

**MPHPT**

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# COMMUNICATIONS NEWS

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

## New Minister, Senior Vice-Ministers and Parliamentary Secretaries Appointed

On September 22, 2003, the Second KOIZUMI Cabinet appointed the new Minister, Senior Vice-Ministers and Parliamentary Secretaries. With regard to the information and communications field, the following Minister and Senior Vice-Minister were appointed.

### Curriculum Vitae

Member of the House of Representatives  
 Minister for Public Management, Home Affairs, Posts and Telecommunications  
**ASO Taro**

Date of birth:  
 September 20, 1940

Permanent domicile:  
 Fukuoka Prefecture



1963: Graduated from Faculty of Politics and Economics of Gakushuin University  
 1966: President, Aso Industry (currently Aso Cement Co., Ltd.)  
 1978: Chairman, Japan Junior Chamber  
 1979: Elected Member of the House of Representatives for the first time.  
 1988: Vice Minister for Education, Sports, Science and Culture  
 1990: Director, Education Division, Liberal Democratic Party (LDP)  
 1991: Chairman, Special Committee on Coal Issues, the House of Representatives (HR)  
 1991: Chairman, Standing Committee on Foreign Affairs, HR  
 1992: Director, Foreign Affairs Division, LDP  
 1996: Minister of State; Economic Planning Agency  
 1998: Chairman, Special Committee on

Fiscal Structure Reform, HR  
 1999: Deputy Secretary-General, LDP  
 1999: Deputy Chairman, Policy Research Council, LDP  
 2001: Minister of State (Economic and Fiscal Policy, IT Policy)  
 2001: Chairman, Policy Research Council, LDP  
 2003: Minister for Public Management, Home Affairs, Posts and Telecommunications

Hobbies: Reading books, golfing  
 Favorite sports: Clay pigeon shooting (Chairman of the Japan Clay Target Shooting Association)  
 (Chairman of the Women's Japan Basketball League Organization)

Family: He is married and has a son and a daughter.

**Senior Vice-Minister for Public Management, Home Affairs, Posts and Telecommunications**  
**TABATA Masahiro**  
 Member of the House of Representatives

Date of birth:  
 January 4, 1940  
 Permanent domicile:  
 Wakayama Prefecture



1963: Graduated from Faculty of Economics, Doshisha University

1963: Entered Tokyo Tanabe Seiyaku Co., Ltd.  
 1965: Organ Paper (Komei Shimbun)  
 1969: Kansai Bureau Chief, Komei Shimbun  
 1969: City News Editor, Komei Shimbun  
 1973: Political Editor, Komei Shimbun  
 1986: Director, Public Relations Bureau, New Komeito  
 1993: Elected Member of the House of Representatives (HR) for the first time (since then, elected thrice)  
 1995: Deputy Secretary-General, New Frontier Party (Shinshin-to)  
 1999: Chair, Environment Division,

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New Komeito  
 2000: Chair, Committee on Science and Technology, HR  
 2000: Chair, Central Disciplinary Committee, New Komeito  
 2000: Deputy Secretary-General, New Komeito

2003: Spokesperson of Osaka Prefecture Headoffice, New Komeito  
 2003: Senior Vice-Minister for Public Management, Home Affairs, Posts and Telecommunications

Credo: "CCC politics": Clean politics, Consumer politics, Contribution to world peace  
 Credo: To boldly go forth!  
 Hobby: Reading books  
 Favorite sports: Swimming

# Outline of FY2002 survey on price variances between domestic and overseas telecommunications services

MPHPT has compiled the results of the FY2002 survey on price variances between domestic and overseas telecommunications services.

1. In terms of flat-rate and continuous access services to the Internet, Internet access fees in Tokyo for ADSL and cable remain at the lowest level worldwide.
2. Charges for daytime local telephone calls are also the lowest, but charges for line facilities installation remain high and vary according to type, so that overall they do not compare unfavorably with those in Europe and North America.

Note: Circumstances differ in every country for telecommunications services. There are a variety of fee structures including regular rates and discount rates. There are also variances within the same country according to the region, and fluctuations in exchange rate can have a major effect, so that the scale of the price variance between domestic and overseas cannot be generalized. Consequently, it would be appropriate to take these points into consideration and to see the results of this survey as just one of the indicators.

