

International Comparative Legal Guides



Practical cross-border insights into telecoms, media and internet law

Telecoms, Media & Internet 2023

16th Edition

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1 Overview

1.1 Please describe the: (a) telecoms, including internet; and (b) audio-visual media distribution sectors in your jurisdiction, in particular by reference to each sector's: (i) annual revenue; and (ii) 3–5 most significant market participants.

According to the report outlining the results of research issued by the Ministry of Internal Affairs and Communications (Soumu Shou, “MIC”) in March 2022, the businesses relating to telecommunications and information, which include, among others, the telecoms and internet infrastructure sectors, generated approximately ¥15,241 billion of annual sales for the financial year (“FY”) 2020. The annual sales generated by the broadcasting sector, which includes, among others, audio-visual media distribution through broadcasting, was approximately ¥2,518 billion for FY 2020.

There are several prominent operators in the various businesses relating to telecommunications and information, such as the group companies of Nippon Denshin Denwa K.K. (“NTT”), especially NTT East Corporation (“NTT East”), NTT West Corporation (“NTT West”) and NTT Docomo Corporation (“NTT Docomo”), KDDI Corporation and Softbank Corp. Furthermore, Rakuten Mobile Inc., which received radio frequency for 5G from MIC, entered the mobile telecommunication sector in 2019. In the area of broadcasting, several major companies, such as Nippon Television Network Corporation and Fuji Television Network Inc., provide television programmes through terrestrial-based television broadcasting. Nihon Housou Kyoukai, which is unique in its status as a national public broadcasting entity, is also one of the major providers of television programmes. The principal major players in the areas of satellite-based television broadcasting and cable TV broadcasting are Skyperfect JSAT Corporation and Jupiter Telecommunications Co., Ltd.

Regulatory matters on liberalisation and foreign investments will be discussed under questions 1.2 and 1.4.

1.2 List the most important legislation which applies to the: (a) telecoms, including internet; and (b) audio-visual media distribution sectors in your jurisdiction and

any significant legislation on the horizon such as the regulation of online harms, regulation of social media or artificial intelligence (please list the draft legislation and policy papers).

Unlike other countries, Japan has traditionally treated the telecommunications sector as two distinct categories from a regulatory perspective: telecommunications (*tsuushin*); and broadcasting (*bousou*). *Tsuushin* is defined as sending, delivering or receiving codes, sounds or images by wired, wireless or any other electromagnetic means, which includes the internet. *Housou* is generally defined as sending telecommunications for the purpose of being directly received by the public. The major difference between the regulation of telecommunications and broadcasting is that the confidentiality of telecommunications content is protected; thus, the regulation of such content is avoided as much as possible. In contrast, broadcasting content is regulated in accordance with promoting public welfare.

	Wired	Wireless
Basic Law	■ Cable Telecommunications Law	■ Radio Wave Law
Telecommunications	■ Law Concerning Nippon Telegraph and Telephone Corporation, Etc. (“NTT Law”) ■ Telecommunications Business Law (“TBL”) ■ Other	
Broadcasting	■ Broadcast Law	

As noted above, the TBL applies only to telecommunications, and the Broadcast Law applies only to broadcasting. The TBL primarily regulates the provision of electronic communications networks or services for telecommunications. It permits competition in Japan, although several other laws restrict foreign ownership.

In 2018, the MIC organised a study group to analyse possible measures to regulate platform service providers. The study group issued its report in 2020 recognising that fake news delivered online, including via social media platforms, is an issue

that requires further examination. Following the recent tragic suicide of a female professional wrestler who appeared on a Japanese reality TV show, slander and bullying through social media platforms have become a heavily discussed subject in Japan. As a result, in August 2020, the study group issued guidelines to address internet slander. In addition, in August 2022, the study group also published a report on its analysis of platform operators' efforts against fake news and internet slander, and is continuing to study these issues.

1.3 List the government ministries, regulators, other agencies and major industry self-regulatory bodies which have a role in the regulation of the: (a) telecoms, including internet; (b) audio-visual media distribution sectors; (c) social media platforms; and (d) artificial intelligence in your jurisdiction.

The MIC and the relevant subordinated administrative agencies regulate telecoms audio-visual media distribution through the broadcasting and internet sectors. While there is no specific regulator of social media platforms and artificial intelligence, the MIC does regulate any activity that pertains to telecoms. See also question 2.3 on social media platforms.

1.4 In relation to the: (a) telecoms, including internet; and (b) audio-visual media distribution sectors: (i) have they been liberalised?; and (ii) are they open to foreign investment including in relation to the supply of telecoms equipment? Are there any upper limits?

Under the TBL, there are no restrictions on direct or indirect foreign ownership; however, under the NTT Law, direct or indirect foreign ownership of 1/3 or more of NTT is prohibited. There are general foreign ownership restrictions on holding a radio station licence, although the restrictions on a radio station providing telecommunications services have been abolished. Under the Broadcast Law, the following entities or parties are basically not eligible to hold a broadcast licence: (a) a person whose nationality is not Japanese; (b) a foreign government or its representative; (c) a foreign entity; and (d) a company or entity in which any of the aforementioned entities or persons is the executive director, or holds 1/3 or more of the voting rights.

