

(Released on February 26, 2003)

Summary of Meeting of the Radio Regulatory Council (No. 868)

1. Date and Time

February 12, 2003 (Wednesday)

16:00 to 17:35

2. Location

Meeting Room of MIC (Ministry of Internal Affairs and Communications)

(Meeting Room No. 1001 on the 10th floor)

3. Attendees (Honorifics omitted)

(1) Members of the Radio Regulatory Council

Yasuhiko Yasuda (Chairperson), Takeo Inokuchi (Vice-Chairperson), Shigeko Shinohara, Kashiko Kodate

(2) Hearing Examiner of the Radio Regulatory Council

Kaoru Suzuki

(3) Secretary

Masao Okamoto (Deputy Director of the General Affairs Division, Telecommunications Bureau)

(4) MIC (Ministry of Internal Affairs and Communications)

Takahara (Director-General of the Information and Communications Policy Bureau),

Aritomi (Director-General of the Telecommunications Bureau), Kitou

(Director-General of the Radio Department), and others

4. Minutes of the Meeting

(1) Regarding the draft ministerial ordinance that partially amends the Rules for Radio Operators

(Consultation No. 30 of December 4, 2002)

Having deliberated the draft ministerial ordinance in the title that deals with rendering the attachment of a medical certificate unnecessary when applying for a license for a radio operator, based on the written opinion and protocol submitted by

the hearing examiner who presided over procedures for inviting public comment (refer to the post-hearing opinion from the 377th Radio Regulatory Council's written opinions), the Council concluded that the draft was appropriate and returned an affirmative reply.

(2) Regarding the draft ministerial ordinance that partially amends the Regulations for Enforcement of the Radio Law, the Ordinance Regulating Radio Equipment, and the Ordinance Concerning Technical Regulations Conformity Certification of Specified Radio Equipment

(Consultation No. 2)

As this matter was related to Consultation No. 3, MIC explained it and provided a Q&A session in conjunction with Consultation No. 3.

(3) Regarding the proposed change to part of the frequency assignment plan

(Consultation No. 3)

As this matter was related to Consultation No. 2, MIC explained it and provided a Q&A session in conjunction with Consultation No. 2 as follows.

Note that as the Radio Law required that MIC hear public comment on Consultation No. 2, and MIC concluded that it was appropriate to ask the opinion of the Council concerning Consultation No. 3 in conjunction with Consultation No. 2, MIC decided to subject them to the public hearing process as one set. MIC appointed Kaoru Suzuki as the hearing examiner who would preside over procedures for the public hearing.

a. Explanation by MIC

The Structural Reform Special District System, one of the pillars in the structural reform that Koizumi's reform is promoting, is aimed at not only promoting the structural reform of the economy and society, but also to vitalize a region by conducting a specific operation that is granted a special measure, appropriate for the characteristics of the region, that allows the operation to be exempted from relevant regulations in a district (special district) that is set up voluntarily by a local municipal entity.

This matter is concerned with wireless access systems and intends to amend the relevant ministerial ordinances required for two special measures: One is for the introduction of 5GHz-band wireless access systems that increase antenna power gain and the other is for the utilization of wireless access systems for services other than telecommunications.

Specifically, 5GHz-band wireless access systems that increase antenna power gain will be introduced as follows. Currently, the antenna power and the upper limit for the antenna power gain are defined as having 250 mW and 10 dB values for 5GHz-band wireless access systems. The special measure, however, intends to increase the upper limit for antenna power gain by 3 dB, from 10 to 13 dB, to efficiently develop the systems by making access to them available from places that are far away from base stations in regions such as less-populated areas where the population is discretely distributed. In addition, the special measure for the utilization of wireless access systems for services other than telecommunications intends to allow licenses for the 5-GHz and 22/26/38GHz-band wireless access systems currently institutionalized for telecommunication services to those who do not engage in telecommunication business operations to a degree that might not affect activities such as the business operation of telecommunication carriers.

