

**Discussion Agenda  
on Comprehensive Legal System  
for Communications and Broadcasting in Japan**

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## Background

- Broadband Internet access available for 100% people in FY2010
- Terrestrial TV going fully digital in 2011

Structure of ICT society has been changing

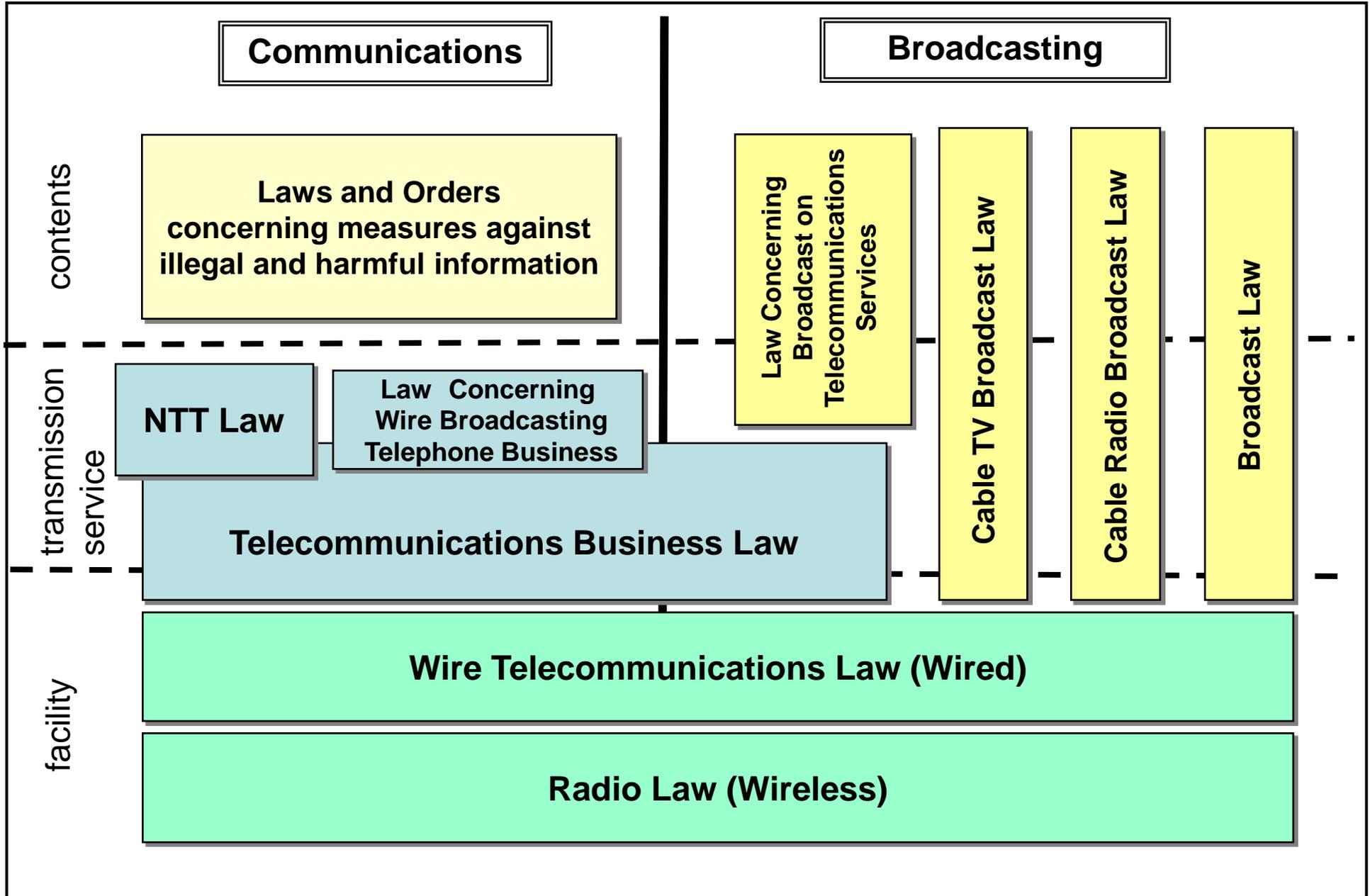


Needs for systematic support

## Schedule

- Council Consulted (Feb. 2008)
  - “Comprehensive Legal System for Communications and Broadcasting”
- Public Comment Invited (Jun. 2008)
  - “Interim Report on Issues”
- Summarized and Announced (Dec. 2008)
  - Summarized as “Discussion Agenda on Comprehensive Legal System for Communications and Broadcasting”
- Final Report by Council (scheduled in Dec. 2009)

# Current Legal Framework in Japan





## **(1) Broadband Internet Access and Digital TV Penetration**

- Broadband subscribers: 30 million  
