

MPHPT

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COMMUNICATIONS NEWS

Biweekly Newsletter of the Ministry of Public Management, Home Affairs, Posts and Telecommunications, Japan

Publication of "Guidelines for Promotion of Competition in the Telecommunications Business Field"

(Draft) (Unofficial Translation)

The Ministry of Public Management, Home Affairs, Posts and Telecommunications (MPHPT) and the Fair Trade Commission (FTC) have together formulated guidelines under the title of "Guidelines for Promotion of Competition in the Telecommunications Business Field," to clarify their approach to the application of the Antimonopoly Act and the Telecommunications Business Law from the standpoint of further promoting competition in the telecommunications business field.

(*Draft, http://www.soumu.go.jp/joho_tsusin/eng/Releases/Telecommunications/news010914_1.html)

MPHPT and FTC invite public comments and opinions, and will finalize and publish the Guidelines after considering the opinions received.

1. Outline

As the Basic Law on the Formation of an Advanced Information and Telecommunications Network Society (the 'IT Basic Law,' enforced on January 6, 2001) provides the promotion of fair competition in the telecommunications business field, the entire government is dealing with promotion of fair competi-

tion in this field as one of the most important policy issues.

MPHPT has been establishing various systems under the Telecommunications Business Law (TBL) with the purpose of providing an environment of fair competition in the telecommunications business field. In addition to these, with the Law to Amend the Telecommunications Business Law and Related Regulations (Law No. 62 of 2001), MPHPT is taking measures to further promote fair competition, such as the introduction of asymmetrical regulations to pre-specify major telecommunications carriers that are assumed to have market power, and to prohibit certain practices by only these carriers.

On the occasion of this amendment to the TBL and related regulations, MPHPT and FTC will set forth the "Guidelines for Promotion of Competition in the Telecommunications Business Field," aimed at providing telecommunications carriers with necessary information upon conducting business. The Guidelines will clarify i) specific prohibited business activities applied to major telecommunications carriers that are assumed to have market power and ii) typical business practices based on

past cases, which shall be governed by various administrative orders to correct said business activities, including the "order to change charges," the "order to improve business activities," etc. under the TBL. MPHPT and FTC invite public comments and opinions, and will finalize and publish the Guidelines based on opinions received concerning the Draft.

MPHPT and FTC will finalize and publish the Guidelines based on opinions received concerning the Draft.

2. Collection of opinions

For further information, please access the following site:

http://www.soumu.go.jp/joho_tsusin/eng/

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Japan-Finland Ministerial Meeting and Third Bilateral Policy Meeting Held

On September 7, 2001, a meeting between MPHPT Minister Toranosuke KATAYAMA and the Finnish Minister of Transport and Communications Olli-Pekka Heinonen was held in Helsinki,

followed by a Japan-Finland bilateral policy meeting at the staff level to further promote mutual understanding and cooperation, and exchange of information, etc. concerning the info-communi-

cations field in both countries.

Result of the meeting

Opinions were exchanged mainly with respect to "IT strategy" and "mobile communications (the third- and fourth-generations; 3G, 4G)," and the two countries agreed to cooperate in the active promotion of IT policies, early diffusion of the 3G mobile communications systems and the establishment of global standards for the 4G mobile communications systems. The outline is as follows:

1. Cooperation on promotion of mobile communications (3G and 4G)

- The two countries explained their current situation regarding promotion of the mobile Internet.

- Both countries agreed to cooperate on early service commencement and diffusion of the 3G mobile communications systems, the commencement of which will be delayed in Europe due to a rise in license fees, etc.

- Both countries exchanged detailed information on the 4G mobile communications, which is identified as the next-generation mobile communications after the 3G mobile communications (IMT-2000), and agreed to collaborate in R&D, etc. at an early stage toward global standardization.

2. Promotion of IT revolution

- Japan outlined the "e-Japan Strategy" and "e-Japan Priority Policy Program," and the Finnish side ex-

plained the country's "IT strategy 2000-2004." The two countries agreed to collaborate in promoting the IT revolution as national strategies.

3. Pro-competitive policies in the telecommunications field

- Japan provided an overview of the amendment to the Telecommunications Business Law, etc., and Finland presented an overview of its progress in implementation of EU Directives on telecommunications regulations. The two countries exchanged views on further deployment of pro-competitive policies in Japan and Finland.

