

Decided by the IT Strategic Headquarters
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Basic Concept on IT International Policy Centered on Asia
(Provisional Translation)

1. Basic Understanding

A large development gap exists among countries in Asia in the field of information technology, and as can be seen, for example, in the information flow within the region, there is a large gap between Asia and the West as well.

At the same time, however, Asia has immense potential, as shown, for example, by its high economic growth rates and widening purchasing power brought about by the population increase. In addition, in a more positive sense, the fact that IT is only just beginning to establish itself in society and the economy means that Asia actually has the advantage of being able to introduce the very latest technologies and systems. Also, the diversity of Asia in terms of language, culture, and so on could create the foundations for the creation of new IT technologies and IT businesses.

In these circumstances, Japan, thanks to the earnest efforts of the public and private sectors over the last few years, is beginning to display capability as one of the world's most advanced IT states, and expectations of cooperation with Japan and support from Japan are running high in Asian countries. Furthermore, as well as the rapid development of IT in Asian countries in recent years, the conditions are being laid for the promotion of strategic efforts toward building of an IT society throughout the whole of Asia with a view to the formation of made-in-Asia international standards and IT utilization models. Among other things, moves toward the establishment of economic partnerships with Japan are gaining momentum.

One of the characteristics of the IT revolution is the speed of technological innovation spreading beyond national borders. In view of the fact that IT is also the source of international competitiveness, now is the time for the Asian region to embrace the globally developing IT revolution so as not to be left behind by the United States and Europe. It is necessary for Japan to promote international cooperation measures relating to IT in a priority manner using its achievements and technological and system strengths and to make a positive contribution to the building of an advanced information and telecommunications network society in the whole of Asia through Japan's initiative.

2. Basic Policy

Bearing in mind the actual state and problems of IT utilization in each country, the possibilities for IT utilization in regional cooperation in Asia, trends in international standardization relating to IT, Japan will actively and forcefully promote IT international policy on the basis of the following guidelines.

(a) Prioritization of subject fields and partner countries

In the field of cooperation, Japan will prioritize target projects while giving due consideration to national conditions, such as the IT level in each country. In doing so, from the perspective of promoting IT throughout Asia as a whole, Japan will place importance on the construction of secure and low-cost network infrastructure; the building of systems that contribute to improvements in the economy, industry, society, daily life, and so on; and human resource development projects that foster a common base for Asia in the IT field. Also, Japan will emphasize projects that contribute to facilitating the flow of people, goods, money, services, and information in Asia and to strengthening the region's economic partnerships, such as e-Passport.

In addition, Japan will prioritize partner countries in accordance with the objectives of measures and in consideration of the situation in each country, such as the extent of economic interchange with Japan, geographical factors, IT maturity, and the potential for IT partnerships.

(b) Strengthening of bilateral cooperation with advanced IT countries

With advanced IT countries in Asia, Japan will establish IT standards for Asia, such as the standardization of next-generation mobile communications, and strengthen cooperative relations through international development. Also, Japan will cooperate jointly with these countries in global technological development through, among other things, cooperation in research and development.

(c) Further promotion of multilateral cooperation

In order to promote IT throughout the whole of Asia, it is necessary to further promote multilateral cooperation and to promote multilateral cooperation in such projects as e-Passport and multilingual translation. Also, Japan will position IT as an important pillar in efforts for regional development as a whole, such as the Mekong Basin regional development project.

(d) Cooperation with the private sector

In the promotion of the IT international policy, the participation of not only the Japanese government and public organizations but also private-sector companies and organizations is important. Japan will endeavor to expand the financial and technical cooperation setup with the private sector through, among other things, the utilization of official development assistance (ODA), other official flows (OOF), which is public funds other than ODA, and export credit.

3. Establishment of Promotion Setup for IT International Policy

On the basis of this basic concept, Japan will promote IT international policy in a comprehensive manner, endeavoring, among other things, to promote links among ministries, links between the government and implementing organizations, and dialogue with partner-country governments. By strengthening these links and prioritizing cooperation, Japan will strive to maximize the effects of IT international policy and to clarify Japan's stance of making a positive and comprehensive contribution to IT in Asia.

(a) Prioritization in the e-Japan Priority Policy Program

In order to realize the strategic, consistent, and definite promotion of IT international policy, Japan will stipulate specific targets in the e-Japan Priority Policy Program compiled by the IT Strategic Headquarters that should be achieved from now on, such as important IT international policy and priority fields and partner countries, as well as deadlines for their achievement.

(b) Establishment of PDCA cycle

The Expert Committee on IT Strategy Evaluation will evaluate the state of efforts in important international policies and report to the IT Strategic Headquarters.

(c) Utilization of international forums, etc.

In relations with advanced IT countries in Asia, Japan will promote international cooperation through the formation of cooperative communities with the participation of industry, government, and academia and the utilization of international forums participated in by the countries concerned.