(DSL: 11.6 million, Optical fiber: 14.4million, CATV: 4.0 million)
- Terrestrial digital broadcasting coverage: 96%  
(Digital TV receivers: 48 million (50% of Households))

## **(2) Video Contents Distribution over the Internet**

- Many providers are distributing broadcast contents
- Broadcasters also started this year

## **(3) Sharing Infrastructure for Communications and Broadcasting**

- Telecommunications carriers distribute broadcast contents via optical fiber
- Broadcast using communication satellite

## **(4) Emergence of Terminals Capable of both Communications and DTV reception**

- Mobile phones with Internet capability and built-in DTV receiver (One-Seg)
- Internet-ready Digital TV receivers

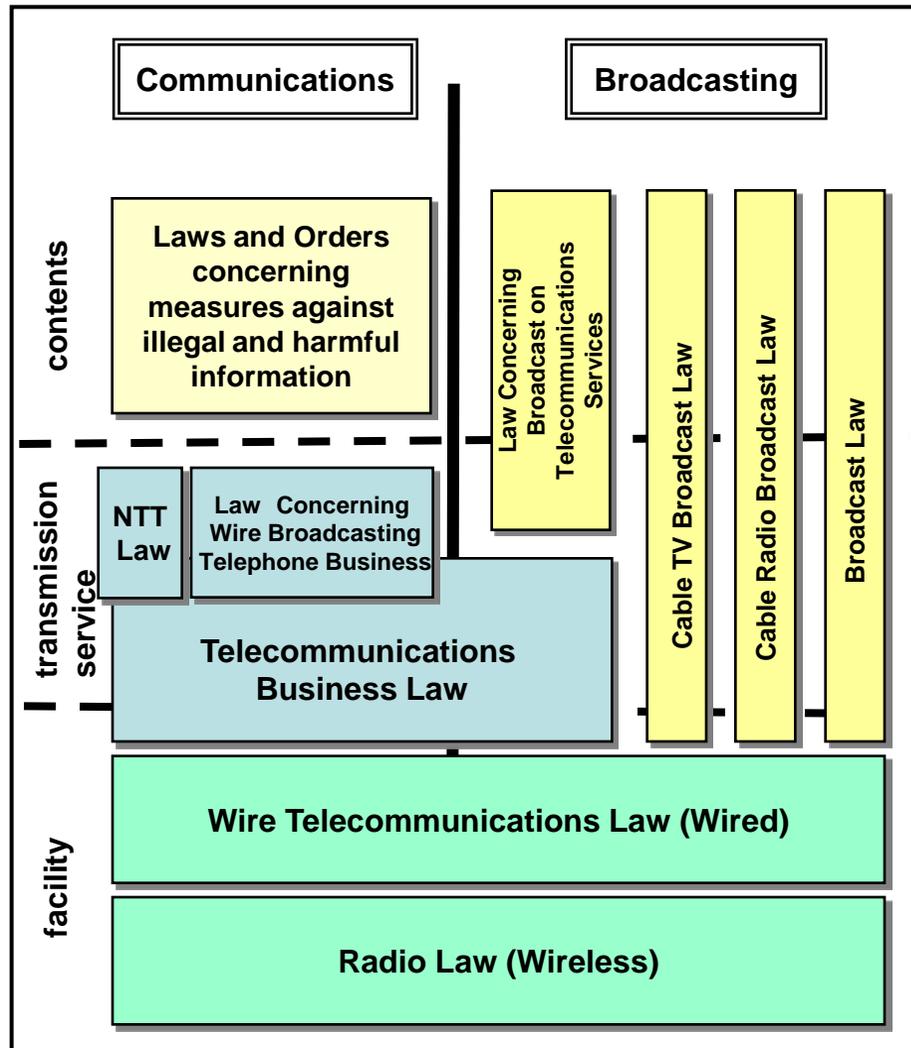
## **(5) Concurrent operation of Communications and Broadcasting business**

