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※仮訳
※Provisional Translation

Interim Report (Tentative)

DD,MM,YYYY

AI Strategic Council / AI Institutional Study Group

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1 **Overview**

2 **AI Strategic Council /AI Institutional Study Group**
3 **Overviews of Interim Report**

4 Since July 2024, six meetings in total of the AI institutional study group¹⁾ have been
5 held. Discussions, including interviews with total of 15 researchers, business
6 operators, etc., have been held to create this report.


7 **Background**

- 8 ■ While AI has the potential to greatly contribute to Japan’s development, **various risks are becoming apparent.**
- 9 ■ There are many concerns over AI, pointing out **that its development and use are not progressing compared** to other countries.
- 10 ▶ It is necessary to **ensure appropriateness** such as the transparency of AI, and **advance development and use of AI.**

13 **Basic Concept**

- 14 ■ **Balancing the promotion of innovation and risk mitigation** (II.3.)
 - 15 ● Promoting innovation including support to research and development, human resources development and expansion of data or computing resources
 - 16 ● Appropriate combination with laws and guidelines
 - 17 ● Use of the common principles such as the OECD principle and Hiroshima AI Process International Guiding Principles and individual existing laws
 - 18 ■ **International cooperation** (II.4.)
 - 19 ● Leading discussion toward formulation of AI governance
 - 20 ● Ensuring international alignment and interoperability
- 

22 **Specific Directions for Systems and Policies**

- 23 ■ **Overall items** (III.1.)
 - 24 ● **Strengthening the government's function of a strategic leadership board and formulating strategy**
 - 25 · **Strengthening function of a strategic leadership board** to oversee the whole picture
 - 26 · **Formulating a strategy (basic plan)** to contribute to promoting safe and secure research and development, and use of AI.
 - 27 ● **Improving safety**
 - 28 · **Establishing of guideline by the government (in accordance with the Hiroshima AI Process), and cooperation by business operators.**
 - 29 · **Conducting surveys and collecting information by the government, and guidance, advice and information provision, etc. to business operators and citizens**
 - 30 ■ **Use by the Government** (III.2.)
 - 31 · Proper AI government procurement and use, etc.
 - 32 ■ **Use in infrastructure services** (III.3.)
 - 33 · Response by each business act, etc.
- Aiming to be the easiest country to develop and use AI
- Prompt legalization is necessary**
A system aiming to be a global model
- 

34 1) "AI Strategic Council" was established under "the Integrated Innovation Strategy Promotion Council", which is chaired by the Chief Cabinet Secretary and consists of all cabinet ministers. "AI Institutional Study Group" was established under the Council.

35 2) After taking the above measures, legal systems should continue to be reviewed in order to mitigate future risks.

1 **I.Preface**

2 Since autumn 2022, generative AI has experienced a dramatic leap in performance, enabling it to
3 produce natural conversations, write code, and create sophisticated videos by processing vast
4 amounts of information. This advanced AI has the potential to replace tasks traditionally performed
5 by humans and even produce outcomes that surpass human achievements. It is anticipated to find
6 applications across all fields of human activity, significantly enhancing efficiency and convenience in
7 various industries and everyday life. In the future, it is expected to contribute significantly to improving
8 quality of life and driving national economic development. On the other hand, various risks with AI are
9 becoming apparent, including fake sites and voice scams, and information manipulation by using AI
10 to create disinformation and misinformation and so on. There are also concerns over national security
11 risks by using AI in the development of CBRN (chemical, biological, radiological, and nuclear
12 weapons) and cyber attacks as AI has an aspect of dual use technology.

13 Under such circumstances, in the EU, the AI Act, a comprehensive regulation on AI, came into effect
14 in August 2024. The AI Act adopts an approach in response to four stages of risks and has introduced
15 regulations prohibiting AI which threatens human's safety and fundamental rights from putting into
16 markets or using, and imposing an obligation to conduct impact assessments and conformity
17 assessments before putting AI that is likely to seriously harm human's health, safety, democracy and
18 the rule of law as a high-risk AI system, into market. In addition, the Act has established regulations
19 imposing obligations of the transparency including creation of technological documents and
20 disclosure of training data on providers of the general-purpose AI, and additionally imposing
21 implementation of model evaluation or a report obligation regarding incidents on providers of general-
22 purpose AI with systemic risks, such as those having computational volumes of training data that is
23 over 10^{25} FLOPs.

24 In the United States, since July 2023, major AI development companies have announced a
25 voluntary commitment to implement information sharing regarding risks management of AI, research
26 regarding social risks possibly caused by AI system and investment in cyber security. Additionally, in
27 October 2023, in order to mitigate national security risks, based on the Defense Productive Act, the
28 Executive Order was issued, including instructions for US companies who develop dual-use
29 foundation models with which computational volumes of training is over 10^{26} FLOPs to continuously
30 submit information on activities, regarding model's training, development or manufacture to the
31 government. The Executive Order gives various orders to the relevant US agencies, instructing NIST
32 (National Institute of Standards and Technology) to formulate guidelines on the safety and security of
33 AI, and instructing OMB (Office of Management of Budget) to formulate guidance on the use of AI by
34 the government. Additionally, in September 2024, State of California enacted the state law SB 942 to
35 improve the transparency of contents created by AI and the state law AB 2013 to disclose the data
36 used for training AI.

1 The G7 in 2023, chaired by Japan, launched "Hiroshima AI Process"¹ to consider global rules
2 related to generative AI, and established "Hiroshima Process International Guiding Principles for All
3 AI Actors" and "Hiroshima Process International Code of Conduct for Organizations Developing
4 Advanced AI Systems" aimed at realizing safe, secure and trustworthy AI. Subsequently, Japan, as
5 an outreach beyond the G7, launched the Hiroshima AI Process Friends Group, working on expanding
6 the number of countries that support the spirit of the Hiroshima AI Process. Additionally, in 2024, Italy,
7 the chair of the G7, took over the Hiroshima AI Process and discussions on a framework to report
8 status of implementation of the international code of conduct have been taking place. In addition to
9 these, there are active discussions on AI governance in frameworks among multilateral countries
10 including the United Nations, the Council of Europe and the OECD.

11 In Japan, since May 2023, "TENTATIVE SUMMARY OF AI ISSUES" (AI Strategic Council, 26 May,
12 2023) and "General Understanding on AI legal system" (AI Strategic Team, May 2024) have been
13 compiled, summarizing discussion points on AI and indicating general understanding on AI legal
14 system, and "The Integrated Innovation Strategy 2024" (decision by the Cabinet, on 4 June, 2024)
15 establishes strategy aimed at strengthening competition in the field of AI and ensuring safety and
16 security. Furthermore, "AI Guidelines for Business Ver1.01" (Ministry of Internal Affairs and
17 Communications, and Ministry of Economy, Trade and Industry on 22 November 2024) indicates an
18 approach to develop, provide, and use AI in business activities, and like this, relevant ministries
19 cooperate to consider and respond.

