

ICT Policy in Japan

PTC'08 30th ANNIVERSARY CONFERENCE
Opening Plenary

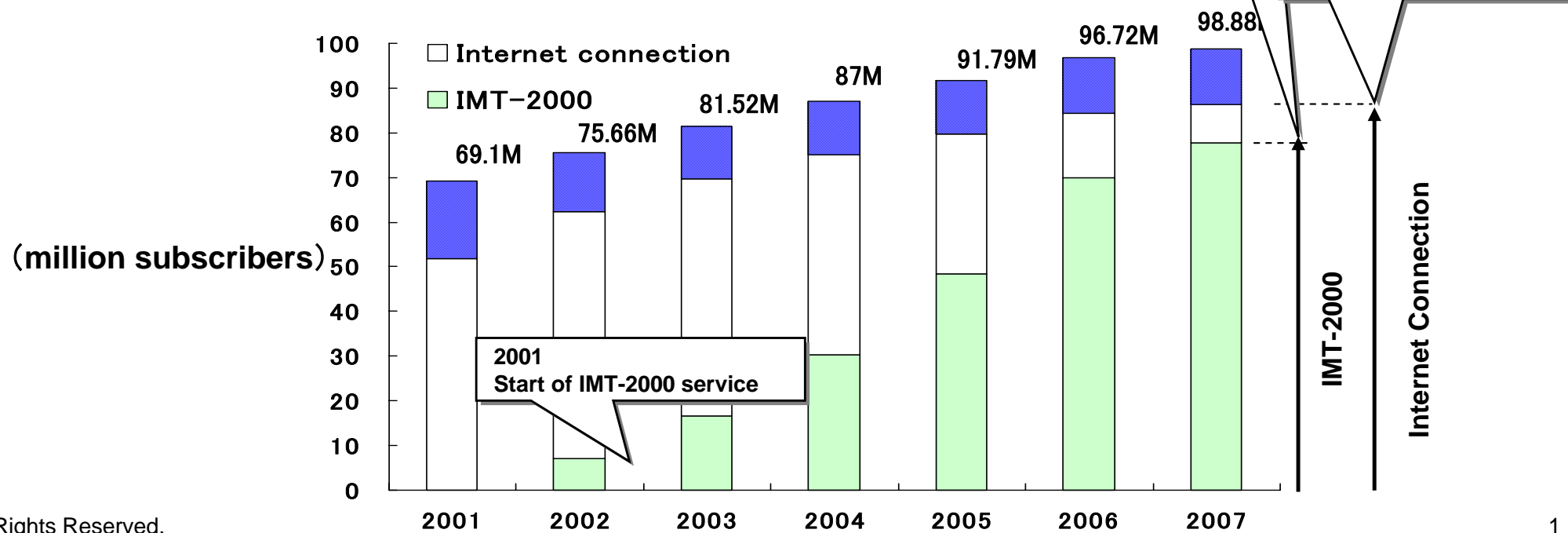
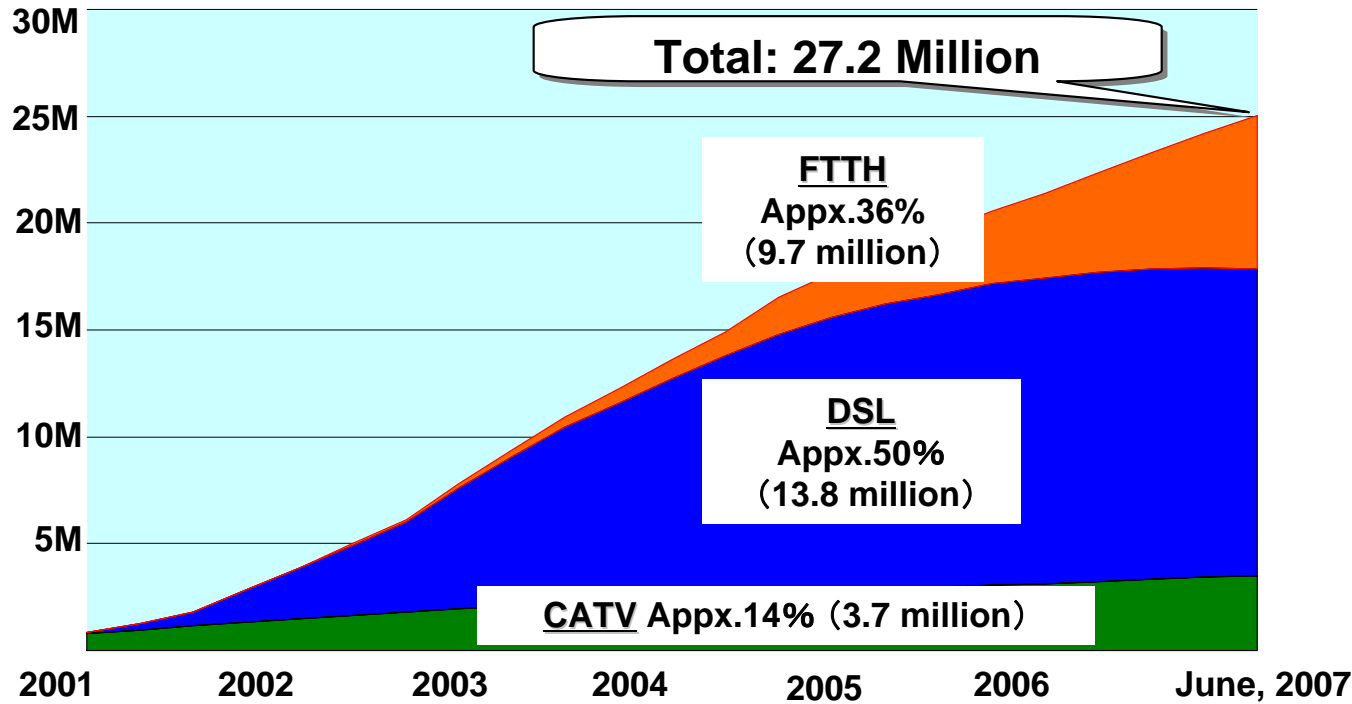
January 13, 2008