- “Triple Play”
- Capital tie-up of communications and broadcasting companies



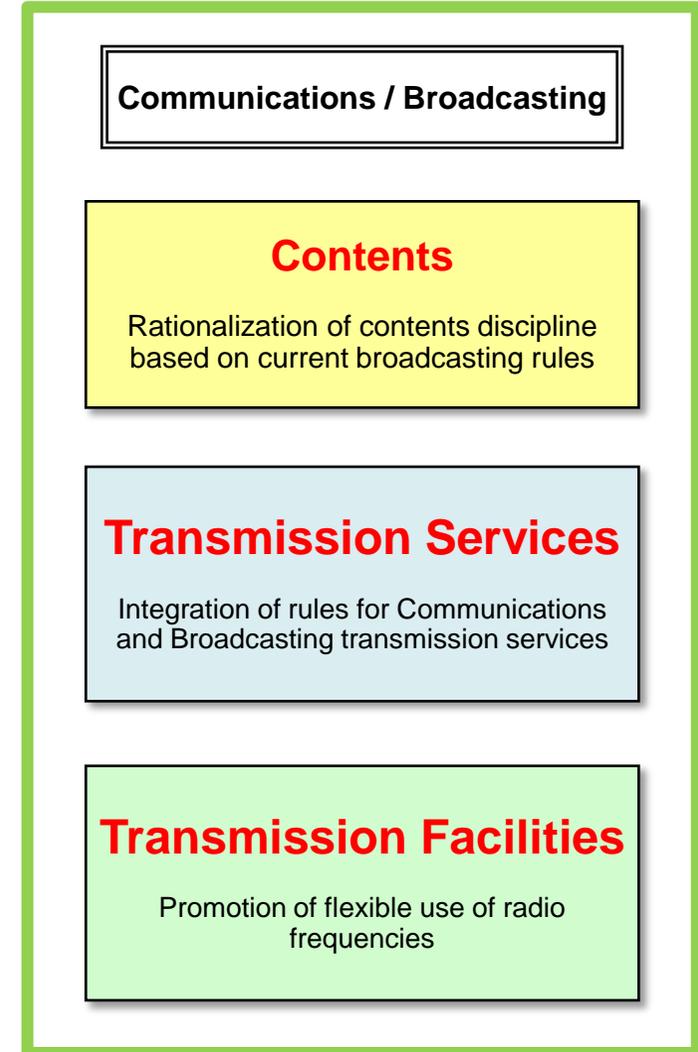
## Current legal framework

## Image of new legal framework



**Emerging of cross boundaries services between Communications and Broadcasting**

- CATV phone, CATV Internet
- Internet TV (IPTV, etc.)
- Multi-media broadcasting for mobile terminals