20 According to the result of a survey on awareness for AI risks and safety (Figure 1), in Japan, as low
21 as 13% of respondents think that "they can use AI safely under current rules and laws," and 77% of
22 them think that "AI needs to be regulated". Furthermore, they feel risky about "quality instability",
23 "process black-boxing" and so on, and they also call on the government to "strengthen legal measures
24 against misuse of AI or crimes using AI". In terms of dealing with risks of AI, while each country
25 centered on European countries and the U.S. is progressing discussion and consideration of legal
26 system related to AI, Japan has responded mainly by soft law such as guidelines and has had no
27 consideration of a legal system specific AI.

28 Based on the above situation, AI Legal Institutional Study Group was established under the AI
29 Strategic Council, holding interviews with various stakeholders including business operators, experts
30 and local governments, and considering how to approach AI legal system including whether legal
31 systems are needed or not. This consideration was based on the spirit of the Hiroshima AI process,
32 and discussions were held based on four basic principles: "Balance Risk Mitigation and the promotion

¹ Based on the result of the G7 Hiroshima Summit held in May 2023, this process was established in
May 2023 to discuss generative AI, whose rapid development and expansion have become significant
issues for the international community as a whole.

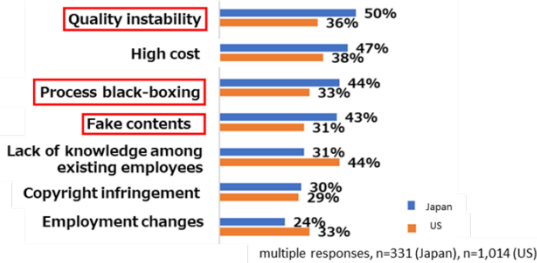
1 of Innovation”, “Design of flexible legal systems that can respond to the speed of technological and
2 business change”, “International interoperability” and “Proper procurement and use of AI by the
3 government”. This report summarizes the result of consideration based on the interviews and
4 discussions by AI Legal Institutional Study Group. With regard to the use of AI from the perspective
5 of national security, it is necessary to separately progress consideration centered on security-related
6 ministries and agencies.

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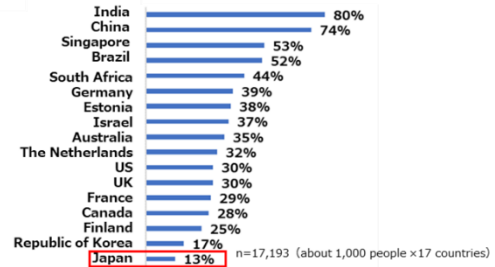
Survey on Awareness for AI Risks and Safety (International Comparison)

- Compared to the United States, in Japan, more companies are concerned about "quality instability," "process black-boxing" and "fake contents," and fewer companies take a governance against AI risks
- In Japan, only 13% of respondents think that "they can use AI safely under current rules and laws," the lowest among the surveyed countries, and 77% of them think that "AI needs to be regulated," ahead of the United States, France and Germany.

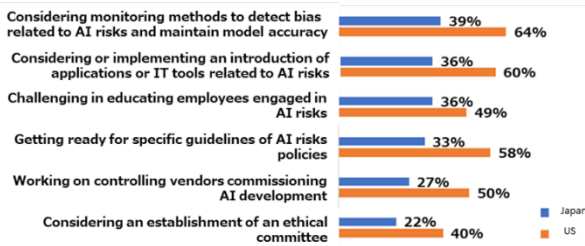
Risks perceived regarding the use of generative AI



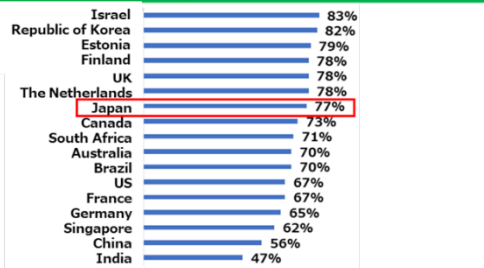
Respondents thinking they can use AI safely under current rules and laws



Status of governance measures for AI risks



Respondents thinking AI needs to be regulated



(Source) Prepared by the Cabinet Office based on the PwC Japan "2023 AI Predictions"

(Source) Prepared by the Cabinet Office based on the KPMG "Trust in Artificial Intelligence: A global study"

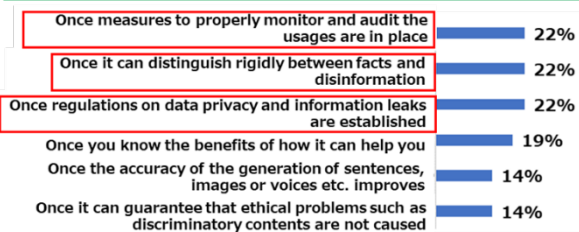
Survey on Awareness for Generative AI (Japan)

- As for the image of generative AI, 30% of respondents answered that "facts and disinformation are being mixed," while in terms of what would make you inclined to use generative AI, 22% of respondents answered, "measures of monitoring and auditing," "a rigid distinction between facts and disinformation" or "regulations for privacy etc."
- The most common request for companies (66%) is "to strengthen safety of customer data and privacy protection," while the most common request for government (66%) is "to strengthen legal measures against misuse of AI or crimes using AI".

The image of generative AI

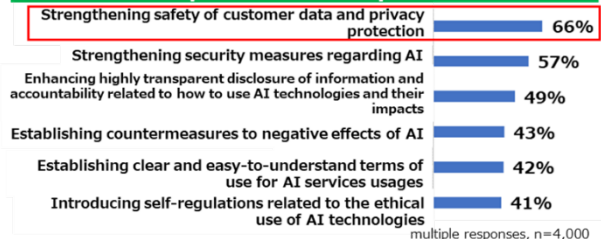


What would make you inclined to use generative AI

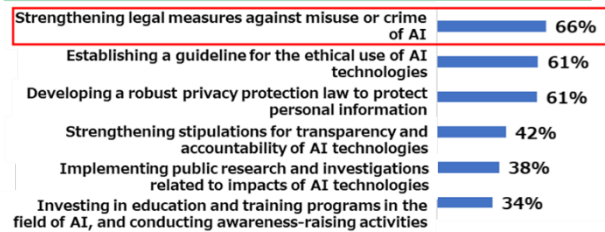


(Source) Prepared by the Cabinet Office based on the Cross Marketing "Survey on Generative AI (2023) the Actual State of Use and Awareness"

Requests for companies



Requests for government



(Source) Prepared by the Cabinet Office based on International University Global Communication Center "Innovation Nippon 2024 Generative AI and Japan"

Figure 1 Survey on awareness for generative AI

1 **II.Basic approach to legal systems**

3 **1 .Recent development in AI**

4 There are various ways of classifying AI, and for example, it can be classified into Specialized AI
5 and General-purpose AI. Specialized AI is AI that is specialized in processing specific tasks such
6 as voice or image recognition and autonomous driving. General-purpose AI is AI that is trained on
7 larger amount of data than specialized AI, has high versatility and can process various tasks, and
8 generative AI², whose potential attracts a great deal of attention in recent years, generally belongs
9 to general-purpose AI. It had been considered that general-purpose AI generally improve its
10 performance as the number of parameters of training data and models increases, but recently,
11 general-purpose AI with high performance regardless of scales of training data has also appeared.
12 Some people say that in the future, AGI (Artificial General Intelligence), which will have an ability
13 to realize various tasks at the same level as humans, will appear. As described above, AI
14 technology has been making remarkable progress in recent years. The definitions of terms related
15 to AI, including “AI” and “business operators,” are being discussed internationally, and it is
16 considered that these definitions will continue to change in the future, so it is also important to take
17 these discussions into consideration.

