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Opening the doors to Society 5.0

—A policy proposal to the Digital Extraordinary Administrative Advisory Committee—

【Outline】

12 April 2022
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Opening the doors to Society 5.0

—A policy proposal to the Digital Extraordinary Administrative Advisory Committee —[Outline]

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Ⅰ. Introduction

Lagging far behind in DX, **the Advisory Committee** has been launched. The 3-year period of intensive reform is Japan's **final and greatest opportunity** to shift to Society 5.0. Hence, **we propose the following issues be addressed by Advisory Committee .**

Ⅱ. Basic approach

In 2025, we must live in a society where everyone is confident that **"we have entered a new era where we can feel the advent of Society 5.0."** Hence, the following 3 steps are called for:

- STEP 1 Comprehensive review of existing regulations and a package of digital technology-related law amendments
- STEP 2 Developing new institutions and infrastructure
- STEP 3 Building a digital technology-oriented framework

Ⅲ. Concrete proposals

Principle 1. End to End Digital Execution and Automation

- Introduce digital procedures in public and private sectors
- Review requirements for constant presence, full-time staff, visual management requirements

Principle 2. Agile Governance

- Review methods, standards and qualifications
- Develop institutional framework accommodating new technologies

Principle 3. Public-Private Partnership

- Develop platform for public and semi-public data; disclose API

Principle 4. Interoperability

- Develop databases, etc. for data utilisation
- Ensure consistency of rules among local governments
- Ensure equal footing

Principle 5. Infrastructure-sharing

- Ensure reference to and utilisation of base registries

Ⅰ. Introduction

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- With Japan increasingly lagging behind in DX, the sense of urgency and frustration among the government and business community was a driver for launching **the Digital Extraordinary Administrative Advisory Committee (“Advisory Committee ”)**
- The Advisory Committee’s mission is to fundamentally transform the structure of the entire Japanese economic society and **complete its transformation on a digital basis** during the coming three years, or the **period of intensive reforms**.
- **The next three years are the greatest and final opportunity to shift to Society 5.0.**

Hence, Keidanren presents a policy proposal of issues that should be addressed by the Advisory Committee
The proposal should be included in the Government’s collective review plan

Ⅱ． Basic Approach (1)

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In the ideal society in 2025, everyone is confident that **"we have entered a new era where we can feel the advent of Society 5.0."**

With a view to Society 5.0, **the Digital Principles need to permeate all corners of society**

2025
Expo 2025 Osaka, Kansai, Japan

2022

Ⅱ． Basic Approach (2)

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A detailed roadmap involving the following STEPS 1～3 needs to be implemented in all areas.

03 Building a digital technology-oriented framework

・Embed a scheme that allows government to autonomously keep pace with cutting-edge technologies (shift to goal-based regulations, establish a digital legislation bureau, consider the introduction of a monitoring organisation)

02 Developing new institutions and infrastructure

・Develop institutional frameworks for safety standards, etc. regarding cutting-edge technologies
・Compile and disclose data for semi-public areas
・Link various data to My number
・Introduce user-friendly public service IDs

01 Comprehensive review of existing regulations and a package of digital technology-related law amendments

・Transform regulations that do not befit to Society 5.0
・Achieve real "end-to-end digital execution," with no single paper intervention in all procedures

Ⅲ. Concrete proposals

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In 2025, the following should be achieved in line with the 5 Digital Principles. From this perspective, 87 concrete proposals are proposed

① End to End Digital Execution; Automation

- ✓ **Execute all procedures digitally in public and private sectors**
  - Publicly announce non-digital procedures and contracts
  - Introduce digital process from application/submission to acquisition of permits/licenses, installation, posting
- ✓ **Review base stationing, qualified personnel assignments, visual observations, and on-site inspections requirements**
  - Relax base stationing requirements for construction engineers, Chief Electrical Engineers, pharmacists

