

Joint Press Statement for the
U.S.-Japan Policy Cooperation
Dialogue on the Internet Economy

The Seventh Director General-Level Meeting

March 2, 2016

The United States and Japan held the Seventh Director General-level meeting of the U.S.-Japan Policy Cooperation Dialogue on the Internet Economy in Tokyo on February 25 and 26, 2016.

In this Dialogue, which included a session with private sector representatives, participants from both countries discussed the outlook for digitally connected societies in which emerging technology trends such as the Internet of Things (IoT), big data analytics, and smart cities are widespread; the use of personal data for innovation and service delivery as well as privacy protection are both encouraged; education on cybersecurity risks is widely available; and solutions to global issues using information and communications technologies (ICTs) are pursued by all stakeholders.

In particular, looking ahead to the G7 Ise-Shima Summit on May 26 and 27 and the G7 ICT Ministers' Meeting in Takamatsu, Kagawa, on April 29 and 30, and other related ministerial meetings and international fora, both countries shared the view that close bilateral coordination and international cooperation on policy issues important to the future of the Internet are essential to secure the continued free flow of information and the development of the global Internet economy.

In addition, both countries welcomed the submission of the "U.S. - Japan Internet Economy Private Working Group Joint Statement 2016" by private sector representatives from *Keidanren* and the *American Chamber of Commerce in Japan*. The joint statement emphasized that the cross-border free flow of data is essential for the Internet Economy to be the driver of global economic growth, and that both countries should lead international discussions and encourage cooperation between the private sector, governments and other stakeholders to promote the free flow of data while managing risks and protecting privacy.

Both countries requested that the private sector engage with governments through the multi-stakeholder system and continuously participate in this Dialogue.

The discussion focused on the following topics.

(1) Internet of Things (IoT) and Smart Cities

Both countries exchanged views and discussed the future outlook and challenges as emerging technologies, such as IoT and smart cities, become more widespread. Japan shared information on its *IoT Acceleration Consortium*, IoT research and development (R&D) policy, and other specific projects. The United States shared information on IoT policy and the

Global City Teams Challenge (GCTC). Both countries recognized the importance of promoting cooperation on these topics.

Both countries welcomed the progress of joint R&D cooperation in the field of new generation networking, which is led by Japan's National Institute of Information and Communications Technology (NICT) and the U.S. National Science Foundation (NSF). They confirmed the continuation of discussions toward new projects and declared their intention to deepen U.S.- Japan joint R&D cooperation.

(2) International Coordination and the Free Flow of Information

Both countries resolved to continue their close cooperation in global Internet policy discussions in international fora such as the G7, G20, OECD, APEC, Freedom Online Coalition, ITU, WSIS, ICANN, and the Internet Governance Forum. In particular, both countries confirmed that they will cooperate in the preparation toward the G7 Ise-Shima Summit, and the G7 ICT Ministers' Meeting in Takamatsu, Kagawa.

In particular, both countries welcomed the reaffirmation of the multi-stakeholder approach to Internet governance adopted in the Outcome Document of the WSIS+10 High Level Event held in December 2015 in New York. Both countries stressed the importance of closely working together in discussions with third countries and at the regional and global levels against data localization measures, which may hamper the free flow of information; against excessive regulation of data, such as restrictive actions in the name of cyber security, designed to excessively limit cross-border data flows; and against ICT-enabled theft of intellectual property, including trade secrets or other confidential business information.

(3) Addressing Global Challenges through ICT

Both countries shared the view that supporting an environment that enables people to enjoy the economic and social benefits derived from the Internet will contribute to investment, innovation, sustainable economic growth, and the reduction of inequality, as well as to global prosperity. Both countries also shared the view that enhancing global connectivity is an important area in which Japan and the United States can work together closely.

In that context, Japan welcomed the *Global Connect Initiative* proposed by the United States, which aims to work toward bridging the global digital divide and the United States welcomed Japan's outline of ICT Quality Infrastructure. Both countries confirmed that it is essential to maximize the benefits from the innovation of ICTs for development and will explore possible measures to be taken.

(4) Use of Personal Data and Protection of Privacy

Both countries shared the view that new uses of data can drive innovation and be a source of economic development. In order to gain the benefits of data analytics, the cross-border flow of data, including personal data, is indispensable. Both countries confirmed they will continue to exchange opinions on the use of data in the international environment with a view toward protecting personal data and privacy.

In addition, the two countries exchanged information about privacy frameworks, including Japan's amended Act on the Protection of Personal Information. Both countries highly praised the measures taken to implement the APEC Cross-Border Privacy Rules System and affirmed their commitment to work toward expanding both country and company participation in the system.

(5) Cybersecurity

Both countries discussed recent cybersecurity policy updates, and shared the view that it is essential to address cybersecurity issues in collaboration with industry and other stakeholders, and confirmed that they will continue to pursue a cyberspace that is open, secure, interoperable, and reliable.

(6) 5G

Both countries exchanged views regarding policies and R&D projects in the field of 5G (*Fifth Generation Mobile Communications System*) technologies and shared the view that 5G is the next step in providing a significant increase in mobile bandwidth and processing power. Both countries recognized the importance of international cooperation toward developing industry driven technical standards and efficiently managing radio frequency (spectrum) and expressed their intent to continue exchanging information in this area.

Participants:

Makiko Yamada, Director-General of the Global ICT Strategy Bureau, Ministry of Internal Affairs and Communications (MIC), Koichi Mizushima, Ambassador in charge of Cyber Policy, Ministry of Foreign Affairs (MOFA), Yoshiaki Takeuchi, Deputy Director-General for IT Strategy, Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry (METI), and officials representing MIC, MOFA, METI, the ICT Strategy Office, the National center of Incident readiness and Strategy for Cybersecurity (NISC), the Cabinet Secretariat, and the Personal Information Protection Commission (PPC) participated from Japan. Ambassador Daniel A. Sepulveda, U.S. Coordinator for International Communications and Information Policy, Holly Vineyard, Principal Deputy Assistant Secretary of Commerce for Global Markets and officials representing the U.S. Department of State, U.S. Department of Commerce, and the Federal Communications Commission participated from the United States. In addition, representatives from U.S. and Japanese industry, including Keidanren and the American Chamber of Commerce in Japan, participated in parts of the discussions.