

## FACT SHEETS

# Fourth Report to the Leaders on the U.S.-Japan Regulatory Reform and Competition Policy Initiative

November 2, 2005

### OVERVIEW

The United States and Japan continue to work under the Regulatory Reform and Competition Initiative (Regulatory Reform Initiative) to open markets and spur growth. Each year, Japan has taken important steps to improve its regulatory environment in ways that have expanded opportunities for U.S. companies doing business with Japan as well as increased consumer choice, lowered prices, and encouraged the introduction of more innovative goods and services. The United States therefore welcomes Prime Minister Koizumi's continuing commitment to economic reform, which he reaffirmed in his speech to the Diet in September 2005, saying there can be "no growth without reform."

This Fourth Report to the Leaders under the Regulatory Reform Initiative details measures Japan is implementing in key sectors such as telecommunications, information technologies, intellectual property rights, energy, medical devices and pharmaceuticals, financial services, agriculture, competition policy, transparency, legal reform, commercial law revision, and distribution.

While the reforms in this year's 87-page report show progress in a number of sectors, more needs to be done to reduce regulatory barriers and streamline governmental practices in Japan. This will not only improve market access and benefit consumers, but also help Japan stay on a growth path in the years ahead.

The Regulatory Reform Initiative was launched by President Bush and Prime Minister Koizumi in June 2001 as a key component of the U.S.-Japan Economic Partnership for Growth.

## TELECOMMUNICATIONS

**Background:** The Japanese Government's policies to promote regulatory reform have begun to have a significant impact in this sector, evidenced by the spreading popularity of advanced telecommunications technologies such as Digital Subscriber Line (DSL), Fiber-to-the-Home (FTTH), Voice over Internet Protocol (VoIP), and third generation (3G) mobile phones. Japan is moving towards a telecommunications market where new products and services are less hindered by excessive regulation and anticompetitive behavior by the dominant telecommunications carrier. The United States has urged the Japanese Government to demonstrate its continuing commitment to ongoing reform in this sector by taking steps to address high interconnection rates and other impediments in both the wireline and mobile markets. The United States also seeks further improvement in transparency, technologically neutral licensing, and regulatory independence, particularly in regard to decisions related to wireless services.

**Progress:** The United States welcomes the significant steps the Japanese Government is taking to spur growth and encourage competition in the telecommunications sector, including:

- Giving priority to new market entrants in the mobile sector in its licensing guidelines for the 1.7 GHz and 2 GHz bands for new licenses to be issued early next year (being the first time in 12 years that new mobile operators can offer services in Japan, this represents significant opportunities for suppliers of advanced wireless technologies);
- Identifying weak competition in Japan's cellular market as a serious problem, where the oligopolistic market structure is the likely cause of consumer harm in the form of high rates and low network usage;
- Revising the model for fees the dominant carrier (NTT) has charged to competitors for access to its fixed network by phasing out fixed costs charged to competitors that distorted rates for wholesale access;
- Affirming the revision of the universal service mechanism to subsidize telecommunications service in high-cost regions will adhere to WTO Reference Paper principles such as transparency and competitive neutrality (i.e., ensuring that any universal service program does not disadvantage carriers competing with NTT, which currently has exclusive rights to such subsidies);
- Affirming that license-exempt devices (e.g. Wi-Fi equipment) that share the same spectrum will not be charged spectrum usage fees;
- Welcoming new wireless broadband technologies (e.g. WiMax) and considering future frequency allocations for such technologies in a transparent manner;
- Continuing to ease construction regulations and streamline application processes for deploying fiber optic telecommunications networks;
- Moving forward on completion of a Mutual Recognition Agreement with the United States for telecommunications equipment, to promote more efficient trade; and
- Granting experimental licenses for innovative radio-frequency ID devices (RFID) used to speed logistics and enhance security in the transportation and distribution services.

## INFORMATION TECHNOLOGIES

**Background:** Promoting IT utilization and e-commerce has been a key priority for Japan in developing its e-Japan strategies since 2001. Internet service in Japan is now among the fastest and most affordable in the world. The use of IT and online processes in Japan's private and public sectors has increased rapidly, and Japan's e-commerce market is the world's second largest after the United States. These changes have made Japan's economy more competitive, spurred the development of new technologies, and created new market opportunities for U.S. firms. Some regulatory barriers, however, remain. The United States urges Japan to continue to foster a regulatory environment that further promotes the utilization of IT and e-commerce and recognizes the global nature of these dynamic sectors through policies that stress private sector input and leadership, technology neutrality, international coordination, and promotion of free and fair competition.

