizations, such as the Postal Privatization Committee, and makes necessary improvements.

2. Outline of correspondence delivery system

The Law Concerning Correspondence Delivery Provided by Private-Sector Operators paved the way for private enterprises entering the corresponding delivery business, which had been monopolized by the state.

Correspondence delivery falls into two categories; general correspondence delivery and special correspondence delivery. Since the enforcement of the said law in April 2003, nearly 300 business operators entered the special correspondence delivery business although none in general correspondence delivery business. Both are subject to approval by the MIC.

3. Promotion of new postal administration

In response to the postal service privatization of October 2007 and emerging movements in the field of postal and correspondence delivery services, such as movements entailed by the enforcement of the postal reform law in the United States, the MIC established the Investigation Study Group for Reviewing Postal and Mail Delivery Services in February 2007 with the aim of reviewing the overall system for postal and mail delivery services after the postal service privatization, and an interim report and final report were developed in November 2007 and July 2008, respectively. The final report recommends an ideal future system to be realized in the medium and long term: a system whereby participating business operators are able to provide services using their own originality and ingenuity. In response to the recommendation, the MIC set up the Study Group to Ensure Postal Services in September 2008 to deepen discussions on the vision of universal postal services.

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 January 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.

Furthermore, the 24th Congress of the Universal Postal Union, the highest decision-making body of the Universal Postal Union (UPU) was held in Geneva, Switzerland, from July to August 2008, and formulated basic action policies (Nairobi Postal Strategy) for the next four years, revised union documents that stipulate regulations for international postal services and deliberated on the union budget. In March 2009, the 10th Asia-Pacific Postal Union (APPU) Congress convened in Auckland, New Zealand, and hosted workshops concerning postal sector regulations, deliberated on future budgets and held elections for the position of director of the APPU bureau.