② Agile Governance

- ✓ **Review methods, standards and qualifications**
  - Review technical standards in product screening and regulations regarding the introduction of non-explosion proof equipment
- ✓ **Develop institutional framework accommodating new technologies**
  - Develop institutional framework for unmanned technologies, incl. local 5G, drones, robots

③ Public-Private Partnership

- ✓ **Develop platform for public and semi-public data; disclose API**
  - Compile database covering legal frameworks, disclose building and basement space data

④ Interoperability

- ✓ **Develop databases, etc. for data utilisation**
  - Link data among businesses in the field of infrastructure, etc.
- ✓ **Ensure consistency of rules among local governments**
- ✓ **Ensure equal footing**

⑤ Shared Infrastructure

- ✓ **Ensure reference to and utilisation of base registries**
  - Achieve One Stop and Once Only by fully utilising My Number

Examples of individual proposals

Principle 1. End to End Digital Execution

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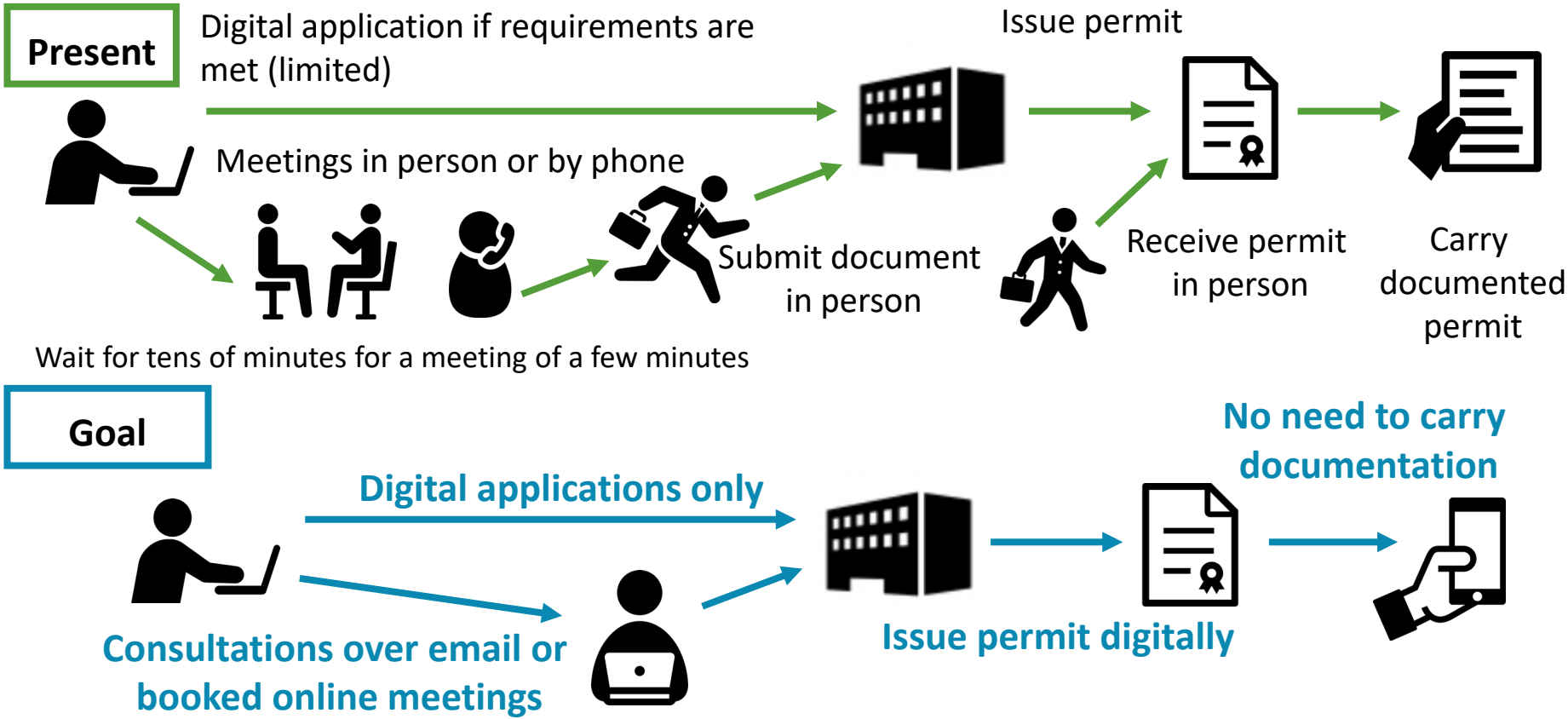
Complete digitalisation of road use permit