2 Telecoms

2.1 Is your jurisdiction a member of the World Trade Organization? Has your jurisdiction made commitments under the GATS regarding telecommunications and has your jurisdiction adopted and implemented the telecoms reference paper?

Yes, Japan has been a member of the World Trade Organization ("WTO") since January 1, 1995. It adopted the WTO Basic Telecommunications Agreement in 1997 and the telecoms reference paper.

2.2 How is the provision of telecoms (or electronic communications) networks and services regulated?

Telecommunications networks or services are mainly regulated by the TBL. See also questions 1.2 and 2.6.

2.3 Who are the regulatory and competition law authorities in your jurisdiction? How are their roles differentiated? Are they independent from the government? Which regulator is responsible for social media platforms? What statutory basis do they have?

The MIC is the governmental body that has the regulatory authority under the TBL and other relevant laws to grant any permission, licence or approval that is required for any telecoms activity. While there is no specific regulator of social media platforms, the MIC regulates any activity pertaining to telecoms (please see question 6.5). The competition law authority is the Fair Trade Commission ("FTC"), an independent administrative agency with the authority to prevent unfair trade or market dominance. MIC and FTC jointly issued the "Guidelines for the promotion of competition in the telecommunications business field" (originally issued in November 2001, with the latest revision issued in June 2022), and they collaborate to promote further competition in the telecoms field.

2.4 Are decisions of the national regulatory authority able to be appealed? If so, to which court or body, and on what basis?

Yes, MIC decisions may be appealed to Japanese courts pursuant to the Administrative Case Litigation Act. The appellant may seek, for example, the revocation of an MIC order on the basis that the order has wrongfully affected the appellant's legal interest.

2.5 What types of general and individual authorisations are used in your jurisdiction? Please highlight those telecom-based authorisations needed for the installation and/or maintenance of infrastructure?

It is difficult to classify the authorisations into general authorisations and individual authorisations. As for telecommunications services, the TBL generally classifies a telecommunications carrier as either (i) a registration carrier, or (ii) a notification carrier, as follows.

A carrier installing telecom circuits (e.g. cable facilities and optic fibres), such as (i) terminal facilities that are installed in multiple municipalities, or (ii) relay facilities that are installed in multiple prefectures, is required to register with the MIC. Other carriers not operating at such levels are required only to notify the MIC prior to providing telecoms services.

The registration procedure typically takes around 15 days, depending on the services provided and the circumstances under which they will be provided. The MIC should also be consulted on an unofficial basis before filing an application for registration, usually an additional month or two months in advance. If only notice is required, and all relevant information is provided, the prior unofficial consultation with the MIC, if considered necessary, will only take a number of days.

Under the TBL, the fee for registration with the MIC is ¥150,000, but no fee is necessary for notification to the MIC.

The TBL has further requirements for other authorisations, which will be outlined in question 2.6; this question will also list the authorisations regarding broadcasting.

2.6 Please summarise the main requirements of your jurisdiction's general authorisation.

- (1) **Telecommunications (*tsushin*) (see also question 2.5)**
 (a) **Approved carrier (*nintei jigyousha*)**

A carrier intending to conduct telecoms business by

installing telecommunications circuit facilities, and those which intend to exercise a right-of-way to install transmission lines (such conduct or exercise is collectively known as a “public utility privilege”), may, separately from telecoms business entry procedures such as registration or notice, be granted a public utility privilege for all or part of its telecoms business by obtaining MIC approval.

(b) Universal service carrier

Any telecoms carrier that provides universal telecommunications services (“Universal Services”) must establish tariffs and submit these to MIC prior to the implementation of services (see question 2.17). The TBL defines Universal Services as telecommunications services, the availability of which should be secured all over Japan, as they are essential to the lives of the Japanese people. Under a TBL ordinance, services for public calls, home telephone calls, and urgent calls to police or fire stations are included in Universal Services. Universal Services are funded by NTT East and NTT West, as well as other service providers who benefit from connecting to the facilities of these providers.

(c) A carrier installing telecoms facilities

With a few exceptions, any telecoms carrier installing telecoms facilities for use by its telecoms business (certain telecoms facilities as stipulated in Article 41 of the TBL) must submit notices to the MIC regarding its compliance with technical and administration rules and the appointment of a chief telecommunications engineer. See question 2.10 for further information regarding special regulations for a carrier installing Type I or Type II Designated Facilities (“Designated Facilities”).

(d) A carrier providing international services

Any telecoms carrier that provides international telecommunications services is required to obtain prior authorisation from MIC before making any arrangements with a foreign government, entity or individual with respect to any telecoms business.

(2) Broadcasting

Regulation of the television broadcasting business primarily consists of (i) the Broadcast Law (Housou Hou), and (ii) the Radio Wave Law (Denpa Hou).

(a) Broadcast Law

The Broadcast Law sets forth general principles to regulate broadcast content (i.e., TV programmes). For example, broadcasters, including (a) terrestrial-based television broadcasters, (b) satellite-based television broadcasters, and (c) cable TV broadcasters, must not harm public peace and must take a neutral political position (Article 4). A broadcaster is required to draw up standards for its television programmes and produce programmes that satisfy such standards (Article 5). Under the Broadcast Law, any person or entity planning to be a terrestrial-based television broadcaster or a satellite-based television broadcaster (*kaikan-housou-jigyousha*) is generally required to obtain an authorisation from the MIC. Further to this, any person or entity planning to be other types of broadcasters, including a cable TV broadcaster (*ippan-housou-jigyousha*), is required to be registered with the MIC.

