Provisional Translation

# Second Report by the Council for Promotion of Regulatory Reform

November 29, 2017

Council for Promotion of Regulatory Reform

CHAPTER 1. GENERAL REMARKS	3
1. INTRODUCTION	3
2. CONSULTATION PROCESS	3
3. WORKING TOWARDS REALIZING PROPOSALS IN THIS REPORT	3
CHAPTER 2. PROMOTION OF REGULATORY REFORMS IN EACH SECTOR	4
<ol> <li>ELIMINATION OF WAIT-LISTED CHILDREN</li></ol>	4 5 5
children	
<ul> <li>A. Promoting the wide-area regional cooperation</li></ul>	7 7 8
2. RADIO SPECTRUM ALLOCATION REFORM	11
(1) Objective of Regulatory Reform and Standpoint of Review	
(2) Specific Items for Regulatory Reform	11
(i) "Visualization" of frequency assignment/use	11
A. "Visualization" of frequency assignment in the public sector	11
B. Effective implementation of the study of the state of spectrum use	12
(ii) Measured for securing frequency bands: Reform of the system	12
A. Construction of the system for smooth return of frequency	12
B. Setting up target figures for securing frequency bands responding to new needs for frequency	13
C. Expanding and creating incentives for promoting frequency migration	13
(iii) Measures for securing frequency bands: Measures in the public sector	14
A. Creating the multi-user system of Public Safety LTE	14
B. Sharing frequencies and systems among public sectors	14
C. Collecting spectrum user fees from radio stations for governmental functions [Described in (vi) below]	15
D. Developing the mechanism for smooth implementation of returning frequencies, etc. and expanding and creating incentives for promoting assigned migration [Application of measures in (ii) above]	
(iv) Measures for securing frequency bands: Measures in the private sector	
A. Proper adjustment of charges on radio spectrum use [Described in (vi) below]	

B. Developing the mechanism for smooth implementation of returning frequencies, etc. and
expanding and creating incentives for promoting frequency migration [Application of measure in
(ii) above]
C. Further effective use of frequency bands for broadcasting
(v) Review of the system for frequency assignments
A. Comprehensive review of the frequency assignment system
B. Use of revenues from the new frequency assignment system
C. Determination of the use of radio wave through calling for proposals
D. Examination of the practice of secondary transaction
E. Frequency assignment subject to sharing 17
F. Proper securing of license-free frequency bands 17
(vi) Review of the system for spectrum user fees for further reflecting the economic value
A. Proper adjustment of charges on radio spectrum use
B. Collection of spectrum user fees from radio stations for governmental functions
C. Review of the usage of spectrum user fees 19
3. FOREST AND FORESTRY REFORM
(1) Objective of Regulatory Reform and Standpoint of Review
(2) Specific Items for Regulatory Reform 21
(i) Setting KPI and formulating a schedule 21
(ii) Matters related to the new forest management system
A. Establishment of the system where municipalities as mediators, promote integration and
consolidation of forests
B. Establishment of the system for providing support to municipalities for policy making on forest
and forestry
C. Coordination with national forest projects
D. Strengthening measures regarding forests with unknown ownership
(iii) Other matters to be addressed in order to make forestry a growth industry by utilizing the new forest
management system
A. Structural reform of wood production and distribution
B. Review of regulations and standards that excessively restrict the utilization of wood 24
C. Introduction of private sector initiatives for national forests
(APPENDIX 1) MEMBERS OF THE COUNCIL FOR PROMOTION OF REGULATORY REFORM AND ASSOCIATE MEMBERS
(APPENDIX 2) PAST DISCUSSION OF THE COUNCIL FOR PROMOTION OF REGULATORY REFORM AND WORKING GROUPS

# Chapter 1. General Remarks

#### 1. Introduction

"The Government will thoroughly tackle reforms of bedrock regulations and systems inhibiting challenges in order to advance reforms with a sense of urgency Council members raised a number of issues of importance that we should focus on over the short term and urgently produce results for. We have to quickly eliminate wait-listed children. There is no time to spare for radio spectrum allocation reform to realize the dynamic use of radio spectrum. There are very rigid obstacles set before us, but I hope to tackle this issue together with you all.

The Council for Promotion of Regulatory Reform (hereinafter referred to as the "Council"), on September 11, 2017, at the 20th meeting, set "Elimination of wait-listed children", "Radio spectrum allocation reform" and "Forest and forestry reform" as key issues to be resolved intensively and urgently, and Prime Minister Shinzo Abe expressed his determination to implement regulatory reform. This report is a compilation of the results of research and deliberation intensively conducted afterward for about three months and hereby submitted to the Prime Minister as the Second Report by the Council.

#### 2. Consultation Process

At the 19th meeting on July 20, 2017, the Subcommittee for Administrative Burden Reduction, the Working Group on Agriculture and Forestry, the Working Group on Fisheries, the Working Group on Medical care and Long-term care, the Working Group on Childcare and Employment, and the Working Group on Investment and Miscellaneous Issues were established under the Council.

"Elimination of wait-listed children", "Radio spectrum allocation reform" and "Forest and forestry reform" were researched and deliberated by the Working Group on Childcare and Employment, the Working Group on Investment and Miscellaneous Issues and the Working Group on Agriculture and Forestry, respectively.

## 3. Working towards Realizing proposals in this Report

This report provides the process for realization of reforms concerning key issues which especially require rapid reform in this term (from July 2017 to June 2018), and work must immediately be initiated to realize proposals in the report.

Many regulations have a structure where interests conflict, which leads to a passive stance being adopted by regulatory enforcement ministries and agencies and is a principal factor in preventing reforms from advancing. In order to move reforms forward, stakeholders with a variety of positions will need to be convinced and coordinated to surmount such a structure. This hinges wholly upon political leadership. There are strong expectations for political leadership so that the proposals of this report can be realized to the greatest extent possible.

\* As shown below, among the proposals in each sector, concrete measures surrounded by the frame are set as "actions".

#### Chapter 2. Promotion of Regulatory Reforms in Each Sector

- 1. Elimination of Wait-listed Children
  - (1) Objective of Regulatory Reform and Standpoint of Review

With a decreasing population due to the declining birthrate, and the increasing number of households in which both parents work, establishing an environment where anyone with children can feel at ease in working is an urgent issue in Japan. As the free child-education/care system is also discussed, further increased needs for childcare are expected and comprehensive solutions are required.

Elimination of wait-listed children would enable households in which both parents work to continue working, which will manage the decline in the working-age population and then lead to the increase of income and consumption. For eliminating wait-listed children, it is essential to implement various measures for securing nursery teachers. In such a process, side benefits can be expected: to encourage potential nursery teachers, who are qualified but not working, to participate in society again.

For such reasons, the Government positioned the elimination of wait-listed children as one of the most important policies and took a variety of measures. Since the "Acceleration Plan for reducing wait-listed children" was formulated in April 2013, for the purpose of securing childcare arrangements, the Government has been securing nursery teachers and establishing childcare facilities through various measures in terms of finance and system by setting deadlines and quantitative targets. In the Implementation Plan for Regulatory Reform which was approved by the Cabinet in June 2013, the Government encouraged a variety of entities including a company to enter the childcare business, without deteriorating the quality of childcare. Reflecting the success of these efforts, the number of wait-listed children has been reduced to zero in about 80% of the municipalities across the nation.