Road use permits required for operations in a street are partially digitalised but limited to "Application for extension of past permit" and "Application for location change to site with an identical road environment".

- Execute entire process from application to receiving & carrying permit digitally.
- Introduce email-based consultations/online meetings in all local governments.



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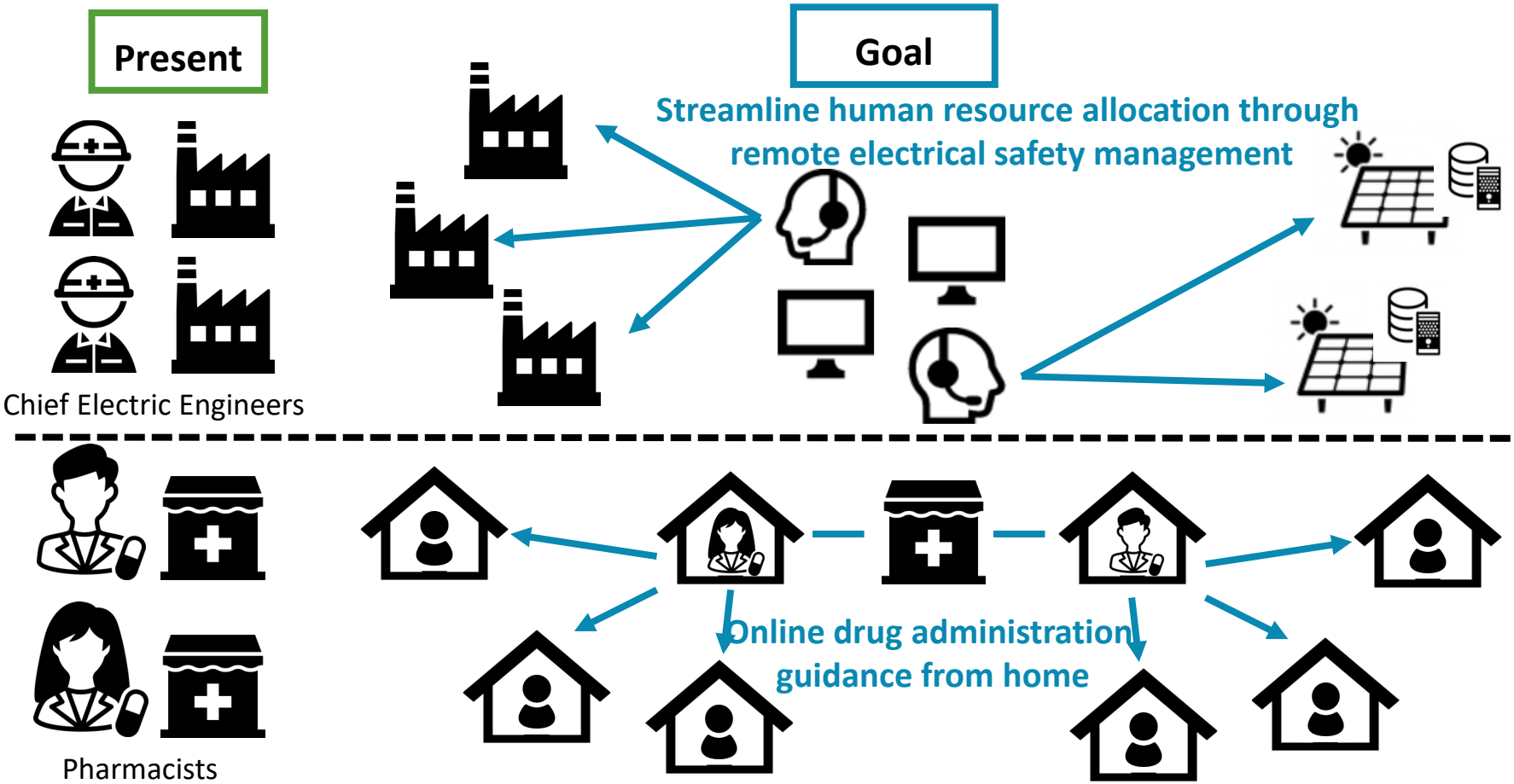
Relax requirements regarding remote monitoring and drug administration guidance

