

ECOM News

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Special Report

Activities for the New Fiscal Year and After

Next Generation Electronic Commerce Promotion Council of Japan (ECOM)

Director, Akio Kanaya



We are already in the final quarter of FY 2007 and the new fiscal year is just around the corner.

As has been reported in “ECOM News,” we have been discussing past results and activities remaining for the future since last year, with Planning Committee members, intellectuals in each field, and government officials, toward the creation and diffusion of high-value added EC, the development of a safe and secure EC environment and the establishment of international electronic commerce, all of which are stated in the founding prospectus, based on activities by the Next Generation Electronic Commerce Promotion Council of Japan (ECOM) for these three years.

As for new technologies including RFID tags, due to the holding of a liaison conference on field trials by the Ministry of Economy, Trade and Industry and other similar events, we have achieved results in the verification of introduction effects, international standardization, and the extraction of common technological problems, and individual companies have started to introduce RFID tags. On the other hand, for the purpose of making use of such technologies to respond to environmental issues and social problems including product safety and to share information beyond corporate and industrial boundaries, it is necessary to further promote inter-organizational consensus-building and development of all kinds of infrastructures.

Another problem is that, with regard to the development of a safe and secure EC environment, all kinds of new risks are emerging while everyone can participate in electronic commerce. For example, companies are unable to develop an environment individually even though they are obliged to protect and use personal information. Collaboration among related organizations is needed to realize safe and secure commerce of higher-value added products and services.

Based on these discussions, we are not only summarizing activity results for these three years but also examining a direction to prioritize activities and continue ECOM activities in and after the new fiscal year to cope with new problems.

On March 3, the “ECOM Forum 2008” will be held in which a keynote speech on next-generation electronic commerce will be given and lectures mainly on changes brought about by activities in each business field and future changes will be presented. I hope that we will be able to exchange meaningful opinions toward specific activities for the new fiscal year and after.

*— Examination on the Utilization of RFID Tags
for the Improvement of Efficiency in Supply Chains in Asia —
Briefing Report on the Sixth AFIT
(Asian Forum for Information Technology)*

In similar fashion as the fifth AFIT, ECOM jointly hosted the sixth AFIT (Asian Forum for Information Technology) in cooperation with the Center of the International Cooperation for Computerization (CICC). Masakazu Fujita, Research Director of RFID Tags/Traceability Group of ECOM, gives a briefing report on the forum with a focus on the Thematic Session.

1. AFIT

AFIT is hosted by the Center of the International Cooperation for Computerization (CICC) as a network for sharing information and exchanging opinions on common issues for the promotion of informatization in Asia, and has been held every year since 2002. The sixth AFIT was held on October 22 and 23, 2007, at the Toranomon Pastoral Hotel, with people in charge of IT policies and intellectuals from 19 Asian countries (*). This is the sixth forum as AFIT, but is the 22nd one if we include the “Asian Forum for the Standardization of Information Technology (AFSIT),” the former body of AFIT, which had been held for 15 years since 1987. ECOM jointly hosted AFIT and has been in charge of the Thematic Session since the previous forum. Following the previous year, discussions were held this year under the theme of “Improvement of Distribution Efficiency in Supply Chains in Asia and Utilization of RFID Tags,” and the results were summarized in a report.

2. The Sixth AFIT Plenary Conference

During the morning of the first day of the sixth AFIT plenary conference, keynote speeches were delivered under the following themes: “Japanese Policies on Cooperation with Other Asian Countries in IT-Related Fields” by Mr. Masahiro Yoshizaki, Deputy Director General, Ministry of Economy, Trade and Industry, “Technology Innovation for Environmentally-friendly Societies in the Asian Region” by Mr. Kazuhiko Kobayashi, Advisor of NEC Corporation, “Key Factors for the Successful IT Cooperation Project in Asia” by Mr. Kenji Saga, Research Fellow of the National Institute of Information and Communications Technology (NICT), an independent administrative agency, and “The AFIT — From Today to the Future” by Dr. Thaweesak Koanantakool, Vice President of the National Science and Technology Development Agency (NSTDA), Thailand.