## 1. Survey topics

A comparison of rates for (1) Internet access, (2) domestic telephone service, (3) cellular telephone service, (4) international telephone service, and (5) leased circuit, calculated at the TTS (Telegraphic Transfer Selling) rate as of September 1, 2003 in six cities, namely Tokyo, New York, London, Paris, Dusseldorf and Geneva.

## 2. Survey period

The basic survey was conducted in

March 2003, and any subsequent changes in charges have been reflected as far as possible.

## 3. Outline (key points)

The items that were of particular notice with regard to individual topics are as follows:

### (1) Internet connection

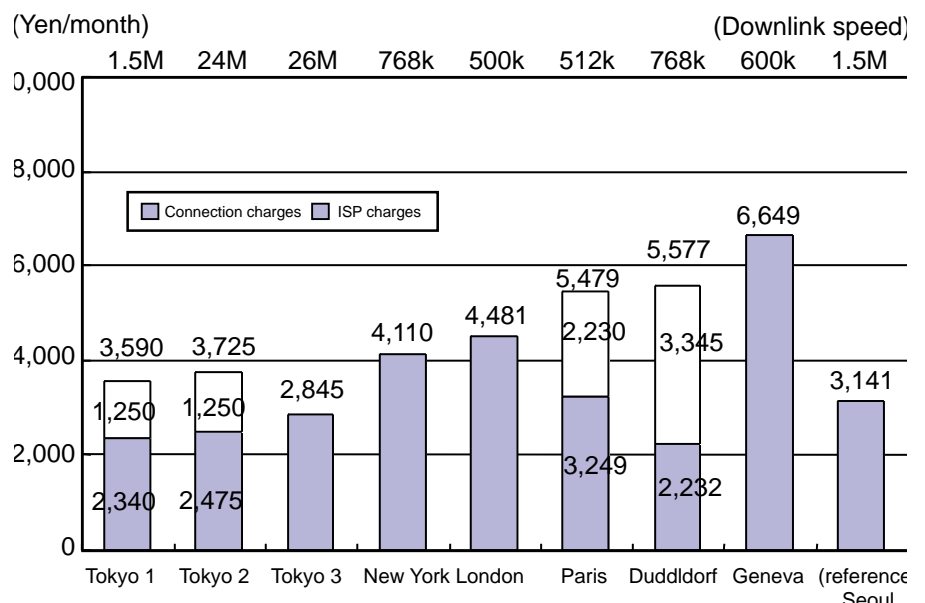
- Tokyo rates for ADSL are at the lowest level in the world due to the progress of competition among business operators.
- Connection speed is the highest in Tokyo at 26 Mbps, compared to 500 kbps to 768 kbps in other cities (1.5 Mbps in Seoul), and taking speed into consideration makes Tokyo charges even cheaper.
- Cable Internet is also cheaper than in other cities. Here also, Tokyo is fast at 8 Mbps compared to 256 kbps to 1.5 Mbps in other cities, making it a

better bargain too.

### (2) Domestic telephone service

- Tokyo is the cheapest for daytime calls in comparison to the other cities, but European operators have special discounts for evening and night calls, so that Tokyo's evening and night calls are at a somewhat lower level than the average.
- In comparing long-distance call charges, especially those between prefectures, charges are at a higher level than in Europe, and discount rates are at a high level compared to those in New York.
- Basic monthly charges are at about average levels for residential use, but the second highest after New York for business use. Initial subscription charges are the highest, but relocation fees are low.
- Furthermore, when using the OECD Model that sets average call duration

### ADSL



by distance and time band for comparing telephone charges of countries, Tokyo rates are at about average level for residential use standard and discount charges. For commercial use, they are at about average level for standard charges, with the exception of New York where the charges are high, but the second lowest to Geneva for discount rates.