However, there is still the problem of wait-listed children mainly in urban areas. The reasons why the number of wait-listed children has not been reduced include: the participation rate of women in the work place is rapidly increasing; and families raising children are returning to urban areas (such as the recently popular large-scale condominiums). In addition, increasing the number of childcare facilities aimed at eliminating wait-listed children also contributes to revealing potential needs of parents who have given up on receiving childcare services. In order to resolve such multifaceted problems, it is necessary not only to reform childcare administration but also to focus on measures by local governments in urban areas which are the implementing bodies of childcare services.

For local governments with many wait-listed children (such as those in urban areas), the issues for eliminating wait-listed children are securing childcare personnel and childcare facilities as well as promoting the participation of various nursery centers. Moreover, it is also necessary to pay attention to the residents in urban areas with an excellent transportation network: they have wider living areas and quite a lot of them may demand childcare services outside municipality where they reside. Municipalities have been striving for various solutions and secured a capacity beyond target figures. However, in order to finally put an end to the

4

problem of wait-listed children, every stakeholder must endeavor to steadily implement the "Plan for Raising Children in Peace of Mind" that is currently in progress.

Accordingly, items for regulatory reform that should be addressed in the future have been compiled as follows.

- (2) Specific Items for Regulatory Reform
  - (i) Establishing the platform by each prefecture in which all stakeholders are involved in discussion

[Start examination in 2017 and promptly take measures upon reaching a conclusion] Although municipalities, the implementing body of childcare services, have been making utmost efforts in each area in order to eliminate wait-listed children, there remain municipalities where wait-listed children have not been eliminated. This shows that there is a limit to what municipalities can do alone.

Therefore, the Government will implement the following actions in order to promote cross-regional measures for eliminating wait-listed children mainly taken by prefectures in addition to the current measures taken by municipalities alone.

- (a) When a prefecture, having its number of wait-listed children exceeding a certain level and having the motivation to reduce this number, declares its intention to take measures, the Government will designate the prefecture as an "Area subject to Urgent Measures for Wait-listed Children" (tentative title; hereinafter referred to as the "Area subject to Urgent Measures") and submit the legislative amendment required to strengthen support for eliminating wait-listed children in the relevant designated area.
- (b) For prefectures' current support for measures by municipalities (Support plans for Business plans for child and childcare support of prefectures) to become more effective, prefectures designated as Areas subject to Urgent Measures will establish the Forum for the Elimination of Wait-listed Children (tentative title; hereinafter referred to as the "Forum") as a platform in which all stakeholders are involved in discussion. The prefectures, the relevant municipalities, childcare business operators, experts, and the relevant ministries and agencies (if necessary) should participate in the Forum.
  Participants in the Forum will discuss the following (ii) to (iv) taking into account the situation in each region and set appropriate KPI (Key Performance Indicator: performance goal to be achieved) for each item. The prefectures will reflect the KPI and its deadline into the Business plans for child and childcare support of municipalities, and thoroughly manage the progress in achieving the goal by implementing PDCA cycle.

(ii) Sharing information regarding childcare

[(a): Already implemented in 2017, (b): Implement in FY2017, (c): Implement in FY2017, (d): Promptly start examination upon establishing the Forum]

As a result of diversified childcare services, users of childcare services have many options, while the quantity and quality of information, provided to the users who select childcare

services and the business operators which operate childcare facilities, are quite different from municipality to municipality.

Therefore, the Government will implement the following (a) to (c) as well as (d) (especially in the Areas subject to Urgent Measures) so that all stakeholders involved in childcare can easily obtain the necessary information.

- (a) The Cabinet Office (hereinafter referred to as CAO) will provide the information about the placement of company-led type daycare facilities to municipalities.
- (b) In order to secure the quality along with the rapid expansion of needs, CAO will inform prefectures and municipalities that audits should be conducted effectively and efficiently: audit information is shared between prefectures and municipalities and duplicated audit matters may be omitted from audit matters of the other party upon mutual coordination.
- (c) The Ministry of Health, Labour and Welfare (hereinafter referred to as MHLW) will improve the design of user support programs so that municipalities may support consultation to applicants before application and implement off-time consultation (on holidays and at night) when municipalities establish the childcare concierge by utilizing the program.
- (d) Prefectures will discuss the "visualization" of availability and mapping of each nursery center (including non-licensed nursery) with the relevant municipalities at the Forum so that users of childcare services can adequately grasp necessary information and make a comparison among local governments. Each local government will promote thorough "visualization" based on the items that prefectures have decided to be promoted as "visualization".

(iii) Reforms to encourage local governments to implement measures for eliminating waitlisted children

A. Promoting the wide-area regional cooperation

[(a): Implement in FY2017, (b): Promptly start examination upon establishing the Forum]

While measures for eliminating wait-listed children have been actively taken in areas of each municipality (the implementing body of childcare services), only a very limited number of local governments adopt trial implementation of the cross-regional use of childcare facilities in wider areas. Under the company-led type daycare project, it is possible for users to use childcare facilities outside the municipality where they reside. However, it is impossible to accept additional non-employee users even when there is a capacity in the employee availability, because the number of accepted users is limited subject to the "local availability", which allows non-employees to use the childcare facility, and this leads to the loss of opportunities for effectively using the unused capacity.

Therefore, the Government will implement the following (a) as well as (b) (especially in the Areas subject to Urgent Measures) so that users can use childcare facilities that suit their needs irrespective of their place of residence and workplace.

- (a) CAO will allow applicants subject to the local availability exceeding the upper limit (50% as local availability) to be accepted utilizing the unused capacity in the employee availability of the company-led type daycare project.
- (b) Prefectures will arrange the relevant municipalities at the Forum regarding the system and forms for application, the scoring standards for use adjustment and childcare fees which are different from municipality to municipality, and will support them to conclude the agreements for using childcare facilities in a wider-area.

#### B. Reviewing the stringent standards

[Promptly start examination upon establishing the Forum] MHLW asks municipalities, which have set more stringent standards for personnel allocation and floor space than those designated by the Government, to amend their standards to the level designated by the Government based on their decision and to accept more children in childcare facilities (Response policies for "Urgent measures for the elimination of wait-listed children" (Notice by the Director of the Equal Employment and Child and Family Policy Bureau of the MHLW on April 7, 2016)). However, for example in urban areas, there are many wait-listed children in local governments with the stringent standards, and it is also pointed out that the stringent standards independently set by local governments may cause an increase in the number of wait-listed children.

Therefore, the Areas subject to Urgent Measures will examine their stringent standards from diverse points of view, including users of childcare services and academic experts, through discussion with the relevant municipalities at the Forum in order to prevent the stringent standards from causing the uneven distribution of wait-listed children.

C. Promoting the entry of various nursery centers

[(a): Implement in FY2017, (b): Implement in FY2017, (c): Implement in FY2017,

(d): Announce in FY2017, Issue notice in FY2018,

(e): Promptly start examination upon establishing the Forum,

(f): Promptly start examination upon establishing the Forum]

Although MHLW has issued notices to each prefecture to ensure the fair and equitable license approval, irrespective of operational types of nursery centers (Response policies for "Urgent measures for the elimination of wait-listed children") in some municipalities, operations have not been thoroughly performed in accordance with the notice in some municipalities. For example, some municipalities do not provide subsidies at the time of newly establishing nursery centers depending on their operational types, and this prevents the entry of various nursery centers.

In addition, the formats for subsidies application are different among local governments and this may delay the start of childcare services. It is necessary to remove the hurdles for childcare business operators to develop nursery centers.