Many Review base stationing, qualified personnel assignments, visual observations, and on-site inspections remain for chief Engineers and Managing Engineers in the construction industry, Chief Electrical Engineers, and pharmacists. Amid human resources shortages, this hinders effective human resource allocation.

On condition that safety is guaranteed, ICT can be utilised to replace constantly present full-time workers and address human resource shortages and streamline operations.



Principle 2. Review methods, standards and qualifications

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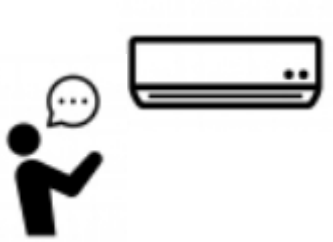
With a view to the prompt introduction of digital technologies, regulations regarding existing methods and standards need to be reviewed and shifted to performance standards.

Review standards under the Electrical Appliance and Material Safety Act for IoT household appliances

Technical standards under the the Electrical Appliance and Material Safety Act hinder product development.

- Requires voice-based feedback of voice-activated HVAC operations
- Does not cover remote control devices using third party infrared light



Revise "Technical Standards Requiring Compliance of Electrical Appliances with Remote Control" **as performance standards to accelerate the deployment of IoT.**

Review regulations regarding use of non-explosion proof equipment

Such regulations hinder the utilisation of tablet devices, 3D scanners and other non-explosion proof equipment.

- The purpose of these regulations are to "prevent explosion and fire," and thus **a more flexible anti-explosion area or equipment use should be considered** on the premise that safety measures are fully taken.
- Standards currently vary among local governments and should be unified.

Principle 2. Develop institutional frameworks

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Facilitate procedures to deploy Local 5G

In introducing Local 5G, 1) unclear digital procedure details; 2) time-consuming radio wave control procedures; and 3) restricting antenna placement and constant presence requirements hinder prompt applications.

Users themselves should be able to directly submit applications in a simplified and appropriate manner, and thus shorten the time required from application to approval.

Present

①Apply to build a base station

②Provide information on other Local 5G licensees

③Survey radio interference

④Check results and withdraw application as required

Regional Bureau of Telecommunications

Goal

①Access information on radio wave interference

List of licensees and license applicants, etc.

