## **Chapter III: Info-communications Policies**

### III-1-1 Activities of the Advanced Information and Telecommunication Society Promotion Headquarters

Revisions have been made to the Basic Guidelines on the Promotion of an Advanced Information and Telecommunications Society.

In August 1994, an Advanced Information and Telecommunication Society Promotion Headquarters was established to implement Japan's comprehensive policies for the creation of an advanced info-communications society, as well as to participate in international efforts aimed at advancing info-communications. The Prime Minister serves as chair of the forum; the Chief Cabinet Secretary, the Minister of Posts and Telecommunications and the Minister of International Trade and Industry are vice chairs, and the remainder of the Cabinet are members.

During fiscal 1998, the headquarters carried out the following major activities:

#### 1. Electronic commerce (EC)

In June 1998, the Working Group on Electronic Commerce compiled a report entitled a "Japanese Initiative in Promoting Electronic Commerce." This report identifies the basic factors in promoting electronic commerce as private-sector initiatives, preparation of a suitable environment by the government, and international collaboration. It named electronic authentication, privacy protection, preventing illegal and harmful content, consumer protection and tariffs as issues that need to be dealt with. The report then recommended that the government should resolve legal issues as soon as possible, inviting coordinated efforts from relevant ministries and agencies.

After considering the report, the headquarters decided in September 1998 that the government as a whole would vigorously promote electronic commerce.

### 2. The Y2K problem

In September 1998, a "Conference to Promote Y2K Measures" and a "Y2K Advisors' Conference" were established under the headquarters' auspices. The former consists mainly of vice-minister-level officials from relevant ministries and agencies. The latter is made up of experts on this issue. The head-

quarters also adopted a "Y2K Action Plan" (Refer to III-3-3 -(2)). To avoid serious failure in dealing with the Y2K problem, this proposes that the government and the media should make the public well aware of the urgency and potential seriousness of the Y2K problem, and that ministries and agencies should carry out thorough testing of their computer networks, following their own Y2K guidelines.

# 3. Revision of the Basic Guidelines on the Promotion of an Advanced Information and Telecommunication Society

Since the guidelines were compiled in February 1995, Japan has seen many technological developments, including the explosive diffusion of the Internet, e-mail, mobile telephones and mobile information terminals, as well as the advent of global mobile communications systems. In addition to these changes, mounting expectations for electronic commerce have prompted the government to renew Japan's initiative to improve info-communications so as to better meet the needs of these dramatic technological advances. Therefore, the headquarters amended the guidelines to include new concepts and offer a clearer direction toward the creation of an advanced info-communications society. The new guidelines were approved by the headquarters in November 1998.

The new guidelines list four goals in creating an advanced info-communications society: diffusion of electronic commerce; greater use of information technology in public administration; raising the level of information literacy, and further development of info-communications infrastructure (Fig. 1).

Every year, the headquarters checks how far government measures have been implemented in line with the Basic Guidelines, and what budgets are allocated for those measures. Budget allocations for the relevant government measures by fiscal year are shown in Fig. 2.

Related sites: Japanese Initiative in Promoting Electronic Commerce (http://www.kantei.go.jp/jp/it/980622honbun.html); Y2K Action Plan (http://www.kantei.go.jp/foreign/980921action.html); Basic Guidelines on the Promotion of an Advanced Information and Telecommunication Society (http://www.kantei.go.jp/jp/it/981110kihon.html)

### Fig. 1 Outline of the Basic Guidelines on the Promotion of an Advanced Information and Telecommunications Society

### Three Principles

#### Private-sector initiative

- The private-sector should lead the creation of an info-communications society under fair and effective competition
- The private-sector should lead in formulating standards, including the de facto standards.

### Government preparation of a supportive environment

- The government should prepare an environment which supports and encourages full participation by the private sector.
- Government itself should become the biggest buyer in order to lift demand.

### Japan's initiative for formulating an international consensus

- International harmonization should be secured.
- Japan should promote further discussions on international standardization activities.

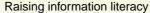
#### Four goals

#### Diffusion of electronic commerce

 Concrete measures should be worked out to solve the issues of electronic authentication, privacy protection, illegal and harmful content, consumer protection, etc.