The entry of nursery centers by various operators may lead to the provision of highquality and low-cost childcare services and the creation of a new market by providing additional services. While options for users of childcare services are expected to expand, it is difficult to decide whether to collect additional fees for additional services. Some point out that this may hinder the motivation of business operators for entry.

Furthermore, among non-licensed nurseries, so-called "regional independent nurseries", to which local governments give certain level of support, play at least some role as a childcare arrangement, and some point out that it is necessary to expand national support to the same extent as licensed nurseries.

Therefore, the Government will implement the following (a) to (d) as well as (e) and (f) (especially in the Areas subject to Urgent Measures) in order to promote the entry of various operators, secure sufficient childcare arrangements and respond to the needs for various childcare services.

- (a) MHLW will conduct the annual survey in each municipality concerning the status of establishment of various nursery centers and publish the results.
- (b) MHLW will inform local governments that it is possible to promote the understanding of residents for the establishment of a nursery within a large-scale condominium by setting the item for use adjustment, for example "Priority for admission shall be placed on the applicants residing in the area where the childcare service is provided", when municipalities implement the use adjustment of applicants for nurseries.
- (c) MHLW will thoroughly inform local governments that it is possible to collect additional fees for additional services pursuant to the Childcare/Nursery Policies with the consent of parents and it is also possible for licensed nurseries to provide various childcare services.
- (d) The Ministry of Education, Culture, Sports, Science and Technology will announce the status of conversions of unused rooms in schools to nurseries based on the results of the survey implemented in 2017. In addition, the Ministry of Education, Culture, Sports, Science and Technology and MHLW will thoroughly inform local governments again that unused rooms in schools, if any, should be converted to nurseries.
- (e) Through discussion with the relevant municipalities at the Forum based on the results of the survey in (a), prefectures will promote the permission for various nurseries of entry and more precisely examine the project to establish nurseries in municipalities.
- (f) At the Forum, prefectures will encourage municipalities to utilize the Claims Form of Education and Childcare Benefits for Children and Childrearing Support which CAO has presented as an example of the format.

D. Proper calculation of the number of wait-listed children

[Implement in FY2017]

The methods for calculating the number of wait-listed children are different among local governments, and according to some methods, the actual conditions of the needs for

childcare services in each local government may not be reflected in the number of waitlisted children. In particular, there are many cases in which applications for childcare facilities have been filed aimed at obtaining the "Notice for pending admission to nurseries" issued by local governments which is required for a request for an extension of childcare leave benefits, and it is pointed out that this may lead to an apparent increase in the number of wait-listed children.

Therefore, in order to obtain the proper number of wait-listed children for which each local government can aim as a policy objective, MHLW will thoroughly inform local governments that regarding the methods for confirming the intention to return to work during childcare leave, clarified rules should be strictly complied with to prevent different interpretations among local governments.

(iv) Securing the childcare personnel supporting an increase in the number of childcare facilities

[(a): Implement in FY2017, (b): Implement in FY2017, (c): Implement in FY2017,

(d): Promptly start examination upon establishing the Forum,

(e): Promptly start examination upon establishing the Forum]

One of the reasons for the lack of nursery teacher is that there are not sufficient situations in which short-time working nursery teacher can be utilized. For example, some local governments set the difference in the subsidy system between full-time working nursery teacher and short-time working nursery teacher. This may make it difficult to employ shorttime working nursery teacher.

Therefore, the Government will implement the following (a) to (c) (including the utilization of short-time working nursery teacher) as well as d and e (especially in the Areas subject to Urgent Measures) in order to prevent the situations where childcare services cannot be provided due to a lack of nursery staff.

- (a) MHLW, already notifying the "Introduction of short-time working nursery teacher into nursery centers" (Notice by the Director of the Equal Employment and Child and Family Policy Bureau of the MHLW on February 18, 1998), will thoroughly inform local governments again about the utilization of short-time working nursery teacher based on the relevant Notice.
- (b) CAO, already describing in the "FAQ for official prices" given to local governments that the standards of personnel staffing can be partially applied to staff other than full-time working staff, will additionally describe the considerations when short-time working staff is included into the standards of personnel staffing and thoroughly inform local governments thereabout from the viewpoint of greater clarification.

(c) MHLW will thoroughly inform local governments to promote the support for employment counseling and re-employment including mediation of employment for nursery teacher as well as the utilization of the support centers of nursery teacher and nurseries to support the securing of childcare personnel of nurseries.

- (d) Through discussion with the relevant municipalities at the Forum, prefectures will provide assistance to municipalities which have no chance of securing the required number of nursery teacher: for example, counting the required number and the secured number of nursery teacher within each municipality as well as formulating measures for securing nursery personnel including career improvement training.
- (e) Through discussion with the relevant municipalities at the Forum, prefectures will manage coordination for the priority use by children of nursery teacher, etc.

In this report, the Council has examined measures to make utmost efforts aimed at the elimination of wait-listed children by FY2020. However, while it is expected that nurseries and childcare services will be further diversified, it is important to implement the comprehensive regulatory reform in the childcare sector, including the direct lending of publicly owned land from the Government to entities other than social welfare corporations as well as the examination of the verification of the standards for employees which are different among various nurseries (percentage of employees with the qualification of nursery teacher among all employees), following up on the status of progress of implemented actions.

#### 2. Radio Spectrum Allocation Reform

#### (1) Objective of Regulatory Reform and Standpoint of Review

The Government aims to achieve Society 5.0 for the first time in the world. This will be realized by finding solutions to various social problems through adopting technological innovation in the 4th Industrial Revolution to all industries and social lives. Under such a circumstance, all things will be connected to the Internet, such as IoT, automatic driving, automatic flight and wireless power transmission, thus new products and services will be created. The important infrastructure that makes this possible is radio spectrum.

The needs for use of radio spectrum have been rapidly growing along with the popularization of high-speed mobile communication services including LTE (Long Term Evolution) and smartphones. If the future introduction of the 5th Generation mobile communication system (5G) accelerates the evolution towards Society 5.0, the needs for use of radio spectrum will grow dramatically.

To respond to the advanced and growing needs for use of radio spectrum, it is important to promote further effective use of radio spectrum, the public common property that is limited and valuable. To that end, the "visualization" of frequency assignment and use is essential as the first step. At the meeting of the previous term (Sep 2016 to June 2017), using the cases in other countries as a reference, the Council made a report regarding the "visualization" of assignment/use and the promotion of sharing of the frequency in the public sectors, and then the report explained why it is necessary to expand the targets to the frequency in the private sectors for further promoting these efforts.

For securing the required frequency bands, it is necessary not only to promote the "visualization" of frequency assignment/use but also to establish the system for smoothly giving back the bands that are not being used effectively. The publicly operated communication network, "Public Safety LTE", which has been enhanced in other countries, will be of reference. With respect to the frequency for broadcasting, the Government should promote examination, recognizing the revolution in industrial structures towards the further convergence of communication and broadcasting.

Furthermore, based on the recognition that radio spectrum is public common property, a comprehensive review of the allocation system and spectrum user fees is required further reflecting economic value. It is also required to review spectrum user fees from the standpoint of securing fairness.

Accordingly, items for regulatory reform that should be addressed in the future have been compiled as follows.

#### (2) Specific Items for Regulatory Reform

(i) "Visualization" of frequency assignment/use

A. "Visualization" of frequency assignment in the public sector

[Start examination in FY2017, draw conclusion by summer in 2018, and take measures in a phased manner upon reaching a conclusion]

In Japan, the status of assignment of frequency in the public sector is open to the public only partially. The disclosed information is not sufficient compared to that in the U.S. and U.K. and this may prevent the promotion of effective use of radio spectrum.