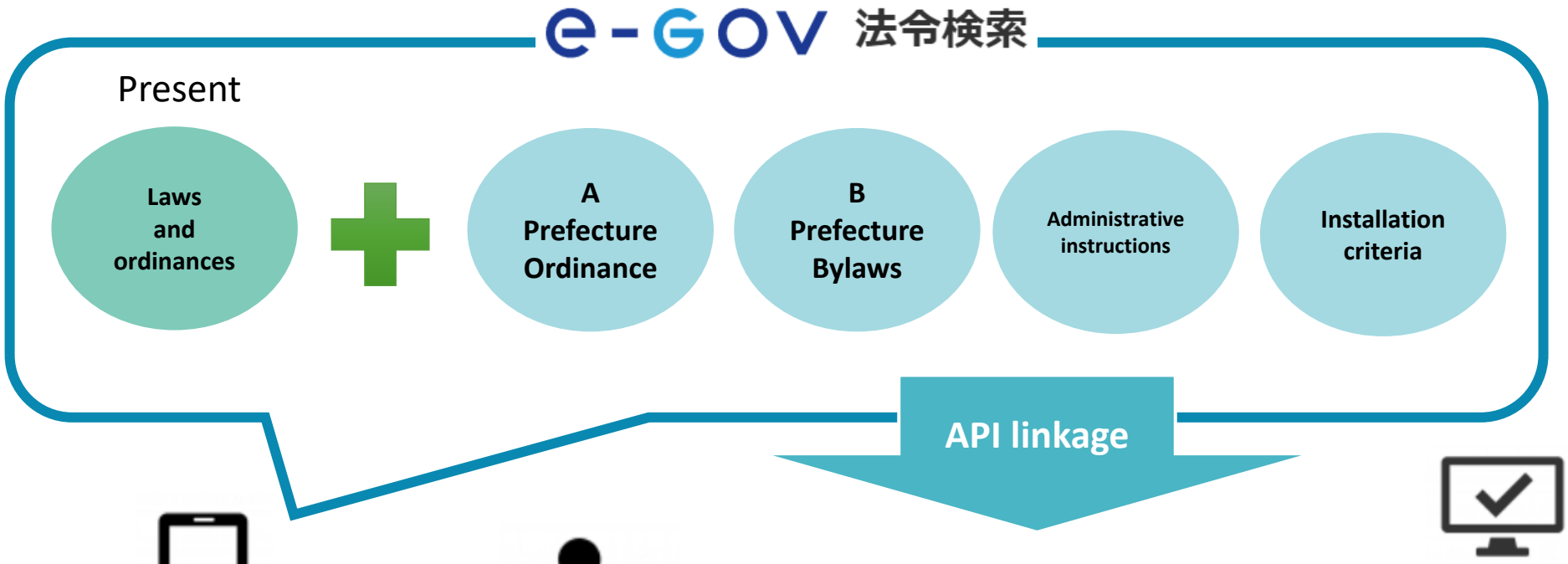
Regional Bureau of Telecommunications

②One-stop application based on results

Develop law database

While laws and ordinances are available on the e-Gov search tool, circular notices, local ordinances and bylaws, screening criteria, and administrative instructions are individually researched by citizens and businesses or consulted with contact person.

- **Should be accessible and searchable one-stop**.
- **API disclosure** will allow information provision and research studies in line with needs.



- Automatically receive necessary and/or updated information
- Automate operations through linkage with in-house system

