PANORAMIC DRONE REGULATION Japan

LEXOLOGY

Drone Regulation

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GENERAL FRAMEWORK

Basic rules and regulators

What basic rules govern the operation of remotely piloted aircraft and unmanned aircraft (drones) in your jurisdiction? Which regulatory bodies are charged with enforcing these rules?

The <u>Civil Aeronautics Act</u> regulates the operation of drones and provides for prohibited airspace for flight, operating limitations and penalties for violations. Amendments to the Civil Aeronautics Act, which took effect on 5 December 2022, introduced the certification of drones and the licence to operate drones. The certification of drones consists of a first-class certificate and a second-class certificate, while the licence to operate consists of a first-class licence and a second-class licence. However, these certificates and licences are not mandatory except when one operates a drone in airspace below which a third party may be located (eg, cities) without taking measures to restrict and control the comings and goings of third parties underneath the flying drone.

The Ministry of Land, Infrastructure, Transport and Tourism (the Ministry) is the principal regulator of aviation matters, including drones.

The Civil Aeronautics Act generally prohibits the operation of drones in certain airspaces. Prohibited airspace includes:

- airspace in which drones are likely to affect the safe operation of aircraft, which may be further classified into:
- airspace above airports and their vicinity (which differs for each airport);
- airspace where aeroplanes fly on rescue work during emergencies to be designated by the Ministry from time to time; and
- airspace 150 metres above ground or water surface; and
- airspace above any densely inhabited district that is so designated based on the results of the national census – a densely inhabited district is, in principle, any area with a population density of 5,000 people or more per square kilometre (eg, most of the Tokyo metropolitan area is a densely inhabited district).

Any person who intends to operate drones in prohibited airspace must have permission from the Ministry. However, permission is not required for a person who has a second-class licence to operate a drone with a second-class certificate, provided that if the drone flies in airspace above any densely inhabited area, measures are taken to restrict and control the comings and goings of third parties underneath the flight path.

Operating conditions that are absolute and without exception include the following:

- drones are not to be operated while under the influence of alcohol or medication, including illegal drugs;
- confirmation must be provided of all necessary preparations that have been completed, including confirming the externals (eg, that batteries, propellers and cameras are firmly installed onto the drones) and functions of the drones, the weather and other flight conditions before operation;

- drones must be operated in a manner that prevents any collisions with aircraft or other drones; and
- drones are not to be operated in a manner that causes any issues with third parties, including unnecessary noise or causing the drones to nosedive.

The Civil Aeronautics Act provides for the following operating conditions of drones:

- · drones are to be operated in the daytime only;
- drones must be operated within the visual line of sight of the operator;
- a certain operating distance (ie, 30 metres) must be maintained between drones and any persons or property on the ground or water surface;
- drones must not be operated over event sites where large numbers of people gather;
- drones must not be used to transport hazardous materials specified in the relevant ordinance; and
- objects must not be dropped from drones, except for the goods specified in the relevant ordinance.

Any person who intends to operate drones beyond the allowed operating conditions must have approval from the Ministry. However, approval is not required for a person who has a second-class licence to operate a drone with a second-class certificate, provided that if the drone will be operating beyond the limits for daytime operations, operating within the visual line of sight, or maintaining distances of 30 metres, measures are taken to restrict and control the comings and goings of third parties underneath the flight path.

The application for permission or approval must include certain information meeting the specific requirements of the standards, including:

- the applicant's name and address;
- information identifying the drones to be flown (eg, manufacturers, product names and weights of the drones) except for those identified on the Ministry's website (eg, DJI Phantom series);
- the purpose, date and time, route and altitude of the intended flights;
- the reason for flying in prohibited airspace;
- the functions and performance data of the drones;
- · flight records and operator ability and experience; and
- a safe flight manual.

