

Cabinet Order for Stipulating the Business Category and Scale under in Article 4, paragraph (1) of the Act on Improving Transparency and Fairness of Digital Platforms (Tentative translation)

(Cabinet Order No. 17 of January 29, 2021)

The Cabinet established this Cabinet Order pursuant to Article 4, paragraph (1) of the Act on Improving Transparency and Fairness of Digital Platforms (Act No. 38 of 2020).

(1) The classifications of business to be specified by Cabinet Order pursuant to Article 4, paragraph (1) of the Act on Improving Transparency and Fairness of Digital Platforms (hereinafter referred to as the "Act") shall be as set forth in the center column of the following table, and the scale of business to be specified by Cabinet Order pursuant to the same paragraph shall be as set forth in the lower column for the respective business classification.

	Business Classification	Scale
(i)	Business whereby a User Provider of Goods, etc. provides Goods, etc. (Goods, etc. specified in Article 2, paragraph (1) of the Act; the same applies hereinafter) to General Users and that falls under any of the following: (a) The User Providers of Goods, etc. are primarily business operators, and the General Users are persons other than business operators;	The aggregate amount of an amount set forth below in a fiscal year (the period from April 1 of each year to March 31 of the following year) (the same applies hereinafter) is 300 billion yen: (a) The aggregate amount of domestic sales in relation to the provision of Goods., etc. by the User Provider of Goods, etc. (limited to provision on the forum related to the relevant business; the same applies in (b))

	<p>(b) Goods, etc. are broadly provided in response to consumer demand, and the relevant Goods, etc. include foods, beverages, or daily necessities; or</p> <p>(c) The prices offered for the Goods, etc. and other information relating to the relevant Goods, etc. are disclosed to General Users.</p>	<p>(b) Total domestic sales relating to the business of a Digital Platform Provider providing Goods, etc. to General Users (excluding businesses specified by Order of the Ministry of Economy, Trade and Industry as businesses that bear the cost of repairing goods provided by a User Provider of Goods, etc. in the event that such goods are damaged and other businesses conducted as an integral part of the provision of a digital platform).</p>
(ii)	<p>Business whereby a User Provider of Goods, etc. provides software (limited to software that operates on mobile phone terminals or comparable terminals; the same applies hereinafter) to General Users and business whereby the rights to such software are sold that fall under any of the following:</p> <p>(a) The User Providers of Goods, etc. are primarily business operators, and the General Users are persons other than business operators;</p> <p>(b) Business whereby software is broadly provided and business whereby rights to such software are sold in response to consumer demand and the relevant software includes functions for sending and receiving electronic mail and functions for viewing information using the Internet; or</p>	<p>The aggregate amount of an amount set forth below in a fiscal year is 200 billion yen:</p> <p>(a) The aggregate amount of domestic sales in relation to the provision of software and sales of rights (limited to provision and sales on the forum relating to the relevant business (simply referred to as the "forum" in (b); the same applies in (b))</p> <p>(b) Total domestic sales relating to the business of a Digital Platform Provider providing software and selling rights to General Users (excluding businesses specified by Order of the Ministry of Economy, Trade and Industry as businesses that provide software that provides venues and other businesses conducted as an integral part of the provision of a digital platform).</p>

	(c) Business whereby prices offered for the software, prices for the sales of rights to the relevant software, and other information relating to the relevant software and the relevant rights are disclosed to General Users.	
(iii)	<p>Business whereby a digital platform provider provides a forum for General Users to search for information or interact with other General Users by posting text, images, or video and in which a User Provider of Goods, etc. displays information relating to Goods, etc. to General Users as advertising and that falls under any of the following:</p> <p>(a) The User Providers of Goods, etc. are primarily business operators, and the General Users are persons other than business operators;</p> <p>(b) User Providers of Goods, etc. to whom information relating to Goods, etc. is to be displayed is determined primarily by bidding;</p>	<p>The amount of domestic sales in a fiscal year relating to the provision of services for displaying information relating to the Goods, etc. of User Providers of Goods, etc. by the digital platform provider as advertising (limited to that within the forum related to the relevant business) is 100 billion yen</p>

(iv)	<p>Business whereby User Providers of Goods, etc. provide services to General Users for displaying advertising materials (text, images, or video to be displayed as advertising that was created and recorded by an electronic, electromagnetic, or other means that cannot be recognized by the perception of people; hereinafter the same applies in this item) of General Users as advertising in their own advertising display spaces (a site created by information processing using a computer for the purpose of displaying text, images or video as advertising; hereinafter the same applies in this item) and that fall under all of the following:</p> <p>(a) Both User Providers of Goods, etc. and General Users are primarily business operators;</p> <p>(b) User Providers of Goods, etc. to be provided services for displaying advertising materials to General Users as advertising in the advertising space are determined primarily by bidding;</p>	<p>The amount of domestic sales in a fiscal year relating to the provision of services for displaying advertising materials as advertising in advertising display spaces (limited to that within the forum related to the relevant business) is 50 billion yen</p>
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(2) Beyond what is provided for in the preceding paragraph, necessary matters concerning the method of calculating domestic sales set forth in the same paragraph and application of the other provisions of the same paragraph are prescribed by Order of the Ministry of Economy, Trade and Industry.

Supplementary Provisions

(Effective Date)

(1) This Cabinet Order shall come into effect as of the date on which the Act comes into effect (February 1, 2021).

(Partial Amendment of the Cabinet Order Designating Acts Specified in Item (viii) of the Appended Table of the Whistleblower Protection Act)

(2) The Cabinet Order Designating Acts Specified in Item (viii) of the Appended Table of the Whistleblower Protection Act (Cabinet Order No. 146 of 2005) is

partially revised as set forth below.

No. 456 shall be renumbered as No. 457, No. 455 shall be renumbered as No. 456, and the following item shall be added after No. 454.

(cdlv) Act on Improving Transparency and Fairness of Digital Platforms (Act No. 38 of 2020)

Supplementary Provisions [Cabinet Order No. 246 of 2022]

This Cabinet Order shall come into force as of August 1, 2022.