**Progress:** The United States welcomes the significant steps the Japanese Government continues to take in creating forward-leaning IT and e-commerce policies, including:

- Intensifying cooperation with the U.S. Government to strengthen intellectual property rights protection and enforcement in Asia and around the world;
- Undertaking a sweeping review of its Copyright Law to address issues stemming from the burgeoning use of digital technology, which the United States hopes will result in decisions to implement a statutory damages system and extend the term of protection for sound recordings and all copyrighted works;
- Fostering a regulatory environment that promotes online services and reduces the need for face-to-face or paper-based transactions (including in 2005 the implementation of a new e-Document Law and the introduction of phased-in online vehicle registration);
- Promoting transparency in the implementation of Japan's new Privacy Act by convening a second major public forum on the Act in March 2005, and encouraging relevant Ministries to publicly provide information on enforcement and corrective actions related to the Act;
- Establishing appropriate and uniform network security policies, developing forthcoming central government network security standards in a transparent manner (i.e. using a public comment process), and promoting the voluntary use of network security measures in the private sector;
- Continuing to reform Japan's information systems procurement process to enhance transparency, increase consideration of private sector input, promote competition, and expand opportunities for foreign and small firms to engage in bidding on such systems;
- Ensuring implementation of the Alternative Dispute Resolution (ADR) Law facilitates online dispute resolution and accommodates cross-border e-commerce, and remedying any impediments to ADR proceedings in cross-border or e-commerce disputes;
- Promoting international coordination to combat spam, while recognizing the private sector's key role and voluntary activities, which would include private sector development of authentication technology; and
- Implementing laws, regulations, and guidelines related to IT in a manner that strives not to promote, mandate, or favor specific technologies (technology-neutrality), which in turn encourages innovation in the private sector.

## ENERGY

**Background:** Japan's reform of its energy market has now expanded liberalization from 26 to 63 percent of the retail electricity market and from 40 to 50 percent of the natural gas market. The Government of the United States welcomes this progress and new steps Japan is taking to monitor the effectiveness of these reforms in order to assess their actual impact on market competition. Enhanced competition will help spur domestic economic growth and increase opportunities for U.S. companies to produce, sell, and trade energy products and services in Japan's electricity and gas markets. Opportunities for U.S. exports of electrical generation equipment will also be expanded as liberalization progresses. The Japanese Government is taking important steps to foster overall investor confidence by providing opportunities for public comment on new or revised ordinances issued to carry out its liberalization program.

**Progress:** The Japanese Government continues to take positive steps to implement energy sector reform legislation passed by the Diet in 2003, including:

*Fostering reliability and transparency in the electricity sector by:*

- Approving and supervising a Neutral System Organization (NSO) designed to create fair and non-discriminatory rules for the transmission/distribution sector;
- Relaxing the balancing rules for wheeling services to enable new entrants to obtain access to customer demand data every 30 minutes;
- Revising in the near future a ministerial ordinance to effectively implement separation of transmission/distribution accounts from other accounts; and
- Eliminating "pancaking" of transmission rates and implementing a new framework for network users to pay a single wheeling rate.

*Ensuring transparency and fairness in the natural gas sector by:*

- Taking steps to facilitate cost-effective expansion of the domestic gas pipeline network;
- Requiring accounting separation of gas transportation/distribution segments from other businesses;
- Implementing new Guidelines for Fair Gas Trade to help ensure fairness, including on the establishment of information firewalls and steps to prevent discriminatory treatment against Third-Party Access (TPA) users; and
- Supporting TPA to liquefied natural gas (LNG) facilities by issuing guidelines to establish a framework for negotiating third-party use of LNG terminals.

*Monitoring and assessing the effects of reforms by:*

- Initiating new market monitoring efforts to aid enforcement of regulations as well as to review the effectiveness of regulatory reform and evaluate the need for changes to regulations, as needed, to ensure there is fairness, transparency, and sufficient competition in the market.