In the first part of the afternoon, during the Thematic Session, the following presentations were given by three participants: “Hibiki & Secure RFID Project” by Mr. Yo Nakajima, General Manager, Security & Smart ID Solutions Division, Information & Telecommunication Systems, Hitachi, Ltd., “ASEAN Single Window” by Dr. Alvin C.K. Mah, Head of Dagang Net Commerce Sdn Bhd, and “Global Logistics Platform Using RF Tags (RFID)” by Mr. Akira Shibata, Chief Engineer, Automatic Data Capture Division, Denso Wave Inc. Then, reports on the “Current Status and Problems” were made by representatives of eight countries (China, India, Japan, Korea, Malaysia, Singapore, Thailand, and Vietnam).

During the morning of the second day, representatives of the eight countries joined a panel discussion and summarized the results, with that the Thematic Session ended. Next, a policy session was held under the theme of “The Strengthening of the IT Cooperation Network in the Asian Region and Responses to Practical Issues: Efforts toward the Mapping of Intraregional CoE (Center of Excellence),” which ended the plenary conference.



Participants in AFIT

3. The Sixth AFIT Thematic Session

As the theme for the Thematic Session, “Improvement of Distribution Efficiency in Supply Chains in Asia and Utilization of RFID Tags” was picked, continuing from the last time.

An online forum was held for two months by referring to and updating information in the common database about the “Current Status and Problems” of 15 Asian countries, which was gathered through questionnaires that had been sent in advance, and discussions were held on this theme. Thirty participants held discussions in the online forum, including a session coordinator, panel discussion members from eight countries, AFIT policy session members from 19 countries and other intellectuals. Discussions were brought to the final stage through the online forum, and panel-discussion members gathered and confirmed their intended direction on the day before the plenary conference. At the plenary conference, a panel discussion was held after the “Current Status and Problems” of each country were reported. Ten members from



Panel discussion room

government bodies of Asian countries also joined the Thematic Session to share information and exchange opinions. It was the same 10 members who participated in the “Workshop for the Improvement of Distribution Efficiency in Asia” as a cooperation activity initiated by the Japanese government, upon which participants in the Asian Economic Ministers Consultation had reached an agreement.

4. Results and Summary

At the Thematic Session of the sixth AFIT, the following issues were discussed.

- Effective introduction of RFID tags and its cost
- Need for enhancing recognition of the utility of RFID tags
- Need for human resource development
- Need for standardization
- Relevance with environmental problems and effects due to the integration of physical distribution and commercial distribution (discussions on other themes)

Details are described in the “Sixth AFIT Thematic Session Report (English),” including questionnaires of 15 countries and presentation materials of individual countries. If you are interested, please make inquiries to Masakazu Fujita, Research Director of ECOM.

* The current AFIT members are the following 19 countries/regions.
Bangladesh, Cambodia, China, Hong Kong, India, Indonesia, Japan, Korea, Laos, Malaysia, Mongol, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, and Vietnam

Report on the Wuhan Conference of the e-Business Asia Committee

Hisanao Sugamata, Research Director of Next Generation EDI Technology Promotion WG of the Information Sharing Infrastructure Group of ECOM, reports on an e-Business Asia Committee conference, held in Wuhan, China.

1. e-Business Asia Committee

For two days on December 3 and 4, 2007, the 18th e-Business Asia Committee was held in Wuhan, China, with 16 participants from 4 economic regions in Asia (Japan, Korea [participation in a teleconference], Wuhan, and Taiwan).