Kiyoshi MORI

Vice-Minister for Policy Coordination

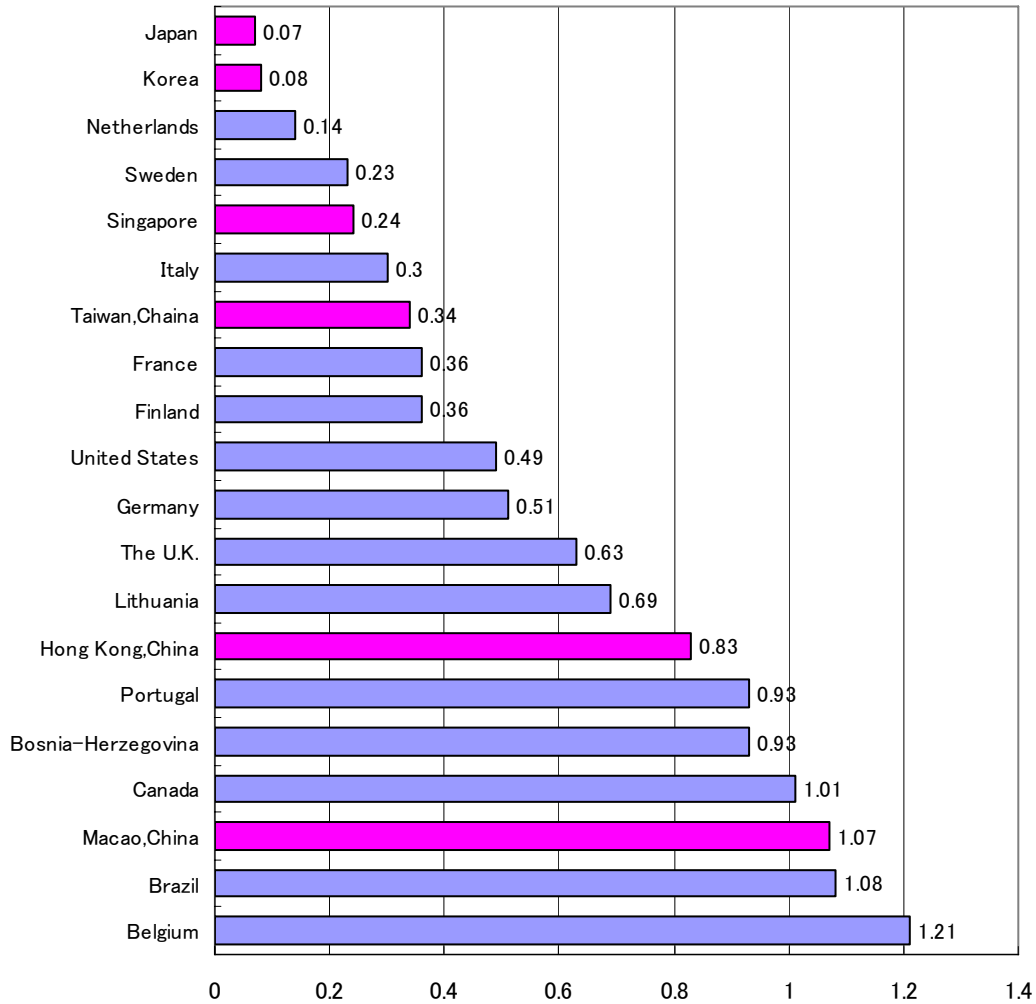
Ministry of Internal Affairs and Communications, JAPAN