19 **2.Related actors**

20 **(1) Main actors**

21 In this report, in the lifecycle from data collection, model development to AI system development,
22 (including AI models), and finally use of AI services, we will describe on the premise of three main
23 actors; AI developer, AI provider and AI user. (Figure 2)

24 First, AI developers shall be those who collect data, train models, and develop constructions of
25 models' system infrastructure or input/output functions. Second, AI providers shall be those who
26 incorporate AI into existing or new systems and provide AI systems which is ready for use in
27 services, or those who implement everything from incorporating AI to providing AI service. Finally,
28 AI users shall be those who incorporate AI systems implemented by others into their services and
29 use the systems as AI services, or those who use the provided AI services.

30 Furthermore, in addition to the three main entities listed above, it is also necessary to be aware
31 of the existence of various other stakeholders, including those who provide training data, those
32 who provide resources necessary for AI, such as data centers, and those who conduct research.

² It is defined “a general term representing AI developed from an AI model that can generate texts, images, programs, etc.” in “AI Guidelines for Business Ver1.01”

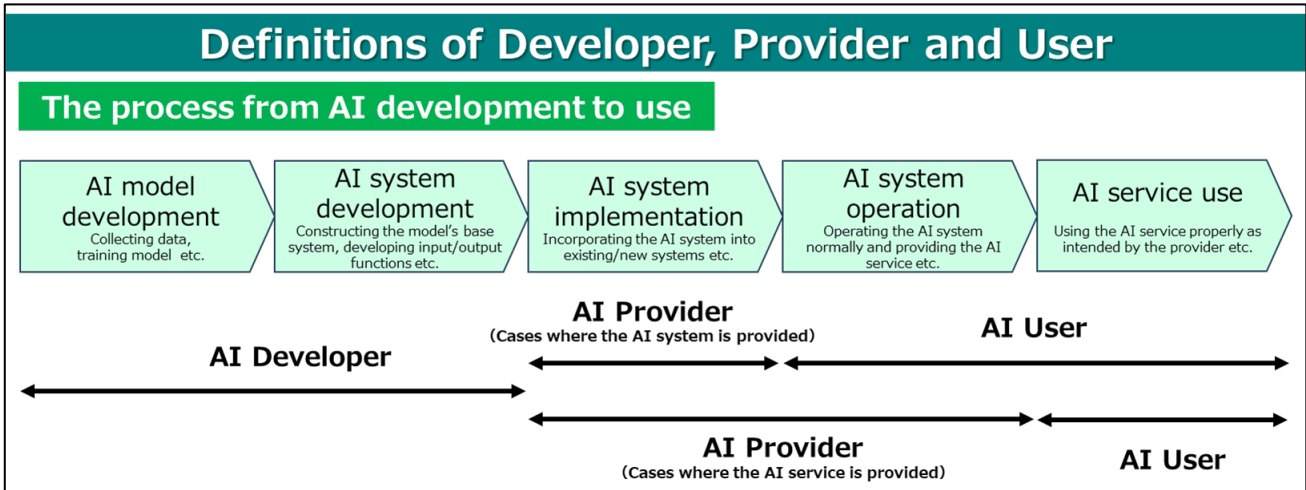


Figure 2 Positioning of each actor

(2) Overseas actors

Many of the generative AI used in Japan are provided by overseas business operators and it is not appropriate to exclude overseas business operators uniformly from the scope when considering AI-related legal systems. Given that people living in Japan can easily access and use AI services which overseas business operators provide on a daily basis via the Internet, and that domestic business operators may suffer unilateral disadvantages if legal systems which impose business operators any obligation exclude only overseas business operators, overseas business operators should also be covered by the same legal system as domestic business operators. In this case, in order to ensure the effectiveness of the legal system even for overseas business operators that are difficult to obtain compliance cooperation due to geographical factors, etc., formulating rules should be considered that clearly include overseas business operators as well. In practice, if an overseas operator has a branch office or representative in Japan, it may be possible to consider requesting responses through these entities.

3. Balancing the promotion of innovation and risk mitigation

While AI can cause various risks depending on the methods of its development or use, etc., it also has the potential to greatly contribute to improving people's lives and developing the national economy. It is important to take a balance between the promotion of innovation and risk mitigation to realize the country where it is easier to research and develop and implement AI.

(1) Promoting innovation

① Support for research and development

Research and development of AI require large amounts of training data, as well as facilities and equipment that can handle large-scale information processing, information communications,

1 data storage, etc. From the perspective of aiming to promote innovation by various entities
2 (including start-up companies) using these facilities and equipment, it is important that the
3 government progress promotion. In addition, with regard to human resources researching and
4 developing, the shortage of AI talent in Japan is becoming more serious due to the intensifying
5 global competition to acquire, so it is important to actively promote human resource development.

6 The government, etc. is already working to improve and expand high-quality Japanese
7 language data, etc. and provide them to Japanese companies in an appropriate format. It is also
8 working to expand data centers, consider toward securing power supplies, and support AI
9 semiconductors. Human resource development projects such as” Next Generation AI Human
10 Resources Development Program³” have been implemented. Support to research and
11 development of AI should continue to be carried out from various aspects.

12 In addition to this, as it can be seen from the example that a breakthrough in basic research
13 and development related to the development of large-scale language models led to the
14 development of generative AI and rapid expansion in its use, as for AI, there is a close
15 relationship between basic research and expansion in its use, and consideration for the
16 promotion of basic research is needed.

17 At present, the RIKEN is working on AI for Science, which involves using AI foundation models
18 in scientific research, and this has the potential to bring about major changes in scientific
19 research methods and research itself. Further, in April 2024, Japan-U.S. Joint Leaders’
20 Statement involved collaboration between Argonne National Laboratory, U.S. and AI for Science,
21 and international collaboration has also been carried out. It is important to continue to engage
22 in research and development activities that contribute to the development of other fields.

23 ②Use by business operators

24 In order to improve the competitiveness of Japan, it is important not only to support research
25 and development as referred to in ① but also to widely implement AI technology in society and
26 ensure its utilization by domestic business operators. For example, promoting efforts to return
27 the results of research conducted by government's research institutions, universities, etc. to
28 society and transfer technology may be considered to lead to new business participation by
29 business operators and the revitalization of various business industries.

30 In Japan, it is common for business operators to develop their own AI systems and provide
31 AI services to consumers, but it is considered that in the future, it is expected that there will be

³ “Broadening Opportunities for Outstanding Young Researchers and Doctoral Students in Strategic Areas; Next Generation AI Human Resources Development Program” is a program run by the Japan Science and Technology Agency that provides support to young researchers and doctoral students who are working on research and development in the field of next-generation AI (AI fields and emerging and converging domains in the AI field).

