Japanese Government’s plan of “Society 5.0”

Entering Society 5.0

Solutions for Better Human Life

©Japanese Government
Japanese Government’s plan of “Society 5.0”

©Japanese Government
Big Data
– increase in volume and decrease in processing costs

“A full 90% of all the data in the world has been generated over the last two years.” (SNICEF 2013)

Source: Reinsel, Gantz and Rydning (2017); Klein (2017). One zettabyte is equal to one billion terabytes.
Data – “the oil in the 21st century”

- But, data is different from oil, in terms of the following aspects.
  - Never depreciates
  - No need of large space for storage
  - As the volume of data increases, its marginal utility also increases

⇒ Big data may accelerate concentration of economic power
**Big Data** – used by giant companies (BigTechs)

Online shopping and insurance

- Skirts for young girls
- Insurance for damaged phone screens
- High-end medical insurance

Personalized recommendation for insurance products

©Ant Group
Big Data and Social Norms
（“Zhima Credit Score” of Ant Group）
Big Data, Privacy and Human Rights

(Oakland map made by Thomas Bros Co. in 1937)
Japan is cash-heavy

Cash-less Payments/Private Consumption (2015, %)

(Source) METI
PRESS RELEASE

DeCurret to Hold a Study Group on Digital Currency Settlement Infrastructure in Japan

DeCurret Inc. (HQ: Chiyoda ward, Tokyo; President & CEO: Kazuhiro Tokita) has today announced that it will hold a study group with the goal of building digital settlement infrastructure using valuable digital currencies in Japan. The study group will comprise participants from three megabanks (Mizuho Bank, Ltd., MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation) and major Japanese companies, experts, among others.

■Background
In recent years, expectations have been growing about the efficiency and convenience of digital currency settlements befitting digital society against backdrops such as businesses issuing digital currencies using distributed ledger technology and actions taken by some central banks. At the same time, concerns are emerging over issues including privacy protection, crime prevention measures, and technology risks. These have resulted in the needs for a direction for the realization of valuable digital currencies in Japan.

■Purpose
The purpose of this study group is to examine and discuss challenges and solutions concerning digital currencies and digital settlement infrastructure, to find a consensus toward their realization, and to present a direction for standardizing services and infrastructure.

■Outline
Chair: Mr. Hiromi Yamaoka, Director, Future Corporation (former head of the Payment and Settlement Systems Department, Bank of Japan)
Secretariat: DeCurret Inc.
Period: June to September 2020 (once or twice a month)
Main discussion topics:
- Case studies of digital settlements and digital currencies in Japan and overseas
- Application of new digital technologies such as blockchain and distributed ledger technology in transactions and settlement infrastructure; potential usage areas of digital currency settlements and their impact; vision and future potentials