**(3) Cellular telephone service**

- The major trend in cellular telephone charges is for package plans that include a certain number of minutes of calls, and there are many variations within these. This makes it difficult to offer a simple comparison of charges between countries.
- If one compares the package plan that most closely reflects the conditions of traffic in Japan during FY2001, Tokyo seems rather high, but charges for calls to fixed telephones originating from cellular telephones are cheaper than the average, and calls between cellular telephones are at about average levels.
- Charges for calls to cellular phones originating from fixed telephones are cheapest in Tokyo.
- If the comparison is done based on the Tokyo Model, charges are at about average levels.

**(4) International telephone service**

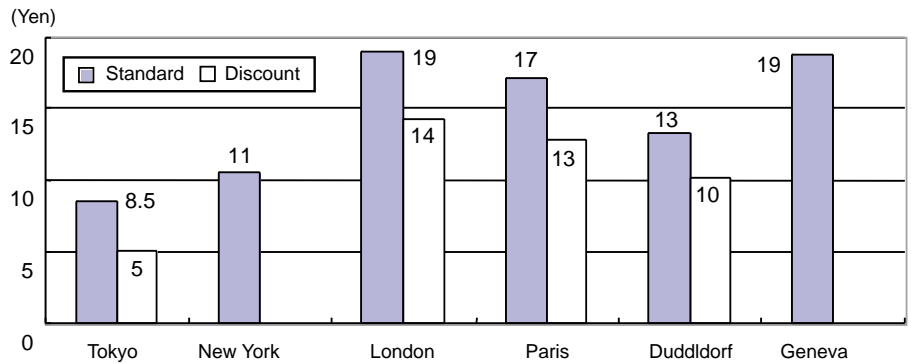
- For standard rates, it is cheaper to call from Tokyo to New York than the other way around, but it is more expensive to call the other cities from Tokyo.
- As for discount rates, it is cheaper to call London and Dusseldorf from Tokyo than the other way around, but more expensive to call the other cities.
- If the comparison is done based on the Tokyo Model, the trends generally correspond with those above.

**(5) Domestic leased circuit**

- Tokyo is cheapest for 64 kbps. Tokyo is the second lowest after New York for 1.5 Mbps at 15 km, and the second highest after Geneva for 50 km. It is cheapest for 45 Mbps at 15 km, and the second lowest after Dusseldorf for 50 km.
- If the comparison is done based on the OECD Model, Tokyo is cheapest at 64 kbps, second highest after

