

Basic Act on Forming a Digital Society

(Act No. 35 of May 19, 2021)

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Chapter I General Provisions

(Purpose)

Article 1 Given that forming a digital society can help strengthen Japan's international competitiveness and enhance citizens' convenience, and is extremely important for responding to the rapid declining birth rate and aging population, as well as solving other problems that the country faces, the purpose of this Act is to swiftly and thoroughly pursue strategies for forming a digital society by prescribing basic principles and a basic policy development action plan, determining the responsibilities of the national government, local governments, and businesses, and providing for the development of a priority plan for establishing the Digital Agency and forming a digital society, and in this way contribute to achieving the sustainable and sound development of the Japanese economy and happy lives for its citizens.

(Definitions)

Article 2 The term "digital society" as used in this Act means a society in which creative and robust development is made possible in all fields by obtaining, sharing or transmitting globally diverse information or knowledge, in a free and safe manner via the Internet and other advanced information and communications networks and by using information and communications technology, including the artificial intelligence-related technology prescribed in Article 2, paragraph (2) of the Basic Act on the Advancement of Public and Private Sector Data Utilization (Act No. 103 of 2016), the technology related to utilizing the Internet of Things prescribed in paragraph (3) of that Article, the technology related to cloud computing services prescribed in paragraph (4) of

that Article, and other advanced technology that enables higher data processing throughput as compared to conventional throughput (referred to below as "information and communications technology"), to appropriately and effectively utilize the varied and massive amount of information recorded as an electronic or magnetic record (meaning a record created in an electronic form, magnetic form, or any other form that cannot be perceived by the human senses; the same applies to Article 30) (referred to below as "utilizing information through information and communications technology").

Chapter II Basic Principles

(Creating a Society Where All Citizens Can Enjoy the Benefits of Information and Communications Technology)

Article 3 Forming a digital society must be carried out in order to create a society where all citizens can easily and independently use advanced information and communications networks, while also utilizing information through information and communications technology in order to participate in all the activities of a digital society, enabling them to fully and creatively use their individual abilities, and, as a result, enjoy a broad range of benefits from information and communications technology.

(Promoting Economic Structural Reforms and Strengthening International Industrial Competitiveness)

Article 4 Forming a digital society must lead to a boost in economic activity, efficiencies in managing small and medium enterprises and other businesses, enhancement of their business operations and improvements in their productivity, the creation of diverse businesses, and a wider range of diverse employment opportunities and other opportunities for workers to effectively exercise their abilities using advanced information and communications networks and utilizing information through information and communications technology, and in this way contribute to promoting economic structural reforms and strengthening international industrial competitiveness.

(Creating Lifestyles in Which Citizens Can Experience Comfort and Affluence)

Article 5 Forming a digital society must enhance the convenience of everyday life, promote lifestyle diversification and provide consumers with more opportunities to make rational, independent choices, by increasing the value of a diverse range of services across all aspects of citizens' lives and generating that new value from their standpoint, using advanced information and communications networks and utilizing information through information and communications technology, and in this way contribute to creating lifestyles in

which citizens can experience comfort and affluence.

(Creating Vibrant Local Communities)

Article 6 Forming a digital society must contribute to creating unique and vibrant local communities, ensuring the sustainability of local communities, and improving the welfare of local residents by enriching residents' lifestyles and enhancing convenience by stimulating local economies, creating attractive and diverse local employment opportunities, and increasing the various opportunities for exchange within and between communities using advanced information and communications networks and utilizing information through information and communications technology.

(Creating a Society Where Citizens Can Live in Safety with Peace of Mind)

Article 7 Forming a digital society must prevent the occurrence of damage or alleviate damage by responding swiftly and appropriately to the occurrence of a large-scale disaster, the spread of an infectious disease, or any other situation in which serious harm to citizens' lives, physical health, or property has occurred or is likely to occur, and in this way contribute to the creation of a society that enables citizens to live safely and with peace of mind using advanced information and communications networks and utilizing information through information and communications technology.

(Reducing Disparity in Opportunities for Use)

Article 8 In forming a digital society, actions must be taken steadily to reduce disparities in the opportunities and abilities needed to use advanced information and communications networks and utilize information through information and communications technology, which are due to factors including geographical constraints, age, physical condition such as the presence or absence of a disability, and economic status, considering the possibility that these disparities may severely hamper the smooth and integrated formation of a digital society.

(Division of Roles Among the National and Local Governments as well as the Private Sector)

Article 9 As a rule, the private sector is to play a leading role in forming a digital society, and the national and local governments are to actively utilize private sector knowledge while also implementing other strategies centered on creating an environment more conducive to enabling the private sector to exert its full vitality by taking steps such as encouraging fair competition or revising regulation in order to eliminate any factors that impede forming a digital society, making public services (meaning the public services prescribed in

Article 2 of the Basic Act on Public Services (Act No. 40 of 2009); the same applies to Article 29) more convenient for citizens, making public administration simpler, more efficient, and more transparent, and creating an environment that ensures fair benefits and burdens in public services.