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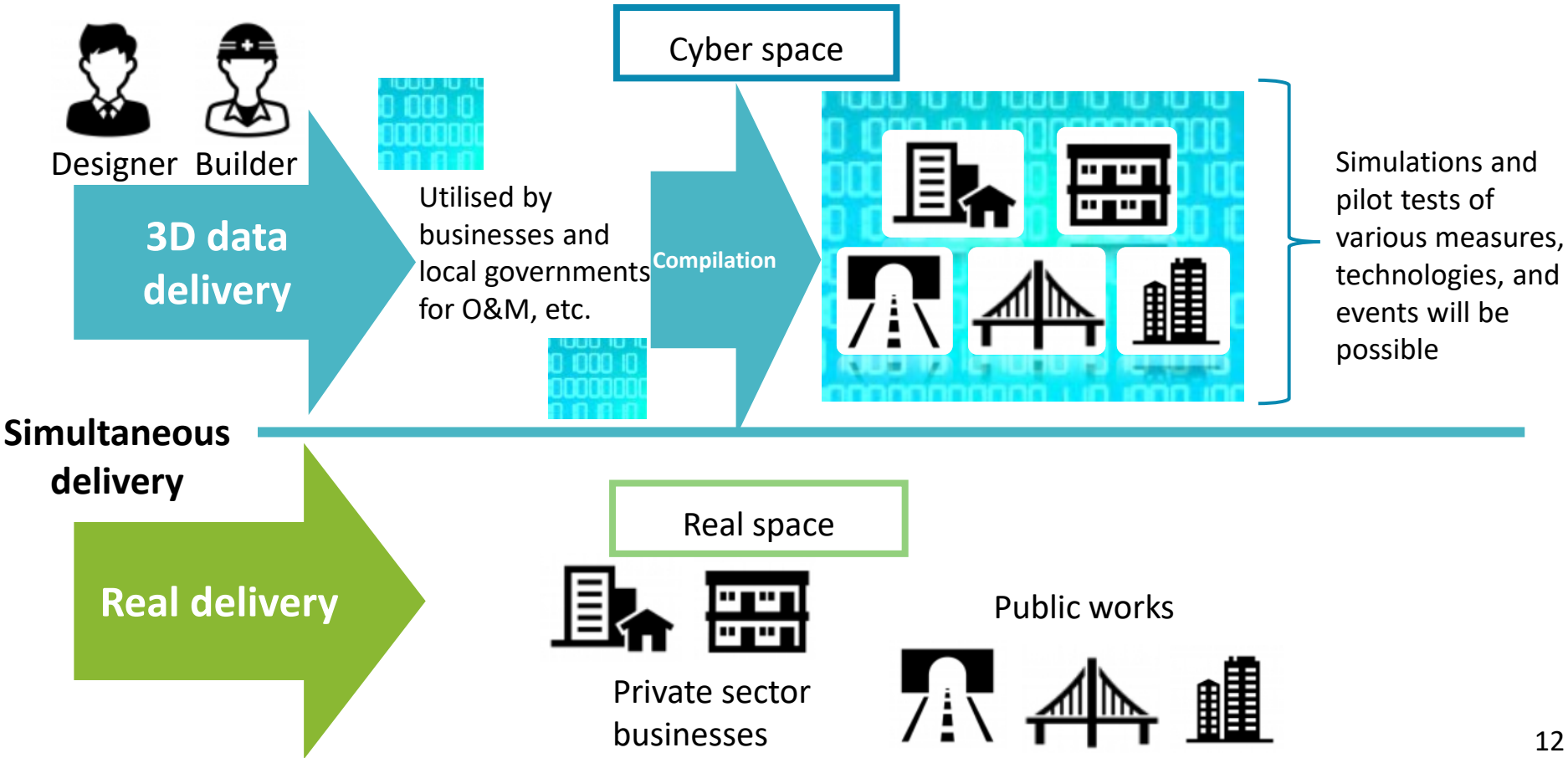
Promote Digital Twin delivery

Despite promotion of building platforms for 3D data of national land and BIM/CIM data, they have yet to be fully promoted and built.

Seek a shared understanding between contractors and contractees from the design phase that 3D data delivery is assumed, and thus accelerate the compilation and utilisation of digital data in public works and private construction at the national and regional level.



Principle 4. Linkage of data on national license holders

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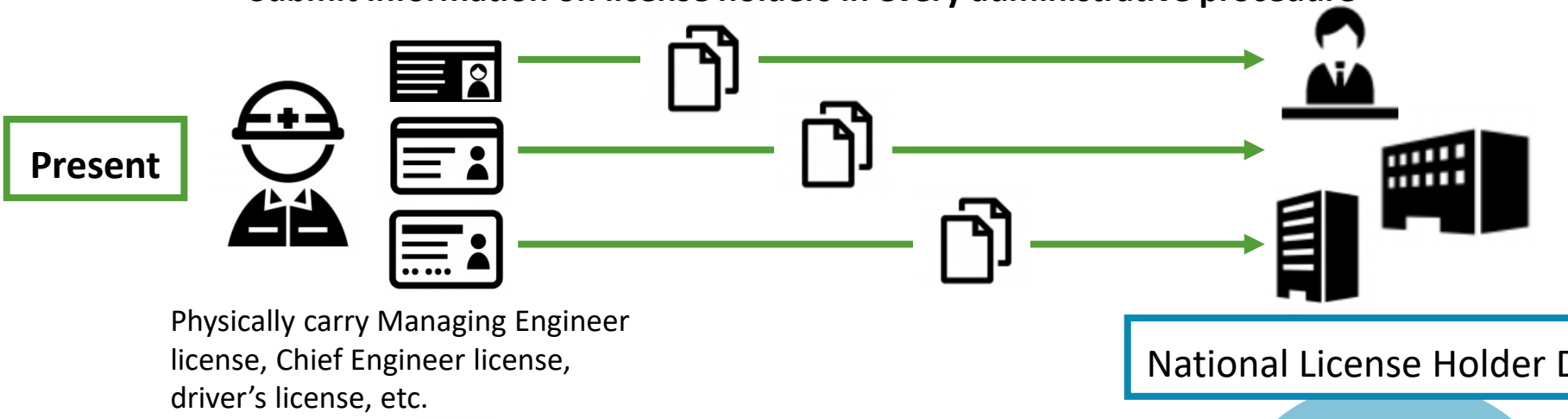
Companies are required to submit information on license holders (Chief Engineers, Managing Engineers, Driver's License Holders, etc.) every time they undergo administrative procedures.