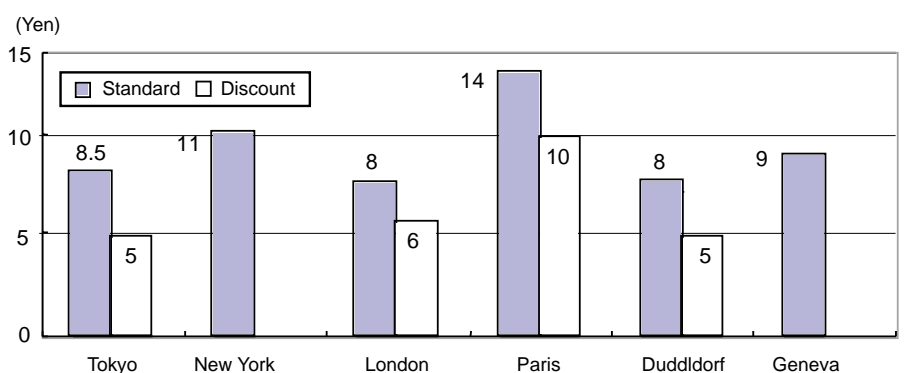
**Domestic telephone service**

**1. Local call charges (3 minutes at 12 noon on weekdays)**



**Domestic telephone service**

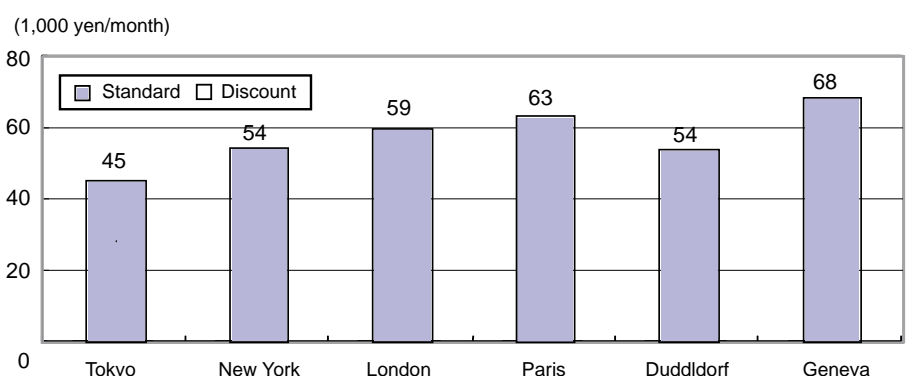
**2. Local call charges (3 minutes at 8 p.m. on weekdays)**



**Domestic leased circuit (1) Digital 64 kbps (15 km)**



**Domestic leased circuit (2) Digital 64 kbps (50 km)**



Geneva for 1.5 Mbps, and at about average level for 45 Mbps.

**(6) Conclusion**

- (a) According to this survey, regular communications charges in Japan, despite differences in kinds of service, do not compare unfavorably overall with those in Europe and North America.
- (b) MPHPT aims to transform Japan into a leading-edge country for ICT, and will continue to work on promoting the lowering of charges.

**Reference: 1**

Surveyed business operators in each country:  
 Japan: NTT East, NTT Communications Corporation, NTT DoCoMo Inc.,

Softbank BB Corp., its communications Inc.,  
 United States: Verizon Communications Inc., AT&T, Verizon Wireless Inc.  
 United Kingdom: BT Group plc, Vodafone Group plc, Telewest Communications plc  
 France: France Telecom, OrangeFrance, France Telecom Cable Holding  
 Germany: Deutsche Telekom, T-Mobile International, TeleColumbus  
 Switzerland: Swisscom Group, Swisscom Mobile

**Reference: 2**

Price comparisons were done using two methods: (1) comparison of individual charges and (2) comparison using models (the OECD Model and the Tokyo Model) based on actual condi-

tions of use.

• OECD Model

The Organization for Economic Cooperation and Development (OECD) carries out a price competition using a model it has formulated that sets a traffic pattern by communications distance range, time range, etc. in order to compare prices of telecommunications services in its 29 member countries.

• Tokyo Model

The Tokyo Model was established for cases where there is no OECD Model.

The Tokyo Model is a model that calculates average usage conditions for communication distance range, time range etc. based on traffic in Japan, and compares prices based on this.

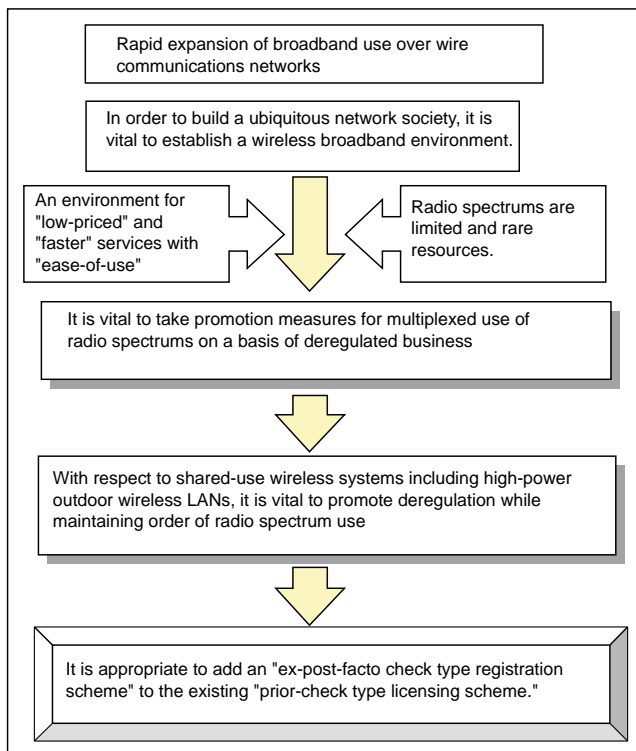
# Second Report of the "Study Group on Policies Concerning the Effective Radio Spectrum Use" Announced

Since 2002 January, MPHPT has been holding the "Study Group on Policies

Concerning the Effective Radio Spectrum Use" (Chair: Mr. TAGAYA

as a report "Second Report of the Study Group on Policies Concerning the Effective Radio Spectrum Use -- Toward Introduction of Radio Station Registration System."