Both of these measures shall be enforced on April 1, 2003, in line with the enforcement of the provisions related to the approval procedures, etc. for special district plans by local municipal entities in the Structural Reform Special District Law.

The proposed change to part of the frequency assignment plan intends to allow the wireless access systems in structural reform special districts to newly use some parts of the 5GHz, 22GHz, 26GHz, and 38GHz bands for three services other than telecommunication services, such as public, broadcasting, and general services, as long as they fall under the category of mobile services.

b. Main contents of the Q&A session

- The following question was asked: "How many targets does MIC understand that these special measures will apply to?" MIC answered as follows: "MIC thinks the specific number should be known when receiving the applications from local municipal entities following enforcement of the measures. MIC feels, from the

current situation, that requests will be coming from, especially, local municipalities in districts where telecommunication carriers do not conduct business.”

- The following question was asked: “Do these measures lead to the vitalization of a regional economy?” MIC answered as follows: “As it is unlikely for telecommunication carriers to deploy business operations in the local regions, local municipalities have raised their interest in active involvement in activities such as the utilization of wireless access systems.”

(4) Regarding the designation of a designated certification agency based on the provision in Article 38-2 (1) of the Radio Law

(Consultation No. 4)

MIC explained the designation of a designated certification agency based on the provision in Article 38-2 (1) of the Radio Law and provided a Q&A session as follows. The Council deliberated this matter and replied indicating that the Council regarded it as acceptable.

a. Explanation by MIC

This deals with an application received on November 25, 2002 from Chemitox, Inc. concerning the designation of a designated certification agency based on the provision in Article 38-2 (1) of the Radio Law. As a result of examining the application based on the requirements for appointing a designated certification agency, MIC has concluded that it is appropriate to designate the company as a designated certification agency, because MIC recognizes that it meets the provisions in Article 38-3 of the Radio Law.

b. Main contents of the Q&A session

- The following question was asked: “One examination item is the applicant’s financial base. How does MIC evaluate it in designating the company as a designated certification agency?”

MIC answered as follows: “The applicant has had a set of measurement devices, etc., required for an attested inspector in the past and the company can assume the full responsibility of the designated certification agency by renting devices from lease companies, etc., that the company does not own.”

(5) Regarding the opinion of the Minister of Internal Affairs and Communications attached to the fiscal 2003 income and expenditure budget, etc., of Japan Broadcasting Corporation

(Consultation No. 5)

Upon the submission of the Japan Broadcasting Corporation (NHK) fiscal 2003 income and expenditure budget, etc., to the Diet, MIC explained the opinion of the Minister of Internal Affairs and Communications attached to the budget and provided a Q&A session as follows. The Council deliberated this matter and replied indicating that the Council regarded it as acceptable.

a. Explanation by MIC

The operation income, the operation expenditure, and the difference between the two are expected to be 673.8 billion yen (an increase of 0.8% compared to the previous fiscal year), 666.0 billion yen (an increase of 0.9% compared to the previous fiscal year), and 7.7 billion yen in fiscal 2003. All of the difference shall be provided for the redemption of the corporation's debt. NHK expects that the balance carried forward for fiscal stability will be 45.3 billion yen as of the end of fiscal 2002, out of which 11.0 billion yen shall be spent for facility investment such as that for terrestrial digital broadcasting services. Note that the receiver's fee has been frozen for 13 years since 1990.

The major items in the business plan include, but are not limited to, this December's start of terrestrial digital television broadcasting in the three major metropolitan areas (Tokyo, Osaka, and Nagoya), the renewal of educational television for such as the improvement of children's programs, and the enhancement of regional information programs aired mainly in the evening timeframes.

As a result of examining these items, the opinion of the Minister of Internal Affairs and Communications recognizes that NHK's business plan is appropriate because the plan includes required measures for the intended services while attempting to improve the effective practice of business.