A database for license holder information linking data with My Numbers will significantly reduce costs pertaining to administration and data confirmation. All license cards should be digitally integrated.

Submit information on license holders in every administrative procedure



Principle 4. Data linkage among business operators

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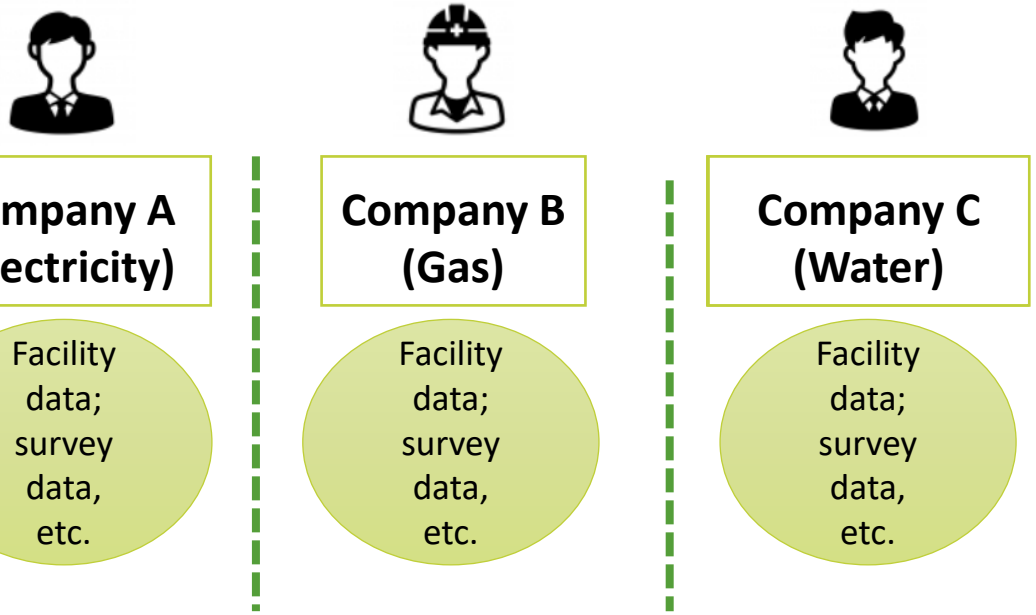
Utilities for electricity, gas, waterworks and other infrastructure currently possess facility information and survey data.

Linking data in the possession of business operators will prevent accidents and thus improve safety and contribute to higher productivity.

Present

Individually possess information

Accidental disconnection of infrastructure; extended construction period



Goal

Develop necessary rules
+ share data across business operators

- Shared buried object detection surveys
- Joint construction/joint witnesses

are enabled

Principle 5. Achieve My Number-oriented data linkage

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- Enhance the benefits and use of the My Number (Individual Number) system and achieve a one-stop, once-only system for administrative procedures, including applications, tax payment and relocation.
- **Achieve administrative procedures that anyone can conveniently access at any time.**
- In order to fully utilise the My Number system, the **Specific Personal Information should be abolished** and given the same status as personal information.