(b) Radio Wave Law

The Radio Wave Law regulates the use of radio waves and thus may apply to both telecommunications and broadcasting using radio waves. Under the Radio Wave Law, any person or entity planning to establish a radio station is required to obtain a licence from the MIC, except in cases involving certain specialised radio stations.

In order to obtain a radio station licence, an applicant must submit to the MIC a standard application form containing information such as (i) the purpose of the radio station, (ii) its facilities’ locations, and (iii) the type and frequency of radio waves to be used. If the radio station plans to provide broadcasting services, certain other information, such as a business plan, items for broadcasting and the area for broadcasting must also be provided.

The MIC’s review of the application will include consideration of the existence of an adequate financial basis to operate the planned business and conformity with the standards provided in the relevant MIC ministerial ordinance. Note that the MIC will allocate available radio frequency (see the “Frequency Plan” described in question 3.2); thus, approval of a radio station licence will be subject to such planning and, in the case of the radio station providing broadcasting services, broadcast content and broadcast area requirements.

2.7 In relation to individual authorisations, please identify their subject matter, duration and ability to be transferred or traded. Are there restrictions on the change of control of the licensee?

In general, licences may not be transferred or traded, but exceptions exist depending on the type of licence. A telecoms carrier’s registration, for example, may be transferred to a third party if its entire telecoms business is transferred (including by merger (*gappei*) or corporate split (*kaisha bunkatsu*), in which that third party succeeds to the entire telecoms business).

Under the TBL, if a telecoms carrier installing Designated Facilities plans a merger, a corporate split or a business transfer, it must apply for a renewal of its registration, with certain exceptions.

The duration of a licence depends upon its type or kind. In the case of notice and registration for a telecoms carrier, there is no stated licence duration. In the case of a radio station licence, the duration is five years, with certain exceptions.

2.8 Are there any particular licences or other requirements (for example, in relation to emergency services) in relation to VoIP services?

There is no service categorisation in relation to Voice over Internet Protocol (“VoIP”) services that require particular licences. Under the Rules on Telecommunication Facilities for a Business Purpose, telecommunications facilities using VoIP that can make emergency calls are required to meet certain requirements (for example, the emergency call must be connected to the police, the coast guard and the fire department in the areas where the call is initiated).

2.9 Are there specific legal or administrative provisions dealing with access and/or securing or enforcing rights to public and private land in order to install telecommunications infrastructure?

Yes, as stated in question 2.6, with MIC approval, an approved carrier (*nintei jigyousha*) may have certain rights to use land under the TBL.

2.10 How is wholesale interconnection and access mandated? How are wholesale interconnection or access disputes resolved?

Generally, a telecoms carrier installing telecoms facilities must

interconnect its facilities with other telecoms carriers if so requested by other carriers and if there is no justifiable reason under the TBL to reject the request. A carrier providing Universal Services is required to submit for the MIC's approval the terms and conditions (including tariffs) of its services; it must provide telecoms services in accordance with such terms and conditions (see question 2.15).

As NTT group companies (please see question 1.1) have large-scale facilities (e.g., cables direct to users' homes), such facilities could potentially prevent other carriers from providing services. Under the TBL, the NTT group companies' facilities are categorised as Designated Facilities. Similarly to other telecoms carriers holding Designated Facilities, NTT group companies are required to submit to the MIC and, generally, as in the case of a carrier installing Designated Facilities, must also obtain the MIC's approval regarding the terms and conditions (including tariffs) of interconnection with other carriers, interconnect their telecoms facilities in accordance with such terms and conditions, and provide services to other carriers equally (see question 2.15).

The table below describes how disputes are resolved.

(a) MIC Order

The MIC may, under certain circumstances stipulated by the TBL, order a telecoms carrier installing telecoms facilities to start or reopen negotiations (if suspended) with another carrier regarding an agreement to interconnect the former's telecoms facilities, if the former refuses to enter into such an agreement.

(b) MIC Award

In the event carriers negotiating the interconnection of telecoms facilities fail to agree on such items as monetary payments, a carrier (or carriers) may apply to the MIC for an award (*saitai*) under the TBL. Likewise, if an MIC order has already been issued, the relevant carrier (or carriers) may apply to the MIC for an award. If the MIC grants an award, the parties are deemed to have come to an agreement. Any carrier dissatisfied with the financial conditions of an award may seek an increase or decrease by filing a lawsuit within six months of the day on which that carrier is notified of the award result.