(Protecting the Rights and Interests of Individuals and Corporations)

Article 10 In forming a digital society, matters including the rights and interests of individuals and corporations and national security must be kept from harm using advanced information and communications networks and utilizing information through information and communications technology, and the free and safe circulation of reliable information must be ensured through using advanced information and communications networks and utilizing information through information and communications technology.

(Dealing with Progress in Information and Communications Technology)

Article 11 In forming a digital society, actions must be taken appropriately and actively regarding the progress of information and communications technology.

(Dealing with New Problems Arising from Changes in Socioeconomic Structures)

Article 12 In forming a digital society, actions must be taken appropriately and actively to address new issues in employment or other fields arising from changes in socioeconomic structures as a result of using advanced information and communications networks and utilizing information through information and communications technology.

Chapter III Responsibilities of the National Government, Local Governments, and Businesses

(Responsibilities of the National and Local Governments)

Article 13 The national government is responsible for developing and executing strategies for forming a digital society in accordance with the basic principles on forming a digital society prescribed in the preceding Chapter (referred to below as the "basic principles").

Article 14 Local governments are responsible for developing and executing autonomous strategies for forming a digital society that reflect the distinctive features of their own areas in accordance with the basic principles and on the basis of an appropriate division of roles with the national government.

Article 15 The national and local governments must cooperate with each other to

ensure that the strategies for forming a digital society are executed swiftly and thoroughly.

(Responsibilities of Businesses)

Article 16 In accordance with the basic principles, businesses are to voluntarily and actively endeavor to advance forming a digital society in relation to their own business activities and follow the strategies for forming a digital society implemented by the national or local governments.

(Legislative Measures)

Article 17 The government must implement legislative, financial and other measures necessary to execute strategies to form a digital society.

(Preparation and Release of Statistical and Other Materials)

Article 18 The government must prepare statistics on digital societies and other materials helpful to forming a digital society and release them using the Internet or other appropriate means as needed.

(Measures for Deepening Citizens' Understanding)

Article 19 The government must implement necessary measures to deepen citizens' understanding concerning forming a digital society including through public relations and must ensure that a wide range of citizens' opinions are reflected in developing and executing strategies concerning forming a digital society.

Chapter IV Basic Policy on Developing Strategies

(Integrated Promotion of Strategies)

Article 20 In developing strategies to form a digital society, given that it is essential to further expand advanced information and communications networks; ensure the smooth circulation of information by diverse actors; enrich the information that can be used by diverse actors; secure opportunities for using advanced information and communications networks and utilizing information through information and communications technology; and promote the acquisition of necessary skills; and given that these objectives are closely interrelated, they must be pursued in an integrated manner.

(Forming World-Class Advanced Information and Communications Networks)

Article 21 In developing strategies to form a digital society, necessary measures such as measures to promote fair competition among businesses must be taken to promote forming world-class, advanced information and communications

networks, to ensure that a wide range of citizens can use a diverse range of services at low prices.

(Ensuring the Smooth Circulation of Information by Diverse Actors)

Article 22 In developing strategies to form a digital society, necessary measures for securing the smooth circulation of information by diverse actors must be taken, including developing information exchange systems (meaning information systems for ensuring that diverse actors can swiftly and safely send, receive, and share information using mutual linking of the information systems all those various actors have established); standardizing data (meaning the data standardization prescribed in Article 4, paragraph (2), item (v), (a) of the Act on the Advancement of Government Administration Processes That Use Information and Communications Technology (Act No. 151 of 2002)); developing external coordination functions (meaning the external coordination functions prescribed in (b) of that item); and providing information concerning the specifications for the relevant external coordination functions.

(Securing Opportunities for Using Advanced Information and Communications Networks and Utilizing Information Through Information and Communications Technology)

Article 23 In developing strategies to form a digital society, necessary measures for securing opportunities for all citizens must be taken, including driving research and development concerning, and promoting introducing information and communications equipment, to secure opportunities to acquire and use information, to ensure that disparities do not arise in opportunities for using advanced information and communications networks and utilizing information through information and communications technology.

(Promoting Education and Learning)

Article 24 In developing strategies to form a digital society, necessary measures for promoting education and learning must be taken so that all citizens can improve their abilities, to ensure that disparities do not occur in the abilities needed to use advanced information and communications networks and to utilize information through information and communications technology.