#### Realization of Electronic Government

- The use of IT in local and central government administration should be encouraged, so as to spread the benefits of info-communications as widely as possible.
- Pilot projects should be implemented at post offices to create a One-Stop Administrative Service,



 Introduction of IT in schools should be promoted, to both help provide general education and to improve students' information literacy, for example by the use of the Internet.

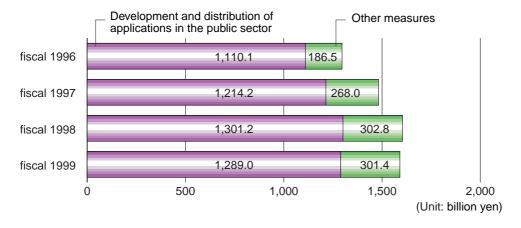
### Development of info-communications infrastructure

 "Total digital networks" should be developed that seamlessly link the next-generation Internet, fiberoptic networks, global mobile communications systems and digital broadcasting.

#### Future plans

- Government will make an action plan indicating its clear and concrete goals as well as the schedule for achieving them.
- The government will work harder to promote electronic commerce.
- The government will make further efforts to raise the level of information literacy among Japanese people.





Source: Cabinet Councillor's Office on Internal Affairs

### III-1-2 Info-communications-related measures in Japan's economic stimulus packages

The advance of info-communications is seen as a key to Japanese economic recovery.

To assist Japan's economic recovery and growth into the 21st century, the government drew up the "Comprehensive Economic Measures" in April 1998 and the "Emergency Economic Package" in November 1998.

Achieving the advance of info-communications

was one of major items targeted in these economic stimulus packages, as well as the supplementary budget to implement them. MPT is promoting its own measures in line with the packages, aiming to revitalize the Japanese economy.

Table 1 Measures relating to info-communications in the April 1998 Comprehensive Economic Measures (Excerpt)

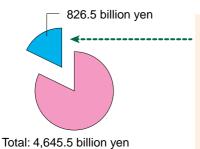
### Meeting demand for social infrastructures in the 21st century

-- Social capital formation mainly by the central government --

The advance of info-communications and the development of science and technology providing a basis for Japan's development in the years to come

Approximately 1 trillion yen is earmarked for projects aimed at promoting advanced info-communications and developments in science and technology. Specifically, these projects are intended for the development of ultra high-speed fiber-optic networks for R&D; construction of R&D facilities for promoting terrestrial digital broadcasting; preparation shared-use cable tunnels; promotion of electronic commerce; promotion of R&D for info-communications advancement; R&D on leading-edge and fundamental technologies; promotion of coordinated efforts among the government, industry and academia for the creation of new businesses, and the training of young researchers.

Fig. 1 Allotments in the first supplementary budget for projects aimed at promoting the advance of info-communications and development of science and technology



826.5 billion yen, or about 18% of the total

Out of 826.5 billion yen, 110.0 billion yen was allocated to the following MPT measures:

- Japan Gigabit Network construction:
  51.0 billion yen
- 2. Shared-use R&D facilities for terrestrial digital broadcasting: 35.0 billion yen
- Revitalization of local communities by narrowing gaps in accessibility to telecommunications infrastructure, etc.: 5.9 billion yen
- 4. Others

Total: 110.0 billion yen

Related sites: Comprehensive Economic Measures (April 1998) (http://www.epa.go.jp/98/b/19980424b-taisaku-e.html); Emergency Economic Package (November 1998) (http://www.epa.go.jp/98/b/19981116b-taisaku-e.html)