1 increased number of business operators⁴ that provide AI services to consumers by using AI
2 systems developed by other companies, so it is also important for the government to create an
3 environment that allows such business operators to smoothly provide AI services both
4 domestically and internationally. Specifically, in order to promote highly secure AI systems to
5 expand the market, it is effective to ensure international alignment and implement safety
6 evaluations and certifications, etc. as mentioned later. For example, by providing incentives to
7 those who have obtained certification and increasing the number of certified business operators,
8 it is considered that many citizens will be able to use AI with greater peace of mind, the market
9 will expand, and innovation will be promoted. Furthermore, in order to encourage domestic
10 business operators to participate newly to the AI market, it is also important to create an
11 environment where business operators can learn the basic knowledge, etc. of AI.

12 In addition, we should also focus on use of AI in robotics, medicines and disaster prevention,
13 and international collaboration and contributions such as collaboration with Asian countries.

14 **(2) Application of laws and making use of soft law**

15 With regard to risks that AI can pose, for example, the following figure 3 exists, and it is
16 necessary to consider further systems on the premise that existing laws and regulations have
17 already taken certain measures against these risks.

18 With regard to risk mitigation, there are responses by laws and by soft law such as guidelines.

19 In Japan, at present, in order to deal with risks and problems caused by AI, the government
20 ministries and agencies responsible for each field are responding through laws and soft laws. For
21 example, in June 2023, while indicating points of caution related to handling personal information
22 when using generative AI services, the Personal Information Protection Commission alerted
23 personal information handling business operators and administrative bodies⁵ to handle personal
24 information properly, in accordance with the Act on the Protection of Personal Information (Act
25 No.57, 2003). Further, in March 2024, the Legal Subcommittee under the Copyright Subdivision
26 of the Cultural Council , Agency for Cultural Affairs, has presented a certain way of thinking related
27 to interpretation of the relationship between AI and current copyright law in mitigating concerns
28 that copyright infringement may occur when training generative AI using a great amount of data

⁴ Benesse Corporation is using AI systems developed by other companies to provide services to customers, such as “AI to help with Independent Research” and services that use accumulated knowledge and data (as referred to at the AI Institutional Study Group (2nd Meeting), Material 2).

⁵ This refers to administrative bodies, local governments’ bodies (except councils), incorporated administrative agencies , (except agencies listed in Appended Table 2, the Act on the Protection of Personal Information) and local independent administrative agencies (except institutions whose main purpose is the business listed in Article 21, item 1 of the Local Independent Administrative Agencies Law, or whose purpose is the business listed in the same Article, item 2 or 3(h)).

1 and when it is generating contents, and in May 2024, the Intellectual Property Study Group, the
2 Cabinet Office, summarized the thoughts on legal rules on the relationship between AI and
3 intellectual property rights, while in order to realize ecosystem balancing between advancement
4 of AI technology and proper protection of intellectual property rights, indicating the thoughts on the
5 necessity that each actor works on through a combination of laws, technology and contracts.
6 Furthermore, as mentioned at the beginning of this report, in April 2024, the Ministry of Internal
7 Affairs and Communications and the Ministry of Economy, Trade and Industry published the “AI
8 Guidelines for Business Ver1.0”⁶, which states that AI systems and services should be developed,
9 provided, and used respecting the rule of law, human rights, democracy, diversity, and a fair and
10 just society.

11 If there is any penalty based on laws, public organizations can invoke some kind of coercive
12 power, which means an advantage that it is easy to ensure effectiveness of the rules, but, it may
13 hinder the development of the regulated field, and there is also the drawback that it lacks flexibility,
14 as it takes a certain amount of time to consider their scope by the fact that the regulations which
15 affect the rights and interests of citizens need to be clear. Even laws that do not involve restrictions
16 can discipline domestic and overseas business operators and thereby ensure a certain level of
17 effectiveness by clearly stating their obligations and responsibilities in the laws.

18 On the other hand, soft law such as guidelines has the advantage of being able to respond
19 quickly and flexibly in line with the international situations and the latest technological trends, and
20 having less negative impact on innovation, while the soft law may have to rely on the voluntary
21 response of business operators.

22 In general, Japanese companies are considered to have a high awareness of compliance, and
23 when new regulations are enacted, there is a possibility that they will hesitate unnecessarily to
24 develop and deploy new research and development or services due to their awareness of
25 compliance with the new regulations. In the field of AI, where technological development and
26 service changes are rapid, excessive regulations that inhibit research and development or
27 development and deployment of services carry the risk of undermining Japan's international
28 competitiveness in the future. Therefore, when considering and introducing new legal systems, it
29 is necessary to pay sufficient attention to the impact on innovation.

30 From what is mentioned above, in order to ensure balance between the promotion of innovation
31 and risk mitigation, an appropriate combination with soft law such as laws and guidelines should
32 be used. Basically, the autonomy of business operators should be respected, and regulations by
33 laws should be limited to cases where voluntary efforts by business operators cannot be expected.
34
35
36

⁶ In November 2024, the version 1.01 was released with updates.

Examples of risks that AI can pose	Specific examples and hypothetical cases	Main laws, etc.
Entering confidential information into AI	Entering confidential corporate information into an external AI service, ending up with information leakage	The Unfair Competition Prevention Act, The Civil Code (contract) ※February 2024, the points of notes when using AI were summarized in "The Handbook to protect confidential information" (Ministry of Economy, Trade and Industry)
Infringement of others' copyright in the process of developing, training, generating and using AI	Training for the purpose of generating images similar to illustrations of specific manga or, anime characters, etc., and generating and using such images similar to those illustrations	The Copyright Act ※March 2024, "General Understanding on AI and Copyright in Japan" was published, clearing the interpretation (Agency for Cultural Affairs)
Infringement of others' industrial property rights in the process of developing and using AI	By training the registered trademarks of others, creating trademarks that are identical or similar to the registered trademarks, and using them for goods or services that are identical or similar to the designated goods or services	The Design Act, The Trademark Act ※May 2024, "Intellectual Property Right Study Group in the AI era Interim Report" was published, organizing the approach to legal rules. (Intellectual Property Right Study Group in the AI era)
Privacy violations and violations of personal information protection in the process of developing and using AI	Using data that includes personal information for AI training without the consent of the individual	The Constitution (privacy right, publicity right), The Act on the Protection of Personal Information ※June 2024, "the Act on the Protection of Personal Information the Every-Three-Year Review Interim Report" was published, organizing points of discussion in using AI (Personal Information Protection Commission)
Malfunction of products with AI	Safety of lives and bodies are impacted on by malfunction of automatic driving vehicles	The Road Transport Vehicle Act, The Act on Pharmaceuticals and Medical Devices (PMD Act), The Industrial Safety and Health Act, The Civil Code (torts, etc.), The Product Liability Act, The Act on Securing Compensation for Automobile Accidents, The State Redress Act
Deepfake (misuse of portraits, voices, etc. synthesized by AI)	The act of synthesizing and disseminating personal images into pornographic or other sexual images without the person's consent, and fraud through voice calls pretending to be a celebrity or acquaintance using AI	The Civil Code (moral right, torts), The Penal Code (crimes of intimidation, defamation, distribution of obscene objects, fraud, damage to credibility; obstruction of business, etc.), The Child Pornography Prohibition Act
Promotion of bias (discrimination and prejudice)	Implementing judgements related to hiring and retiring by inappropriate AI	The Act on elimination of hate speech, Employment Relations laws and Regulations, The Civil Code, The Personal Information Protection Laws, The Act for Eliminating Discrimination against Persons with Disabilities, The Act on the Promotion of the Elimination of Buraku Discrimination
Information manipulating by disinformation and misinformation	Disturbing election by creating false information about the candidates using AI and spreading it on SNS, etc.	The Civil Code (moral right, torts), The Penal Code (crime of defamation), Administrative Regulations, Public Offices Election Act, The Information Distribution Platform Act (information on infringement of rights)
Violation of the rights and interests of citizens	There is a possibility that individuals may suffer disadvantages, such as being unable to receive administrative services, due to incorrect judgments made by AI	The Constitution (due process), The Administrative Procedure Act
Cyber attacks such as creating viruses	Creating computer viruses by misusing generative AI	The Penal Code (crimes related to electronic or magnetic records containing unauthorized commands), The Act on Prohibition of Unauthorized Computer Access
Hallucination (AI creating false information)	Generative AI creating false information to mislead users	The Civil Code (torts, contract)
Increased environmental impact	Increasing CO2 emissions due to increased power demand, etc. in the process of AI development	The Act on Promotion of Global Warming Countermeasures
Negative interaction between humans and AI	A person who became engrossed in conversations with AI became pessimistic about life and commit suicide.	-
Concerns that AGI might go out of control	There is a possibility that humans might lose control of AGI, causing social chaos	-