Therefore, the Government will announce the frequency assignments in the public sectors more actively, using the cases in other countries as a reference, while making sure that there would be no interference in each operation from interception or jamming of communication and taking confidentiality into full consideration.

B. Effective implementation of the study of the state of spectrum use [Start examination in FY2017, draw conclusion by summer in 2018, and take measures in a phased

Currently, the study of the state of spectrum use is implemented, in both public and private sectors, through the survey over existing license holder collection of the number of radio stations utilizing PARTNER (Productive And Reliable Telecommunications Network for Radio stations), and the study of radio wave transmission (radio frequencies are divided into three groups and the study is generally completed in three years). In both public and private sectors, accurate understanding of the actual state of spectrum use is essential to promote the effective use of radio spectrum.

manner upon reaching a conclusion]

Therefore, the Government will improve the study of the state of spectrum use in order to get a more accurate picture of the actual state of use of frequencies. In this regard, the study should be effectively implemented by setting the bands subject to intensive study as well as by properly setting implementation time, time zone, frequency, site of measurement and analysis method under the study of radio wave transmission.

(ii) Measured for securing frequency bands: Reform of the system

A. Construction of the system for smooth return of frequency

[Examine and draw conclusions by summer in 2018, and submit a bill during FY2018]

With respect to the plan for installing the specific base stations formulated by mobile phone operators, monitoring is conducted after frequency is assigned upon receiving permission from the Minister of Internal Affairs and Communications (hereinafter referred to as MIC). As a result of the monitoring, when it is judged that the relevant plan is unlikely to be realized, it is possible to revoke the frequency assignment and a license of radio station even during the certification period (five years or within ten years when termination promotion measures are conducted). After the certification period, however, monitoring is not conducted except the study of the state of spectrum use, and the return or reassignment of frequency is unlikely.

In addition, although the current Radio Act (Act No. 131 of 1950) has no provision for the legal right that the once designated license holder receives a license again, a license is likely to be vested even though a license holder does not effectively use radio spectrum.

Therefore, the Government will verify the operating results and effectiveness of the current system and develop the following mechanisms, in order to achieve smooth

implementation regarding bands that are not used effectively: reduction, sharing, migration, reallocation and revocation (including return) of license, based on the study and evaluation of the state of use of radio spectrum.

(a) Mechanism for mobile phone operators to return frequency after the certification period of the plan for installing the specific base stations

(b) Mechanism to return frequency in a more comprehensive manner, for those including those other than mobile phone operators

B. Setting up target figures for securing frequency bands responding to new needs for frequency

[Examine and draw conclusions by the end of FY2018] Currently, the Government has set the target of securing about 2,700MHz by 2020 as a frequency for mobile communication systems including the 4th Generation mobile communication system (4G). However, it is required to set the new target of securing frequency to prepare for the future popularization of 5G.

Therefore, in order to respond to new needs for frequency including 5G, the Government will set up target figures concerning securing the new frequency in place of the existing target figures including the target figures concerning securing frequency for reallocation and sharing from frequency in the public and private sectors.

C. Expanding and creating incentives for promoting frequency migration

[Examine and draw conclusions by summer in 2018, and take measures and submit a bill during FY2018]

For the purpose of promoting more effective frequency reallocation, frequency migration of existing license holder is essential and incentives should be granted to existing license holder. From this viewpoint, there is the termination promotion measure that operators who will be newly assigned frequency cover the expenses for existing license holder. However, there are limitations: the expenses are limited to those required for frequency migration and those paid between private businesses.

Therefore, the Government will develop the following mechanisms in order to secure incentives for encouraging existing license holder in frequency migration while considering the viewpoint of fair treatment for existing license holder and verifying the status of adopting the existing termination promotion measures.

(a) Mechanism for expanding and enhancing flexibility of termination promotion measures

Radio stations for governmental functions could be eligible for termination promotion measures, at the same time those who will newly be assigned frequency would cover, in addition to existing expenses, necessary expenses incurred by existing license holder for continuous smooth operation during the frequency migration period.
The Government will also consider the payment exceeding the above expenses and the setting of staged incentives depending on the migration period for existing licensees.

(b) Other mechanisms contributing to prompt securing of bands

- The Government will create mechanisms to secure incentives for prompt migration of existing license holder in various frequency bands, including responses to change from licensed bands to license-free bands as well as reallocation of public frequency bands.

(iii) Measures for securing frequency bands: Measures in the public sector

A. Creating the multi-user system of Public Safety LTE

[Start examination in FY2017, and take measures in a phased manner upon reaching a conclusion]

In the public sectors, each ministries/agencies and organizations (including police, firefighting and ambulance, land infrastructure and transportation, self-defense force, and disaster prevention) have independently established and operated their own communication networks for mobile devices (including automotive and portable types). On the other hand, in the U.S. and South Korea, governments have allocated frequencies dedicated for public safety, and in the U.K., the government has been developing multiuser system networks where, in an emergency, police, firefighting and ambulance, and local governments can communicate with one another beyond jurisdictions utilizing commercial frequencies. These networks will contribute to the effective use of radio spectrum and the coordination among public sectors.

Therefore, with regard to the "Public Safety LTE" which the relevant ministries/agencies and organizations (including police, firefighting and ambulance, land infrastructure and transportation, self-defense force, and disaster prevention) can use together, including the feasibility by 2020, the meeting for discussion will be held at MIC with the participation of the relevant ministries/agencies and organizations.

B. Sharing frequencies and systems among public sectors

[Examine and draw conclusions by summer in 2018]

In addition to the "Public Safety LTE", the Ministry of Land, Infrastructure, Transport, and Tourism and electric power companies are currently using the same frequency in the same area, but each implements operation at respective fixed stations and there will be room for further improvement in efficiency. Furthermore, the efficient use of radio spectrum with the latest technology is not necessarily achieved, and specific operation of different organizations may be replaced with the new common system.

Therefore, from the viewpoint of promoting the efficient operation and radio use with the latest technology in each public field including public services, the Government will examine specific measures to gradually promote the sharing of frequencies and systems among public sectors.

- C. Collecting spectrum user fees from radio stations for governmental functions [Described in (vi) below]
- D. Developing the mechanism for smooth implementation of returning frequencies, etc. and expanding and creating incentives for promoting assigned migration [Application of measures in (ii) above]
- (iv) Measures for securing frequency bands: Measures in the private sectorA. Proper adjustment of charges on radio spectrum use [Described in (vi) below]

B. Developing the mechanism for smooth implementation of returning frequencies, etc. and expanding and creating incentives for promoting frequency migration [Application of measure in (ii) above]

C. Further effective use of frequency bands for broadcasting

[Examine and draw conclusions by summer in 2018] Further effective use of bands for broadcasting should be examined amid the advanced introduction of 4K and 8K and further convergence of communication and broadcasting. With respect to frequency bands assigned in terrestrial digital broadcasting, it is pointed out that further effective use of bands is possible by utilizing new technology to dramatically assign free frequency result depending on temporal and spatial conditions.

Therefore, MIC will examine the effective use of frequency of bands assigned for broadcasting, including calling for proposals from several viewpoint such as create culture of innovation (described in (v) C below), with the vision of the future of broadcasting business, and the Council will continuously carry out examination.