### Table 2 Excerpts pertaining to info-communications from the November 1998 Emergency Economic Package (Excerpt)

#### Chapter 2 Emergency measures to revitalize the economy

- II. Economic recovery measures which contribute to building a 21st century society Implementation of leading 21st century projects
- 1. Two projects aimed at realization of an advanced electronics-oriented nation
- 1) Further dissemination of information technology, such as in realizing the next-generation Internet; introducing use of IT throughout national and local government bodies; achieving efficient electronic administrative procedures, and implementing the One-Stop Administrative Service, among other measures.
- 2) Development and advanced use of information highways such as fiber-optic networks and cable TV networks, coupled with reduced communications charges
- 2. Three projects to promote transportation and lifestyles of future cities
- 1) Implementation of the Intelligent Transport Systems (ITS)
- 3. Two projects aimed at creation of a safe, secure and affordable lifestyle
- 1) Construction of ducts for electric power and other utility lines, and promotion of telework (home offices, etc.)
- 4. Four projects aimed at establishment of a society with stability of employment based on advanced technologies and high mobility
  - 1) Promotion of R&D on advanced technologies, human resources/organizational development, facility construction, and information gathering
- 3) Support for entrepreneurs, including financial assistance

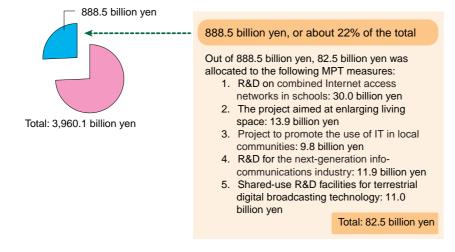
### Measures to promote industrial revitalization and employment creation

- 1. Adoption of the industrial revitalization plan (including measures to assist small- and medium-sized enterprises
- 3) Promotion of technological developments and their diffusion in 15 new and viable sectors
- 6) Investment in disseminating IT and for constructing next-generation info-communications infrastructure

### Focused investment of social infrastructure

- 1. In creating essential infrastructure, priority should be given to those sectors which: 1) promptly generate positive economic effects; 2) can attract investments from the private sector, so helping to provide jobs in local communities, and 3) are likely to play a very important economic role into the 21st century.
- 2. Based on the above criteria, investment will concentrated in the following seven priority areas: 1) info-communications, science and technology; 2) environmental conservation, 3) social welfare, medicine and education; 4) •••••••••.

Fig. 2 Allocations in the third supplementary budget for the promotion of info-communications, science and technology



### III-1-3 The Plan to Double the Size of Living Space and the Industrial Revitalization Plan

Top priority will be placed on improving people's lifestyles, raising productivity and increasing employment opportunities.

As part of the November 1998 Emergency Economic Package, in January 1999, the Cabinet approved the "Plan to Double the Size of Living Space" as well as the "Industrial Revitalization Plan." In line with these plans, the government will proceed with deregulation and earmark the necessary funds.

### 1. The "Plan to Double the Size of Living Space"

Due to the prolonged slump in the economy, people in Japan are increasingly concerned about their future. Against this backdrop, the government decided to target ways to give people more opportunities to participate in the life of their communities and to develop new work possibilities, as well as generally enjoy their free time as individuals. People need the space to develop their interests and to socialize and work together. Such "spaces" include 'housing,' 'shopping spaces,' 'playgrounds, the countryside and health resorts," 'educational and cultural spaces,' 'spaces friendly to the elderly,' 'spaces welcoming women,' 'safe spaces,' 'environmentally-friendly spaces," 'spaces for information exchanges and traffic,' as well as 'workplaces and leisure time.' The government aims to double these "spaces," in cooperation with the private sector and promoting investments in the next five years.

For its part, MPT will implement a various measures to contribute to the expansion of "space for information exchanges and traffic," "spaces friendly to the elderly," and "workplaces and leisure time." Those MPT measures include: the promotion of VICS (Vehicle Information and Communication Systems) and ITS (Intelligent Transport Systems); R&D on next-generation Internet technologies, realization of the third-generation mobile telephone IMT (International Mobile Telecommunications)-

2000; digitalization of broadcasting; R&D promotion using the Japan Gigabit Network; fiber-optic network installation; development and introduction of leading-edge application systems; and, the promotion of telework as well as the One-Stop Administrative Service.

#### 2. The Industrial Revitalization Plan

The mid-term goal toward the recovery of the Japanese economy is to enhance productivity through the government initiatives so as to regain the healthy economic latency growth. For this, both the public and private sectors should carried out effective and highly productive industry activities in existing and new industries.