※"The AI Guidelines for Business Ver1.01" describes several of the above risks and indicates how to respond to them under 10 common guidelines (human-centered, safety, fairness, ensuring privacy, ensuring security, transparency, accountability, education and literacy, ensuring fair competition, and promoting innovation).

Figure 3 Categorizations related to risks that AI can pose.

1 Furthermore, in domains where individual laws already exist, AI is beginning to be used in
2 various ways in each domain, and the need to protect rights and interests arises in different
3 situations depending on the use of AI, so we should first respond by making use of the framework
4 of the relevant laws and regulations. In addition, if responding by legal restrictions including the
5 case of creating new legal systems for domains other than those mentioned above, the content of
6 the application should be based on the risks posed by AI, as mentioned in (3) below, while taking
7 into account the impact on the activities of business operators, it should be suitable content that is
8 necessary to protect the rights and interests that truly need to be protected. In doing so, it is
9 important to be aware of the division of roles between the government and business operators,
10 and to clearly define the line between what is subject to regulations and what is permissible for
11 business operators' activities. It is also important to consider based on the principle of
12 technological neutrality of regulations meaning that regulations should not force or favor the use
13 of specific types of technology in order to achieve their goals. With regard to apply regulations in
14 cases of testing inappropriate AI in order to do proper research related to AI safety, etc., it is
15 necessary to consider including whether it is needed or not. When considering legal systems that
16 is broadly targeted at business operators in general, it is necessary to consider the burden on
17 business operators in compliance with the systems, so that they can be complied by business
18 operators of any scale, including start-up companies.

19 **(3) Mitigating risks**

20 In mitigating risks, it is effective to establish individual standards in using AI in specific domains
21 as well as clarify common contents that AI stakeholders should adhere to.

22 At present, international guiding principle and international code of conduct related to
23 advanced AI system in Hiroshima AI process, and the OECD "Recommendation of the Council
24 on Artificial Intelligence" (the OECD AI Principle), etc. exist as the international framework. Based
25 on them, as domestic norms, "AI Guidelines for Business" for all those involved in development,
26 provision and use of AI in various business activities, was published, etc. and matters that should
27 broadly and generally be complied with have been formulating. In order to mitigate risks more
28 appropriately while ensuring balance with the promotion of innovation, along with updating the
29 content of the "AI Guidelines for Business" in line with technological developments, etc., it is
30 important to mitigate as necessary while promoting dissemination and enlightenment, etc. so that
31 each entity complies appropriately. In order to mitigate appropriately to risks, in addition to
32 clarifying roles of each entity such as developers and providers in accordance with guidelines, it
33 is necessary to clarify responsibility. At the same time, it is necessary to share necessary
34 information and work closely together between each stakeholder such as developers and
35 providers, and providers and users.

36 When using AI in a specific domain, it is important to consider the purpose, method of use,
37 etc., and respond individually. When using AI in a specific domain, it is important to consider the

1 purpose, method of use, etc., and respond individually. For example, AI related to infrastructure
2 and services that form the basis of people's lives and economic activities (hereinafter referred to
3 as "infrastructure services, etc."), and product safety, will be responded by the relevant
4 responsible government ministries and agencies mainly through existing laws.

5 In addition to this, it is also necessary to mitigate appropriately to new risks that will become
6 apparent in the future due to the rapid development of AI, depending on the content of each field.
7 In particular, as for AI that actually poses or is highly likely to pose a serious threat to fundamental
8 human rights and interests such as life, body, and property, as well as to social safety and national
9 security, the need for regulations should be considered depending on its content of risks or
10 severity of social impact of the risks.

11 To do this, collaborating between the government and business operators, based on examples
12 of actual cases, with various AI models and uses in existence, at each stage of the AI lifecycle,
13 such as development, provision, and use, it is necessary to analyze the factors of potential risks,
14 including the types of AI models, the nature of the risks they pose, and the impact they may have
15 on different stakeholders. As a prerequisite, it is important to first survey and analyze the actual
16 status regarding AI development and use, and then to take the necessary measures in a timely
17 and appropriate manner after sharing this awareness throughout society. For example, there are
18 concerns over screening job applicants by a strongly biased AI and confused consumers by AI,
19 and it is significant for the government to consider necessary measures while working to grasp
20 the current situation. Further, when requesting cooperation from each entity in order for the
21 government to understand the current situation, the basic principles of rule of law, due process,
22 and democratic and responsible administrative, etc., as confirmed in the Hiroshima AI Process,
23 etc., should be complied, and it is necessary to prevent the government from arbitrarily exercising
24 its authority and causing a decrease in the predictability and a shrinkage effect on business
25 operators, etc.

26 Other countries has established regulations, etc. based on the scale of AI including the amount
27 of calculation of training, or the number of users, but in light of the development of high-
28 performance AI that is not dependent on its scale, it is necessary to consider what factors should
29 be taken into account.

31 **4. Promoting international cooperation**

32 **(1) Formation of AI governance**

33 With regard to AI governance, there are lively discussion in framework of multilateral countries.

34 As mentioned in "1. Preface", following the G7 Hiroshima Summit in May 2023, G7 established
35 the "Hiroshima AI Process" to consider international rules regarding generative AI, and in
36 December of the same year, the "Hiroshima AI Process Comprehensive Policy Framework",
37 which includes the "Hiroshima Process International Guiding Principles for All AI Actors" and the

1 “Hiroshima Process International Code of Conduct for Organizations Developing Advanced AI
2 Systems”, was approved by the G7 leaders. After that, Japan has been communicating the spirit
3 of the Hiroshima AI Process at various international conferences, etc., aiming at realizing safe,
4 secure and trustworthy AI. As an outreach beyond G7, in May 2024, with the support of 49
5 countries and regions that agree with the spirit of the initiative, the “Hiroshima AI Process Friends
6 Group” was established, aiming to expand support. The formation of international AI governance
7 will determine the direction of future AI development and, in order to contribute to national
8 interests, based on the concept of Hiroshima AI Process, Japan should contribute to leading the
9 discussion at various international conferences, etc. In addition, Japan should establish an AI
10 legal system that serves as a model for other countries, and disseminate it to the world.