	<b>Future Discussion Topics</b>
<b>(1) General issues</b>	<ul style="list-style-type: none"><li>■ <u>General issues regarding legal framework</u></li></ul>
<b>(2) Transmission facilities</b>	<ul style="list-style-type: none"><li>■ <u>Review of Purpose and Classification of radio frequency use</u></li><li>■ <u>Procedures for radio frequency use</u></li><li>■ <u>“White Space”</u></li></ul>
<b>(3) Transmission services</b>	<ul style="list-style-type: none"><li>■ <u>Reform of transmission service disciplines</u></li><li>■ <u>Re-examination of disciplines related to Cable TV broadcasting facilities</u></li></ul>
<b>(4) Contents</b>	<ul style="list-style-type: none"><li>■ <u>Specific discipline concerning “Media Services”</u></li><li>■ <u>Disciplines concerning “Open Media Contents”</u></li></ul>
<b>(5) Consumer protection</b>	<ul style="list-style-type: none"><li>■ <u>Establishment of rules for securing and enhancing public benefits</u></li><li>■ <u>Technical standards</u></li></ul>



## ■ General issues regarding legal framework

- ✓ Consider generalization of disciplines as much as possible
  - Disappearing rational grounds for differentiating networks for each individual service
- ✓ Examine how to secure standardized competitive conditions, and user protection by applying the same discipline to the same services.
- ✓ Change to a rational legal framework with an overall design based on the three categories;  
Contents Services, Transmission Services and Transmission Facilities.
- ✓ Pursue the goals of
  - promoting free distribution of information
  - promoting flexible business management
  - securing safety and reliability of information communications
  - protecting general public and individual users



■ Review of Purpose and Classification of radio frequency use

- ✓ Develop systems that allow for the license application to provide both communications and broadcasting services.

■ Procedures for radio frequency use

- ✓ Re-examine procedures for formulating Technical Standards and for licensing in order for new services introduced smoothly.

■ “White Space”

- ✓ Review the feasibility of using “white space”



■ **Reform of transmission service disciplines**

- ✓ Examine rationalization of transmission service disciplines
  - referring to various disciplines provided in the current Telecommunications Business Law.

■ **Re-examination of disciplines related to Cable TV broadcasting facilities**

- ✓ Review rationalization of disciplines based on ongoing needs to protect the public interest
  - reducing burden on entities installing Cable TV broadcasting facilities
  - promoting flexible business management



## ■ Specific discipline concerning “Media Services”

- ✓ Review needs and scheme of “Media Services” disciplines
  - for promoting “Media Services” as planned
  - radio frequencies are limited and scarcely available
- ✓ Review reforms of the related laws regarding business structure
  - to clarify the relationship among individual three layers
  - according to positioning of “Media Services” as a way of information distribution
  - assuming that information required for daily life should be transmitted
- ✓ Review the best way to protect the public benefit
  - “Media Services” as an indispensable means of providing general daily information or emergency announcements
  - based on current program disciplines

\*Media Services: Telecommunications for direct reception by the public



■ Specific discipline concerning “Media Services” (continued)

- ✓ Review rationalization regarding the criteria for enjoyment of freedom of expression
- ✓ Review rationalization of disciplines for entities installing Cable TV broadcasting facilities
- ✓ Review the ideals of mandatory retransmission system required by the current Cable TV broadcasting legislation and arbitration system related to retransmission consent

■ Disciplines concerning “Open Media Contents”

- ✓ Review to expand scope of liability limitation under the Law on Restrictions on the Liability for Damages of Specified Telecommunications Service Providers
  - in terms of violations in general
  - to include penal responsibility



■ **Establishment of rules for securing and enhancing public benefits**

- ✓ Examine necessity of rules for “Media Services,” etc.
  - referring to current rules regarding securing and enhancing user benefits
- ✓ Consider rules for providing direct relief to users
  - granting of civil effects such as cancellation rights when problems occur

■ **Technical standards**

- ✓ Review disciplines for each set of technical standards; “Transmission Facilities”, “Transmission Services” and “Media Services”
- ✓ Review needs for special disciplines of technical standards for specified public media services such as emergency announcements
  - based on actual cases of dead-air accidents, etc. occurred during broadcasting
  - referring to the level of safety and reliability required for communication systems by the Telecommunications Business Law



As review is currently underway, changes in the future are possible.

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