The government formulated the Industrial Revitalization Plan to offer support to entrepreneurs, venture businesses and existing companies in forming new businesses, as well as in splitting large firms into a corporate group system so as to better exploit business opportunities. This plan is also aimed at promoting the development of innovative technologies and further investment to create the info-communications and advanced logistical infrastructure that is an essential foundation of the economy.

As part of these efforts, MPT will implement a range of measures, including the One-Stop Administrative Service aimed at the creation of a highly informatized "Electronic Government," the promotion of ITS in cooperation with the National Police Agency, the Ministry of International Trade and Industry, the Ministry of Transport and the Ministry of Construction, the development of the next-generation info-communications infrastructure, and preparation of conditions for fair and effective competition in the info-communications sector.

# III-1-4 Promoting IT in the work of ministries and agencies

Promotion of measures in accordance with "Basic Plan for Using IT in Administrative Work"

The use of information technology in the administrative work of Japan's central government ministries and agencies is being promoted in accordance with the "Amendment of the Basic Plan for Using IT in Administrative Work," which was approved by the Cabinet in December 1997. This project will continue until fiscal 2002.

### 1. Measures taken during fiscal 1998

### i) Establishment of the Virtual Agency

In recent years, ministries and agencies have been increasingly facing issues that cannot be handled within the conventional scope of their individual authority. To deal with such issues through the coordinated efforts of relevant ministries and agencies, the "Virtual Agency" was established in December 1998 as a task force headed by the Japanese Prime Minister. Four projects were set up under the agency: one aimed at introducing IT in education and three intended to help create electronic means of administration, namely a 'one-stop service' for car registrations; online government procurement procedures; and paperless administrative work. Members of the Virtual Agency, appointed by the Cabinet Councilor, work together on a range of tasks via computer networks, while also performing their duties at ministries and agencies.

#### ii) IT in deregulatory measures

The Cabinet approved a revised "Three-year Program for the Promotion of Deregulation" in March 1999. Specific goals listed in the program included making administrative procedures easier and more accessible through the use of information technology. This is to be achieved through, for example, accepting official applications or notifications in electronic formats; providing online information on administrative procedures; achieving the One-Stop Administrative Service, and speeding up administrative work by electronic means.

### 2. Plans for fiscal 1999

 Improving the quality of administrative services Information of ministries and agencies' administrative services will be provided on Internet websites, and opinions and requests from the public will be also be accepted via the Internet. Efforts will be made to improve information distribution methods over the Internet, such as voice streaming, to assist use by elderly people and people with disabilities. In addition, terminals will be installed in public offices for those who do not have equipment to access online administrative information at home (Refer to I-4-1 and III-8-1-(2)).

### ii) Accepting online applications and notifications

Ministries and agencies will proceed with enabling official applications and notifications to be submitted online. Efforts will also be made to accommodate public demand for increased convenience, for instance by extending operational hours, possibly up to 24 hours a day. This is to be achieved by adopting automated systems and increasing access points to networks.

### iii) Implementation of the One-Stop Administrative Service

The One-Stop Administrative Service will go into operation by the end of fiscal 2000. This service, to be provided through the comprehensive administrative system of the Management and Coordination Agency, will allow members of the public to complete a full range of central government administrative procedures online, as well as obtain information. Ministries and agencies have already begun preparing their websites in anticipation of this service (Refer to III-8-1-(2)).

### iv) Framework for the use of IT in the work of ministries and agencies

LANs, as well as the WAN interconnecting ministries and agencies in Kasumigaseki, central Tokyo, will be upgraded (Refer to II-9-4-(1)), and almost every worker, including at regional offices, will have exclusive use of a computer. The government also plans to compile guidelines for dealing with issues in using IT, such as legal recognition of electronic documents as original copies; implementation of a system for authenticating people's identities online and establishment of reliable systems for making online payments.

Related sites: Amendment of the Basic Plan for Promoting IT in Administrative Work (http://www.somucho.go.jp/gyoukan/kanri/kaitei9.html); Three-Year Program for the Promotion of Deregulation (Revised) (http://www.somucho.go.jp/gyoukan/kanri/990422a.html)