	Mediation	Reconciliation	Consultation Order	Award
Object	<ol style="list-style-type: none"> 1. Interconnection of telecoms facilities. 2. Shared use of telecoms facilities. 3. Provision of wholesale telecoms services. 4. Installation/maintenance of telecoms facilities for interconnection. 5. Utilisation of land and works for interconnection. 6. Provision of information for interconnection. 7. Entrustment of work. 8. Utilisation of facilities for provision of services. 9. Operation of facilities for provision of services. 10. Utilisation or operation of radio wave facilities operated by a non-licensed party. 		<ol style="list-style-type: none"> 1. Interconnection of telecoms facilities. 2. Shared use of telecoms facilities. 3. Provision of wholesale telecoms services. 	
Acting Party	Either consultation party.	Both consultation parties.	Either consultation party.	
Neutral Party	Telecommunications Business Dispute Settlement Commission ("TBDS") Mediator.	TBDS Arbitrators (3).	Minister (referring to TBDS for deliberation).	
Major Procedures	<ol style="list-style-type: none"> 1. Interview. 2. Mediation offer. 	<ol style="list-style-type: none"> 1. Reply. 2. Hearing. 3. Facts investigation. 4. Settlement offer. 5. Judicial decision. 	<ol style="list-style-type: none"> 1. Hearing. 2. Order. 	<ol style="list-style-type: none"> 1. Reply. 2. Award.
Options to Challenge Procedural Result	Refusal to accept proposed mediation.	None.	<ol style="list-style-type: none"> 1. Lodging opposition (only for a party who was notified by a notice posted on the notice board of a hearing and did not appear). 2. Lawsuit to seek revocation (within six months). 	<ol style="list-style-type: none"> 1. Civil action to increase or decrease monetary award (within six months). 2. Lodging opposition (except for the above). 3. Lawsuit to seek revocation (within six months).

(c) Mediation (*assen*) and Reconciliation (*chusai*) by Commission

A carrier may choose to apply to the MIC-run TBDSC for mediation or reconciliation in the above cases, but a carrier may not proceed with both an MIC award and a mediation or reconciliation at the same time.

2.11 Which operators are required to publish their standard interconnection contracts and/or prices?

Operators providing Universal Services and services provided by Designated Facilities are required to publicly disclose tariffs which set forth fees and other terms and conditions, and post them at their offices. Further to this, operators providing services using Designated Facilities are required to publicly disclose the tariffs that set forth interconnection charges.

2.12 Looking at fixed, mobile and other services, are charges for interconnection (e.g. switched services) and/or network access (e.g. wholesale leased lines) subject to price or cost regulation and, if so, how?

Charges for interconnection are generally determined by the carrier that provides the connection, with some exceptions, such as the following:

- (a) As stated in question 2.10, charges for Universal Services and interconnection for a carrier installing Designated Facilities are generally subject to MIC approval.
- (b) Interconnection charges for a carrier installing Designated Facilities require notice to the MIC.
- (c) The MIC may, under certain circumstances under the TBL, change the charges under items (a) and (b) above (see question 2.15).

Charges for wholesale lease lines are not subject to price or cost regulation, and providers may decide prices at their own discretion. If providers cannot reach an agreement in order to provide services by using wholesale lease lines, pursuant to the TBL, the MIC may grant an award.

2.13 Are any operators subject to: (a) accounting separation; (b) functional separation; and/or (c) legal separation?

Under the TBL, the separation of accounting, functional and legal duties is not explicitly required, but the following requirements do exist:

- Telecoms carriers providing Universal Services and certain other services, and installing Designated Facilities, are required to organise their accounting pursuant to the relevant law (Article 24 of the TBL).
- Telecoms carriers installing Designated Facilities are required to disclose their accounting documents (e.g., balance sheets and profit and loss statements) to the public (Article 30-6 of the TBL).
- Telecoms carriers installing Designated Facilities may not, among other things, (i) use any information they obtain from an interconnection with other telecoms carriers for purposes other than interconnection, and (ii) prioritise certain telecoms carriers without good reason (Articles 30-3 and 30-4 of the TBL).
- Officers and directors of a telecom carrier installing Designated Facilities may not serve as officers or directors of its affiliates (Article 31-1 of the TBL).

In addition, NTT East and NTT West may not operate telecoms businesses across certain prefectural boundaries, such as

long-distance telecoms business, pursuant to the NTT Law. Further to this, consolidation between telecoms carriers is regulated under the Anti-Monopoly Law.

2.14 Describe the regulation applicable to high-speed broadband networks. On what terms are passive infrastructure (ducts and poles), copper networks, cable TV and/or fibre networks required to be made available? Are there any incentives or 'regulatory holidays'?

Generally, a telecoms carrier installing telecoms facilities must interconnect its facilities with other telecoms carriers if this is requested by other carriers and there is no justifiable reason under the TBL to reject the request. If the copper/fibre networks or other infrastructure are Designated Facilities, a telecoms carrier holding Designated Facilities is required to submit to the MIC, and, generally, as in the case of a carrier installing Designated Facilities, must also obtain MIC's approval regarding the terms and conditions (including tariffs) of interconnection with other carriers. They must also interconnect their telecoms facilities in accordance with such terms and conditions, and provide services to other carriers equally (see question 2.10).

2.15 Are retail price controls imposed on any operator in relation to fixed, mobile, or other services?

Providers of telecoms businesses, including fixed and mobile services that are either registered with, or have submitted notification to the MIC under the TBL are not required to submit a tariff or price chart unless they provide Universal Services (see question 2.6) or have Designated Facilities (see question 2.10). Such providers may decide the prices for their services at their own discretion. However, the MIC has the authority to order providers to correct or improve their business if, among other things, fees or charges are not calculated fairly and clearly or services are provided in an inappropriate manner, in either case, to the extent that they impede consumers' benefits.