(d) Promotion of cooperation in consideration of IT international policy

In the promotion of cooperation in the IT field, including the utilization of public funds, Japan will implement such cooperation in consideration of the

priority-field concept indicated in the e-Japan Priority Policy Program and realize it through policy dialogue with the partner country.

4. Specific Measures

(1) Selection and promotion of priority projects

(a) Formation of common IT base in Asia

In the implementation of international cooperation, Japan will emphasize, among other things, the building of systems that facilitate the flow of people, goods, money, services, and information in Asia, such as the e-Passport scheme; the building of systems that contribute to improvement of the living and social environments, such as education, medical services, disaster prevention, and public service; human resource development projects that foster a common IT base in Asia; and the construction of secure and low-cost network infrastructure. Specifically, Japan will actively promote projects that mutually contribute to economic development, such as strengthening IT industry partnerships with other countries through the training of IT engineers in the Japanese language and the construction of networks utilizing optic-fiber and wireless technology.

(b) Priority projects through multilateral and bilateral cooperation

As multilateral and bilateral cooperative projects in Asia, for example, Japan will actively promote the e-Passport, multilingual translation, IPv6, open-source software, and next-generation mobile communications. Through the promotion of such projects, Japan will contribute to the formation of made-in-Asia international standards and IT utilization models.

(2) Improvement of the ODA system and operation

(a) Emphasis on policy dialogue

Japan will actively contribute to the promotion of IT measures in the partner country and positively promote the use of IT in development cooperation with that country. For this purpose, Japan will make effective use of existing policy consultations, policy dialogue at the ministerial level, and policy dialogue comprising related ministries and will make efforts toward the speedy formation of cooperation conditions, including the construction of IT infrastructure and the utilization of IT. At the time of the implementation of policy dialogue, Japan will utilize the functions of its overseas diplomatic establishments and local offices

of implementing organizations and also obtain the cooperation of learned persons from the private sector.

(b) Shortening of period from request to implementation

Since the technological progress of IT is amazingly fast, projects for which the period from request to implementation is more than two years raise doubts about their efficiency and effectiveness. For this reason, as in the case of the standard processing period stipulated for yen loans, in the IT field, Japan will introduce a standard processing period in the current fiscal year for grant aid and technical cooperation projects in addition to yen loans and will endeavor to observe these limits. In addition, Japan will always be ready to receive requests for grant aid and technical cooperation projects that have a high degree of urgency and must be implemented speedily and will study such requests accordingly.

Furthermore, since it is necessary for projects to have a high degree of maturity for their speedy implementation after request, Japan will ensure the transparency of standards relating to requests and operation of individual schemes. If inquiries are received regarding these standards, Japan will reply speedily and disclose information that can be made public.

Through these measures, Japan will endeavor to greatly shorten the period from request to implementation.

(c) Clarification and transparency of operation standards, etc.

During this year Japan will clarify and make transparent the operation standards, etc. in the implementation of the ODA system.

(i) Lump orders in procurement

Given the special characteristics of IT systems, from the perspectives of shortening system construction times, reducing total costs, and ensuring system stability, after ensuring the transparency and competitiveness of procurement, Japan will make it clear that lump orders, including design and development, hardware and software, etc. are possible.

(ii) Clarification of scope of "goods procured from Japan" under Special Terms for Economic Partnership

In order to promote the utilization of the technology and know-how of Japanese IT companies, Japan will clarify standards in cases where the software attached

to hardware and systemization expenses are included in the requirement under Special Terms for Economic Partnership that “goods procured from Japan” should be no less than 30% of the total amount of contracts.

(iii) Clarification of definition of system startup expenses eligible for cooperation
In the introduction of IT systems, a certain period is necessary after installation to ensure the stable operation of the system and to enable the developing country concerned to operate the system independently. Of the services provided during this period, Japan will clarify that, premised on the continuity of the project, investment expenses that are recognized as being necessary for the stable operation of the system are eligible for cooperation.

(d) Notification of measures

After clarification of the standards, etc. in (a)–(c) above, Japan will give extensive notification to developing country governments, aid organizations, IT industrial circles, and others and maximize the improvement effects.

(3) Harmony with EPAs and FTAs

Amid ongoing efforts to conclude economic partnerships with Asian countries, Japan will endeavor to achieve harmony with economic partnership agreements (EPAs) and free trade agreements (FTAs) in IT international cooperation, for example by defining the IT field as a major pillar of cooperation.

(4) Common “e-Asia Strategy” for Asia

While maintaining consistency with Japan’s IT international strategy, and at the same time bearing in mind of IT strategies of other Asian countries, Japan, with the understanding of other Asian countries, will study the concept of an “e-Asia Strategy” that is a common IT strategy for the whole of Asia.