1. Current Situation of Broadband and Mobile Services in Japan

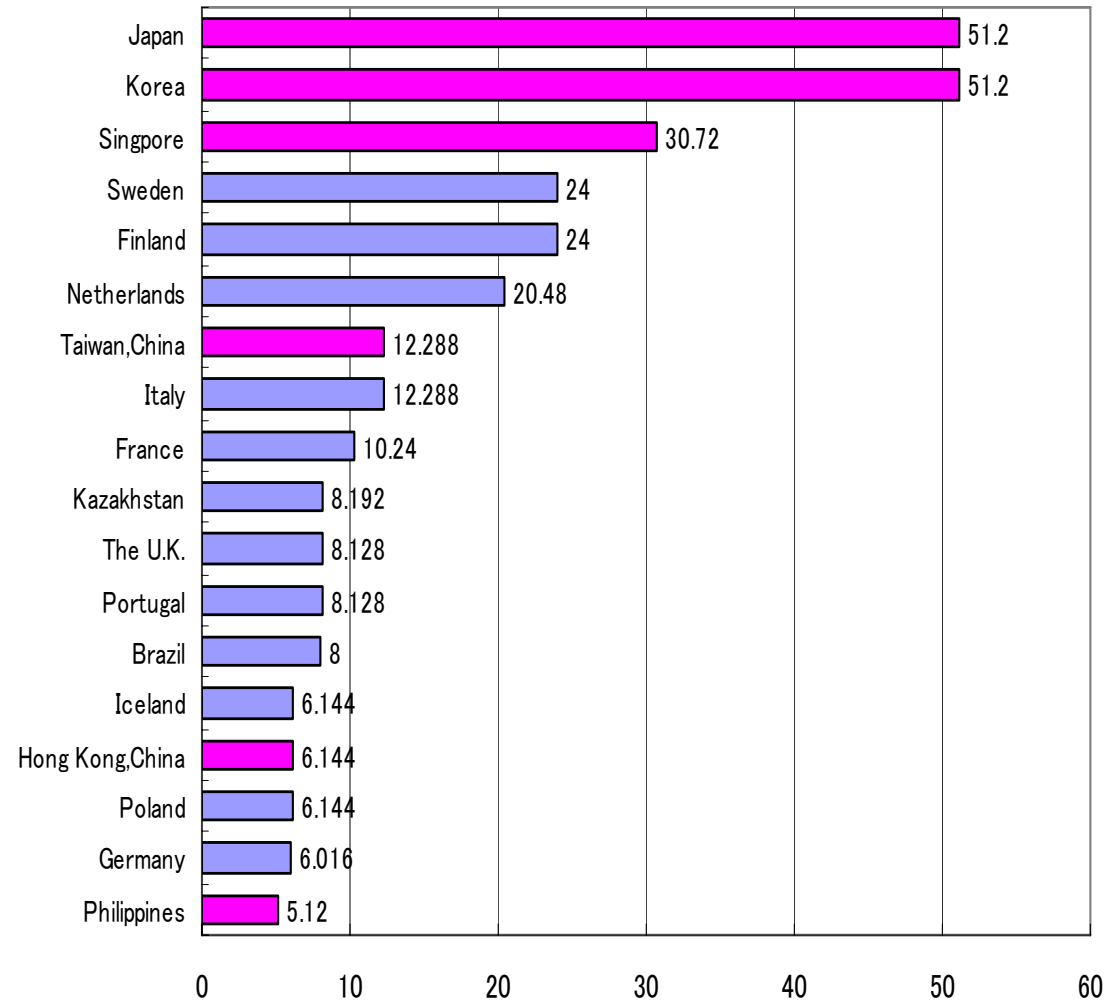


2. Japanese Broadband Service in Global Comparison

**Broadband prices (100kbit/s)
(US dollar)**

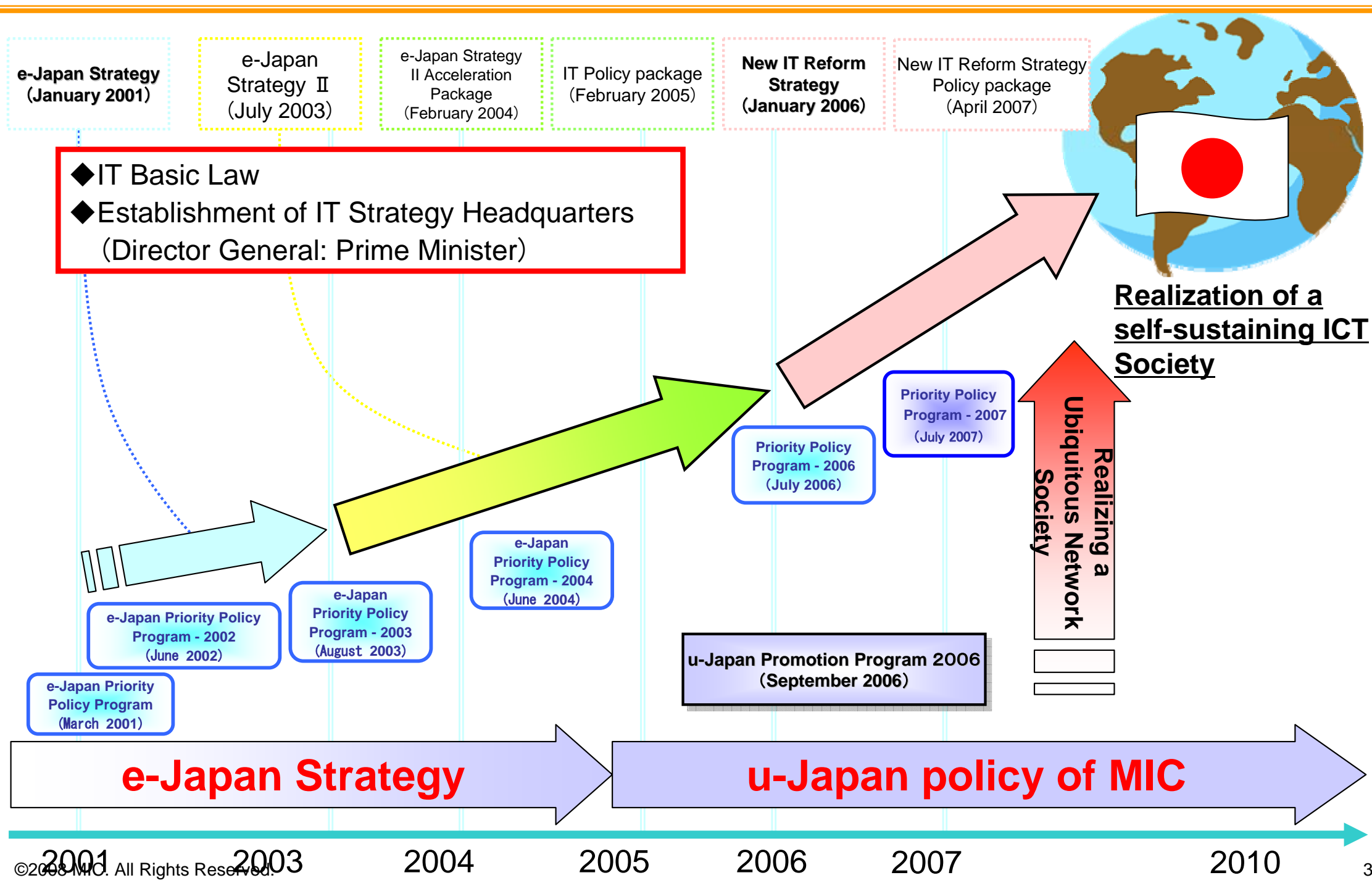


**Speed of DSL
(Mbit/s)**



Source : ITU Internet Reports 2006 "digital.life" (December 2006)

3. National target : Steps taken in Japan on ICT Strategies



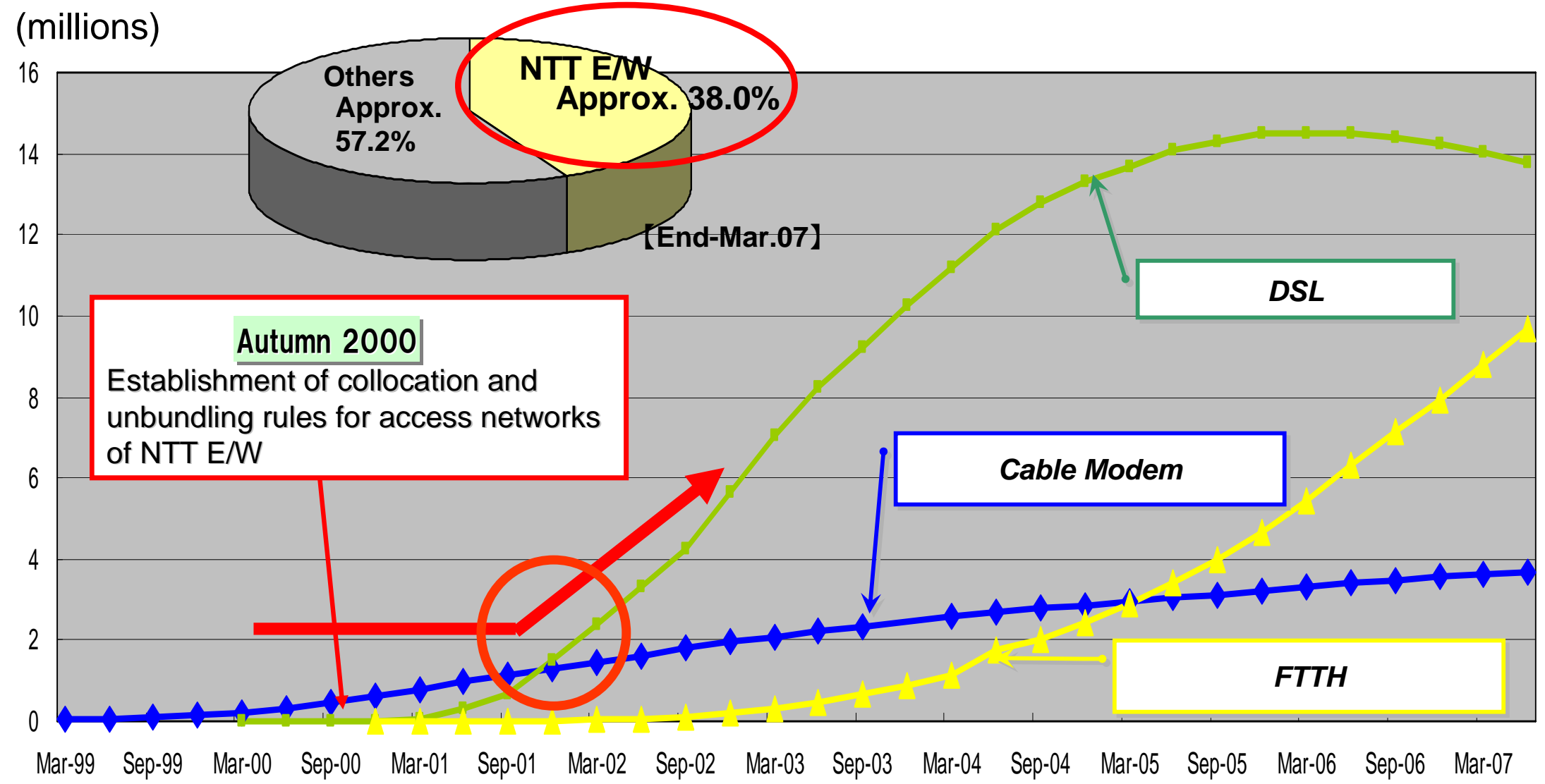
4. Competition Policies

1. Promote Service Based Competition Policy
 - Collocation Rules and Unbundling Rules
 - For DSL (Sep. 2000)
 - For FTTH (Apr. 2001)