11 In September 2024, the “Global Digital Compact” was adopted as an annex to the outcome
12 document of the Summit of the Future at the United Nations. It includes the establishment of an
13 international scientific panel on AI to promote scientific understanding through the assessment of
14 AI risks and opportunities, as well as the launch of a global dialogue on AI governance involving
15 national governments and related stakeholders. Additionally, the Council of Europe has
16 established the “Framework Convention on Artificial Intelligence and Human Rights, Democracy
17 and the Rule of Law” (tentative title), and at present, in addition to the EU, the 10 countries
18 including the United States and the United Kingdom have signed the convention. The OECD
19 established AI principle in 2019, which consists of inclusive growth, sustainable development and
20 well-being, human-centered values and fairness, etc., and has just updated it in May 2024 in
21 order to respond to risks of disinformation and misinformation by generative AI developing rapidly.
22 Based on a human-centered approach, GPAI (Global Partnership on Artificial Intelligence), which
23 is an international and multistakeholder initiative to guide the responsible development and use
24 of AI, in November 2022, reached an agreement of the first Ministerial Declaration among each
25 country on the promotion of the use of AI based on human-centered values, opposition to the
26 illegal and irresponsible use of AI, and contributions to sustainable, resilient, and peaceful
27 societies, etc., and in July 2024, the first GPAI Expert Support Center in Asia was established in
28 Tokyo to support projects regarding generative AI promoted by the Hiroshima AI Process. There
29 are also various discussions taking place internationally, and in terms of implementing legal
30 systems and policies related to AI, we should respond based on agreements or accepted
31 arrangements and concepts in these international frameworks, etc.

32 **(2) Ensuring international alignment and interoperability**

33 As mentioned earlier, the people of our country can use AI services provided by business
34 operators in various countries through the Internet, and AI services in Japan can be used by people
35 from all over the world. In this situation, if the interoperability of international norms regarding safety,
36 etc. that must be satisfied and the norms applied in Japan are ensured, business operators in
37 Japan can smoothly advance into overseas markets, and the people of our country are able to

1 access AI services all over the world, so it is important to ensure international alignment and
2 interoperability.

3 Therefore, in addition to the importance of the Hiroshima AI Process, standardization activities
4 that set international standards in ISO, IEC, etc. are important for the development of global
5 markets and business activities in the future, and it is necessary to discuss among a wide range
6 of stakeholders, have a long-term perspective and promote actively.

7 The AI Safety Institute (AIS), an organization that examines and promotes evaluation methods
8 and standards for AI safety, is working to build a network with related domestic and overseas
9 organization, as well as creating guidance for safety evaluation, etc., as a hub for AI safety
10 knowledge in domestic and overseas. Following the AI Safety Summit held in the UK in November
11 2023, discussions on governance from a technical perspective regarding the safety of AI
12 progressed, and in February 2024, the AISI was established in Japan following the UK and the US,
13 and in order to ensure the international alignment and interoperability mentioned above, it is
14 important to promote initiatives by the AISI.

15 16 **III.Direction of specific legal systems and policies**

17 18 **1 .Overall items**

19 AI, including generative AI, is highly versatile and is used in various fields, and the way it responds
20 to risks also varies. With regard to mitigate risks including handling of personal information or
21 copyright and dealing with disinformation and misinformation, it is on a premise of responding mainly
22 through existing laws, etc., but in terms of AI, there are also cases where a cross-cutting response is
23 required, so it is necessary to strengthen the government's function of a strategic leadership board
24 which oversees the whole picture, to formulate strategies, and to ensure the transparency and
25 appropriateness to improve safety, and, as necessary, it is appropriate to develop legal systems.

26 **(1) Strengthening the government's function of a strategic leadership board and** 27 **formulating strategy**

28 Due to the expansion of fields of application and uses, the emergence of general-purpose AI,
29 etc., there are cases where the period from research and development to use is short, and
30 initiatives at each stage during this period can be carried out almost simultaneously. For this reason,
31 the initiatives in the various entities and processes from research to development and use are
32 closely related to each other, and it is necessary to carry them out in an integrated and cross-
33 cutting manner, and the government's function of a strategic leadership board to promote
34 integrated measures from research and development to use in economical society should be
35 strengthened.

36 In addition to its use in various situations to improve citizens' lives, including its use by the
37 national government and local governments, there are also concerns over its misuse for criminal

1 purposes, and because it also has aspects of dual-use technology, when strengthening the
2 function of a strategic leadership board , it is necessary to establish a policy promotion system in
3 which the relevant government ministries and agencies participate widely.

4 Furthermore, in order to promote comprehensive measures, it is necessary for the strategic
5 leadership board to formulate a strategy or a basic plan (hereinafter referred to as “the strategy”).
6 Regarding AI, since ensuring safety and security is important for promoting the use of AI, promoting
7 innovation, responding to security risks, preventing crimes, etc., the strategy should contribute to
8 promoting safe and secure research and development and use of AI. The strategy should include
9 measures that require the whole government to work together in order to balance the promotion
10 of innovation and risk mitigation while promoting international cooperation.

11 The above should be legislated in order to strengthen the function of a strategic leadership board
12 for AI and clarify its authority that it can request cooperation from related administrative agencies.

13 **(2) Improving safety**

14 In order to improve the safety of AI, it is necessary at least to ensure the transparency and
15 appropriateness in the lifecycle from research and development to use. In addition, it is considered
16 effective to use safety evaluations which business operators voluntarily undertake and third-party
17 certifications. Furthermore, the government should survey the actual status regarding rapidly
18 evolving AI technology and usage trends, provide information, and, as necessary, request relevant
19 entity to take action.

20 In order to implement these measures, it is necessary for the public and private to cooperate
21 and work together because information sharing and cooperation from related entities including
22 business operators are essential.

23 **① Ensuring appropriateness and the transparency through AI life cycle**

24 From research and development to use of AI, for example, in the case of using a large amount
25 of training data to construct models, passing tuning, transferring them from developers to
26 providers, trained further by providers, and the AI services are provided to users, the ability of
27 the AI systems which developers developed and that of the AI systems of AI services that
28 providers provide to users can be different and the result of risk evaluation might be different as
29 well. While users cannot always grasp how to mitigate risks at the point of development, in
30 mitigating risks, if the necessary information regarding such risks is not appropriately shared
31 with stakeholders, there is a possibility that providers will provide AI systems to users based on
32 misunderstanding, or that users will use AI services inappropriately, resulting in the risks
33 becoming apparent.

34 For this reason, in order to ensure the safe and secure research and development and use of
35 AI, the transparency should be ensured to share the necessary information between developers
36 and providers, and providers and users. On the other hand, so that measures to ensure such
37 transparency will not result in excessive burdens on business operations of business operators

1 or extensive information disclosures, and at the stage of research and development, it has not
2 been yet put to a practical use, and information regarding research and development are likely
3 to be related to confidential information of companies, it is important to limit information sharing
4 to truly necessary extent.