## MEDICAL DEVICES AND PHARMACEUTICALS

**Background:** Japan is working to improve the competitiveness of its medical device and pharmaceutical industries while addressing the many challenges of a rapidly aging population. On reimbursement pricing issues, Japan is preparing for April 2006 price revisions while considering longer-range changes in its reimbursement system. On regulatory issues, Japan is implementing Pharmaceutical Affairs Law amendments that took effect on April 1. The Government of the United States is closely monitoring the changes in Japan's pricing and regulatory systems, as they are expected to affect the ability of U.S. companies to market innovative devices and drugs expeditiously in the world's second-largest economy.

**Pricing Progress:** Significant new steps Japan has taken or will take on pricing issues include:

- Reviewing elements of the Foreign Average Price rule for medical devices (which has had a disproportionately negative impact on U.S. manufacturers of innovative medical technology), providing opportunities for U.S. industry to consult on that rule, and taking into consideration a U.S. device industry study on the cost of doing business in Japan;
- Providing meaningful opportunities for the U.S. pharmaceutical industry to consult with the Japanese Government on the Foreign Price Adjustment rule for drugs;
- Allowing drug companies to make presentations on their products' effectiveness and usefulness at certain initial Drug Pricing Organization meetings on a trial basis;
- Accepting and considering all data provided by firms about their drugs when the drugs' reimbursement levels are under consideration;
- Recognizing the value of diagnostics (e.g., in-vitro diagnostics and imaging devices) when determining reimbursement pricing, and continuing to ensure transparency for the diagnostics industry regarding the pricing process; and
- Recognizing the differences of development, manufacturing, and safety between biologics and chemical-based drugs.

**Regulatory Progress:** Significant new measures Japan has taken or will take on regulatory issues include:

- Taking steps to ensure Japan's Pharmaceuticals and Medical Devices Agency (PMDA) meets its annual performance goals for faster reviews of pharmaceuticals and medical devices;
- Welcoming discussions between PMDA and industry regarding the usefulness of performance metrics, which can help PMDA better assess its progress;
- Implementing a useful mechanism to enhance communication between PMDA and companies regarding the status of reviews of applications for drugs and medical devices;
- Confirming that factory inspections will not delay product reviews;
- Working with the U.S. blood products industry and other interested parties to discuss patient care and other issues related to securing a stable supply of such products; and
- Harmonizing regulations for nutritional supplements with the international guidelines and standards established at Codex.

## FINANCIAL SERVICES

**Background:** Japan continued the process of opening and liberalizing its financial services market over the past year, building on the reforms begun under Japan's "Big Bang" financial liberalization initiative of the late-1990s. Following its two-year "Program for Financial Revival," under which the Financial Services Agency (FSA) achieved its goal of reducing major banks' non-performing loans ratios by half, the FSA unveiled its new two-year "Program for Further Financial Reform" in December 2004.

The new Program signals a shift in focus from "ensuring financial system stability" to "promoting financial system vitality" through deregulation to boost the ability of financial institutions to offer a wider range of services quickly while enhancing user protection. Under the new program, the FSA has set forth an aggressive, wide-reaching work schedule with the aim to carry out financial reforms by 2007 and to ensure Japan's future as a highly advanced "financial services nation." The Program work schedule provides for reforms in key areas including distribution, pricing, advertising, market conduct, user protection, corporate governance, disclosure, and risk management. These reforms may result in sweeping changes to numerous laws, regulations, and guidelines. Given the substantial impact the proposed reforms may have on the economy, the Governments of the United States and Japan have agreed to a continuing dialogue on implementation of the Program.

Bilateral financial services discussions under the Economic Partnership for Growth have contributed to continued progress in the opening of Japan's financial markets and increasing the transparency of the financial regulatory process over the past year.

**Progress:** Notable regulatory reform steps the Japanese Government has taken over the past year include:

- Promoting more active use of the No Action Letter (NAL) System by conducting a survey on the use of the NAL system, amending the bylaws of the NAL system to reflect the survey's results, and taking steps to promote public awareness of the NAL system;
- Taking other steps to promote regulatory transparency, which will include the compilation and publication of a list of examples of FSA interpretations of laws and regulations;
- Raising the contribution limits on private defined-contribution pensions for employees whose companies do not provide defined-benefit pensions; and
- Taking other steps to expand use of defined contribution pensions, including easing the requirements for early withdrawal and conducting public education programs on defined contribution pensions. These efforts will encourage individual investment and facilitate labor mobility by promoting the use of defined contribution pensions. (The Japanese Government is providing investor education and studying ways to make defined contribution pensions a more attractive retirement plan alternative by further increasing contribution limits and other reforms.)