Second Report of the "Study Group on Policies Concerning the Effective Radio Spectrum Use"  
 Toward Introduction of Radio Station Registration System  
 Rapid expansion of broadband use over wireless communications networks



Kazuteru, Vice-President for Education, Chiba University) for deliberating upon policies concerning the effective radio spectrum use. In April 2003, the Study Group set up a "working group on promotion measures for multiplexing of radio spectrum use" for deliberating upon promotion measures for multiplexing of radio spectrum use. The report was released by MPHPT. Upon compilation of this second report, MPHPT invited public comments and released them as well as comments of the Study Group to the public comments.

After the due procedure, the Study Group compiled its findings

At present, there are many broadband users surpassing 11 million, mainly subscribers to wire networks such as ADSL. Japan's broadband environment is rapidly expanding. From now on, in order to construct a ubiquitous network society, preparation of a wireless broadband environment becomes indispensable.

To this end, it is vital to i) further promote effective use of radio spectrums being limited and rare resources; ii) maintain order of radio spectrum use, for preventing interference, etc.; and iii) take promotion measures for multiplexed use of radio spectrums on a basis of deregulated business deployment.

From such viewpoints, since April 2003 the Study Group has been deliberating upon promotion measures for multiplexed use of radio spectrums and compiled the second report recommending a radio station registration system instead of the current radio station license system.

The public comments filed with

MPHPT during the period from June 27 through July 25, 2003 and replies to the comments from the Study Group can be accessed at:

[http://www.soumu.go.jp/joho\\_tsusin/policyreports/chousa/yuko/index.html](http://www.soumu.go.jp/joho_tsusin/policyreports/chousa/yuko/index.html)

Outline of radio station registration scheme

Target radio stations: High-power outdoor wireless LANs, etc.

Conditions to be registered

1. Radio stations being able to operate communications in the same area utilizing the same frequency
2. Radio facilities granted the Technical Regulations Conformity Certification, etc.

Note: Where interference caused by radio facilities leads to exposure of humans to risks involving of life and limb, the radio facilities concerned are excluded (e.g., ship stations, aeronautical stations).

Matters to be registered: Registered persons may freely install individual two or more stations in the same type of usage

1. Name and address
2. Planned areas for installation of radio stations
3. Type of usage
4. Others

Blanket registration (name, installed areas, etc.) for base stations, etc.