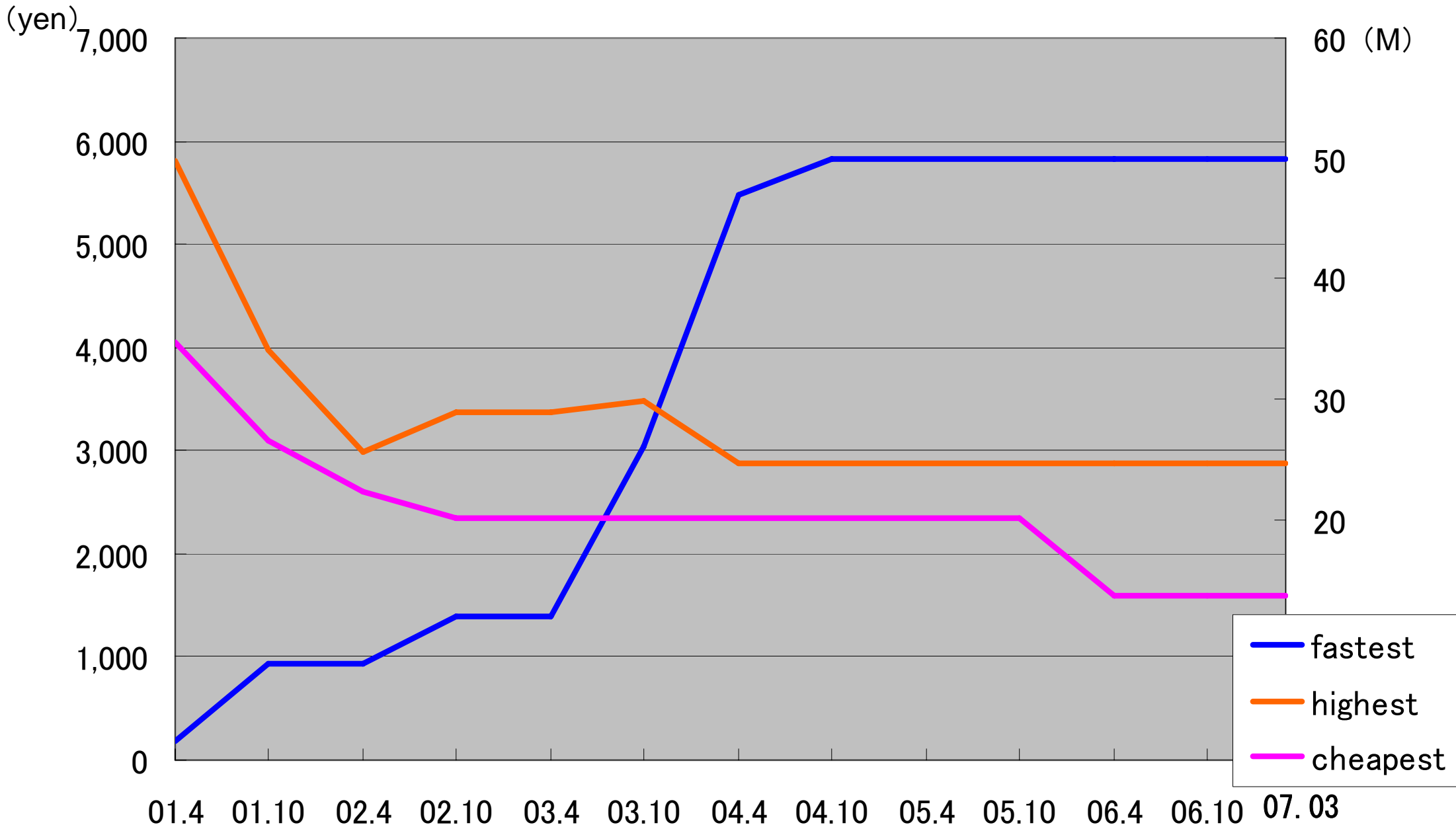
2. Promote Facility Based Competition Policy
 - Facilitation of applying for use of public property such as roads (Nov.2000)
 - Guidelines on right of way (Apr. 2001, rev. Apr. 2007)

3. ADR (Alternative Dispute Resolution, est. Nov, 2001)

5. Development of DSL service market and introduction of interconnection rules



6. ADSL Service Speed and Fee



FY2006 Evaluation of Competitive Situation in the Telecommunications Business Field (MIC)

7. Issues to be tackled

< I . Back ground >

1. From PSTN to IP → Full IP Network

- Fixed + Mobile=FMC
- Wired + Wireless
- Communication + Broadcasting

} → NGN → NwGN

2. Horizontal + Vertical market integration

3. ICT contribution to the growth of GDP

< II . Issues for the future >

1. Connectivity

2. Universality

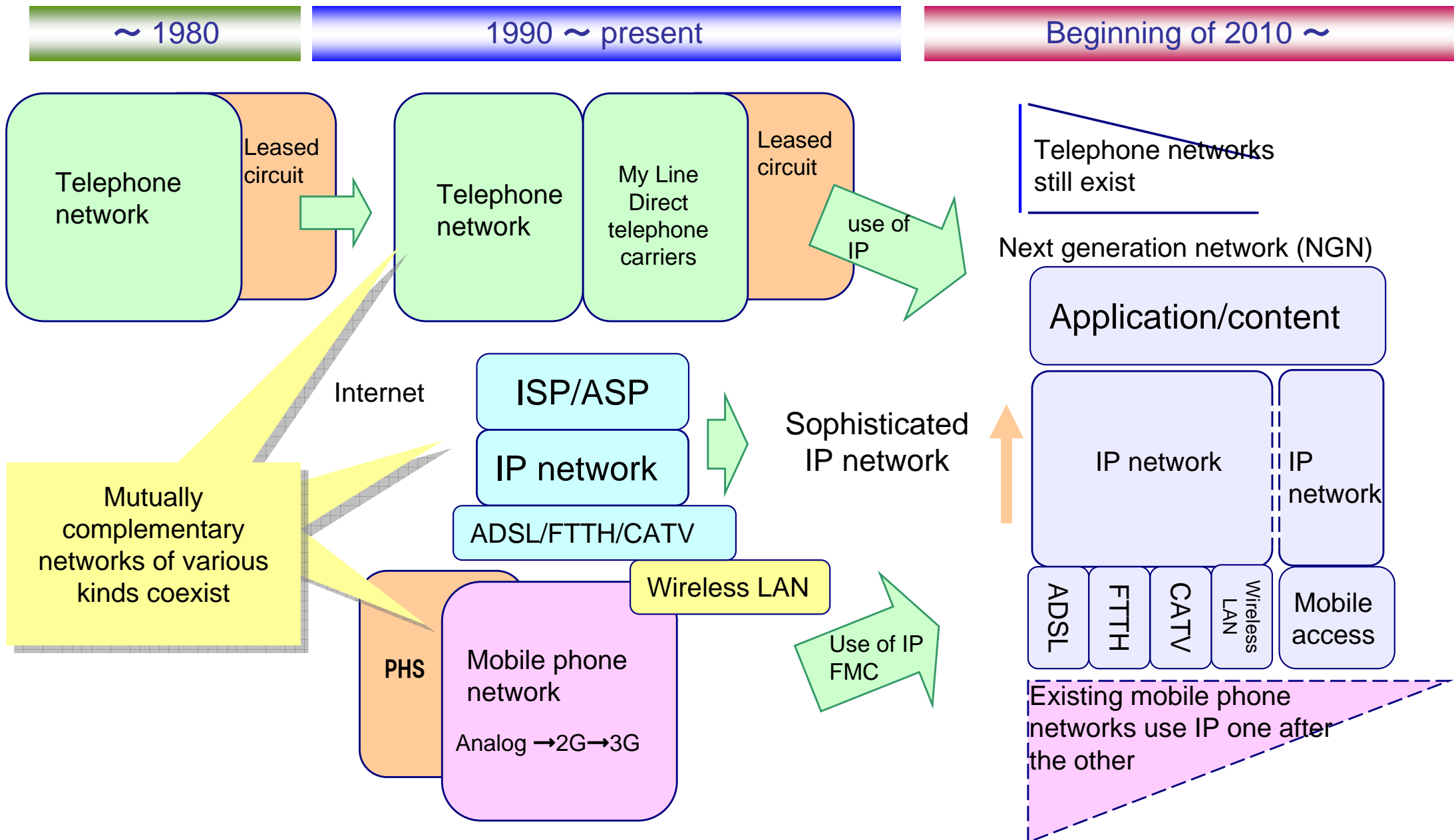
3. Consumer Protection

4. Security

5. International Cooperation (inc. environment issues)

} “New Competition Promotion Program 2010”