## COMPETITION POLICY

**Background:** Japan has been striving to bolster its economic recovery by creating a climate that encourages competition through new entry and innovation and fosters efficient, competitive companies. A successful competition policy depends on a strong Antimonopoly Act (AMA) and a Japan Fair Trade Commission (JFTC) that is properly equipped to uncover and challenge anti-competitive behavior in the Japanese market. It also depends on support from other Japanese Government agencies both to eliminate the bid rigging practices that drain public funds and undermine the restructuring of Japan's economy and to incorporate market-based competition principles in their privatization and regulatory reform efforts. By completing a major revision to its AMA this year, Japan has taken a significant step forward in creating a more competitive environment in the Japanese market.

**Progress:** Significant new measures Japan has taken or will take to address these problems include:

*Amending the AMA to significantly strengthen JFTC enforcement capabilities by:*

- Substantially increasing administrative fines (surcharges) on firms involved in cartels and bid rigging (e.g. from the current 6 percent of sales to 10 percent for large manufacturers and service suppliers and to 15 percent for repeat offenders);
- Introducing a leniency program that will eliminate surcharges (and criminal prosecution) against the first company that discloses a cartel to the JFTC prior to a JFTC investigation and will reduce surcharges for up to a total of three firms; and
- Strengthening the investigatory powers of the JFTC by providing its investigators with the power to obtain compulsory search warrants in investigations intended to result in criminal charges;

*Increasing the fairness of JFTC procedures by:*

- Enacting AMA amendments requiring that proposed recipients of cease-and-desist orders or surcharge orders be given the opportunity to submit evidence and rebut allegations against them prior to issuance of a final order by JFTC; and
- Introducing by early January 2006 a system that will allow proposed recipients of JFTC warnings against suspected AMA violations the opportunity to submit evidence and arguments in their defense;

*Important actions to eliminate and deter bid rigging, such as:*

- Criminally prosecuting 26 companies and a number of individuals for participation in bid rigging on steel bridge construction projects, and imposing the longest ever suspension from bidding on new projects for a several of the participants involved;
- Formulation by the Ministry of Land, Infrastructure and Transport (MLIT) of specific countermeasures to prevent recurrence of bid rigging, including a strengthening of the administrative penalties for serious bid rigging; and
- Initiation of an MLIT examination of whether to adopt a leniency program exempting companies from certain administrative sanctions that report bid rigging to the JFTC.

## TRANSPARENCY AND OTHER GOVERNMENT PRACTICES

The United States has taken up a broad range of issues under “Transparency and Other Government Practices” with the primary aim of recommending ways for Japan to increase fairness, predictability, and accountability in its regulatory system. In particular, the United States has been urging Japan to improve its Public Comment Procedures (PCP), which since their establishment in 1999 have fallen short of expectations for improving transparency in the Japanese regulatory process. Earlier this year, however, the Diet amended the Administrative Procedure Law in a manner that has strengthened the PCP. Though not going as far as it could have to make the PCP a more useful tool, the change was a step forward. In addition to revising the PCP, Japan expanded its Special Zones for Structural Reform initiative, which is allowing businesses in the zones to operate unencumbered by burdensome regulations. Japan has also taken several other important steps forward to improve government practices, including streamlining quarantine procedures, liberalizing bank sales of insurance products, and strengthening supervision of certain insurance cooperatives.

**Progress:** Details of the progress Japan has made to improve transparency and other government practices include:

- Passing legislation in June 2005 to strengthen Japan’s PCP with measures intended to compel the Ministries and Agencies to fully consider all comments that have been submitted and to make public the text and/or summary of all comments;
- Expanding the number of Special Zones for Structural Reform from 324 last year to 548 this year, thereby creating greater opportunities for domestic and foreign companies alike to operate in a deregulated environment more conducive to business;
- Streamlining plant quarantine procedures in ways that will facilitate trade for U.S. fruit and vegetable producers;
- Relaxing regulations to allow for sales of certain types of insurance products through banks, with the aim of full liberalization after two years;
- Amending the law to bring unregulated insurance cooperatives (*kyosai*), in principle, under the supervision of financial services regulators; and
- Affirming continued cooperation with the United States to achieve full implementation of the APEC Transparency Standards in the domestic legal regimes of APEC member economies.