(Human Resource Development)

Article 25 In developing strategies to form a digital society, necessary measures must be taken to develop the human resources responsible for education to improve the abilities that citizens need to use advanced information and communications networks and utilize information through information and communications technology; the human resources responsible for linking

information systems established by diverse actors; the human resources responsible for gathering and analyzing the information needed to utilize information through information and communications technology; and other creative human resources with the technical knowledge or skills who will play leading roles in developing a digital society.

(Promoting Economic Activity)

Article 26 In developing strategies to form a digital society, necessary measures must be taken to promote economic activity using advanced information and communications networks and utilizing information through information and communications technology, including reviewing regulation, taking into account the level of progress in information and communications technology and the value of personal information as well as the need to protect it; developing the environment needed to facilitate transactions concerning utilizing information in all fields through information and communications technology; and the proper protection and use of intellectual property rights.

(Improving Business Management Efficiency, Enhancing Business Operations, and Improving Productivity)

Article 27 In developing strategies to form a digital society, necessary measures must be taken to promote the sharing of information through coordinating information systems established by diverse actors; develop guidelines concerning the operation and management of information systems; and otherwise improve business management efficiency, enhance business operations, and improve productivity using advanced information and communications networks and utilizing information through information and communications technology.

(Enhancing the Convenience of Everyday Life)

Article 28 In developing strategies to form a digital society, necessary measures must be taken to enhance the convenience of everyday life; to promote the diversification of lifestyles and expand opportunities for consumers to make rational, independent choices; to promote the development and provision of a diverse range of services across all aspects of citizens' lives using advanced information and communications networks and utilizing information through information and communications technology; to provide assistance concerning work outside places of business, carried out using information and communications technology; and to develop the environment needed to protect and promote consumers' interests.

(Sharing of National and Local Government Information Systems)

Article 29 In developing strategies to form a digital society, necessary measures must be taken, in order to enhance convenience for citizens in the context of public services and contribute to making public administration simpler, more efficient, and more transparent, to promote sharing and consolidating national and local government information systems, while actively promoting, consolidating and utilizing knowledge from inside and outside the civil service (including the national government developing an environment that will enable all local governments to use services that are connected with cloud computing service-related technology prescribed in Article 2, paragraph (4) of the Basic Act on the Advancement of Public and Private Sector Data Utilization); to expand the scope of use of Individual Numbers; and to otherwise actively promote national and local government use of advanced information and communications networks and utilizing information through information and communications technology.

(Citizens' Utilization of Information Held by National and Local Governments)

Article 30 In developing strategies to form a digital society, necessary measures must be taken to ensure that the information held by national and local governments that is useful for citizens' lives, which is provided for general use and stated in documents and other media that have been recorded as electronic or magnetic records, or is recorded as electronic or magnetic records, is made public, and that citizens can easily utilize other information held by national and local governments.

(Developing a Public Basic Information Database)

Article 31 In developing strategies to form a digital society, necessary measures must be taken to develop and promote the use of a basic public information database (meaning a collection of the information held by the national government, local governments, and other public institutions and businesses in the public sector, which is the basis for processing the large number of procedures regarded as necessary for life in society and business activities, and which is systematically arranged in a manner enabling diverse actors to retrieve the relevant information using a computer under appropriate controls; the same applies to Article 38, paragraph (2), item (xii)).

(Diversification and Quality Enhancement of Public Sector Services)

Article 32 In developing strategies to form a digital society, necessary measures must be taken to diversify and enhance the quality of public sector services, in order to enhance convenience for citizens, using advanced information and communications networks and utilizing information through information and communications technology.

(Providing Cybersecurity)

Article 33 In developing strategies to form a digital society, necessary measures must be taken to ensure that citizens are able to use advanced information and communications networks and utilize information through information and communications technology, with peace of mind, including providing cybersecurity (meaning the cybersecurity prescribed in Article 2 of the Basic Act on Cybersecurity (Act No.104 of 2014); the same applies to Article 38, paragraph (2), item (xiv)); preventing crime using information and communications technology; ensuring the reliability of identity verification methods that employ information and communications technology; preventing information being altered; disaster management using advanced information and communications networks, and protecting personal information.

(International Collaboration and Contribution)

Article 34 In developing strategies to form a digital society, given the importance of securing free and safe circulation of reliable information through advanced information and communications networks, necessary measures must be taken to engage actively in international cooperation, including independent participation in developing international standards, norms, and other regulatory tools; establishment of international ties to promote investigations, as well as research and development; and technical assistance for developing regions in relation to socioeconomic activities that use advanced information and communications networks and utilize information through information and communications technology.