8. Transitions in Telecommunications Network (toward NGN)



9. Market structure and the change

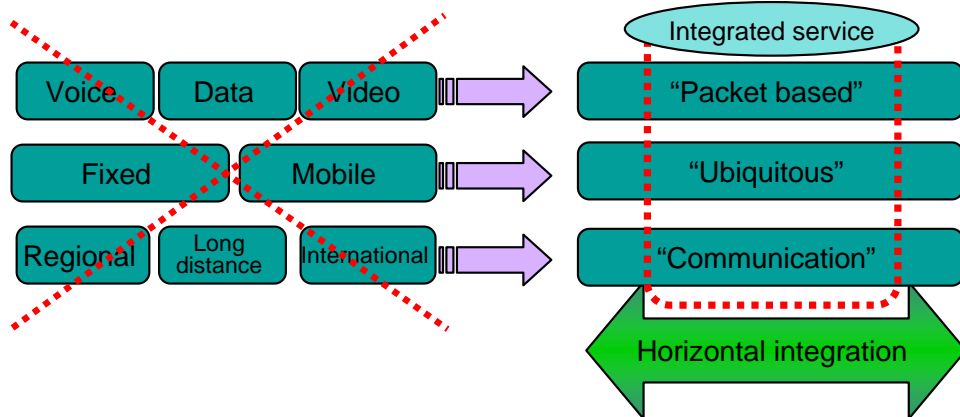
Development of horizontal market integration

From “intramodal” competition to “intermodal” competition

Example) Fusion of FMC (Fixed and Mobile Convergence), communication and broadcasting.

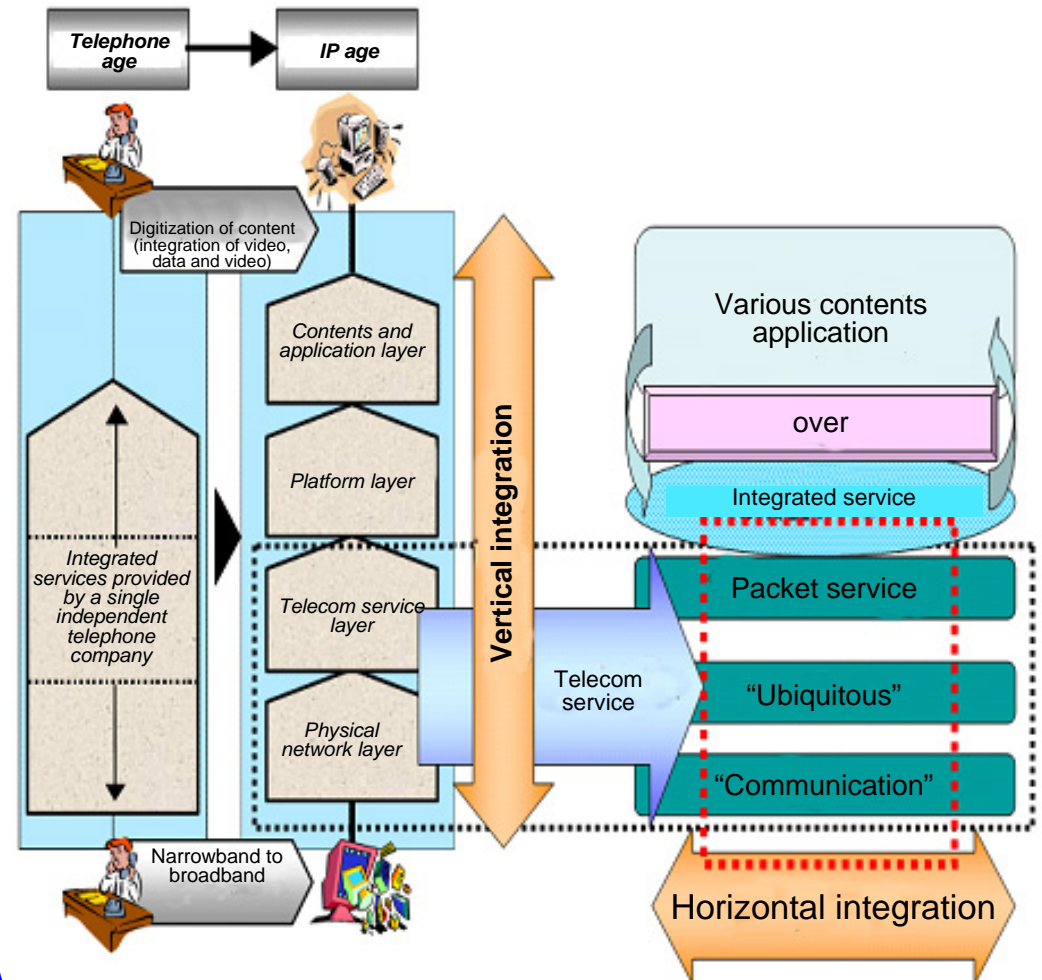
Transition from PSTN to IP based networks (“Everything over IP” age)

Significant changes to the market structure (paradigm shift)