Providers of Universal Services or those with Designated Facilities are required to submit their tariffs to the MIC and provide their services in accordance with such tariffs. The MIC has the authority to order providers to correct or amend the tariffs if, among other things, the tariffs fail to set forth a method for calculating fees or charges fairly and clearly.

2.16 Is the provision of electronic communications services to consumers subject to any special rules (such as universal service) and if so, in what principal respects?

As described above, the TBL regulates the provision of electronic communications services. The TBL's principal aim is to secure consumer benefit by ensuring fair provision of services, especially with respect to fundamental public services. In this regard, the TBL requires providers to: (i) give prior notice to consumers if services are to be suspended or discontinued; (ii) explain their terms and conditions to consumers; and (iii) process complaints and inquiries from consumers properly and promptly. Furthermore, under the TBL, in order to protect consumer interest, providers are required to deliver written material to consumers who enter into agreements with those providers regarding the services designated by the MIC. In addition, the MIC has published guidelines for the protection of consumers. As for Universal Services, please see questions 2.6 and 2.15.

2.17 How are telephone numbers and network identifying codes allocated and by whom?

Telephone numbers, including mobile telephone numbers and the network identifying codes are allocated by the MIC following a successful application by the relevant telecoms business provider. Telecoms business providers are required to file an application identifying the necessity for telephone numbers and other items.

2.18 Are there any special rules which govern the use of telephone numbers?

The MIC must maintain a Telecoms Numbering Plan (“Numbering Plan”) in accordance with the TBL and the regulation regarding the telecoms number (“Number Regulation”). Given that both mobile network operators (“MNOs”) and mobile virtual network operators (“MVNOs”) are required to comply with the Number Regulation, the Number Regulation has been amended, something which took effect in May 2019. A telecoms business provider is required to use the numbers only for the provision of telecoms business, treat users equally and identify the type or content of telecoms services by the number under the Number Regulation. A telecom business provider using the telecoms numbers must submit the plan of numbers it uses and obtain the MIC’s approval. If a telecoms business provider fails to comply with the Number Regulation, the MIC may invalidate the allocation of numbers. In addition, if the MIC changes the Numbering Plan, the MIC may change the allocated numbers.

2.19 Are there any special rules relating to dynamic calling line identification presentation?

There are no special rules relating to dynamic calling line identification presentation.

2.20 Are there any obligations requiring number portability?

Number portability for mobile telephones started in 2006, with the issuance of the Rule for Numbers for Telecommunications, which sets forth the obligation requiring number portability. By the end of January 2025, telecommunications operators using 0ABJ numbers, which are numbers for fixed lines, will be required to have number portability.

3 Radio Spectrum

3.1 What authority regulates spectrum use?

The Radio Wave Law gives the MIC the authority to allocate frequency spectrum to private telecommunications operators for the establishment of radio transmission stations. Unlike other jurisdictions, which allot frequency spectrums through an auction system, the use of radio frequency spectrum in Japan is allocated at the discretion of the MIC after consultation with the Radio Regulatory Council and consideration of the plans submitted by the operators. In March 2011, the MIC established a “Panel regarding Spectrum Auction” to consider the implementation of a spectrum auction system. In December 2011, this panel released a report supporting an auction system for 4G mobile telecommunications. Following the publication of this report, a bill to amend the Radio Wave Law to introduce

an auction system was submitted to the Diet in 2011. However, due to the shift of political power in Japan in 2012, the Diet was dissolved while deliberations on the bill were ongoing. The bill was not passed and has not been discussed by the Diet since 2012. In January 2013, the MIC announced that it does not have any immediate plans to request the Diet to amend the Radio Wave Law to implement an auction system.

3.2 How is the use of radio spectrum authorised in your jurisdiction? What procedures are used to allocate spectrum between candidates – i.e. spectrum auctions, comparative ‘beauty parades’, etc.?

The MIC generally implements the Frequency Plan by considering the business plans submitted by telecoms carriers.

3.3 Can the use of spectrum be made licence-exempt? If so, under what conditions? Are there penalties for the unauthorised use of spectrum? If so, what are they?

Yes. Certain types of radio stations that discharge weak radio waves (as designated by the enforcement rule of the Radio Wave Law), such as phone handsets for home use and wireless card systems, are exempt from licensing under the Radio Wave Law. Any person who operates a radio station without a necessary licence and is not exempt from the licensing requirement may be subject to imprisonment of up to one year or a penalty of up to ¥1,000,000. Furthermore, any person who interferes with the operation of a “material” radio station may be subject to imprisonment of up to five years or a penalty of up to ¥2,500,000.

3.4 If licence or other authorisation fees are payable for the use of radio frequency spectrum, how are these applied and calculated?

Fees for applications for a licence to establish radio stations under the Radio Wave Law vary from less than ¥10,000 to around ¥150,000, depending on the power of the radio station emission. There is a registration fee of ¥30,000 per station generally, but the registration fee for a broadcasting station is ¥150,000. Further to this, annual fees for usage of frequency spectrum vary from less than ¥1,000 to over ¥100,000,000, depending on the type of radio station (such as mobiles, satellites or others), the power of the radio station emission and the area of the radio station.

