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**Case Study- Japan's Broadband Strategy for Closing the Digital Divide**

**1. Introduction**

The government of Japan (GOJ) has promoted various strategic plans for broadband deployment since 2000. As a result, as of March 2019, the coverage of high-speed fixed broadband (FTTH, CATV and FWA) capable of delivering at least 30 Mbps download had reached 99.5%, and wireless broadband (LTE and BWA) had reached 99.9%. This was achieved by developing a competitive environment in the telecommunications business field with the private sector's investment as the main principle. In addition, the Ministry of Internal Affairs and Communications (MIC), in partnership with local governments, has supported broadband deployment in disadvantaged areas in order to bridge the digital divide. Japan believes that these achievements could contribute towards progress for No.1 and No. 3 of the Broadband Commission's 2025 targets.

**2. Development of National Broadband Plan and Competition Policies**

In November 2000, the GOJ introduced the IT Basic Law, which defines the promotion of Information Technology (IT) as an important national policy, and indicates both its direction and the measures to be implemented to promote it. In 2001, the e-Japan Strategy was established in order to promote investment for broadband access networks by the private sector. With this strategy, Japan achieved the goal of providing high-speed access services to at least half of all national households within 5 years. In addition to the national broadband plan, competition policies, such as interconnection rules and

asymmetric regulations for incumbents, have been promoted in order to further accelerate private-sector investment. A frequency policy has also been implemented to adequately allocate frequency resources for mobile networks.

### Case Study 1: Policies for promoting competition in the telecommunications industry

TT East and West) and other carriers, the Business Law was amended to require carriers to negotiate interconnection agreements, and to publish terms and conditions for interconnection. The Business Law was revised in May 2000 to introduce a long-run

#### ■ Provision of Asymmetrical Regulations

In 2001, asymmetric regulations were introduced to prevent and eliminate anti-competitive practices by market-dominant operators and to relax regulations on non-market-dominant operators. Typical measures include the prohibition of the use of connection information for any other purpose, and the prohibition of unfair and discriminatory treatment.

#### ■ Creation of a Telecommunications Business Dispute Settlement Commission

The Telecommunications Business Dispute Settlement Commission was established in 2001 due to increasing business disputes over network connections between telecommunications carriers. The commission provides mediation, arbitration and other procedures to facilitate the smooth resolution of disputes between telecommunications carriers. It can also provide administrative action by the Minister of Internal Affairs and Communications, such as orders for consultations concerning connections.

#### ■ Ensuring Universal Services

The universal service fund is a cost-bearing system that was introduced in June 2002 to ensure the provision of universal services throughout the country. Although the provision of universal services had been maintained by internal subsidies from profitable regions, such as urban areas, to rural areas, the fund system was introduced due to intensifying competition in the regional telecommunication markets, and in view of the difficulty in securing resources to supplement regional coverage in unprofitable areas. The system was put into operation in 2006 after the universal service framework, which included the scope of the system, the cost calculation methodology, and how the fees would be collected and delivered, was approved. Since then, the system has undergone a series of reviews. Moreover, the MIC started a review of the universal service policy from 2020

### 3. Support for the development of ICT Infrastructure

In an effort to bridge the digital divide, the MIC is subsidizing the building of broadband networks in rural areas that cannot be covered under private investment. This program aims to eliminate the “broadband zero area” – areas where there are households with no broadband access at all. The costs of installing fiber optic lines are subsidized when a local government installs them in non-profitable areas, such as rural areas and remote islands, in order to promote ultra-high-speed broadband infrastructure.

#### Case Study 2: Examples of State-Sponsored Projects

Descriptions		
local governments that deploy public wireless LAN (Wi-Fi) at shelter, public offices) and public spots (ex. museums).		
equipment, control device, power supply, transmission line, etc.		
telecommunications carriers in developing transmission line -capacity wireless environment in disadvantaged areas. (ex. rance)		
facilities, station building, etc.		
	Remote island	Other disadvantaged area
ment	2/3	1/2
ti-private sector	1/2	1/3
local governments and wireless carriers in setting up base facilities for advanced equipment in disadvantaged areas.		
d transmission facilities, ②installation of advanced facilities, smission line 2/3, ③2/3		
r corporate, income and property tax on (1) development of pment of nationwide 5G base stations, (3) optical fiber facilities of nationwide 5G base stations.		

#### 4. Leveraging achievements and ensuring resilience for application

The GOJ has been currently promoting initiatives under its Declaration to be the World's Most Advanced IT Nation (2013). This Declaration was adopted as a national vision for building a future where government, industry, academia, and individual citizens can share, collaborate on, and use ICT and information resources.

Japan's achievements have also been used to contribute to supporting the development of telecommunications networks in developing countries. Projects to improve communication infrastructure have been implemented in countries such as Myanmar and Uzbekistan in collaboration with Japanese private companies. New technologies, such as HAPS (High Altitude Platform Station), are also being demonstrated in Rwanda.

#### Case Study 3: Support for the Development of Broadband Networks

##### ■ Uzbekistan Optical Transmission Network Project

Infrastructure This project includes the reinforcement of Uzbekistan's national telecommunications network, which will be implemented by the state-owned Uzbek Telecom. In August 2019, Japanese companies began shipping equipment for delivery.



It is exactly as a result of its continuous efforts to develop high resilient broadband services that Japan has also been able to respond appropriately to increased demand for broadband access under the COVID-19 pandemic. This stable and robust broadband network is being used effectively, and is contributing to the introduction of teleworking, e-health, and remote learning to help ensure social distancing. Japan will continue to further bridge the digital divide and use ICT to find a variety of social and economic solutions.

#### **Case Study 4: Response to COVID-19**

The “Agenda for Action: For Faster and Better Recovery, COVID-19 crisis” in April 2020. The following explains the agenda, particularly its short-term commitments.

to immediately provide broadband access to everyone. In Japan, private investment in infrastructure, alongside government investment in rural areas, has raised the penetration rate of superfast broadband to more than 99%. However, in order to ensure a smooth remote learning and telemedicine, it was decided to extend the scope of the program to areas other than those covered by the program. To support the development of equipment and other facilities by local governments and telecommunications companies, the smooth distribution of content, and reasonable traffic management in the face of rapidly increasing Internet traffic, a working group (Efficiency by Cross-layer Technical members) was established to share and coordinate information between government and private businesses.

have started remote learning. The MIC has called on mobile carriers to provide additional mobile phone data services in order to ensure a good communication environment. Carriers have also introduced measures to defer the payment of mobile phone bills from people who are financially distressed. In addition, support from telework advisors and tax and financial counseling is being provided in order to support the introduction of telework at SMEs. There are also private companies that