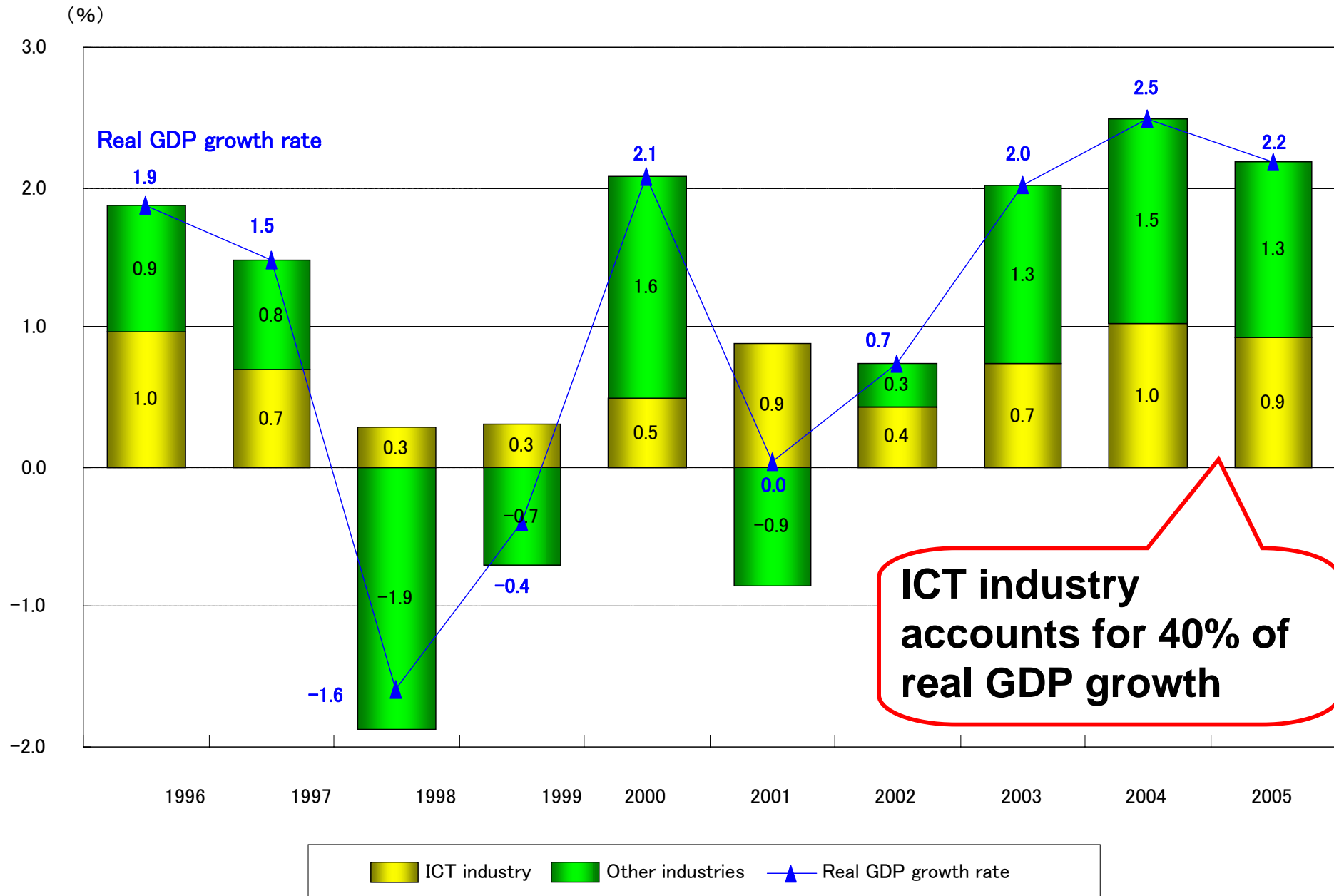


Development of vertical market integration

Business models in broadband era are developed to the vertical integrated ones.



10. Invigorating the Economy by Exploiting ICT



11. New Competition Program 2010 (1) (September, 2006)

Main Policies

1. Promote Facility Based Competition

2. Review of Designated Telecommunications Facilities System (Dominant Regulations)

3. Review of Calculation Method for Interconnection Charges of NTT East/West

Items

(a) Promote open-up policy for establishment of network infrastructure

(b) Facilitate to use fibre networks owned by local governments etc.

(c) Promote diversification of access networks

(a) Appropriate Implementation of competition safeguard system

(b) Develop competition policies to prevent the abuse of collective market power

(c) Comprehensive review of designated telecommunication facilities system

(d) Study of appropriate factors for fair competition with respect to cooperation of NTT E&W with NTT DoCoMo

(e) Development of interconnection rules for NGNs of NTT E&W

(f) Review of financial accounting system (differentiate interconnection account from service account)

(a) Review of calculation method for fixed line interconnection charge

(b) Review of calculation method for optical fibre interconnection charge

(c) Study of calculation method for interconnection charge of NGN

12. New Competition Promotion Program 2010 (2)

Main Policies

4. Promotion of Competition in Mobile Market

5. Development of Environment for Realization of IP-based Terminal Equipments

6. Review of Tariff Policy

7. Review of Universal Service System

8. Development of Environment for Ensuring Network Neutrality

9. Strengthen Dispute Resolution Function

10. Strengthen Consumer Protection Policy

Items

(a) Review of technology standards and quality certification system regarding communications devices

(b) Development of test-bed for communications devices that can be used for mutual-connectivity verification

(c) Development of consumer protected environment when they use communications devices

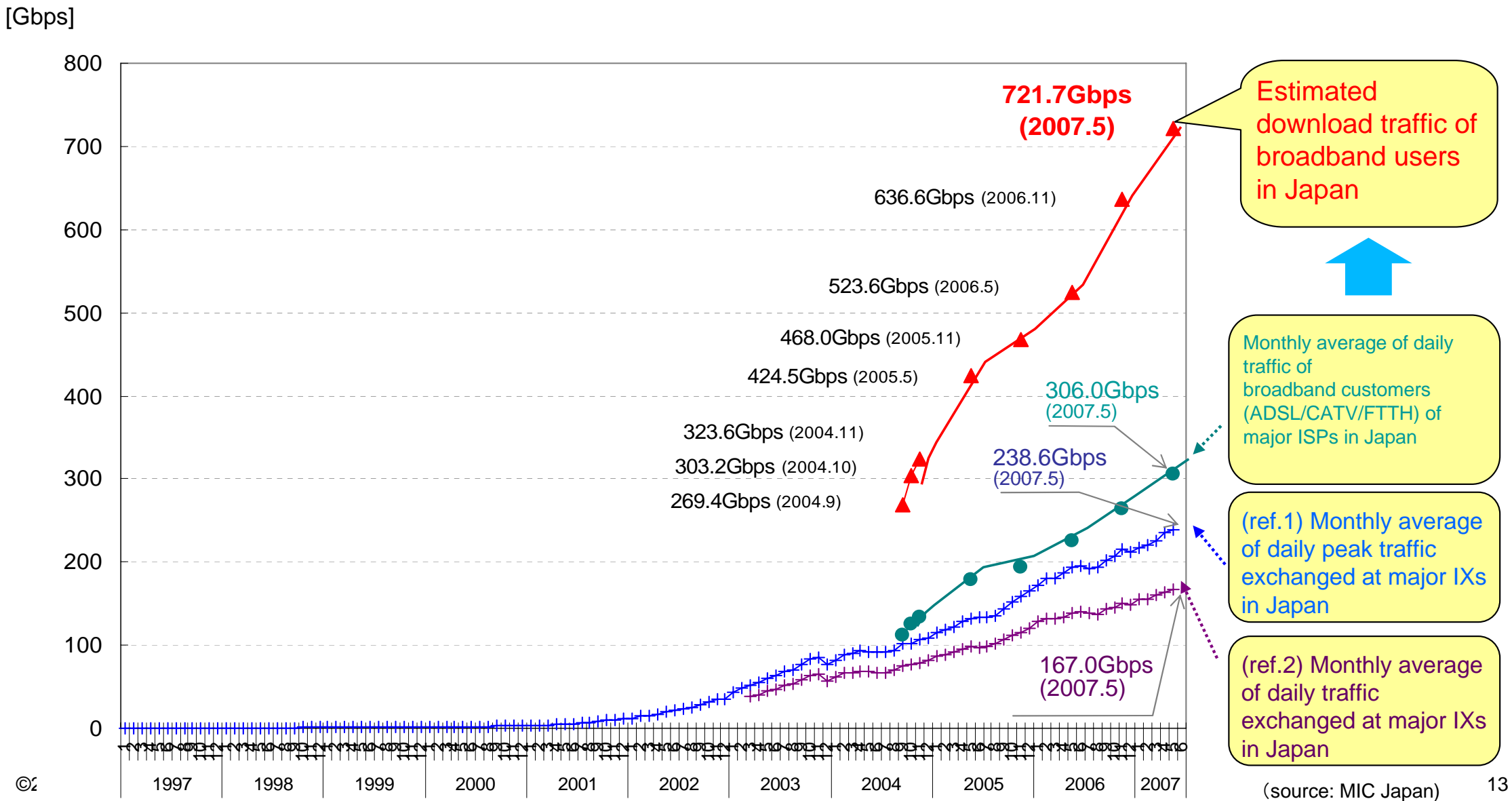
(a) Development of environment for effective operation of network