3.5 What happens to spectrum licences if there is a change of control of the licensee?

Any person who intends to establish radio transmission stations to be used for allocated spectrum must first obtain a licence from the MIC. In the case of licences for radio transmission stations providing telecommunications services, a change of control of the licensee is not a cause to rescind the licence or to require a notification to the MIC.

3.6 Are spectrum licences able to be assigned, traded or sub-licensed and, if so, on what conditions?

Under the Radio Wave Law, a spectrum licence generally may not be assigned, traded or sub-licensed; however, it may be assigned in conjunction with an inheritance, a merger (*gappei*), a corporate split (*kaisha bunkatsu*), or a business transfer upon MIC approval.

4 Cyber-security, Interception, Encryption and Data Retention

4.1 Describe the legal framework for cybersecurity. Are there any specific requirements in relation to telecoms operators?

One of the most important principles of the TBL is the secrecy of communications, which protects not only the contents of communications but also any information that would enable someone to infer those contents or their meaning. In this regard, access log and IP address data are protected under the secrecy of communications. The TBL does not explicitly stipulate how telecoms carriers may deal with cyber attacks without breaching the secrecy of communications. However, in line with the significant increase in malware and other forms of cyber attack, the MIC issued reports in 2014, 2015, 2018 and 2021 that address whether telecoms carriers may deal with cyber attacks and the issues that may arise in connection with the secrecy of communications. The findings and contents of these four MIC reports are included in the guidelines on cyber attacks and the secrecy of communications issued by the Council for the Stable Use of the Internet, a council composed of five associations: the ICT Information Sharing and Analysis Centre Japan (“ICT-ISAC”); the Japan Internet Providers Association (“JAIPA”); the Telecommunications Carriers Association (“TCA”); the Telecom Services Association (“TELESA”); and the Japan Cable and Telecommunications Association (“JCTA”).

Furthermore, the MIC established the Advanced Cyber Threats Response Initiative (“ACTIVE”) with internet service providers (“ISPs”), cable TV service providers, software security service vendors, and other companies to assist internet users in preventing malware infection and to enhance cybersecurity.

In addition, in May 2018, the TBL was amended to introduce a new mechanism that enables telecoms carriers to share information with other carriers on transmission sources of cyber attacks through an association which the MIC confirms is eligible to assist telecoms carriers. After the amendments became effective in November 2018, the MIC designated ICT-ISAC to be that association in January 2019.

If a cyber attack causes a serious incident as specified in the TBL, such as a temporary suspension of telecommunications services or a violation of the secrecy of communications, the affected telecoms carrier is required to report the incident itself to the MIC promptly after its occurrence, and the details thereof within 30 days thereafter.

See also question 4.6.

4.2 Describe the legal framework (including listing relevant legislation) which governs the ability of the state (police, security services, etc.) to obtain access to private communications.

As the secrecy of telecommunications is protected under the TBL, access to private communications is generally prohibited. The MIC guidelines regarding the protection of personal information (the latest revision having been issued in March 2022) in telecoms businesses state that telecoms carriers may not provide personal information to third parties without the prior consent of the owner of the personal information. However, telecoms carriers may provide the requested information without the required consent if national or municipal governments or authorities, among others, need the information for the due performance of their duties pursuant to applicable laws, and if prior consent would harm that due performance.

4.3 Summarise the rules which require market participants to maintain call interception (wire-tap) capabilities. Does this cover: (i) traditional telephone calls; (ii) VoIP calls; (iii) emails; and (iv) any other forms of communications?

Telecoms carriers are not required to maintain call interception (wire-tap) capabilities.

4.4 How does the state intercept communications for a particular individual?

If the authorities seek call interception, they are required to follow the procedures set forth in the Criminal Procedure Law and other relevant laws. Qualified prosecutors and policemen may have access to information pursuant to a court-issued warrant, which should specify, among other things, the suspect's name, a summary of the suspected crime, which call to intercept, how and where an interception is planned, the planned period for carrying out the interception, and other conditions for interception. The interception is permitted only regarding certain significant crimes, and the period of the interception term may not exceed 10 days, unless a court extends the term, in which case this can be up to 30 days.

4.5 Describe the rules governing the use of encryption and the circumstances when encryption keys need to be provided to the state.

The “Standard for Security and Reliability of the Information Network” issued by the MIC sets forth certain rules to maintain the secured network, which include the obligation to use encryption for confidential telecommunications. Telecoms carriers are generally not required to provide encryption keys to the state.

4.6 Are there any specific cybersecurity requirements on telecoms, cloud providers or social media platforms? (If so, please list the relevant legislation.)

The Basic Act on Cybersecurity provides the basic framework for the responsibilities and policies of the national and local governments to enhance cybersecurity. Furthermore, it obligates operators of material infrastructure, which includes telecommunications service providers, to exert efforts to voluntarily and proactively enhance cybersecurity, and to cooperate with the national and local governments to promote measures to enhance cybersecurity. This law enabled the establishment of the National Centre of Incident Readiness and Strategy for Cybersecurity (“NISC”) in 2015. The NISC issued the “Action Plan on Cybersecurity for Material Infrastructure” in June 2022. Under the Action Plan, operators of material infrastructure are required to establish safety standards to protect material infrastructure, promote risk management measures, and strengthen information-sharing systems, incident response systems and infrastructure security measures. Note that the Action Plan describes “operators of information communications with material infrastructure” as major telecommunications business providers, major television broadcasting business providers, and major cable television (“CATV”) business providers; however, “major” is not defined.