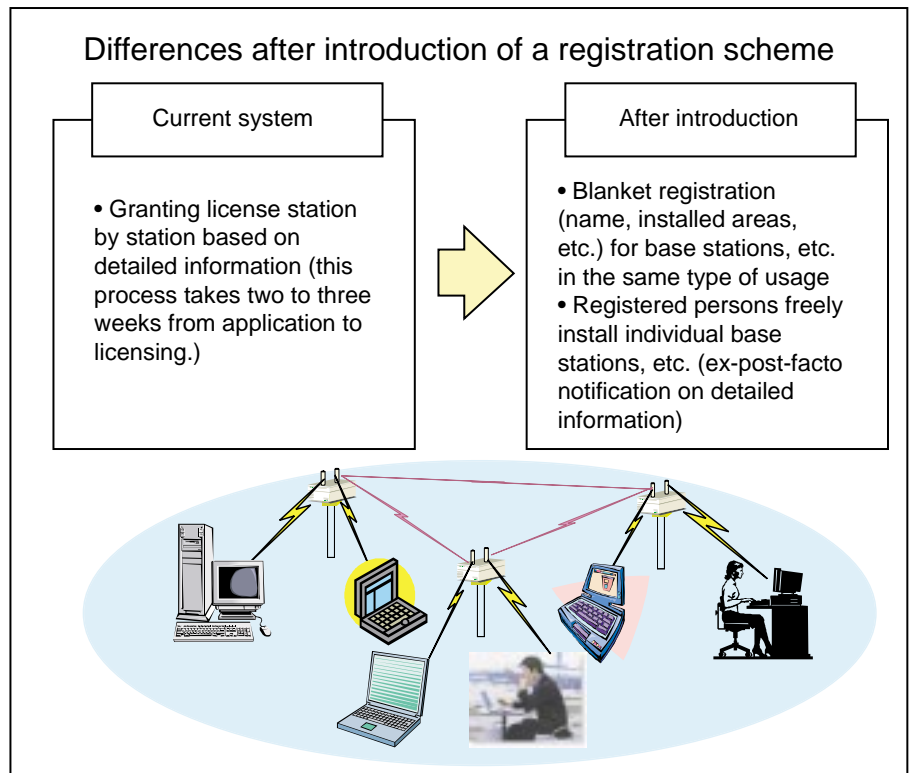
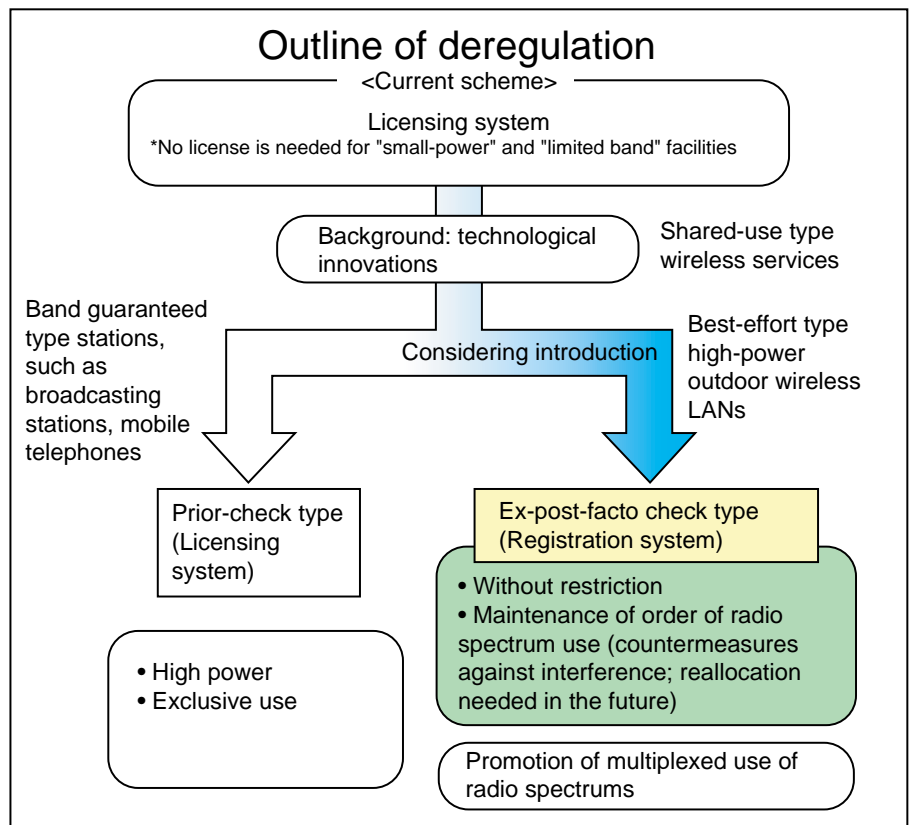
Note: Ex-post-facto notification shall be submitted on locations of installed radio stations, antenna power, days on which stations are opened, etc.

Requirements for refusing registration

1. Where an applicant falls under reasons for disqualification (violation of law, etc.)
2. Where areas outside specified areas for registration are included (no station shall be established in the vicinity of fixed relay stations and radars)
3. Where effective use of radio spectrums is hindered (in cases where it is obvious in advance that radio stations concerned will be used for purposes contrary to public welfare, such as transmission of massive unsolicited e-mails)

Disciplines and supervision to registered radio stations

1. The same disciplines and supervision to licensed radio stations



1. Obligation to abide by the Radio Law, payment of the Spectrum User Fees, to be a target of the survey, etc. on actual radio spectrum usage
2. In cases where radio stations concerned are used exclusively for purposes contrary to public welfare, such as transmission of massive unsolicited e-mails, operations of said radio

3. stations shall be suspended and registration thereof shall be revoked.
3. The valid period of registration is five years (the same as licensed radio stations). (from the viewpoints of responding to reallocation of radiowaves, technological innovations, etc.)