(b) Study and review of network neutrality and pro-competition framework

(c) Study of measures to strengthen coordination among platforms

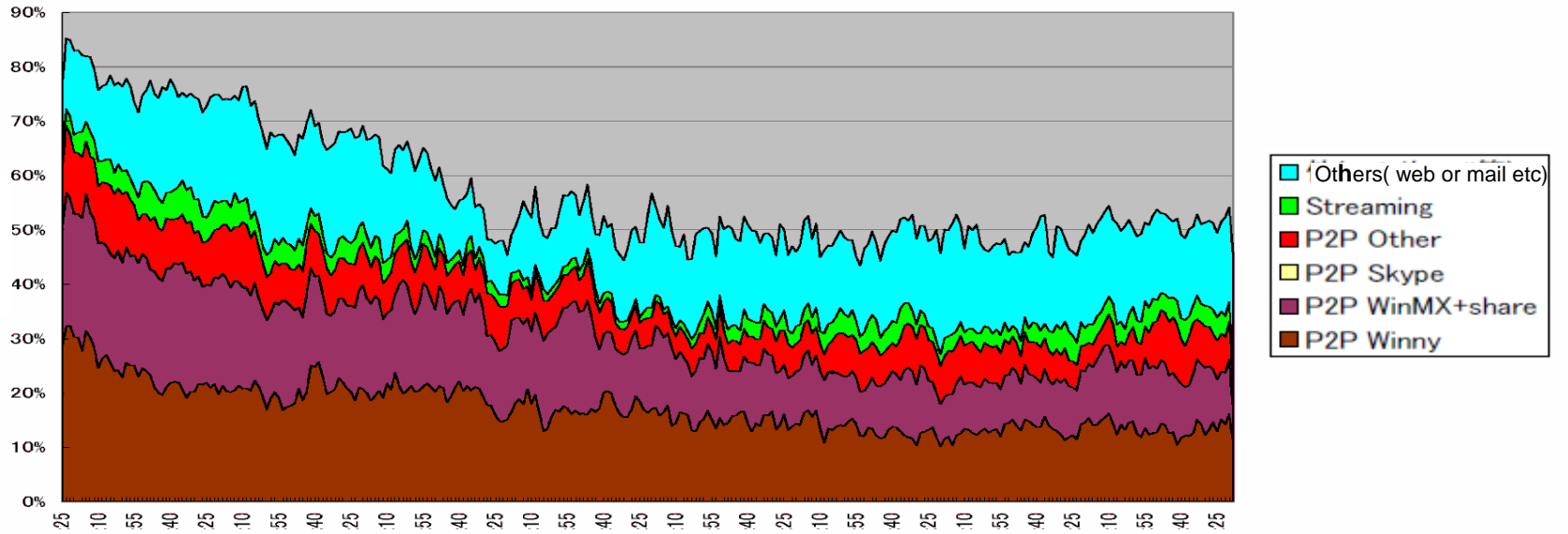
13. IP Traffic on the Networks (Total Volume)

- The total amount of IP traffic in Japan was estimated at 721.7Gbps (May 2007), which accounts for about 1.4 times more than that of the previous year (523.6Gbps).
- Necessity for enhancing network capacity is increasing.