The e-Business Asia Committee was established in December 2000 by Japan (ECOM), Korea (KIEC: Korea Institute for Electronic Commerce), and Taiwan (TCA: Taipei Computer Association), as a non-profit organization supported by volunteers, in



Panorama of the Wuhan University where the conference was hosted

response to the ebXML initiative started by UN/CEFACT and OASIS, for the purpose of developing and diffusing in Asia, a standard for next-generation EDI based on the Internet and XML. Two or three conferences have been held every year to promote the definition of data elements to be used in next-generation EDI and conduct interoperability tests on ebXML-compliant software to be provided in Asia and linkage trials between the dictionary databases of data-elements definitions that have been constructed in Asia. It consists of 25 companies and organizations from 9 economic regions and Hisanao Sugamata, Research Director of ECOM, serves as chairman.

2. Outline of the Wuhan Conference

At this conference of the e-Business Asia Committee, participants: examined contributions from Asia to the procedure guide for the standardization of data elements, which was proposed by ECOM (Information Sharing Technology Promotion WG) and is being advanced by UN/CEFACT, presented an inter-company electronic commerce framework being examined by ECOM (EC Infrastructure WG), and held discussions to increase the interoperability of the new ebXML messaging service in Asia, which was proposed by ECOM (Next Generation EDI Technology Promotion WG) and has been standardized by OASIS.

(1) Information-sharing procedures

In the standardization of data elements by UN/CEFACT, candidates for standard data elements proposed by every country of the world are harmonized. The e-Business Asia Committee has made proposals on candidates for standard data elements, but some of them were not harmonized very smoothly.

At the previous conference, the e-Business Asia Committee proposed improvement in the harmonization of candidates for standard data elements to UN/CEFACT based on a draft of an ECOM WG. Later, the proposal was deliberated by UN/CEFACT, and Sugamata of ECOM was appointed as the person in charge of editing the "Submission Guidelines and Procedure" of standard data elements.

At this conference, the e-Business Asia Committee deliberated on the final draft of the "Submission Guidelines and Procedure" to be submitted to UN/CEFACT and approved it. The draft will be released as a standard procedure after it is internally evaluated by UN/CEFACT.

(2) Interoperability of EDI messaging services

By 2005, the e-Business Asia Committee conducted an interconnection test between vendors and software in Asia based on the ebXML Messaging Services V2 for next-generation EDI, and issued certificates of messaging service interoperability to 19 solutions. After that, OASIS advanced the revision of the technical specifications to maintain compatibility between ebXML and Web-service technologies, which has been recently issued as ebXML Messaging Services V3, in which a client server function proposed by Next Generation EDI Technology Promotion WG of ECOM is reflected. At this conference, the e-Business Asia Committee members discussed how to advance interoperability field trials on the new ebXML Messaging Services V3 and the current version V2. A formal standard for the new ebXML Messaging Services V3 was just released in October 2007, and people other than Japanese IT vendors have not fully developed software for it. Therefore, preparations will be made to

conduct a V3-based interconnection test in the Asian region in the latter half of 2008. (In Japan, ECOM [Next Generation EDI Technology Promotion WG] will conduct a V3 interoperability test among domestic vendors in February 2008.)

As for the current version V2, vendors of solutions other than the already authenticated 19 solutions and vendors who changed software after authentication are requesting that an interoperability field trial be conducted again. Therefore, members of the e-Business Asia Committee agreed that participants in the V2 interoperability field trial would be recruited in January 2008 and that the trial would be conducted around April after implementation guidelines were coordinated. They also agreed that the trial would be authenticated at the next conference of the e-Business Asia Committee that was scheduled in May.

As for methods for interoperability tests, each country is developing test tools. In China, SKLS of Wuhan University has contributed, as a leading player, to the construction of an e-business platform for interoperability tests, and is advancing interoperability verification in mainland China based on the ebXML Messaging Services V2. In Korea, KIEC and other similar organizations are leading players in providing interoperability gateways based on the ebXML Messaging Services V2 and domestically advancing interoperability verification. In Japan, Fujitsu is providing test tools for the interoperability of the Web-service reliability function, which is a component of the ebXML Messaging Services V3.

Under these circumstances, it is necessary to coordinate the way cross-border interoperability tests in the Asian region are conducted.