- (v) Review of the system for frequency assignments
- A. Comprehensive review of the frequency assignment system
  - [(a): Examine and draw conclusions by summer in 2018, and submit a bill during FY2018,
    - (b): Examine continuously from FY2017 onwards]

The auction system, which foreign countries widely introduce for frequency assignments, may provide opportunities to promote the effective use of radio spectrum and to ensure transparency and rapidity of the process of frequency assignment because it is possible to select those who can maximize the economic value of frequency through price mechanisms. On the other hand, from a cautious stance in introducing the auction system, it is considered that there are risks: delay in capital investment, increase of user fees, security problems due to entry of foreign capital, etc.

Therefore, the following measures will be taken for newly assignment of frequencies. (a) With regard to newly assigned frequency bands, the system to determine frequency assignments including elements of price competition will be introduced by applying for the amount based on their economic value (including expenses required for frequency migration, sharing of frequency and countermeasures for interference) through a competitive bidding process and comprehensively evaluating several items including the amount (such as a population coverage ratio and technical capability) (a legal framework will be established through submission of a bill during FY2018), and a meeting for discussion thereof will be held.

(b) With regard to the auction system where those who receive frequency assignments are decided through the price alone, examination will be continuously conducted, based on its merit/demerit and various problems in countries that have adopted the auction system.

B. Use of revenues from the new frequency assignment system

[Examine and draw conclusions during the same period as a (a) above] Achievement of Society 5.0 is essential for growth strategies and should be addressed actively by the private and public sectors.

Therefore, revenues from the comprehensive review of the frequency assignment system in A above will be used for promotion of frequency migration, new measures for interference, enhancement of radio use such as 5G and achievement of Society 5.0, and measures therefor will be examined.

C. Determination of the use of radio wave through calling for proposals

[Implement as soon as it is ready] Along with the recent accelerated development of IT and spread of the IoT, the methods for radio use, not expected before, have been tried across the world. There is significant room for innovation using radio spectrum and the measures for promoting the innovation should be taken as soon as possible, and then it will be necessary to approve the discretion of license holder for using radio spectrum.

Therefore, subject to frequency bands which have not been effectively used, the Government will call for proposals for radio use widely from the private sectors and provide opportunities to demonstrate various ideas in the actual field mainly for the proposals that may have high social benefits from the viewpoint of creating innovation. As a result, when obtaining prospect for realization, the Government will introduce the system for implementing required procedures including frequency assignments. To be specific, the Government will start with calling for proposals and implement procedures subject to frequency bands which have been used in V-High multimedia broadcasting.

# D. Examination of the practice of secondary transaction

[Examine and draw conclusions by summer in 2018] Currently, transfer of the status as a license holder of radio stations is allowed only to the extent of succession to the status due to business transfer, and there is little flexibility for new business and business expansion. In respect to this point, the secondary transaction (such as lease transaction) of frequencies, if available, can offer merits, such as preventing dead storage of frequencies and achieving prompt assignment to those who will effectively use such frequencies.

Therefore, based on the system for return of frequency in (ii), the Government will examine the practice of lease of frequency from the perspective so that those who have the motivation and capability for developing and expanding new business through effective use of radio spectrum can promptly secure required frequency in various manners.

## E. Frequency assignment subject to sharing

[Start examination in FY2017,

and draw conclusions in FY2020 after a technical test is conducted as soon as it is ready]

Currently, with regard to frequency assignments to the public sectors and frequentlyused wireless systems including the mobile phone system, license holder are allowed to use frequencies proprietarily. However, it is required to promote sharing of frequencies for effective use of radio spectrum, and in frequency bands for 5G, in particular, sharing of frequencies by multiple license holder will progress further. On this point, in Europe and the U.S., the systems where assignment and operation of shared frequencies are arranged in a flexible manner have been examined, including hierarchical approval such as LSA (Licensed Shared Access) and the dynamic frequency-sharing system. Also in Japan, such systems should be examined as soon as possible.

Therefore, the Government will examine the systems for flexible sharing of frequencies and draw a conclusion.

F. Proper securing of license-free frequency bands

[Examine and draw conclusions by summer in 2018] It is expected that license-free stations will further increase due to technological innovation including the spread of the IoT, and proper management of license-free stations is required from the perspective of avoiding interference. In order to secure the proper bandwidth of license-free bands and promote the effective use of radio spectrum, necessary measures should be examined including the possibility of collecting spectrum user fees.

Therefore, the Government will examine how to properly secure license-free bands including the possibility of collecting spectrum user fees.

- (vi) Review of the system for spectrum user fees for further reflecting the economic valueA. Proper adjustment of charges on radio spectrum use
- [(a): Examine and draw conclusions by summer in 2018, and submit a bill during FY2018, (b): Examine continuously from FY2017 onwards]

There is a two-fold difference between mobile phone operators and broadcast service operators in terms of a characteristic coefficient in calculating spectrum user fees (reduction coefficient considering characteristics such as its public nature), and accordingly there is about a four-fold difference in the spectrum user fees amount per bandwidth. In respect to this point, it is pointed out that, based on the current popularization of smartphones, mobile phones are important infrastructure similar to broadcasting to obtain information and it is necessary to correct the imbalance charges on spectrum user fees between mobile phone operators and broadcast service operators.

In addition, in the current calculation system, the band category for allocation of charges on spectrum user fees has only two categories: "3GHz or below" mainly including mobile communication and broadcasting systems and "Above 3GHz and below 6GHz" mainly including fixed-line communication and satellite systems. In respect to this point, it is pointed out that the band category should be more finely constructed in order to collect spectrum user fees more accurately, reflecting the needs of users.

Therefore, the following measures will be taken for proper adjustment of charges on radio spectrum use.

(a) For the purpose of further proper adjustment of the entire spectrum user fees based on the economic value of radio spectrum, characteristic coefficients and band categories will be reviewed according to the situation of radio use.

(b) Beyond the review in (a) above (review within the extent of sharing the costs required for the administrative work for spectrum users' common benefit), the Government will implement examination concerning the charges on licensees using radio spectrum, public common property, based on the economic value.

B. Collection of spectrum user fees from radio stations for governmental functions

[Examine and draw conclusions by summer in 2018, and submit a bill during FY2018] Currently, with regard to spectrum user fees for radio stations for governmental functions of which the Government and other public organizations are license holder, the full amount and the half amount are exempted, respectively: the former is for radio stations whose purpose is to secure public safety and security in an emergency (for police, firefighting, coast guard, self-defense force etc); and the latter is for radio stations for disaster prevention administration and flood prevention and road administration. In foreign countries, on the other hand, there are cases where spectrum user fees are collected from radio stations for governmental functions from the viewpoint of promoting the effective use of radio spectrum.

Therefore, so that incentives for the effective use of radio spectrum may also be given also to radio stations with high public nature of which the Government and other public organizations are license holder and for which spectrum user fees are exempted, the Government will establish the system to collect spectrum user fees for radio stations which have not effectively used radio spectrum.

C. Review of the usage of spectrum user fees

[Examine and draw conclusions by summer in 2018, and submit a bill during FY2018] While the usage of spectrum user fees is focused mainly on truly necessary services, more funds should be injected into the services for grasping the situation of radio use more accurately as well as for promoting frequency migration and the use of white space, strongly promoting the effective use of radio spectrum.

Therefore, with regard to the usage of spectrum user fees, the Government will thereby conduct reviews contributing to effective use of frequencies, including the examination of the state of radio use (including the examination of radio wave transmission), promotion of frequency migration and the use of white space, and advanced technology for sharing frequencies and avoiding interference between different radio systems.