5 Regarding appropriateness, the “Hiroshima Process International Guiding Principles for All AI
6 Actors” agreed upon in the Hiroshima AI Process required AI actors to identify and mitigate risks
7 and incidents when developing advanced AI systems and before and after putting them into the
8 market, and to promote the trustworthy and responsible use, etc., and various discussions are
9 being held in AISI, ISO, etc. in other countries, and it is necessary to promote appropriate
10 research and development and use.

11 In order to ensure appropriateness, it is appropriate for the government to develop guidance
12 based on the spirit of international norms such as the Hiroshima AI Process, and to encourage
13 business operators to take voluntary actions in accordance with various norms.

14 Furthermore, in order to ensure appropriateness including ensuring the transparency, the
15 government should ascertain the situation of business operators by surveys, and based on the
16 results, provide necessary support including responses based on existing laws. As it is not
17 possible to ascertain the situation of business operators or provide necessary support by the
18 government without the cooperation of business operators, it is appropriate to respond by legal
19 systems so that it is possible to ask for domestic and overseas business operators to cooperate
20 including information sharing, etc.

21 In addition, in order to ensure the transparency and appropriateness, technical responses
22 such as provenance information by digital watermarking⁷ or digital provenance⁸, etc., are also
23 important. In relation to this, in September 2024, the Ministry of Internal Affairs and
24 Communications "Study Group on How to Ensure the Soundness of Information Distribution in
25 the Digital Space", pointed out that with regard to disinformation and misinformation, it is
26 important to promote research and development, and social implementation of technology which
27 judges whether an information is generated by AI or not, or technology ensuring information
28 contents, trustworthiness of senders, etc., and proposed specific measures to the government.

29 **② Strategic promotion related to safety evaluation and certification practiced by domestic**
30 **and overseas organizations**

31 In promoting the safe and secure use of AI, the implementation of safety evaluation and
32 certification systems is one of the effective means. Safety evaluation and certification systems

⁷ Digital watermarking is a technology that embeds identification information in contents to show that it was generated by AI, such as “SynthID”.

⁸ Digital provenance is a technology that attaches provenance information of the creators, etc. to the contents in a verifiable form, such as “Originator Profile” and “C2PA”.

1 can be broadly categorized into those related to the evaluation and certification of AI systems
2 and those related to the evaluation and certification of governance, etc. of organizations that
3 use AI.

4 With regard to the evaluation of the safety of AI systems, developers, providers and users of
5 AI who understand the risks should basically carry out their own risk assessments and take
6 actions using internal and external expert teams and evaluation tools. If a useful third-party
7 certification is established in the future, it is conceivable that AI developers and providers will
8 obtain such third-party certification, and that many users, including the general citizens, and
9 providers who have not handled AI services so far, will also evaluate the safety of AI. Providers
10 and users will be able to recognize and select AI business operators and their AI systems with
11 high levels of security based on whether or not they are certified by a third-party.

12 On the other hand, with regard to governance of organizations that use AI, there will be cases
13 where the users build system by themselves and evaluate on their own, or a third-party
14 certification is used. A third-party certification system is thought to be one of the measures that
15 will promote the safe and secure use of AI and contribute to the revitalization of AI industry in
16 Japan.

17 Certification of AI systems and the governance of organizations that use AI is currently being
18 considered by ISO.

19 Safety is already regulated by individual laws such as the Electrical Appliances and Materials
20 Safety Act (Act No. 234, 1961) and the Act on Securing Quality, Efficacy and Safety of Products
21 Including Pharmaceuticals and Medical Devices (Act No. 145, 1960), and also responded by "AI
22 Guidelines for Business". Furthermore, discussions are also being held in AISI communities,
23 ISO, IEC, and other organizations in other countries.

24 Activities to create international criteria and standards are important for ensuring the
25 interoperability of AI systems in the future global market and need to be addressed proactively
26 and strategically.

27 Furthermore, the development of legal systems in Japan should be based on international
28 norms and taken into account the effectiveness of the systems. When implementing AI
29 evaluation and certification, if levels can be set according to the users and purposes of use, and
30 if a system can be established that reduces the burden on users to confirm a certain level of
31 safety, and a system that certifies the organizations that implement evaluation and certification
32 can be established, it is thought that this will lead to more effective and sustainable systems.
33 However, when building this system, it is necessary to consider in detail which entities are
34 involved and what criteria are used for evaluation, on the premise of the activities of AISI, ISO,
35 and other organizations. In order to ensure AI safety, AISI is expected to continue to work with
36 relevant ministries and agencies on research, analysis, organization, and information
37 dissemination, and to support the organization that will serve as a strategic leadership board.

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③ Investigation and information dissemination by the government regarding serious incidents.

As mentioned above, AI has been developing rapidly in recent years, and various risks are increasing. In this situation, in order to deal with the risks of AI and implement appropriate measures as the government, it is appropriate for the government to first collect information and understand on the actual status related to development, provision, use of AI which constantly changes from perspectives of both technology and business activities, and for business operators to use AI effectively and appropriately, and in order to deepen citizens' understanding and interests in promoting research and development and use of AI and, while taking into account confidential information, in order to make companies fulfill their accountability, to provide information to citizens to necessary extent. In particular, with regard to AI models that many citizens use daily, the government should collect information related to safety and the transparency of AI including risks measures of supply chain. By widely providing information to citizens, users will be able to recognize and select AI providers and AI systems with high safety. It is important for the government to collect information regarding the actual status of AI introduction in infrastructure services.

In addition, if a serious accident caused by the use of AI actually occurs, the government will need to take measures to prevent its occurrence or escalation, as well as to raise awareness of recurrence prevention measures, by business operators that develop and provide AI. In other words, in terms of AI used in Japan, in the event that a serious problem which infringes on the rights and interests of citizens arises or is likely to arise, the cause of the problem should be investigated, and, as necessary, guidance and advice should be provided to stakeholders, and the information obtained should be made known to citizens. Regarding whether or not it can be said that incidents has occurred, it is important to judge based on cases or knowledge piled in the government through the information collection and ascertainment mentioned above.

Since this survey and dissemination of information cannot be carried out without the cooperation of business operators, it is appropriate to respond by legal systems so that the government can require domestic and overseas business operators to cooperate to provide information.

1 **2. Use by the government**

2 The rates of AI use by individuals and companies in Japan is significantly lower than those in other
3 countries⁹. As AI as a foundation of the development of people's lives and economic activities is
4 expected to increase importance of its use, if this situation is left unaddressed, there is a risk that
5 Japan's international competitiveness will be undermined. For this reason, it is thought that the
6 government at first should take the lead in using AI and promote its use by citizens.

7 **(1) Government procurement**

8 The government's indication of its basic approach to the use of AI is also useful from the
9 perspective of encouraging AI developers and providers who are considering participating in
10 government procurement to take their own initiatives to improve safety.

11 When the government procures information systems, with regard to things that deem necessary
12 to mitigate supply chain risks based on the "Agreement on the Procurement Policy and
13 Procurement Procedures for Goods, and Services of the State. Related to IT Procurement"
14 (agreement between relevant government agencies on December 10, 2018), after consulting with
15 National center of Incident readiness and Strategy for Cybersecurity and Digital Agency, necessary
16 measures will be taken, and AI is also subject to the agreement.