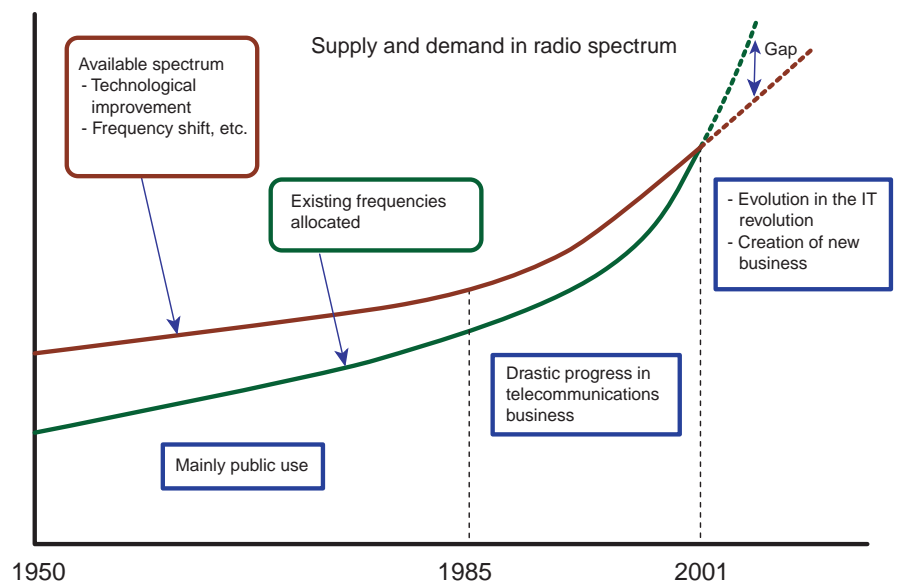
“Research Group on Disclosure, etc. of Radio Spectrum Use” Held

MPHPT held the “Research Group on Disclosure, etc. of Radio Spectrum Use” for the purpose of contributing to the promotion of the IT revolution and revitalization of socioeconomic activities utilizing radio spectrum.

1. Purpose

In recent years, along with the progress of the IT revolution, the use of radio spectrum has been qualitatively changed and quantitatively expanded, causing a serious shortage of radio spectrum resources.

In addition, in order to adequately cope with high spectrum demands in promoting the IT revolution, it is necessary to grasp the use of radio spectrum more accurately and to promote the optimal frequency allocation while ensur-



Changes in use of radio spectrum (Ref.)

| | 1950-1984 | 1985-2000 | 2001- |
|--------------------------|---|--|---|
| Features | Mainly public use | Drastic expansion of private-sector use mainly in the telecommunications business field (especially, prominent in mobile communications) | Serious shortage of radio spectrum resources; Needs to create new businesses for promoting the IT revolution |
| Number of radio stations | 5,317 (September 1950) [Mobile stations: 4,119, Fixed stations: 593, Broadcast stations: 129] | About 3.81 million (March 1985) [Mobile stations: about 1.07 million, Fixed stations: about 38,000, Broadcast stations: about 24,000] | About 66.57 million (March 2001) [Mobile stations: about 63.82 million, Fixed stations: about 80,000, Broadcast stations: about 30,000] |
| Highest frequency in use | About 9GHz (1950) | About 51GHz (1985) | About 143GHz (2001) |

ing accountability to the public.

Against such backdrops, MPHPT held the research group for the purpose of studying the status of radio spectrum use and the disclosure thereof.

[Outline of Research Group]

1. Issues to be studied

- 1) Information provision on radio station license
- 2) Research and disclosure of radio spectrum use
- 3) Others

2. Members of the “Research Group on Disclosure, etc. of Radio Spectrum Use”

- Katsuya UGA: Professor, Faculty of Law, the University of Tokyo
- Kazuyoshi KUROKAWA: Professor, Faculty of Economics, Hosei University
- Fumio TAKAHATA: Professor, School of Science and Engineering, Waseda University
- Kazuteru TAGAYA: Vice President and Professor at Faculty of Law and

Economics, Chiba University

- Shigeo TSUJII: Professor, Faculty of Science and Engineering, and Director, Research and Development Initiative, Chuo University
- Masao NAKAGAWA: Professor, Faculty of Science and Technology, Keio University

3. Period

The first meeting was held on September 21, 2001, and the final report is scheduled to be compiled in December 2001.

Outline of Research Group

Background

- Rapid expansion of use of radio spectrum by telecommunications carriers resulted in serious shortage of radio spectrum resources. (Example) Rapid penetration of mobile phones
- Expectation for realizing new demands for radio spectrum use (Example) High-speed wireless access
The fourth-generation mobile communications system
- Coping with globalization such as international frequency allocation (Example) Domestic frequency allocation coping with international standards

Tasks

- Study on needs to ensure frequency bands for realizing new spectrum-use demands
- Conducting evaluation on the current status of spectrum-use
- Ensuring transparency in administrative disposition in introduction of new radio systems, frequency re-allocation, etc.

Goals

- Realizing optimal frequency allocation
- Improving accountability to the public concerning radio regulations
- Promoting the IT revolution further