Note that the opinion adds the following six items, to which NHK must pay special attention when carrying out the fiscal 2003 business plan, etc.:

1. Playing the leading role in the diffusion and development of digital broadcasting services in Japan

2. Conducting the consideration and so forth of the thorough enforcement of things such as forcing TV owners to sign the receiver's contract
3. Improvement of the news coverage system of response for emergency coverage in the event of disaster and systematic enhancement of the close-captioned broadcasts in response to the handicapped
4. Promotion of broadcasting technology research and other investigative research activities
5. Effective and efficient promotion of international broadcasting
6. Further promotion of information disclosure on NHK's business activities in general

b. Main contents of the Q&A session

- The following question was asked: "Isn't MIC allowed to request NHK to disseminate the digitization of terrestrial television broadcasting to the public?"
MIC answered as follows: "In this opinion, the exact wording of "disseminate" is not found, however it does request NHK to play the leading role in the diffusion and development of digital broadcasting. Consequently, all the stakeholders including, but not limited to, MIC, the broadcasting industry, manufacturers, and delivery agents must address the dissemination and advertisement of terrestrial television broadcasting digitization."
- The following question was asked: "Does MIC have data that indicates how many Japanese people know that terrestrial digital television broadcasting will start?"
MIC answered as follows: "MIC has data that indicates about half of the people know it, according to surveys such as questionnaires. MIC does not think that is sufficient, so MIC must fully address PR activities from now on."

(6) Regarding authorization for Japan Broadcasting Corporation to make a financial contribution to the Broadcast Programming Center of Japan

(Consultation No. 6)

MIC explained an application from Japan Broadcasting Corporation for approval to make a financial contribution to the Broadcast Programming Center of Japan and provided a Q&A session as follows. The Council deliberated this matter and replied indicating that the Council regarded it as acceptable.

Explanation by MIC

The Broadcast Programming Center of Japan conducts general services with the aim of further improving and enhancing educational and cultural programs and contributing to the progress of the broadcasting business, the promotion of education and the development of culture in Japan as well as broadcasting program library operations such as collecting and storing. It also provides broadcasting programs to the public for viewing as a designated legal entity based on the Article 53 of the Broadcast Law.

This application was submitted by Japan Broadcasting Corporation for approval to make a financial contribution of 0.1 billion yen to the Broadcast Programming Center of Japan as operating funds, based on Article 9-8 of the Broadcast Law, in response to a request from the Center.

As a result of examining the application, MIC understands that the Center conducts business operations such as purchasing educational and cultural programs from a pool of abundant archives from Japan Broadcasting Corporation and others and renting them to broadcasting stations. Therefore, a financial contribution to the general service by Japan Broadcasting Corporation shall be regarded as “necessary for the improvement and development of broadcasting and the reception thereof” under Article 9-(2) (vi) of the Broadcast Law. Consequently, MIC thinks it is appropriate to approve the application.

(7) Regarding a proposed change to the entrusted matters to be broadcasted for broadcast programming operations related to 110 CS digital broadcasting

(Consultation No. 7)

MIC explained a proposed change to the entrusted matters to be broadcasted for broadcast programming operations related to 110 CS digital broadcasting and provided a Q&A as follows. The Council deliberated this matter and replied indicating that the Council regarded it as acceptable.

a. Explanation by MIC

The application was submitted by CS Now Co., Ltd., a program-supplying broadcaster involved in 110 CS digital broadcasting, requesting that the company

wished to add new programs such as infotainment programs with an emphasis on food and music to the current list of the entrusted matters to be broadcasted.

As a result of examining the application, MIC recognizes that it is appropriate to approve the change because the application wishes not to add a substantial change to the current entrusted matters to be broadcasted, but to further improve the content of the services by adding some programs to the current provided programs, does not compromise the uniformity of the broadcast programming operation, and meets every provision in Article 7 of the Examination Standards for the Broadcast Law.

b. Main contents of the Q&A session

- The following question was asked: “The programs are not yet aired. Does the addition of the programs in question carry a connotation of the company cultivating a new market, for which the new programs will start to be aired?”

MIC answered as follows: “MIC assumes that the company wishes to add some entertainment elements to the current services as one of the measures to win viewers for paid broadcasting services.”

(The Radio Regulatory Council Secretariat is responsible for the wording of this document)