17 On the other hand, at present, there are no guidelines, that are specific to AI procurement, but
18 there are various risks associated with AI as mentioned above. Therefore, in order to mitigate this
19 situation, it is important to develop government procurement guidelines specific to AI that can be
20 used as a reference when the government procures AI, or to deepen the existing guidelines related
21 to AI.

22 In addition, by developing guidelines related to such government procurement, it may also be
23 useful for business operators that use AI when using some kind of AI systems or services, leading
24 to contributing to the promotion of the spread of AI with high safety.

25 In developing guidelines, while ensuring risks reduction of AI and its quality, at the same time,
26 when requiring ensuring the transparency, companies' burdens should be taken into consideration
27 depending on use situations, and it should be considered to make it easy and quick for many
28 business operators to participate.

29 **(2) Use by the government**

30 By using AI, the government can improve the quality and efficiency of administrative services
31 and operations, and in addition, by showing use cases and their usefulness, and making specific
32 examples and points to note, the government promotes the use of AI and can contribute to the

⁹ According to the 2024 White Paper on Information and Communications by the Ministry of Internal Affairs and Communications, in Japan, only 9.1% of individuals use generative AI (in China (56.3%), US (46.3%), UK (39.8%), and Germany (34.6%)), and in a survey to companies, the percentage of companies using generative AI in their business was 46.8% (US (84.7%), China (84.4%), and Germany (72.7%))

1 development of the domestic AI market, so it is important for the government to take the lead in
2 using AI. However, matters that could have a significant impact on the rights and interests of
3 citizens, based on the risks¹⁰ of automatically adopting the output results of AI, should be
4 carefully considered.

5 Local governments also account for a large part of administrative services, and they have a
6 significant impact on people's lives, so it is important to promote the use of AI and improve the
7 quality and efficiency of administrative services and operations, etc. In addition, in promoting the
8 use of AI in local governments, it is important to refer to examples of use, including the advanced
9 initiatives of each local government¹¹, as well as the use of AI in response to the regional issues
10 of each local government.

11 With regard to the use of AI services by the government, etc., according to “Agreement on the
12 Business Use of Generative AI such as ChatGPT (2nd Edition)” (September 15, 2023, Agreement
13 of the Executive Board of the Digital Society Promotion Council), the government cannot handle
14 confidential information on cloud services that are provided only by agreements to standard terms,
15 rules, etc. to unspecified large number of users. As for the use of generative AI based on individual
16 contracts, etc., the government can handle up to some of the class 2 confidential information if
17 they conduct proper risk analysis after obtaining approval from the government's AI Strategic
18 Team. When the government uses AI, it is necessary to be careful of handling confidential
19 information, etc., and in accordance with agreements mentioned above, etc., and with reference
20 to initiatives¹² in other countries, as necessary, it is important to update them.

¹⁰ Cases of risk occurrence overseas include the case of unemployment insurance in the United States (the integrated data automation system used by the Michigan Department of Unemployment Insurance to detect fraud by claimants recorded an error rate of 93% over a two-year period from 2013, falsely accusing 20,000 state residents of fraud), and the case that led to teachers losing their jobs (The Houston Independent School District introduced a value-added model (VAM) to estimate the impact of teachers on students' academic growth, and used it to deny contract update or dismiss teachers from 2007 to 2016, and many teachers sought judicial relief to stop the use of VAM).

¹¹ In Kobe City, in March 2024, an AI ordinance was established with the aim of effective and safe use of AI in accordance with certain rules, and the city is also promoting the use of AI such as summarizing text, generating ideas, and generating programming codes (as referred to at the AI Institutional Study Group (2nd Meeting) Document 3).

Also, in Tokyo Metropolitan Government, in addition to establishing and revising a guideline, Tokyo Metropolitan Government AI Strategic Council was held in December 2024, promoting initiatives.

¹² In other countries, for the government agencies, guidelines and training programs of the use of AI are provided. For example, in September 2023, the Canadian government published a guide for using generative AI for federal government officers. In addition, in March 2024, the government of California, US,

1 **3. Risks related to life and body safety, systemic risks and national security**

2 It is considered necessary to particularly focus on dealing with matters such as medical devices,
3 self-driving cars, and infrastructure services, that are related to people's life and body safety as well
4 as systemic risks¹³ which have a significant impact on people's lives and social activities, but each
5 government ministry and agency responsible for each sector responds based on existing business
6 acts, and in order to determine whether or not additional measures are needed, they are also in a
7 state of dialogue when necessary with the industries regarding the development and use of AI
8 technology.

9 At present, each ministry should continue to respond under the existing laws and guidelines, but in
10 the future, if new risks emerge and cannot be dealt with using existing frameworks, the government
11 should consider reviewing legal systems or establishing a new legal system, after clarifying the
12 interpretation of the relevant framework. With regard to systemic risks, in the future, it is possible that
13 large-scale AI systems in which multiple AI systems work together will support social systems, and in
14 that case, if such groups of AI systems behave in unexpected ways, it could cause great confusion
15 throughout the society, so it is important to be dealt with appropriately.

16 Further, with regard to risks regarding national security such as the development of CBRN weapons
17 or the use of AI for cyber attacks, it is necessary for the relevant ministries and agencies to further
18 consider the necessary responses from the perspective of ensuring Japan's security.

19

20 **IV. Conclusion**

21

22 While legal systems related to AI are being developed in other countries, considering the above
23 situation, Japan should establish guidance for widely used AI to achieve balance between the
24 promotion of innovation and risk mitigation, and while encouraging business operators to take the
25 lead in ensuring the transparency and appropriateness, on the general premise of ensuring the safety
26 of life and body, and national security, the government should investigate and understand situations
27 of various risk measures including actual measures taken in development and use of AI, and if serious
28 problems occur or are likely to occur, the government should take actions based on the existing laws,
29 provide necessary support, or other actions. With regard to procurement and use by the government
30 as well as risks related to infrastructure services, while continuing dialogue with private sectors, our

published guidelines for the purchase of generative AI products by state government agencies, and also began providing training programs on the procurement of generative AI for state government officers. The EU AI Act, which passed in May 2024, also includes the evaluation and promotion of best practices in public procurement procedures related to AI systems as one of the “measures that the AI Office takes”.

¹³ Risks that malfunction in specific systems will spread to relevant systems, causing serious impacts on wide areas.

1 country should firstly respond through relevant acts and guidelines. Like this, it is important to
2 establish risk governance through the cooperation of public and private sectors.

3 In terms of ensuring effectiveness, it should be implemented by legal systems to establish and
4 handle the above-mentioned guidance by the government, and investigate and understand actual
5 status related to AI, while voluntary actions by business operators are important, and the impacts on
6 business operators' activities should be taking into account. For introducing these legal systems, it is
7 necessary to comply with the basic principles of rule of law, due procedure, democratic and
8 responsible administrative, as confirmed in the Hiroshima AI process, and to be careful of ensuring
9 that legal systems do not hinder promoting innovation of AI.

10 Based on this report, we expect the government to promptly implement social systems, including
11 legal systems related to AI, to make AI research, development, and implementation the easiest and
12 to serve as a model for other countries.

13