

Study Group on a Comprehensive Legal System for Communications and Broadcasting
Summary of Minutes (9th Meeting)

1. Date and time Monday, April 16, 2007, 5 p.m. to 6:50 p.m.

2. Location Special Conference Room 3, 9th floor, Ministry of Internal Affairs and Communications

3. Attendees Mr. Horibe, Chair; Mr. Murai, Vice-Chair; Mr. Ando, member; Mr. Takaya, member; Mr. Nakamura, member; Mr. Funada, member; Mr. Murakami, member; Mr. Aritomi, Vice-Minister for Policy Coordination; Mr. Suzuki, Director-General of the Information and Communications Policy Bureau; Mr. Mori, Director-General of the Telecommunications Bureau; Mr. Terasaki, Director-General for Policy Planning; Mr. Nakata, Deputy Director-General of Minister's Secretariat; Mr. Sato, Director of the Information and Communications Policy Bureau; Mr. Naito, Head of the Communications and Broadcasting Legal System Planning Office

4. Outline of proceedings

(1) Issues related to transmission infrastructure

The Secretariat presented an outline of the “Material for the 9th Meeting of the Study Group—Transmission Infrastructure” (Reference 2) and the “Draft—Discussion Points Related to Transmission Infrastructure” (Reference 4). Following that, Mr. Yoshiyuki Takeda, Vice President of the Telecommunication Technology Committee, gave a presentation on “Technical Standards Related to Information and Communications in the Era of Convergence,” outlining the present status of standardization systems in the information and communications field and issues in the era of convergence, focusing particularly on private sector standards. This was followed by a question and answer session, an outline of which follows.

○ To the question, “What is the key to promoting the exchange between telecommunication carriers and broadcasting enterprises in the standardization activities in the field of convergence?” the following answer was given: “While transverse activities in the industry will not progress unless new services emerge in the form of a new business, such trends are gradually taking place.”

○ To the question, “What if the ETRI and TTA in (South) Korea and the ETSI in Europe are compared with the equivalent in Japan?” the following answer was given: “While the ETRI can exercise strong power, the NICT does not have that ability yet. It is important to create a consistent

flow in the process from the provision of funds through to research and development and standardization.”

○ To a question on matters such as coordination among the TTC, the ARIB, and the JCTEA, the following answer was given: “For example, both the TTC and the ARIB join the 3GPP, and the TTC standards apply to the network side and the ARIB standards to radio systems. They share roles on an individual project basis.”

○ To a suggestion that middleware could function to control TV programs, the following response was given: “Various types of middleware will be created for the respective services, which would eventually enable customers to watch TV programs.”

(2) Free discussion

A free discussion was held, with the participated of Mr. Takeda, Vice President, to summarize opinions on telecommunications facilities rules, standardization systems, and transmission service rules. Following are the main opinions expressed in the course of the discussion.

a) Telecommunications facilities rules mainly for radio waves

○ For radio waves, attention is focused on the use of the defunct range of analog broadcasting frequencies.

○ If networks are converged or integrated on an IP and digital basis, transmission infrastructure systems, needless to say, must be integrated. As for radio waves, while promoting discussion on “radio wave special zones,” measures such as more flexible license classification, should be considered, whereby technology is not hampered by systems.

b) Standardization systems

○ As for technical standards, in order to flexibly meet users’ needs, multiple options should be made available and there should be room to flexibly introduce new services through a standard process to verify their compliance with set standards.

○ For the structure of standardization systems that is vertically divided according to individual laws, despite its importance, there should be functions and concepts to horizontally correlate the systems.

○ In light of the rapid changes in digital technology, standards and the concept of regulations based on them should be also updated accordingly. It will be important to develop technologies in international markets.

○ Flexibility is required in differentiating mandatory standards from voluntary standards. It will be

a major point of discussion how the functions of the Information and Communications Council should be handled in comparison with the ETSI.

○ The basic concept of the ETSI is to narrow down the scope of the regulations to the essential requirements. For the general purpose application, therefore, the scope of standardization will similarly have to be narrowed down as much as possible.

○ We should consider the simplification and consolidation of facilities rules related to telecommunication carriers, cable TV facilities, and broadcasting enterprises by CS.

○ Amid the convergence of telecommunications and broadcasting, broadcasting receivers will undoubtedly have a communications function. In such an era, can broadcasting receivers fall out of the scope of technical standards?

○ For international standardization, we should be conscious of trends in Asia, particularly in China.

c) Transmission service rules

○ As for transmission service rules, it should be verified whether or not a law can be established for the service layer covering both communications and broadcasting.

○ When dividing into layers, profits are assured in some frequency ranges but not in others. Demand and supply in the respective ranges should be taken into account, and it will be an issue how to handle the cases where free trading of different layers does not function well as a result of large demand.

○ The point of the argument is whether rules for terrestrial broadcasting enterprises etc. can be classified into those for the basic broadcasting areas and for the other area, and the characteristics of basic broadcasting should be verified.

○ Discussions should also be held on a foreign capital ratio.

○ Since the mechanism to distribute programs through key stations is an impediment from the perspective of freedom of content distribution, some kind of mechanism, such as “asymmetrical rules,” should be considered for the flow of content from basic broadcasting and the others.

(c) Next meeting

The next meeting will start at 10 a.m. on Friday, April 27, 2007. The agenda topic will be a “Discussion on the interim summary.” (Not open to the public)

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