#### 3. Forest and Forestry Reform

(1) Objective of Regulatory Reform and Standpoint of Review

Japan is one of the world's most forested countries. Almost half of the planted forests, which were under a treatment period and were not counted in the sales revenue, have reached the age of 50 years or more and are fully ready for harvesting (matured period). Currently, however, only 40% of the annual growing amount of matured planted forests is harvested, and now it is unclear how to utilize and manage accumulated forest resources. For forests with high productivity, the adequate construction of forestry road networks and the development of rational systems for carrying out forestry practices such as thinning and re-planting after regeneration cutting will realize sustainable forest management towards the next 50 years. Japanese forests, which have finally reached maturity, are at an important point in establishing this cycle.

Nevertheless, looking at trends in wood supply and demand, wood demand in Japan has declined since its peak in 1973 and the majority of demand is met with imported wood. While no significant increase in demand is expected, the supply capacity for domestic wood has been increasing, and therefore it is necessary to resolve such mismatch.

In addition, the majority of forest owners is small-scale with poor motivation for management, and proactive management to enhance the asset value of forests cannot be expected. Furthermore, with inadequate coordination between forestry management entities (upstream) and wood consumers including lumber/plywood manufacturers and contractors (downstream), costs for harvesting/shipping and distributing/processing wood are high, and price competition with imported wood is ongoing. Under such circumstances, it is difficult to gain economic benefits from forest management.

The wood-related industry has groups of industries with a wide range of fields from harvesting, shipping and processing of wood to manufacturing/selling furniture and housing construction. If appropriate forest and forestry policy is now planned, forestry may become an important pillar of local economy, with forests are valuable as a place for education and cultural learning. Accordingly, it is required to implement the structural reform for realizing the potential of forests and forestry.

With public and multifaceted functions including recharging water sources and preventing forest disasters, forests have been managed and fostered in a planned manner by the Government, prefectures and municipalities, but currently, forests have not been developed thoroughly and strategically in view of efficient harvesting and shipping in the matured period.

In the face of such structural problems, in order to make forestry a growth industry and to realize proper management of forest resources, it is essential to review the status of the relevant systems and administrative roles as well as to reconstruct the relationship between forest owners and forestry management entities, lumber mill operators and distributors.

Accordingly, items for regulatory reform that should be addressed in the future have been compiled as follows.

(2) Specific Items for Regulatory Reform

(i) Setting KPI and formulating a schedule

[(a): Implement in the first half of 2018, (b): Implement continuously from FY2018 onwards] In overcoming structural problems and promoting the turning of forestry into a growth industry and the realizing proper management of forest resources, the Government should take measures for i) integrating and consolidating management and operation of smallscale forest owners with poor motivation to motivated and capable forestry management entities, ii) intensively constructing road networks in forests with high productivity through integration and consolidation of management under the policy, iii) realizing the system where higher value-added wood is supplied based on a market-in concept, promoting cost reduction through the supply chain from upstream to downstream, and iv) fully utilizing capable private operators.

Therefore, the following measures will be implemented.

- (a) With regard to the area of planted forests that should be developed as a production forest through integration and consolidation, the scale of forestry road networks to be constructed, the expected supply of domestic wood, and the value-added nominal output value in the entire forestry from upstream to downstream, the Government will set target figures (including respective deadline) by using appropriate KPI and specify a schedule of measures for achieving the target figures.
- (b) In order to securely achieve the target figures set in (a) above, the Government will review measures, as necessary, by periodically verifying the progress in achieving the target figures and schedule through the PDCA cycle, and will implement cross development initiatives for preceding good practices.

(ii) Matters related to the new forest management system

A. Establishment of the system where municipalities as mediators, promote integration and consolidation of forests

[Start examination in FY2017, and promptly take measures upon reaching a conclusion] The current Forest Act (Act No. 249 of 1951) specifies that forest owners should implement forestry practices and protection in accordance with the Municipality's Forest Improvement Plan established by municipalities. However, thorough implementation and cost burden for forest practices are not required, and finally forests are managed with public financing. Such a situation results in an increase in small-scale forests owners with poor motivation for management and expansion of the areas with unclear boundaries between forest lands, which causes the interference in construction of forest road networks required for the wide-area forest practices.

Therefore, the new forest management system will be established, as described below.

- (a) Clarifying the responsibility of forest owners for forest management
- Clarifying the responsibility that forest owners should fulfill proper management and effective use of forests, including carrying out harvesting, planting and thinning practices of forests at an appropriate time.
- Regarding any forest owner with difficulty in fulfilling its responsibility for forest management, the system will be established to motivate the forest owner to entrust forest management to municipalities.
- An effective system will be established, for example, so that forest management can be promptly entrusted to municipalities subject to decision when a forest owner does not fulfill its responsibility for a certain period despite presenting its intention to do so.
- (b) The system for integration and consolidation of forest management will be established in which when a forest owner itself does not implement forest management, municipalities are entrusted management and operation of forests and outsources them to forestry management entities with motivation and capability.
- The system will be established for enhancing forest management with high productivity by proactively entrusting forests to management entities with motivation, for example, municipalities, entrusted with forest management, will call for a broad range of forest management entities with motivation and capability.
- With regard to forests with high productivity entrusted to private sectors, mainly in the area that has established this new system, the Government will promote the construction of forest road networks to develop networks including not only roads for forestry operation road but also core roads, through utilizing forest improvement projects, and will intensively promote the introduction of high-performance forestry machines.
- (c) With regard to forests that municipalities cannot outsource and forests that lead to outsourcing, the system will be established in which municipalities implement public management including thinning practices.
- With regard to forests without the expected profits of a production forest, municipalities concerned will promote conversion to multiple story forests with low management costs.
- Ensuring that forest practices can be entrusted to private operators to the maximum possible extent.

B. Establishment of the system for providing support to municipalities for policy making on forest and forestry

[Start examination in FY2017, and promptly take measures upon reaching a conclusion] In the new forest management system, municipalities are at first entrusted with management and operation of forests. Regarding forests with economic value, management is outsourced to forestry management entities and regarding the remaining forests, municipalities themselves must implement proper management. However, the reality is that not every municipality can constantly assign personnel for forest management.

Therefore, the Government will implement the following measures so that capable private operators, if any, can be utilized proactively.

- (a) For providing support to municipalities for policy making on forests and forestry, forestry experts can be effectively utilized and the system will be established in which prefectures can implement operations on behalf of municipalities in certain cases in which the organization is vulnerable and forest management beyond the border of municipalities is efficient.
- (b) Regarding operation that is more efficient when conducted in wider regions such as fostering human resources, the Government will examine further measures for prefectures.
- C. Coordination with national forest projects

[Start examination in FY2017, and promptly take measures upon reaching a conclusion] It is necessary to take measures in accordance with national forests for the efficient functioning of this new forest management system for private forests.

Therefore, the Government will implement the following for further coordination with national forest projects.

- (a) The Government will promote the coordination with private forests including interconnection of forest roads, cooperative shipping of harvested wood, and technology dissemination to private forests for lower costs in forestry.
- (b) The Government will increase opportunities for forest management entities with motivation and capability to receive orders of national forest management program and provide information about forest management entities identified in national forestry projects to municipalities.

D. Strengthening measures regarding forests with unknown ownership

[Start examination in FY2017, and promptly take measures upon reaching a conclusion] It is necessary to ensure smooth implementation of practices of forests with unknown ownership for the effective functioning of the new forest management system.

Therefore, in addition to the establishment of the new forest management system, the Government will carry out examination and implementation so that it is possible to entrust management and operation of forests with unidentified ownership to municipalities after public notice is given by municipalities when the inheritor bearing management costs (including paying fixed assets tax) cannot identify some or all of the co-owners.