There are no laws regulating cloud service providers directly. However, there are guidelines in certain sectors, such as the public, financial and healthcare sectors. For example, for the public sector, the “Common Standards for Cyber Security

Measures for Government Agencies and Related Agencies” (issued July 2018 and amended in July 2021) have been issued. While the guidelines are not legally binding, they generally carry a lot of weight in practice.

There are no regulations that impose specific cybersecurity requirements on social media platforms. See also question 6.5 regarding regulations that apply to platformers.

4.7 What data are telecoms or internet infrastructure operators obliged to retain and for how long?

As the confidentiality of telecommunications is protected under the TBL, retention of telecommunications data is generally prohibited. The MIC guidelines regarding the protection of personal information in telecoms businesses state that telecoms carriers are allowed to obtain certain limited personal information only where such information is necessary to provide the services; however, the retaining or recording of telecommunications content is not allowed. Recording of the date and time of telecommunications, which does not include recording the content, is allowed to the extent that it is necessary for telecoms carriers’ operations, such as billing. According to the guidelines, a telecoms carrier may, but is not required to, retain such information for a period necessary for the purpose (such as billing), and must delete such information after such period.

5 Distribution of Audio-Visual Media

5.1 How is the distribution of audio-visual media regulated in your jurisdiction?

Audio-visual content is distributed through (a) terrestrial-based television broadcasting, (b) satellite-based television broadcasting, (c) cable TV broadcasting, (d) game software, (e) movie content, (f) video content, and (g) internet content (original video-based net content).

Audio-visual content is protected under the Copyright Law. In this regard, in order to manage the copyrights of audio-visual content appropriately, the Audiovisual Rights Management Association was established in June 2011.

The distribution by way of broadcasting of audio-visual media, such as (a) terrestrial-based television broadcasting, (b) satellite-based television broadcasting, and (c) cable TV broadcasting, is mainly regulated by the Broadcast Law. See also questions 1.2 and 2.6.

The distribution by way of internet is mainly regulated by the TBL.

5.2 Is content regulation (including advertising, as well as editorial) different for content broadcast via traditional distribution platforms as opposed to content delivered over the internet or other platforms? Please describe the main differences.

Terrestrial-based television broadcasting businesses that provide traditional distribution platforms are regulated mainly by the Broadcast Law.

The Broadcast Law requires terrestrial television broadcasters to establish and publicly disclose standards for television programmes. It does not, however, require the inclusion of specific matters in those standards. The Japan Commercial Broadcasters Association (Nihon Minkan Housou Renmei) has a template for those standards, which commercial broadcasting companies usually incorporate or refer to in their own

standards. Those standards provide for restrictions on advertising, including requirements for broadcasters to make it clear that advertising is for commercial purposes, to ensure viewers do not feel uncomfortable on account of the broadcasting time of the advertisement, and to ensure that the volume of advertising per week is 18% or less of the total broadcasting hours. Note that the Broadcast Law prohibits Nihon Housou Kyoukai, as a national public broadcasting entity, from broadcasting advertisements for commercial purposes on behalf of third parties.

Further to this, those standards provide for the general principles in making television programmes. For example, broadcasters should respect legal requirements and human rights, be careful of the content (e.g. violence or unlawful behaviour) of programmes prepared for children and young people, and consider broadcasting times of programmes, bearing in mind that children and young people may be watching during those times.

In contrast, providers of content delivered over the internet without any hardware such as a set-top box (e.g. over-the-top service providers) are generally not regulated by the Broadcast Law and the TBL.

5.3 Describe the different types of licences for the distribution of audio-visual media and their key obligations.

See question 2.6.

5.4 Are licences assignable? If not, what rules apply? Are there restrictions on change of control of the licensee?

Under the TBL, the status of a registration carrier or notification carrier is not assignable, except in conjunction with an inheritance, a merger (*gappei*), or a corporate split (*kaisha bunkatsu*), in which all of the telecoms business is transferred to another entity. See also questions 2.7 and 3.6.

6 Internet Infrastructure

6.1 How have the courts interpreted and applied any defences (e.g. ‘mere conduit’ or ‘common carrier’) available to protect telecommunications operators and/or internet service providers from liability for content carried over their networks?

ISPs may have immunity against certain liabilities unless certain conditions set forth under the relevant law are met. An ISP may not enjoy immunity for infringement upon a third party’s information if: (i) the ISP was technically able to prevent the dispatch of that information, and the ISP knew or should reasonably have known of the infringement; or (ii) the ISP itself dispatched the information.

6.2 Are telecommunications operators and/or internet service providers under any obligations (i.e. to provide information, inform customers, disconnect customers) to assist content owners whose rights may be infringed by means of file-sharing or other activities?

