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

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Reviews by Information Communications Council

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)
Communications

Broadcasting

Laws and Orders concerning measures against illegal and harmful information

Wire Telecommunications Law (Wired)

Radio Law (Wireless)

NTT Law

Law Concerning Wire Broadcasting Telephone Business

Telecommunications Business Law

Law Concerning Broadcast on Telecommunications Services

Cable TV Broadcast Law

Cable Radio Broadcast Law

Broadcast Law
Convergence of Communications and Broadcasting

(1) Broadband Internet Access and Digital TV Penetration
   - Broadband subscribers: 30 million
     (DSL: 11.6 million, Optical fiber: 14.4 million, 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
Reviews for New Legal Framework

Current legal framework

- Laws and Orders concerning measures against illegal and harmful information
- Law Concerning Broadcast on Telecommunications Services
- Law Concerning Wire Broadcasting Telephone Business
- Telecommunications Business Law
- Wire Telecommunications Law (Wired)
- Radio Law (Wireless)

Image of new legal framework

- Rationalization of contents discipline based on current broadcasting rules
- CATV phone, CATV Internet
- Internet TV (IPTV, etc.)
- Multi-media broadcasting for mobile terminals
- Promotion of flexible use of radio frequencies

Emerging boundaries services between Communications and Broadcasting
- CATV phone, CATV Internet
- Internet TV (IPTV, etc.)
- Multi-media broadcasting for mobile terminals
## Outline of Discussion Agenda

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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
Discussion Topics: (2) Transmission facilities

- **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”
Discussion Topics: (3) Transmission services

- 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

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*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
Discussion Topics: (5) Consumer protection

- **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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