The <u>Act Prohibiting Drone Flights over the Important Facilities</u> prohibits the operation of drones over important facilities. The purpose of the law is to prevent dangerous activities in those facilities and to secure the central affairs of the state, maintenance of good international relationships and public safety. Thus, it differs from the purposes of the Civil Aeronautics Act, which secures the safety of aviation. Important facilities include the Houses of Parliament, the Prime Minister's Official Residence, buildings of the government ministries, the Supreme Court, the Imperial Palace, nuclear plants, the Self Defence Force bases and areas within approximately 300 metres of these facilities. The definition of 'drones' under this law is basically the same as that under the Civil Aeronautics Act. However, this law prohibits

the operation of drones weighing less than 100 grams. Further, drone flights over important facilities and surrounding areas are allowed only if the operator:

- is an administrator of the facilities or has obtained the consent of the facility administrator;
- · owns the land or has obtained the consent of the landowner; or
- operates the drones to perform services for state or local government and notifies the Public Safety Commission through the local police station with jurisdiction over the facilities 48 hours prior to each flight.

Any person who violates this law may be subject to up to 12 months' imprisonment or a fine of up to ¥500,000.

Law stated - 30 80 2024

Basic rules and regulators

What are the penalties for non-compliance with the laws and regulations governing drones?

An operator who fails to take measures to prevent danger upon the occurrence of an incident may be subject to imprisonment of up to two years or a fine of up to ¥1 million. A person operating a drone that is not duly registered may be subject to 12 months' imprisonment or a fine of up to ¥500,000. Any person who operates a drone while under the influence of alcohol or medication, including illegal drugs, above any public areas (eg, roads, parks, public squares and stations) may be subject to 12 months' imprisonment or a fine of up to ¥300,000. Any person who operates drones in violation of other requirements under the Civil Aeronautics Act and its regulations may, in general, be subject to a fine of up to ¥500,000, ¥300,000 or ¥100,000, depending on the violation.

Law stated - 30 8 2024

Classification

Is there any distinction between public and private drones, as well as between leisure use and commercial use?

There is no distinction between public and private drones. However, the Civil Aeronautics Act regulations generally do not apply to drones operated by the national or local government, or operators requested by the national or local government, to investigate accidents or natural disasters. There is no distinction between leisure and commercial use.

Law stated - 30 8 2024

Classification

Is there a weight-based or other classification system for drones resulting in the application of different rules?

The Civil Aeronautics Act defines 'unmanned aircraft' as follows:

- aeroplanes, helicopters, gliders, airships and other facilities that are available for aviation use as designated by the relevant ordinance of the Civil Aeronautics Act;
- · aircraft that cannot be ridden by human beings due to their structure; and
- aircraft that may be operated remotely or automatically based on programming, except when such aircraft weighs less than 100 grams.

Therefore, only very light drones (eg, toy drones) are exempt from the definition of 'drones'.

Further, the Ministry standards provide requirements for drones that weigh less than 25 kilograms and those that weigh 25 kilograms or more, with the requirements for the latter being stricter than those for the former.

Law stated - 30 8 2024

Classification

Is there any legal distinction between completely autonomous drones and remotely piloted drones?

No, but the necessary information to be provided to the Ministry on the applications for permission or approval differs to some extent.

Law stated - 30 88 2024

DESIGN AND MANUFACTURE

Regulation

Do specific rules regulate the design and manufacture of drones in your jurisdiction?

Amendments to the Civil Aeronautics Act, which took effect on 5 December 2022, introduced certification of drones, which consists of two classes, namely, a first class certificate and a second class certificate. The Ministry of Land, Infrastructure, Transport and Tourism (the Ministry) is the regulator in charge of determining whether drones satisfy the safety standards for either certification. There are two types of certificate for each class, namely the certificate for the design and specification of drones and the certificate for each drone. As for the former, if certain design and specification are commonly used to manufacture multiple drones, such design and specification is examined as to whether they are in compliance with the standards. For the latter, the regulator will examine each drone as to whether it complies with the standards. As of the end of March 2024, the Ministry has granted a first-class certification three times. Further, the Ministry has granted a first-class certification for each drone four times as of the end of March 2024.

Further, the Ministry also examines whether an application for permission or approval to operate drones complies with specified requirements under its standards. For example, any

operator who intends to operate drones beyond the visual line of sight based on the Ministry's approval must prove, among other things, that the drones have a fail-safe function.

Law stated - 30 80 2024

Manufacturing authorisation

Must drone manufacturers obtain any licences or other authorisation to carry out their business? Are manufacturers subject to any other specific rules?

No.

Law stated - 30 80 2024

Product liability

Do general product liability rules (or other specific liability rules) apply to the manufacture of drones?