A party whose right is infringed by information on the internet may ask ISPs to disclose the name, address and other information of the infringing party if (i) the infringement is apparent, and (ii) pursuant to relevant law, the infringed party has a good reason for such disclosure. Further to this, JAIPA has issued

guidelines regarding requests for the deletion of information with respect to infringement. If ISPs do not respond to such requests, they may lose their immunity (see question 6.1).

6.3 Are there any 'net neutrality' requirements? Are telecommunications operators and/or internet service providers able to differentially charge and/or block different types of traffic over their networks?

The MIC released a report regarding network neutrality in September 2007 ("Net Neutrality Report"). The Net Neutrality Report identified two issues as critical to network neutrality – fair allocation of network development costs and fair access to the network by telecommunications operators, including content providers – and, given the need to enable the network to absorb rapid increases in traffic, it discussed who should bear the costs of such development and whether telecommunications operators may engage in packet-shaping (or traffic-blocking) to ensure the network's service quality. In particular, the MIC discussed whether heavy users should be required to pay additional charges based on their packet usage, and whether distributors of rich content should be required to pay ISPs for additional charges. Currently, there is no specific law prohibiting the requirement of such payment, and the Net Neutrality Report essentially concluded that these matters should be left to the market.

In 2018, the MIC established a study group on network neutrality. The study group published the Interim Report in April 2019. It is not clear when the study group will publish the final report. However, in December 2019, in accordance with the Interim Report, JAIPA, TCA, TELESIA, IPoE Council and JCTA revised their guidelines on packet-shaping (the original guidelines were published in May 2008 pursuant to the Net Neutrality Report). The revised guidelines provide that, generally speaking, packet-shaping is in violation of the TBL as it violates the secrecy of communications, which is protected under the TBL; however, it may be permitted in exceptional situations, such as when general users are having difficulty in accessing a network due to heavy users' traffic or if a specific application is excessively occupying the network. The revised guidelines also state that telecommunications operators should let users know, in the terms and conditions of service, of the possibility of packet-shaping and how and when it would occur.

The MIC also published guidelines regarding zero-rating services in March 2020. These guidelines provide examples of instances in which zero-rating services would violate the TBL in terms of differentiating users without good reason, or the secrecy of communications, so that providers of zero-rating services may avoid possible violations.

6.4 Are telecommunications operators and/or internet service providers under any obligations to block access to certain sites or content? Are consumer VPN services regulated or blocked?

Under the Act on Development of an Environment that Provides Safe and Secure Internet Use for Young People, telecommunications operators who are engaged in a business relating to providing internet services to teenagers are required to adopt measures to limit the exposure of teenagers to harmful information – for example, information inducing them to commit a crime, information that stimulates sexual drive, or information containing atrocious descriptions such as murder. No specific law regulates virtual private network ("VPN") services.

6.5 Is there any regulation applicable to companies that act as 'intermediaries' or 'platforms' in their role of connecting consumers with goods, services, content, or are there any proposals for such regulation? Include any proposals or legislation regulating social media platforms in relation to online content or safety.

Any companies acting as intermediaries of telecoms carriers for certain telecom services (e.g., mobile phone, fibre-to-the-home ("FTTH"), CATV services) are, among other things, required to: (i) notify consumers of the names of those carriers when they solicit consumers to enter into any contracts for those services; and (ii) explain the terms and conditions including the prices of those services. In addition, intermediaries are prohibited from intentionally withholding any material facts that would affect consumers' decisions, or from including any falsehoods in telecom service contracts. Furthermore, under the TBL, intermediaries of telecoms carriers are required to submit notification of acting as intermediaries to the MIC. If they act as intermediaries without such notification, they may be imprisoned for up to six months or fined up to ¥500,000.

The Digital Platform Act came into effect in February 2021. This objective of this Act is to increase the transparency and fairness of transactions by regulating the operators of digital platforms which enable consumers to purchase goods, services or rights, including apps through the Internet. This Act, however, is limited to operators with a certain scale of business (e.g., gross sales and number of users) which the Ministry of Economy, Trade and Industry will separately designate. Currently, Amazon Japan G.K. and Google LLC., among others, have been designated as such operators.

These operators are required to disclose the terms and conditions of operating the digital platforms, establish procedures and systems to ensure fairness in the operation of digital platforms, and submit a report which includes self-evaluation every fiscal year on the measures they have taken and an overview of their platform operation.

Also, under the revised TBL, which will take effect by June 2023 ("Revised TBL"), web search service providers and social networking service providers that are not notification carriers under the current TBL will be required to file a notification under the Revised TBL. Service providers subject to the foregoing new requirement are limited to those who have a certain scale of business (e.g., number of users) which the MIC will separately designate. The details of the new requirement have not yet been determined.

The Revised TBL also introduced new rules regarding users' information, considering that the detailed profiling of users for marketing purposes can be done by acquiring, collecting and analysing users' information. Under one such new rule, if telecom carriers, app providers and website operators provide information about users (such as browsing history) to third parties by using cookies or tags installed in applications or websites, they must inform users or let them know of such provision, with certain exceptions (e.g., obtaining users' consent, or taking measures by which users can opt out). Telecom carriers and providers subject to the foregoing requirement under the Revised TBL are limited to those who have a certain scale of business which the MIC will separately designate. The details of the above-mentioned new requirement have not yet been determined.



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