It is important to secure financial resources in order to properly implement public management conducted by municipalities and other operations to ensure smooth functioning of

this new forest management system, and this may involve the utilization of a Forestry Environment Tax (tentative name) to be separately examined for new establishment.

(iii) Other matters to be addressed in order to make forestry a growth industry by utilizing the new forest management system

A. Structural reform of wood production and distribution

[Start examination in FY2017, and promptly take measures upon reaching a conclusion] In addition to the measures in the upstream domain described in (ii), while further promoting identification of forests with economic value and focus on the construction of forest road networks, the Government should reduce higher distribution costs compared to those in foreign countries and increase in wood demand by strengthening the coordination from upstream to downstream.

Therefore, in order to promote the structural reform of wood production and distribution, the Government will conduct examination as follows.

- (a) The Government will examine and implement measures for promoting the reconstruction of the supply chain based on a market-in concept, centered on operators that cover the businesses from upstream to downstream and develop long term business and in large lots.
- (b) The Government will examine and implement measures for promoting the enhancement of forest research and the forest management plan as well as the fundamental improvement of work efficiency and additional value by sharing market information through the supply chain, with thorough utilization of ICT.
- (c) The Government will examine measures for organizing and aggregating information so that various operators and consumers involved in the supply chain can understand the functions, growing stage and status of use of forests.
- (d) The Government will focus policy resources on those responsible for the structural reform of wood production and distribution towards making forestry a growth industry, including promoting the coordination with forestry cooperatives and the rationalized process and distribution as well as enhancing the development of lumber mill operators, which will create a high value-added wood market, into forestry management in response to the market and the development of forest management entities into the downstream businesses in view of the future market.
- B. Review of regulations and standards that excessively restrict the utilization of wood [Start examination in FY2017, and promptly take measures upon reaching a conclusion] In order to create the new demand for wood, it is required to promote the reform of regulations and standards excessively restricting the utilization of wood so that highquality wood produced through independent forest management by private operators as well as trees native to Japan can be used most effectively.

Therefore, the Government will conduct a comprehensive review of the regulations and standards for strength of buildings, fire-proof and fire-resistant performance, and

buildings used by the public, based on the recent technology trend and comparison with overseas regulations and standards, in order not to excessively restrict the utilization of wood.

# C. Introduction of private sector initiatives for national forests

[Start examination in FY2017, and promptly take measures upon reaching a conclusion] Regarding national forests, the proposals for methods in which private operators implement full forest practices from harvesting to selling long term and in large lots have been called for and verified, and it is important to utilize the results thereof.

Therefore, the Government will promptly sort out issues and examine the introduction of private sector initiatives based on the proposals from private operators to improve the methods in which private operators implement full practices of national forests from harvesting to selling long term and in large lots. (Appendix 1) Members of the Council for Promotion of Regulatory Reform and Associate Members

		Members of the Council
Chair	Hiroko OTA	Professor, National Graduate Institute for Policy Studies
Vice-Chair	Yasufumi	Chairman and President, Group CEO, Future Corporation
	KANEMARU	
	Junji ANNEN	Professor, Chuo Law School, Chuo University
	Yasuyuki IIDA	Associate Professor, School of Political Science and Economics,
		Meiji University
	Makiko EDA	President, Intel Japan
	Shigetaka	Chairman and CEO, FUJIFILM Holdings Corporation
	KOMORI	
	Shigeru	Professor, Faculty of Law, Hosei University
	TAKAHASHI	
	Miho NOSAKA	Full-time Lecturer, School of Management and Information
		Sciences, Tama University
	Yukihiro	Editorial Writer, the Tokyo Shimbun and the Chunichi Shimbun
	HASEGAWA	
	Izumi HAYASHI	Attorney-at-law, Sakurazaka Law Offices
	Eiji HARA	President, Public Policy Planning & Consulting Co.
	Ryuichi	Endowed Chair, Graduate School of Medicine, Osaka University
	MORISHITA	
	Naohiro	Specially Appointed Professor, Faculty of Global Business,
	YASHIRO	Showa Women's University
	Haruno YOSHIDA	Managing Director, BT Japan

## **Associate Members**

■ Subcommittee for Administrative Burden Reduction

Sadakazu OSAKI	Principal Researcher, Nomura Research Institute
Junichi KAWADA	Director and Executive Vice President, JXTG Holdings
	Vice-President, Keio University; Professor, Faculty of Policy
Jiro KOKURYO	Management
	Representative Director and Executive Vice-President, Nippon
Soichiro SAKUMA	Steel & Sumitomo Metal Corporation
Yoshikazu	Associate Professor, Faculty of Law, Niigata University
TANAKA	
Kanae TSUTSUMI	Representative Director, CareerMam
Takao	Professor, Faculty of Policy Management, Shobi University
HAMANISHI	

# ■ Agriculture and Forestry Working Group

Ryosuke AOKI	Representative Director, Tokyo Chainsaws
Kazushi SAITO	Representative Director, Shonai Kome Koubou Inc.

Yuko SHIRAI Masafumi	Associate Professor, Graduate School of Media and Governance and Faculty of Environment and Information Studies, Keio University Representative Director, Imari Mokuzai Shijo
HAYASHI	
Takeshi FUJITA	Representative Director, Fujita Farm
Masayoshi	Professor, Department of Economics, Seinan Gakuin University,
HONMA	
Kaori	Director, Budoubatake Ltd.
MITSUMORI	
Yoshihide	Director & Senior Managing Executive Officer, and Director of
WATANABE	Corporate Planning Division, Kagome Co., Ltd.
Fishery Working Group	
Masahiko ARIJI	Professor, Field of Fisheries and Food, Institute for World
	Economy, Kindai University
Hiroshi	Representative Director, Izumisawa Suisan
IZUMISAWA	
Yukinori	Representative Director, Hironoya
SHITAUTSUBO	
Masayuki	Senior Managing Executive Officer, Director, Maruha Nichiro
NAKAJIMA	Corporation
Wakao HANAOKA	
Masayoshi	Professor, Department of Economics, Seinan Gakuin
HONMA	University,
Yoshihide	Director & Senior Managing Executive Officer, and Director of
WATANABE	Corporate Planning Division, Kagome Co., Ltd.
Medical Care and Long-term C	
Koichi	Professor, Health Care Economics,
KAWABUCHI	Graduate School, National University Corporation Tokyo Medical and Dental University
Ryosuke	Chair Person, Kanagawa Prefectural Hospital Organization
TSUCHIYA	
Yuzo TODA	Director, Vice President, and Chief Technical Officer, FUJIFILM Corporation
Akira MORITA	Professor, College of Policy Studies, Tsuda University
Working Group	
Mika IKEMOTO	Senior research fellow, The Japan Research Institute, Limited
Yoichi SHIMADA	Executive Vice President, Waseda University
Investment and Miscellaneous	Issues Working Group
Fumihiro	Chief Researcher, Social ICT Solutions Division, Mitsubishi
MURAKAMI	Research Institute, Inc.