Yes. Under the <u>Product Liability Act</u>, any person who manufactures, processes or imports products will be liable for any damages arising from the infringement of life, body or property of others caused by any defects in the products. 'Products' means movables that are manufactured or processed, and thus this act also applies to drones. Software is not treated as a product since it is not movable.

Law stated - 30 80 2024

REGISTRATION AND IDENTIFICATION

Registration

Must drones be registered in a specific national registry? If so, who is entitled to register drones and what requirements and restrictions apply? Is the registry organised as an operator registry or an owner registry?

The owner of a drone is required to register the drone, including information on the kind and manufacturer of the drone, the name and address of the owner, and the name and address of the operator. The registrant must display the registration mark (comprising numbers and letters) on the body of the registered drone and instal the function to dispatch signals by radio wave by which the registration mark can be identified.

Law stated - 30 80 2024

Identification

Are drones identified through a marking system similar to that used for manned aircraft?

The registration mark (comprising numbers and letters) must be displayed on the body of the registered drone, and the function to dispatch signals by radio wave by which the registration mark can be identified must be installed.

Law stated - 30 8 2024

CERTIFICATION AND LICENSING

Basic requirements and procedures

What certificates or licences are required to operate drones and what procedures apply?

Amendments to the Civil Aeronautics Act, which took effect on 5 December 2022, introduced certification of drones and licences to operate drones. The certification of drones consists of a first-class certificate and a second-class certificate, while the licence to operate consists of a first-class licence and a second class licence. However, obtaining the certificates and licences is not mandatory except when one operates a drone in airspace below which a third party may be located (eg, cities) without taking measures to restrict and control the comings and goings of third parties underneath the flight path. In that case, the drone must have a first-class licence.

Further, the application for permission must include certain information required by the Ministry of Land, Infrastructure, Transport and Tourism (the Ministry) standards, including on the ability of the operator. Under the standards, operators must in general have 10 hours or more of experience operating the same types of drone. Any operator who has completed drone operation classes provided by the organisations on the list published on the Ministry's website is allowed to submit the certificate granted by such an organisation to prove the ability of the operator in lieu of the generally required Ministry form.

Law stated - 30 8 2024

Taxes and fees Are certification and licensing procedures subject to any taxes or fees?

The application fees for certifications of drones vary, depending on, among others, the class (first or second) and whether the operator is applying for a new certification or a renewal, but the fees range from less than ¥10,000 to more than ¥1 million.

As for a licence to operate drones, the fees to take applicable tests and obtain the licence are approximately ¥30,000 to ¥40,000 in total, depending on the class and type of drone to be operated.

When the owner of a drone registers the drone, they are required to pay a registration fee. Although the amount of the fee varies depending on whether the application is made online and whether multiple drones are registered at the same time, it is in the range of approximately ¥900 to ¥2,400 per drone.

Eligibility

Who may apply for certifications and licences? Do any restrictions apply?

There are no restrictions as to who may apply for certifications of drones.

As for licences to operate drones, however, persons under 16 years old are disqualified. Further, a person is disqualified from applying for a period of one year after failing to obtain the licence due to certain reasons (eg, mental illness, drug addiction or violation of the Civil Aeronautics Act), or two years after his or her licence was revoked due to certain reasons (eg, mental illness, drug addiction or a violation of the Civil Aeronautics Act).

Law stated - 30 80 2024

Remote pilot licences Must remote pilots obtain any certifications or licences to operate drones? If so, do the relevant procedures differ based on the type of drone or operation?

While there is no specific licence for remote pilots, operating drones in airspace where a third party may be located (ie, crowded cities) without taking measures to restrict and control the comings and goings of third parties underneath the flight path requires that the drone must have a first-class certificate and the operator must have a first-class licence.

Law stated - 30 80 2024

Foreign operators

Are foreign operators authorised to fly drones in your jurisdiction? If so, what requirements and restrictions apply?

Yes, foreign operators may operate drones in Japan provided they comply with the Civil Aeronautics Act. There are no differences in the requirements between Japanese and foreign operators.

Law stated - 30 80 2024

Certificate of airworthiness

Is a certificate of airworthiness required to operate drones? If so, what procedures apply?

A certificate of airworthiness is not required in general. However, for drones weighing 25 kilograms or more, airworthiness corresponding to the aircraft themselves is required under the Ministry's standards.