(Promoting Research and Development as well as Verification)

Article 35 In developing strategies to form a digital society, necessary measures must be taken to pursue creative research and development in information and communications technology and verify the effectiveness of the relevant information and communications technology, in the context of close mutual linking between the national government, local governments, national research and development agencies (meaning national research and development agencies prescribed in Article 2, paragraph (3) of the Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999)), universities, businesses, and other parties, given that improving the level of information and communications technology is the foundation of the sustainable development of a digital society in Japan and the source of strengthening in Japan's international industrial competitiveness.

(Revising Regulation in Order to Use Information and Communications

Technology Effectively)

Article 36 In developing strategies to form a digital society, from the perspective of enhancing convenience for citizens and improving public administration by utilizing the latest information and communications technology, necessary measures must be taken to ensure that, with regard to the handling of operations by the national government, local governments, and businesses, related regulations do not prevent information and communications technology from being used effectively based on the status of advances in that technology.

Chapter V The Digital Agency

Article 37 The Digital Agency is to be established in the Cabinet, in accordance with basic principles and pursuant to separate legislative provisions, in order to assist the affairs of the Cabinet concerning forming a digital society, together with the Cabinet Secretariat, and swiftly and thoroughly carry out administrative matters concerning forming a digital society.

Chapter VI Priority Plan for Forming a Digital Society

(Preparing a Priority Plan for Forming a Digital Society)

Article 38 (1) The government must develop a priority plan for forming a digital society (referred to below as the "priority plan" in this Chapter) as prescribed in this Chapter.

(2) The priority plan is to provide for the matters listed below:

- (i) basic policy on swift and thorough strategies to be implemented by the government to form a digital society;
- (ii) swift and thorough strategies to be implemented by the government to promote forming world-class advanced information and communications networks;
- (iii) swift and thorough strategies to be implemented by the government to ensure the smooth circulation of information by diverse actors;
- (iv) swift and thorough strategies to be implemented by the government to secure opportunities for using advanced information and communications networks and utilizing information through information and communications technology;
- (v) swift and thorough strategies to be implemented by the government to promote education and learning;
- (vi) swift and thorough strategies to be implemented by the government to develop human resources;
- (vii) swift and thorough strategies to be implemented by the government to promote economic activity;

- (viii) swift and thorough strategies to be implemented by the government to improve business management efficiency, enhance business operations, and improve productivity;
 - (ix) swift and thorough strategies to be implemented by the government to make improvements such as enhanced convenience of everyday life;
 - (x) swift and thorough strategies to be implemented by the government to achieve objectives such as sharing of national and local government information systems;
 - (xi) swift and thorough strategies to be implemented by the government to enable citizens to utilize information held by national and local governments;
 - (xii) swift and thorough strategies to be implemented by the government to develop a basic public information database and carry out other tasks;
 - (xiii) swift and thorough strategies to be implemented by the government to diversify and enhance the quality of services in the specified public sectors (meaning the public sectors for which particularly thorough initiatives should be taken to diversify and enhance service quality);
 - (xiv) swift and thorough strategies to be implemented by the government to provide cybersecurity and achieve other objectives;
 - (xv) swift and thorough strategies to be implemented by the government to review regulation in order to use of information and communications technology effectively; and
 - (xvi) beyond what is prescribed in the preceding items, any necessary actions to be taken by the government to swiftly and thoroughly pursue strategies to form a digital society.
- (3) In principle, specific targets for the strategies described in the priority plan as well as time limits for achieving those targets are to be decided.
- (4) The Prime Minister must hear the opinions of the Cybersecurity Strategic Headquarters and the Personal Information Protection Commission before developing a draft priority plan and seeking a cabinet decision.
- (5) If the Prime Minister attempts to prescribe in the draft priority plan any strategies which are thought likely to have a material impact on local governments, the Prime Minister must hear the opinions of the nationwide associations of prefectural governors, chairpersons of prefectural assemblies, mayors, chairpersons of municipal assemblies, town mayors or village mayors, and chairpersons of town or village assemblies (meaning the nationwide associations prescribed in Article 263-3, paragraph (1) of the Local Autonomy Act (Act No. 67 of 1947) which are notified under the provisions of that paragraph) regarding these strategies.
- (6) When the government develops the priority plan under the provisions of paragraph (1), the government must publish the relevant plan, without delay, using the Internet or other appropriate means.

- (7) The government must investigate the extent to which the targets set pursuant to the provisions of paragraph (3) are achieved and make the results public in a timely way using the Internet or other appropriate means.
- (8) The provisions of paragraphs (4) through (6) apply mutatis mutandis to alterations to the priority plan.

(Relationship between the Priority Plan and Other National Government Programs)

Article 39 The national government programs other than the priority plan are to be based on the priority plan with regards to forming a digital society.

Supplementary Provisions

(Effective Date)

Article 1 This Act comes into effect on September 1, 2021.