

## Opening Remarks

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Your excellency Mr. Mortimer Downey, Deputy Secretary of the Transportation Department, Mr. Alan Larson, Under Secretary of the State Department, Professor Shapiro, Mr. Hayes, Mr. Numamoto, Mr. Kanata, distinguished guests, ladies and gentlemen, on the occasion of this opening of the 7th Conference on US-Japan Cooperation in Transportation, I would like to express my hearty welcome to all of you gathered here today.

Before being appointed to my present position I was at the Ministry of Transport in the post of Vice Minister for international affairs. In my work, I took part in various consultations such as the Air Talks between the United States and Japan, and I had the opportunity to frequently exchange views with executive officials of the U.S. and other countries. A significant part of my job was also international cooperation with developing countries. Furthermore, I was also involved in the planning and implementation of a far-reaching deregulation of the Japanese transport industries, as well as planning for the construction of new transport infrastructure. In my work, I had the opportunity to have friendly and constructive talks with Mr. Downey and Mr. Larson. Our talks resolved some important issues and I would like to use this opportunity to express my sincere thanks to all of you in the U.S. Government. You are reliable and valued partners for us and we appreciate the efforts you have made.

In addition to my current position as the President of JITI, I am working as a Special Advisor to the Minister of Transport. In this role I provide advice to the Ministry's executive officers either on request or at my own initiative. Only a few months have passed since I left my former post at the Ministry, and they are attentive to my advice. If there is anybody here who has any request or complaint that they would like to convey to the Ministry of Transport, please let me know during the reception later today. Of course I cannot promise specific results, but I, along with many other people in the Ministry, are eager for any input that you may have.

My experience in the Ministry convinces me that close cooperation in the broad fields of transportation is crucial for the overall relationship between the U.S. and Japan, and I firmly maintain this opinion as the President of JITI. Today our countries have many issues to share, beyond those of the already established fields of civil aviation and maritime transport. But there also are new and important areas that require our attention, areas such as providing access to transportation systems for the physically disabled, developing environmentally sound transportation systems that put less burden on the air and marine environment, and also developing more advanced high-speed and comfortable railway systems.

To tackle these issues, an exchange of opinions, as we shall do today, is vital to come up with more constructive ideas and foster stronger technical cooperation between us. I believe that this will benefit both the people of the United States and Japan. One such important issue for us to look at is that of Information Technology. This issue is a newly emerging one, and the rapidly advancing topic of IT and Logistics is the theme we have chosen for today's conference.

As President of JITI, my duty on this platform is to make the welcoming remarks. But I hope that you allow me this opportunity to spend a few moments introducing the position of the Japanese Ministry of Transport on this very issue and the current efforts to address it.

First of all, logistics plays an important role in supporting the lifestyles of citizens and economic activities. The Ministry of Transport's objective is to create an "efficient and environmentally friendly electronic logistics system". We believe that people engaged in the transport industry and its users share this same view.

Needless to say, logistics is an economic activity for commercial profit, and issues need to be addressed based on the market principle. Therefore, the government's task is not to improve individual company activities or individual transport modes, but to provide a comprehensive vision for the entire transport sector that will enable the development of a common basic infrastructure for the welfare of all.

Furthermore, the government should be prepared to provide the necessary coordination when problems cannot be solved by the open market alone. The government also should establish standard rules to ensure fair competition. I would add that concrete proposals should be drawn up with due consideration, and with an awareness of international trends.

Based on the above-mentioned basic idea, the Ministry of Transport is now negotiating with financial authorities concerning the 2001 budget plan with the proposition of the following items:

First, in order to make administrative procedures more efficient through the introduction of EDI, we will try to realize the so-called one-stop service for various harbor procedures, by linking with related networks, such as the Nippon Automated Cargo Clearance System (Sea-NACCS). Furthermore, we will facilitate the creation of a new data network, consisting of the EDI harbor control system and safety monitoring system, while preparing to install optical fibers along roads in harbor areas (a nationwide deployment of an optical fiber network is an important subject for the government at this time).

Second, aiming at making transportation more efficient, relieving traffic congestion, and enacting a modal shift from automobile to sea and rail transportation, in the effort to reduce CO2 emission from automobiles, we are planning to develop and conduct a substantive experiment with a special information network system that will provide up-to-the-minute information on the most appropriate transportation modes even in times of disaster. This system will cover all transport modes all the way down to the level of individual transport related businesses.

Third, although it does not concern only logistics, the Ministry of Transport, in cooperation with other ministries, has launched the e-government program, a program in which various administrative procedures can be conducted through the Internet. In concrete terms, the Ministry of Transport developed an action plan last August wherein by the year 2003, people will be able to submit all applications and notifications electronically to the Ministry.

Our action plan for e-government will be implemented in stages. First, procurement of the system and its trial will be done in fiscal 2000, and full operation will gradually start in fiscal 2001. Also, the Ministry of Transport is computerizing more of its internal operations,

replacing paper with electronic media and forming comprehensive information networks, common at the level of both national and local government.

If such e-government is brought into use, from the perspective of the citizens, it will not only bring about a change in their relationship with the government, but transactions will become very simple and convenient. This will also stimulate a greater use of IT in the business sector. As well, it will create new efficiencies by reducing labor and administrative costs.

Up until now, I have simply referred to the issues of IT and logistics from the view of the Ministry of Transport. But our opportunity today is to take advantage of this valuable occasion to hear from people concerned with logistics on both sides of the Pacific Ocean. It is appropriate that we have gathered here today in the United States, a country advanced in the use of IT for logistics. My hope is that this opportunity to exchange views based on the various experiences of the people will lead to even more in-depth discussion on these issues.

Finally, in conclusion, I would like to again thank his Excellency Mr. Downey, Deputy Secretary of the Transportation Department, Mr. Larson, Under Secretary of the State Department, and the other lecturers and distinguished guests who have gathered here today.