## PRIVATIZATION

**Background:** The Japanese Government continues to make progress in its program to restructure and privatize public corporations. The United States has taken particular interest in Japan's decision to reform and privatize Japan Post. A truly market-oriented approach to these reforms is important to secure maximum benefits for the Japanese economy as well as to create undistorted competition in Japan's banking, insurance, and express delivery sectors by eliminating all special advantages accorded to Japan Post. Legislation to privatize Japan Post was passed by the Diet in October 2005. Under that legislation, the privatization of Japan Post would begin in 2007 and end no later than 2017.

**Progress in Banking and Insurance:** The legislation to privatize Japan Post contains key elements that will help achieve a level playing field in Japan's banking and insurance markets, including:

- Requiring application of the Banking Law and the Insurance Business Law (including the arms-length rule) to the newly privatized postal banking and insurance companies;
- Terminating special government guarantees for Japan Post financial products and requiring the new postal banking and insurance companies to join safety-net schemes on the same terms as other firms;
- Requiring the same accounting and disclosure obligations for the new financial corporations as other stock companies to ensure transparency in the statement of profits and losses;
- Obligating the new postal banking and insurance companies to meet the same additional legal, tax, and regulatory requirements as those met by private companies, except for special provisions imposing stricter business restrictions on the new postal companies during the privatization transition period; and
- Establishing the principle of ensuring equality of competitive conditions as a criterion to guide the privatization process, including with respect to recommendations and decisions on requests to introduce new business products that compete with the private sector.

**Progress in Express Delivery:** The privatization legislation for Japan Post also contains key elements that should help achieve a level playing field in express delivery services:

- Applying the same regulations and tax treatment to the new postal service company as are applied to other private companies, except for minimum measures to secure universal services and achieve a smooth transition of the business and functions of Japan Post to the new company; and
- Taking steps (including accounting and disclosure requirements) to ensure there is no anti-competitive cross subsidization between universal/monopoly and competitive delivery and logistics services.

**Progress in Transparency:** Japan has taken steps to help make transparent the development of the privatization legislation (and will take further such steps in the implementation of the laws):

- Making opportunities available for interested parties to exchange views with relevant officials and to be informed about the progress of privatization;
- Ensuring that steps are taken to make the product approval process outlined by the laws transparent, including with respect to the Postal Services Privatization Committee; and
- Making implementation of administrative regulations, decisions, and guidelines transparent, including through use of public comments and other opportunities for input by interested parties.

## LEGAL SYSTEMS REFORM

**Background:** To build a stronger, more competitive economy, it is crucial that Japan continue its effort to create a legal environment that can more effectively meet the growing demand in the Japanese market for efficient international legal services and quick, inexpensive mechanisms for resolving legal disputes. The United States commends Japan for its revisions of the Foreign Lawyers Law in 2003 to enable foreign lawyers and Japanese lawyers to associate freely to the benefit of Japanese consumers. The United States also looks forward to the implementation of those revisions in a manner consistent with the letter and liberalizing spirit in which they were enacted. At the same time, the United States welcomes Japan's commitment to create a flexible and open legal environment that facilitates the development of Alternative Dispute Resolution (ADR) mechanisms and helps the Japanese people resolve conflicts quickly and inexpensively.

**Progress:** Significant new measures Japan has taken or will take to build a legal environment better suited to the global marketplace include:

- Implementing amendments to the Foreign Lawyers Law in April 2005 that permit partnerships between Japanese lawyers (*bengoshi*) and American foreign legal consultants in Japan (*gaiben*), and allowing *gaiben* to employ *bengoshi*;
- Ministry of Justice (MOJ) clarifying that *gaiben* who are partners in law firms may accept and handle legal business within the scope of practice of their *gaiben* associates (in accordance with the Foreign Lawyers Law) and committing to discuss this issue when necessary with the Japanese bar association, so that its rules are consistent with the views of MOJ;
- MOJ carefully examining the practical considerations to be addressed if *gaiben* were permitted to establish professional corporations that in turn can establish branch offices (as *bengoshi* are currently allowed to do) or if foreign law firms were permitted to establish branch offices without forming separate Japanese legal professional corporations; and
- Clarifying key issues related to the new Alternative Dispute Resolution (ADR) Law, which will come into effect no later than May 31, 2007, including:
  - Facilitating the promotion of ADR in a manner consistent with international norms and practices;
  - Ensuring that certification under the ADR Law is completely voluntary, and open to foreign and Japanese nationals on an equal basis;
  - Permitting parties, as a general matter, to determine the rules, process, and standards to be applied in individual ADR proceedings;
  - Ensuring the ADR Law will neither restrict non-certified providers of ADR services from continuing to operate their business nor prevent new providers of ADR services from establishing businesses without obtaining certification; and
  - Confirming that when persons who are not *bengoshi* act as neutrals in certified ADR services, there will be no general requirement that a *bengoshi* supervise the ADR process, but only that a system be in place to obtain legal advice from *bengoshi* where necessary.