Working Groups, etc.	Members					
Subcommittee for	Shigeru TAKAHASHI	Chair	Sadakazu OSAKI	Assoc. M		
Administrative Burden	Junji ANNEN	Vice-Chair	Junichi KAWADA	Assoc. M		
Reduction	Makiko EDA	Member	Jiro KOKURYO	Assoc. M		
	Izumi HAYASHI	Member	Soichiro SAKUMA	Assoc. M		
	Miho NOSAKA	Member	Yoshikazu TANAKA	Assoc. M		
	Eiji HARA	Member	Kanae TSUTSUMI	Assoc. M		
			Takao HAMANISHI	Assoc. M		
Agriculture and Forestry	Yasuyuki IIDA	Chair	Ryosuke AOKI	Assoc. M		
Working Group	Yukihiro HASEGAWA	Vice-Chair	Kazushi SAITO	Assoc. M		
	Izumi HAYASHI	Member	Yuko SHIRAI	Assoc. M		
	Haruno YOSHIDA	Member	Masafumi HAYASHI	Assoc. M		
		Member	Takeshi FUJITA	Assoc. M		
			Masayoshi HONMA	Assoc. M		
			Kaori MIMORI	Assoc. M		
			Yoshihide WATANABE	Assoc. M		
Fishery Working Group	Miho NOSAKA	Chair	Masahiko ARIJI	Assoc. M		
	Eiji HARA	Vice-Chair	Hiroshi IZUMISAWA	Assoc. M		
	Yukihiro HASEGAWA	Member	Yukinori SHITAUTSUBO	Assoc. M		
	Izumi HAYASHI	Member	Masayuki NAKAJIMA	Assoc. M		
			Wakao HANAOKA	Assoc. M		
			Masayoshi HONMA	Assoc. M		
			Yoshihide WATANABE	Assoc. M		
Medical Care and Long-term	Izumi HAYASHI	Chair	Koichi KAWABUCHI	Assoc. M		
Care Working Group	Ryuichi MORISHITA	Vice-Chair	Ryosuke TSUCHIYA	Assoc. M		
	Makiko EDA	Member	Yuzo TODA	Assoc. M		
	Miho NOSAKA	Member	Akira MORITA	Assoc. M		
Childcare and Employment	Junji ANNEN	Chair	Mika IKEMOTO	Assoc. M		
Working Group	Ryuichi MORISHITA	Vice-Chair	Yoichi SHIMADA	Assoc. M		
	Yasuyuki IIDA	Member				
	Yukihiro HASEGAWA	Member				
Investment and Miscellaneous	Eiji HARA	Chair	Fumihiro MURAKAMI	Assoc. M		
Issues Working Group	Haruno YOSHIDA	Vice-Chair				
	Yasuyuki IDA	Member				
	Ryuichi MORISHITA	Member				
	Naohiro YASHIRO	Member				
Task Force on Use of Private Sector	Naohiro YASHIRO	Leader				
for Labor Standard Inspection						

(Appendix 2) Past Discussion of the Council for Promotion of Regulatory Reform and Working Groups

Note:	Only	working	groups	related	to	this	Report	are	described.	

19th	July 20,	-	How to proceed with the Council for Promotion of Regulatory Reform
meeting	2017	-	Implementation of intensive reception through the Hotline on Regulatory
			Reform
20th	September	-	Concerning the Hotline on Regulatory Reform
	11, 2017	-	Urgent issues of importance
21st	October	-	Review of regulations for outdoor advertising
	24, 2017	-	Realization of new transportation services including taxis responding to user
			needs
		-	Concerning the Hotline on Regulatory Reform
22nd	November	-	Ex post facto reports on the "Recommendations to promote the turning of forestry into a growth
	17, 2017		industry and the proper management of forest resources"
		-	Progress in discussions on the review of a childcare system
		-	Progress in discussions on the reform of the spectrum allocation system
23rd	November	-	Opinions concerning the review of the farmland system responding to new needs
	29, 2017	-	Publication of the report

Council for Promotion of Regulatory Reform

# ■Agriculture and Forestry Working Group

September	-	Current situation and issues of policies for forests and forestry (Interviews with			
20, 2017		the relevant ministries and agencies)			
	-	Main deliberation topics of the Agriculture and Forestry Working Group for the			
		term			
October 5,	-	Recommendations on forests and forestry (Interviews with the relevant			
2017		ministries and agencies)			
	-	Interviews with the Ministry of Internal Affairs and Communications			
		concerning the "Promotion of the turning of forestry into a growth industry and			
		the proper management of forest resources" (from the standpoint of reviewing			
		the tax system for promotion of forest sink activities)			
October	-	Current situation and issues of policies for forests and forestry (Interviews with			
11, 2017		the relevant business operators)			
October	-	Current situation and issues of the wholesale market (Interviews with the			
25, 2017		relevant ministries and agencies)			
November	-	Current situation and issues of the wholesale market (Interviews with the			
1, 2017		relevant business operators)			
November	-	Recommendations on forests and forestry			
6, 2017	-	Promotion of the utilization of new agricultural production facilities/equipment			
		in farmland (Interviews with agricultural workers)			
November	-	Various issues concerning farmland (Interviews with the relevant ministries			
15, 2017		and agencies)			
	20, 2017 October 5, 2017 October 11, 2017 October 25, 2017 November 1, 2017 November 6, 2017 November 6, 2017	-         October 5, 2017         -         October 11, 2017         October 25, 2017         November 1, 2017         November 5, 2017         November 6, 2017         -         November 7, 2017         - </td			

ſ	8th	November	- Proposals (draft) for promoting the reform of distribution structure including
		24, 2017	the wholesale market
		,	- Opinions (draft) on the review of the farmland system responding to new needs

# Childcare and Employment Working Group

1st	September	-	Main deliberation topics of the Childcare and Employment Working Group for
meeting	22, 2017		the term
		-	Interviews concerning childcare (Interviews with the relevant ministries and
			agencies)
2nd	October 6,	-	Interviews concerning childcare (Interviews with the relevant ministries and
	2017		agencies as well as the relevant business operators)
3rd	October	-	Interviews concerning childcare (Interviews with the relevant ministries and
	18, 2017		agencies as well as the relevant local governments)
4th	November	-	Current situation of childcare
	1, 2017	-	Interviews concerning childcare (Interviews with the relevant local
			governments)

# ■Investment and Miscellaneous Issues Working Group

1st	September	- Main deliberation topics of the Investment and Miscellaneous Issues Working
meeting	15, 2017	Group for the term
		- Remote education in the IT era (Interviews with the relevant ministries and
		agencies)
2nd	September	- Promotion of the funding through the transfer of receivables (Interviews with
	26, 2017	the relevant ministries and agencies as well as the relevant organizations)
		- Status of implementation by the first half of this fiscal year of the
		Implementation Plan for Regulation Reform (June, 2017)
3rd	October	- Reform of the spectrum allocation system (Interviews with experts)
	11, 2017	- Status of implementation by the first half of this fiscal year of the
		Implementation Plan for Regulation Reform
4th	October	- Reform of the spectrum allocation system (Interviews with experts)
	17, 2017	
5th	October	- Reform of the spectrum allocation system (Interviews with experts and the
	24, 2017	relevant business operators)
6th	October	- Reform of the spectrum allocation system (Interviews with the relevant
	25, 2017	business operators and the relevant organizations)
7th	October	- Reform of the spectrum allocation system (Interviews with experts and the
	30, 2017	relevant ministries and agencies)
8th	November	- Reform of the spectrum allocation system (Interviews with the relevant
	9, 2017	ministries and agencies)
9th	November	- Reform of the spectrum allocation system (Interviews with experts, the relevant
	16, 2017	organizations, and the relevant ministries and agencies)
10th	November	- Reform of the spectrum allocation system (Interviews with experts, the relevant
	17, 2017	organizations, and the relevant ministries and agencies)