# "Study Group on Telecommunications Number of FY2002" Compiles Report

## 1. Purposes of the Study Group

Taking into account recent trends in foreign countries, this Study Group was established in order to deliberate upon issues on an IP telephony numbering plan and number management, and measures for ensuring numbers of fixed-communications terminals, etc. concerning the telecommunications number in an IP network era.

## 2. Themes to be deliberated upon and results thereof

- i) Measures for ensuring numbers of fixed-communications terminals (omitted)
- ii) Issues on introduction of the ENUM\*

(omitted)

- iii) Review of numbering plans accompanying the abolition of classification of Type I and Type II telecommunications businesses (additional theme in the middle of the study period) (see "Outline")

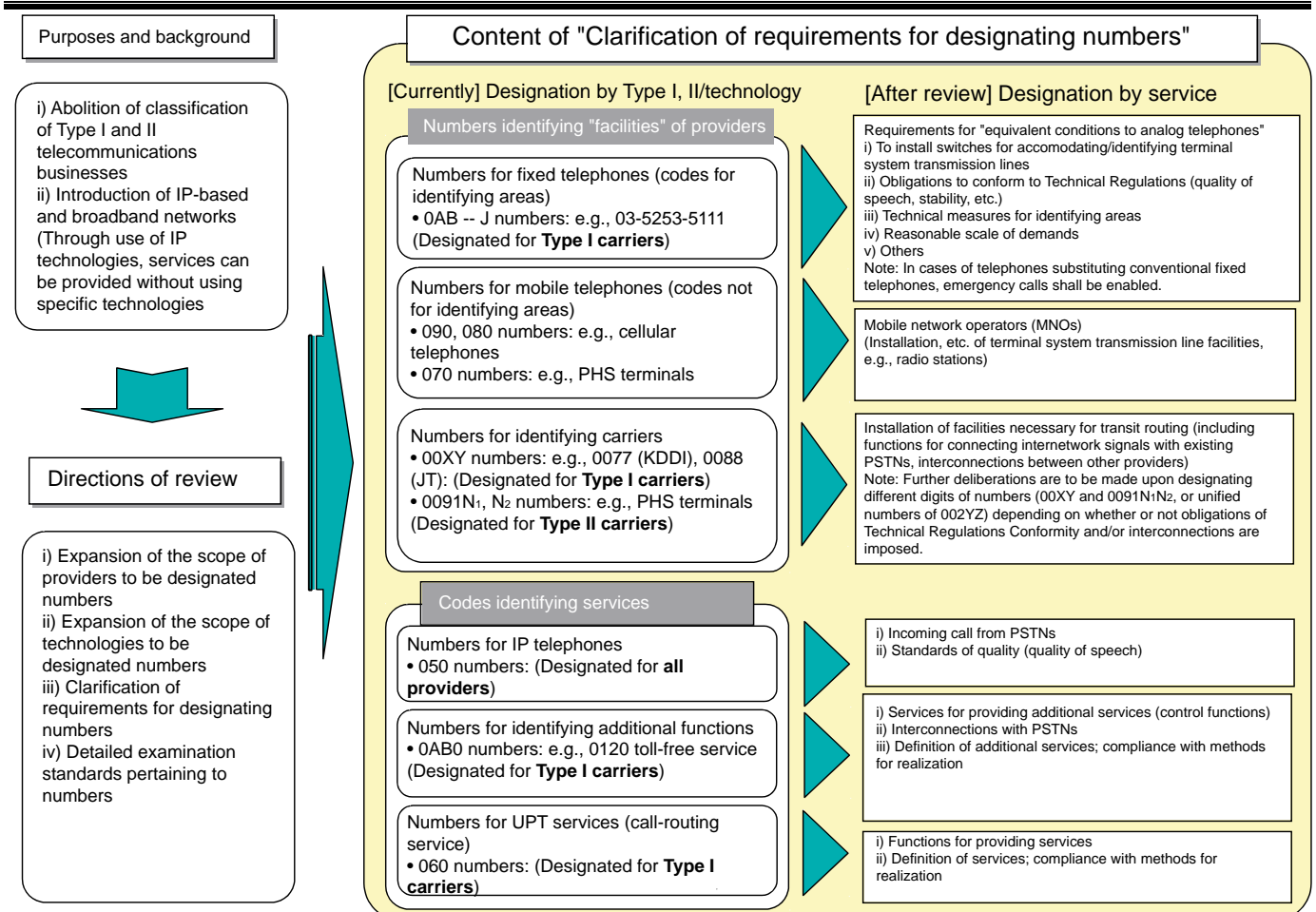
\*Note: ENUM (Telephone Number Mapping): "ENUM" refers to the IETF protocol that uses a telecommunications number and enables to access PSTN-based telephones and various applications on IP networks, including e-mail, using a Domain Name System (DNS)-based architecture.