## COMMERCIAL LAW

**Background:** Effective corporate restructuring and improved corporate performance will help Japan to reposition and revitalize its economy for the demands of the 21<sup>st</sup> century global economy. The introduction of modern merger techniques in Japanese commercial law, for instance, will do much to bolster the economy by encouraging corporate restructuring and investment. In addition, the introduction of good corporate governance mechanisms will lead to improvements in corporate performance by ensuring that management works to maximize shareholder value through increased productivity and economically sound business decisions. Key to improving corporate governance is the active participation by shareholders, particularly large institutional investors such as pension funds and mutual funds. The United States welcomes the measures already taken by Japan to encourage active proxy voting by public pension funds and by investment trusts (including mutual funds), but further actions are needed, including in facilitating the exercise of proxy voting rights by foreign shareholders.

**Progress:** Significant new measures Japan has taken or will take to improve corporate performance and governance include:

- Amending the Corporate Code to permit the use of modern merger techniques, such as triangular mergers, cash mergers and short form (squeeze out) mergers;
- Establishing its intention to adopt appropriate tax treatment of triangular mergers by the time the Corporate Code amendments come into effect, taking into account (among other factors) that tax considerations will be crucial for companies in deciding whether to participate in M&A transactions;
- Urging corporations to refrain from adopting or invoking anti-takeover measures that do not have as their purpose and effect the maximization of shareholder value or that are primarily aimed at protecting entrenched management;
- Encouraging the Investment Trust Association to require mutual fund managers to disclose publicly their actual proxy voting records;
- Urging by the Government Pension Investment Fund to its fund managers to disclose their proxy voting policies, and continuing to study whether to revise its Investment Management Policy to require fund managers to disclose those policies; and
- Examining the role of the Tokyo Stock Exchange to enhance corporate governance of listed companies, including a review of TSE rules to take account of the growth in the number of foreign shareholders of listed companies.

## DISTRIBUTION

**Background:** The ability to move goods quickly and inexpensively through customs and into consumers' hands is a key measure of economic efficiency and requires that regulatory and other impediments to distribution are minimized, that customs procedures are smooth, and that costs inhibiting the free exchange of goods and information through the express carrier industry are kept to a minimum. Similarly, expanded use of credit, debit and ATM cards benefits consumers and provides for a more smoothly operating economy, and efficient, rationalized vehicle registration procedures reduce impediments to vehicle leasing companies. Although more remains to be done to create a truly seamless distribution system, the United States welcomes Narita airport's announcement that it intends to lower landing fees but notes that Narita remains one of the most expensive airports in the world. The United States also welcomes Japan's efforts to both further promote the secure and widespread use of credit and debit cards and consider ways to lighten the registration burden on fleet vehicle leasing companies.

**Progress:** Significant measures Japan has taken or will take in these sectors include:

- Welcoming the Narita International Airport Corporation's (NAA) proposed reduction of landing fees;
- Acknowledging that airport user fees should be determined in accordance with ICAO principles, including transparency;
- Recognizing the importance of maintaining a level of security equivalent to internationally accepted security standards in ATM networks for banks in Japan;
- Continuing to tighten regulations related to credit/debit card fraud in Japan, reinforcing cooperation with customs and immigration authorities, credit and debit card issuers, and merchants to prevent smuggling and use of "raw" cards into Japan;
- Establishing a Ministry of Internal Affairs and Communications (MIC) study group to consider issues related to introducing card payment for local government services. Based on these considerations, MIC will reach a conclusion on the matter by the end of FY 2005, as provided for in the revised Three-Year Program for Promotion of Regulatory Reform; and
- Considering the possibility of taking measures to lighten the burden on vehicle leasing companies with regard to vehicle registration procedures in response to the report by the Office of the Trade Ombudsman recommending a review of the Road Transportation Vehicle Law (RTVL).