(3) Electronic Commerce Framework

Presentations were given on an electronic commerce framework (Figure 1) worked out by ECOM (EC Infrastructure WG) and recommended by Next Generation Japan Electronic Data Interchange Council and the concept of electronic commerce common infrastructures for incorporating inter-company operational linkage based on the framework into the traceability of goods traded (Figure 2), and individual participating countries were invited to examine the construction of similar infrastructures.

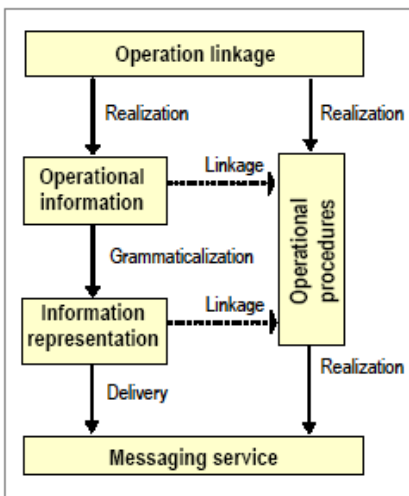


Figure 1: Electronic commerce framework

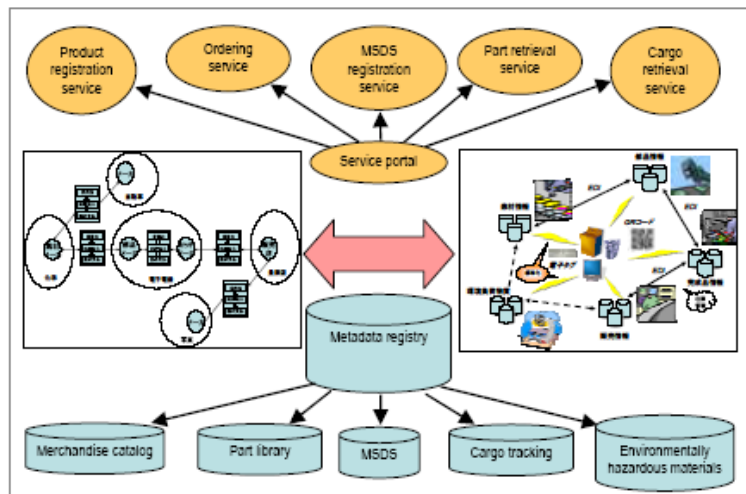


Figure 2: Concept of Electronic Commerce Common Infrastructures

3. Future Development

Not only the members of the e-Business Asia Committee but also AFACT members will be invited to participate in ebXML interoperability field trials in the Asian region. A field trial for V2 will be conducted in April 2008 and another field trial for V3 will be conducted in time for the 20th conference of the e-Business Asia Committee to be held in October.

As for the standardization of data elements, it is expected that the e-Business Asia Committee will propose EDI data, which are being used in Japanese electronics and electronic standards, to UN/CEFACT within 2008, based on the results of ECALGA/CEFACT harmonization tasks being implemented this year.

The next conference of the e-Business Asia Committee will be held in May 2008, on Cheju Island, Korea.

Letter from the Secretary-General

▼With regard to ECOM after next fiscal year, we have almost determined our direction through enthusiastic discussions since last year. For the remaining two months, the Secretariat will advance preparations for the concretization of activity plans, the establishment of a system and the holding of the Board of Directors and General Meeting. Continued guidance and cooperation by members and related parties would be most appreciated. ▼ The “ECOM Forum 2008” that used to be held in May, will be held at the end of the fiscal year as it has been announced, after an interval of nearly two years. A keynote speech on next-generation electronic commerce will be given and activity reports by WG project general managers in individual activity fields of ECOM and intellectuals will be presented. We hope to see many of you. ▼As of the end of January, Mr. Masatomo Takemoto, Research Director, left ECOM and returned to Dai Nippon Printing Co., Ltd., from which he had been transferred. Mr. Takemoto supported ECOM’s RFID-tag activities in many ways including the METI RFID Tag Field Trials Liaison Meeting and RFID-tag Utilization WG. I would like to take this opportunity to thank him again. (Kataoka)