## 3. Schedule

Based on this final report, MPHPT will develop a draft ministerial ordinance for amending the current Rules for Telecommunications Number.

This draft will be inquired of the Sub-council of Telecommunications Business of the Telecommunications Council. After invitation of public comments, the Sub-council will compile a report. The amended Rules for Telecommunications Number will come into force on the same day when the amended Telecommunications Business Law comes into force.

## Review of numbering plan associated with abolition of classification of Type I and II telecommunications businesses



## Outline of Final Report from "Study Group on Telecommunications Number of FY 2002"

### 1. Measures for ensuring numbers of fixed-communications terminals (numbers from 0AB to 0AJ)

As for fixed-communications terminals (numbers from 0AB to 0AJ) in areas where telecommunications numbers will run out with higher probability judging from trends in the past, a survey on telecommunications carriers was conducted (survey period: June through July 2002) for estimating future demand for telecommunications numbers. According to this survey, it is found that i) there are 17 numbering plan areas (area codes) where assignable numbers are to be depleted 20 years later among 611 numbering plan areas nationwide; and ii) in all 17 areas forecast depletion will be avoidable through ad hoc measures (shifting digits, etc.) currently taken.

### 2. Issues on introduction of the ENUM

Taking into account the fact that ENUM are used in foreign countries on a trial basis, when starting considering

technical issues regarding ENUM in Japan, ENUM shall be used on a trial basis before introduction thereof on a commercial basis. Upon trial thereof, provided that it is ensured that the trial shall not affect users of the existing telecommunications services, directions shall be set forth that measures will be taken to assign numbers necessary for the trial.

### 3. Review of numbering plans accompanying the abolition of classification of Type I and Type II telecommunications businesses

Upon review of requirements for designating telecommunications numbers, from the viewpoints of ensuring convenience of users, ensuring fairness among carriers, and fair and effective use of telecommunications numbers, the following topics shall be deliberated upon:

- i) It is noted that currently, requirements for designating telecommunications numbers are that telecommunications numbers are designated only for Type I telecommunications carriers who satisfy disciplines (permission upon entry, Technical Conditions Compliance Obligation, etc.) under the current law.
- ii) Since telecommunications numbers are widely used by general users, it is important to ensure convenience of users. In particular, with regard to telecommunications numbers cur-

rently in use, it is vital to ensure continuous use thereof.

iii) To this end, upon review of numbering plans accompanying the abolition of classification of Type I and Type II telecommunications businesses, the following matters shall be considered:

- Numbers identifying telecommunications facilities: A person who stably provide services abiding by the Technical Conditions Compliance Obligation
- Numbers identifying telecommunications services: In principle, to be assigned to all telecommunications carriers
- International harmonization based on Recommendations of ITU, and other transitional measures

### 4. Other topics to be deliberated upon

The following items shall be deliberated upon:

- Telecommunications numbers to be used by Mobile Virtual Network Operators (MVNOs)
- Treatment of inward dial numbers of business telephone service (similar to Centrex services)
- Use of special numbers by roaming-in users of 3G mobile communications systems