OPERATIONS AND MAINTENANCE

One drone, one pilot Does the 'one drone, one pilot' rule apply in your jurisdiction?

No. However, drones must in general be operated within the visual line of sight of the operator. Therefore, if any person intends to operate multiple drones, they must all be within the operator's visual line of sight.

Law stated - 30 80 2024

Maintenance Do specific rules regulate the maintenance of drones?

The certified drones are required to be maintained in a manner to comply with the safety standards. While there are no specific regulations for the maintenance of drones other than that, operators must confirm that all necessary flight preparations, including confirming the internal and external conditions status of the drone, remaining batteries, and weather and other flight conditions, are completed before the drone flight.

Law stated - 30 80 2024

Basic operational rules and restrictions

What rules and restrictions apply to flights performed in 'visual line of sight' (VLOS) and 'beyond visual line of sight' (BVLOS)? Is there a distinction in this regard?

In general, drones must be operated within VLOS. Under the Civil Aeronautics Act, VLOS means that the operator can see the drones with the naked eye, which does not include seeing through binoculars.

According to the <u>Roadmap Towards the Industrial Revolution in the Air</u>, there are four phases regarding the use of drones. In the first and second phases, drones may be operated within VLOS. In the third phase, drones may be operated BVLOS over areas unlikely to be entered by third parties. To achieve this third phase of the roadmap, the Ministry of Land, Infrastructure, Transport and Tourism (the Ministry) standards were revised in September 2018 to add conditions for BLVOS flights without assistants. While certain limited exceptions were introduced in December 2023, the conditions are still stricter than those for BLVOS flights with assistants in terms of the drones' functions, operator experience and safety measures. For example, the additional requirements include:

- flight routes being in areas unlikely to be entered by third parties (eg, mountains, seas, rivers, lakes and forests);
- manufacturers certifying that the functions of the drones will not harm third parties;
- the ability of operators to determine, using cameras built into the drones or on the ground, whether third parties may enter areas directly below the drone flight routes or surrounding areas; and

• the ability of operators to confirm, using the same cameras, the status of aeroplanes that may enter the drone flight routes.

For the fourth phase, the roadmap schedules that drones may be operated BVLOS over areas where third parties may be located. To operate drones over such areas, a first-class certificate and a first-class licence are required.

Law stated - 30 80 2024

Basic operational rules and restrictions What rules and restrictions apply to critical and non-critical operations? Is there a distinction in this regard?

The Civil Aeronautics Act provides for operating conditions, including the requirement to operate drones only in the daytime, and requires permission or approval from the Ministry if any person intends to operate drones beyond the limitations of allowed operations. However, approval is not required for a person who has a second-class licence to operate a drone with a second-class certificate, provided that if the drone will be operating beyond the limitations of daytime operations, operating within the visual line of sight, or maintaining distances of 30 metres, measures are taken to restrict and control the comings and goings of third parties underneath the flight path.

Law stated - 30 8 2024

Transport operations Is air transport via drone (eg, cargo and mail) regulated in your jurisdiction? If so, what requirements, limitations and restrictions apply?

The Civil Aeronautics Act does not differentiate air transport via drone from other operations, but there are <u>guidelines regarding the delivery of cargo via drone</u> published by the subgroup of the study group jointly established by the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Economy, Trade and Industry. The guidelines are not legally binding.

Law stated - 30 80 2024

Transport operations

Do any specific provisions governing consumer protection and tracking systems apply with respect to cargo and delivery operations via drone?

No.

Law stated - 30 80 2024

Insurance requirements

What insurance requirements apply to the operation of drones?

There is no requirement to secure insurance, but the Ministry must be notified of whether any operator obtains insurance when applying for permission or approval to operate drones in prohibited airspace or beyond the limitations of allowed operations.

Law stated - 30 8 2024

Safety requirements What safety requirements apply to the operation of drones?

The application for permission must include certain information required by the Ministry's standards, including a safe flight manual. The Ministry provides a <u>boilerplate</u> for such manuals.

Law stated - 30 80 2024

AIRSPACE

Air traffic control

How is air traffic control regulated in your jurisdiction? Which authority provides air traffic control services for drones?