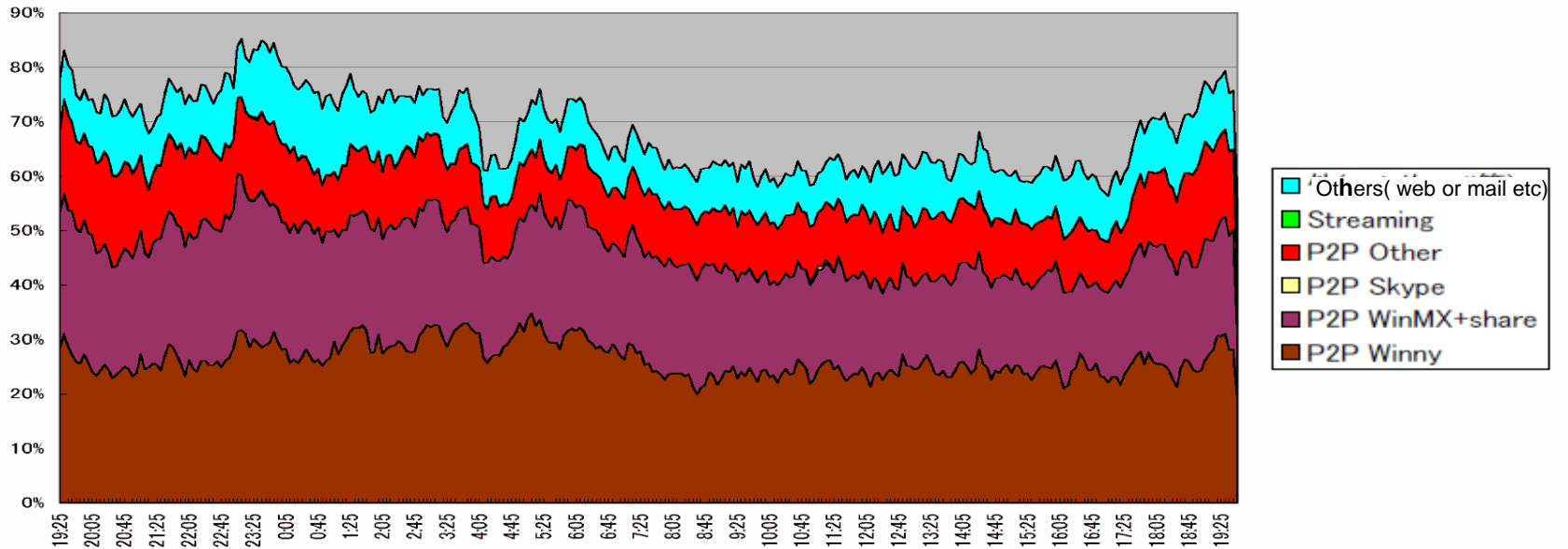


14. IP Traffic (a major ISP)

Download

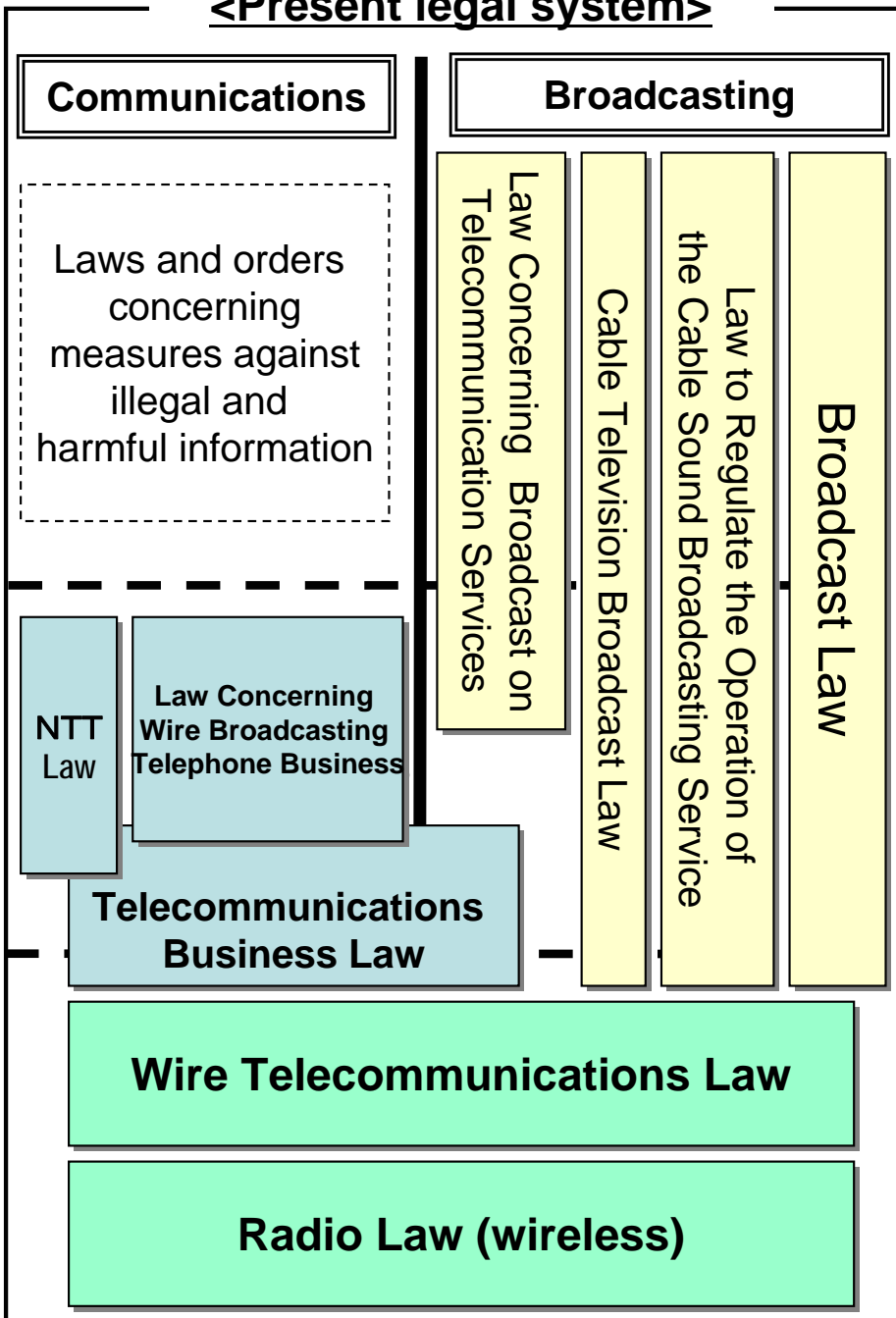


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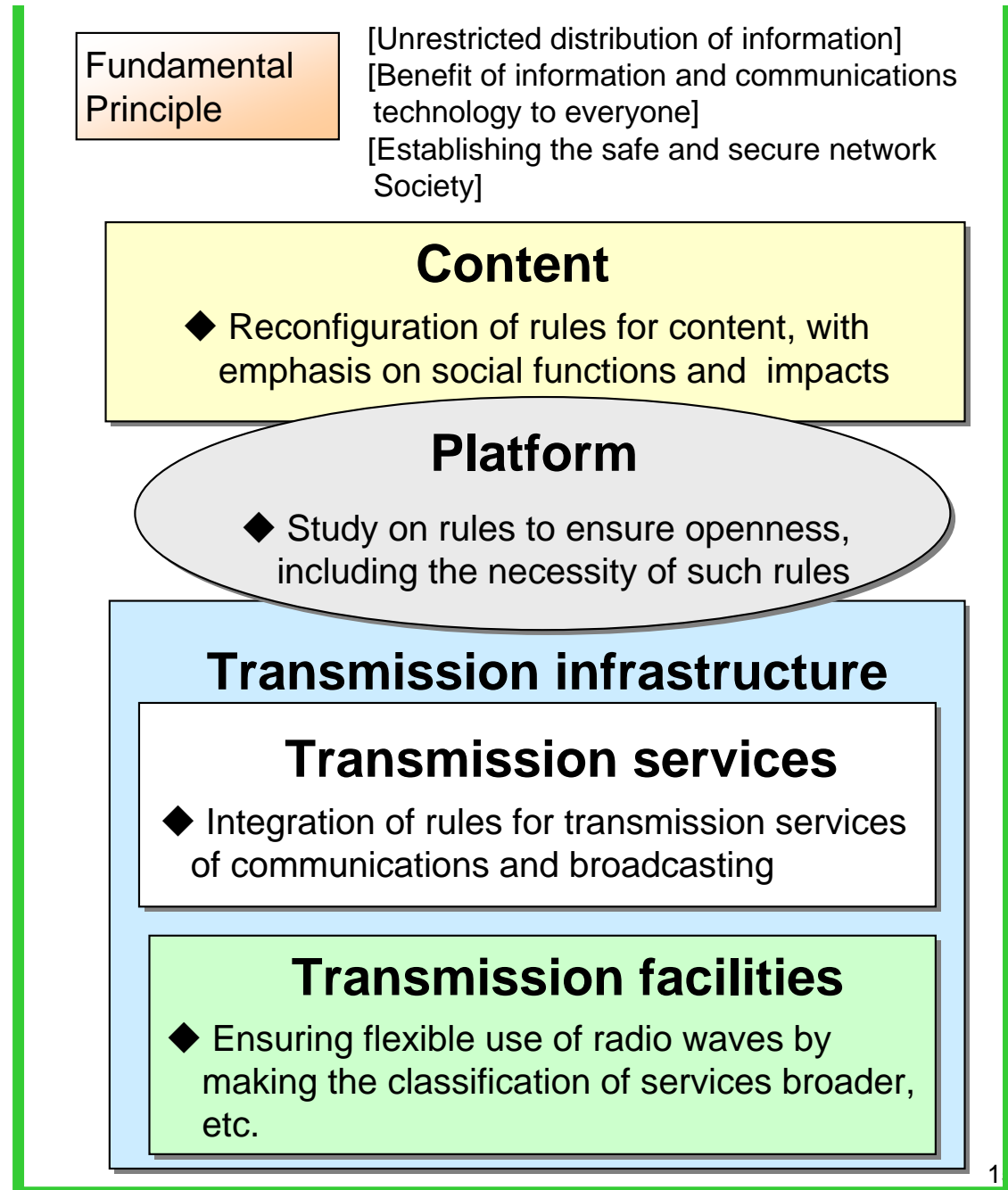


15. Restructuring of Legal System for Communications and Broadcasting

<Present legal system>



<Information and Communication Law (tentative)>



Thank You !



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