The Ministry of Land, Infrastructure, Transport and Tourism (the Ministry) is responsible for regulating air traffic. Although there is no centralised control system for drone flights, the Civil Aeronautics Act generally prohibits the operation of drones within airspace in which the drones are likely to affect the safe operation of aircraft.

Law stated - 30 8 2024

Restrictions Are there any airspace restrictions on the operation of drones?

Yes. The Civil Aeronautics Act provides for prohibited airspace. In principle, any person who intends to operate drones in prohibited airspace must have permission from the Ministry. However, permission is not required for a person who has a second-class licence to operate a drone with a second-class certificate, provided that if the drone is being operated in airspace above any densely inhabited area, measures are taken to restrict and control the comings and goings of third parties underneath the flight path.

Law stated - 30 8 2024

Take-off and landing Must take-off and landing of drones take place in specific areas or facilities?

No.

Law stated - 30 80 2024

LIABILITY AND ACCIDENTS

Cargo liability

Are there any specific rules governing the liability of drones for losses or damage to cargo?

No. If any operator causes loss or damage to the cargo of any third party, such a party may seek damages against the operator under tort action of the Civil Code.

Law stated - 30 8 2024

Third-party liability

Are there any specific rules governing the liability of drones for damages to third parties on the surface or in the air?

No. If any operator causes loss or damage to any third party on the ground or water surface or in the air, such a party may seek damages against the operator under tort action of the Civil Code.

Law stated - 30 80 2024

Accident investigations

How are investigations of air accidents involving drones regulated in your jurisdiction?

The Japan Transport Safety Board has the authority to investigate accidents involving drones, aircraft, railways, vessels or any situations likely to cause such accidents, and the cause and extent of damage surrounding those accidents.

Law stated - 30 8 2024

Accident reporting

Is there a mandatory accident and incident reporting system for drone operators in your jurisdiction?

The Civil Aeronautics Act requires operators to report to the Ministry of Land, Infrastructure, Transport and Tourism (the Ministry) any:

- · accidents or incidents of injury or death;
- · damage to property owned by any third party;
- · collisions or near misses with any aircraft; and

• situations where any of the above is likely to occur.

The items to be reported are:

- · when and where the accident or incident occurred;
- the names and addresses of the operators;
- the licence numbers of the operators;
- the date of receipt of permission or approval for each flight and the permission or approval numbers (if permission or approval is obtained);
- information about the drones (eg, registration numbers, product names and manufacturers);
- the certification numbers of the drones (if certification is obtained);
- the location of departure and landing;
- the purpose and summary of the flight;
- a summary of the accident or incident; and
- other relevant information.

The Ministry discloses the reported information on its website. Further, upon the occurrence of an incident, the operator must stop the drone flight immediately and take measures to prevent any danger, including rescuing any injured person.

Law stated - 30 80 2024

Safety management and risk assessment

Are drone operators required to implement safety management systems and risk assessment procedures within their organisation?

If drones will be operated in prohibited airspace or beyond the allowed operating conditions (based on permission or approval from the Ministry or the applicable licence and certification), the operator must submit a flight plan prior to the drone flight to avoid any incident such as collision with an aircraft. Further, any person who obtains permission or approval from the Ministry must prove that they have established the systems necessary to secure the safe flight of drones.

Law stated - 30 80 2024

ANCILLARY CONSIDERATIONS

Import and export control

Do specific import and export control rules apply to drones in your jurisdiction?

No.

Data privacy and IP protection

How are personal data privacy and IP protection regulated in your country with specific reference to drone operations?

There are no specific references to drone operations.

Law stated - 30 80 2024

UPDATE AND TRENDS

Sector trends and regulatory developments

Which industry sectors have seen the most development in the use of drones in your jurisdiction and which sectors are expected to see further development in future? Have there been any notable recent regulatory developments relating to drones?

According to the Roadmap Towards the Industrial Revolution in the Air published by the Council to Improve the Environment Regarding Drones on 3 August 2022, there will be future development in the sectors of logistics services, rescue work during emergencies (eg, earthquakes), agricultural business, infrastructure inspection services, surveying services and security services. For example, in March 2024, the government published the basic policy to operate drones over the rivers to facilitate using drones for logistics services. Further, the government set up its basic policy to realise the universal traffic management system of drones in March 2024.