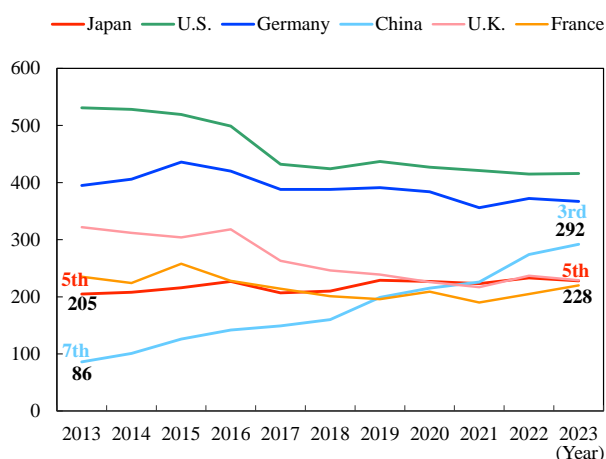


### Column 3 Role of standardization in creation of international markets —toward realizing Japanese-style standardization acceleration model

Standardization refers to setting common rules on the specifications of products and services, methods of experimentation, and procedures, among other matters. In addition to securing reliability by ensuring interoperability and assuring quality, standardization generates various benefits, including the creation of new values. In recent years in particular, “new core values,” such as the environment, human rights, and gender—as opposed to values that have traditionally been determinant market factors, such as “price and quality”—are becoming increasingly important as factors that determine purchasing behavior in the global marketplace. Adopting those new values and using them to create and capture markets is the “market creation strategy” in the modern sense, and standardization has a very significant role to play in this process.

Major countries are stepping up strategic standardization activity with a view to strengthening national competitiveness. For example, Europe, a region advanced in standardization, announced the EU Strategy on Standardisation in February 2022. In May 2023, the United States announced a standardization strategy called the National Standards Strategy for Critical and Emerging Technology, which is targeted at artificial intelligence (AI) and quantum technology. As for Asia, China has developed a medium- to long-term standardization policy for the period until 2035 based on the National Standardization Development Outline, announced in 2021. In February 2024, China indicated its intention to devote efforts to standardization activity in emerging technology sectors, such as GX/DX, AI, and quantum technology in the Key Points of National Standardization Work and also described specific activities. In addition, China has rapidly increased its presence in the development of international standards, as exemplified by its assumption of a post equivalent to chairman of an ISO working group, rising to third place in the national ranking table in terms of the number of chairperson posts and equivalent posts assumed (Column Figure 3-1).

**Column Figure 3-1. Number of chairperson and equivalent posts  
assumed at ISO working groups**



Source: ISO JIGYO GAIYO (International Standardization Forum).

Japan has been a permanent member of ISO and IEC, and many Japanese officials have been involved in the development of international standards. For example, according to the national ranking table in terms of the number of chairperson posts at international standardization organizations, such as ISO and IEC, Japan has maintained a steady presence (Column Table 3-2). On the other hand, at a time when such values as the environment and human rights are becoming increasingly important in the context of business, mainly in the United States and Europe, as mentioned earlier, Japan will be unable to create new markets and may only suffer the growing cost of compliance if it merely follows rules set by other countries. Amid the growing importance of new values and other new points of discussion, if Japanese companies are to create and capture markets by taking advantage of their strengths, more proactive involvement in rule-making is required.

**Column Table 3-2. Number of ISO/IEC international secretariats assumed by countries**

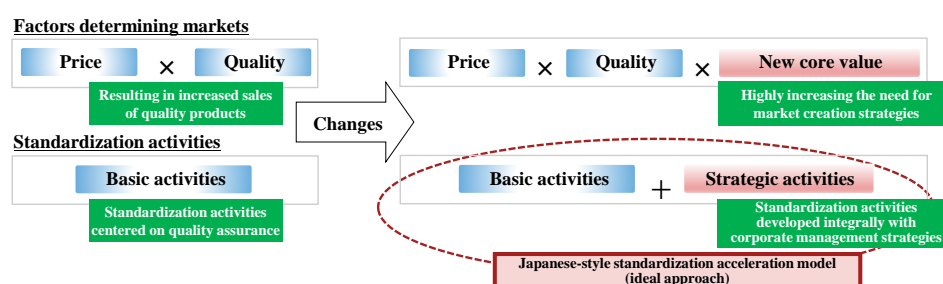
Number of ISO international secretariats assumed by countries				Number of IEC international secretariats assumed by countries				
Country	2021	2022	2023	Ranking	Country	2021	2022	2023
Germany	131	131	133	1	Germany	35	37	37
U.S.	98	92	93	2	U.S.	27	27	27
France	79	81	82	3	Japan	23	23	23
Japan	80	80	81	4	France	22	22	22
China	71	79	81	5	U.K.	19	20	19
U.K.	77	76	75	6	Italy	14	14	14
Total	757	762	766	7	China	12	12	14
				Total		200	201	201

Note: The term “international secretariat” refers to a body that is nominated by the given country (secretariat country) that has accepted the management of the activities of the ISO/IEC meeting bodies to develop standards and that works as a secretariat of the meeting bodies.

Source: *ISO JIGYO GAIYO* (International Standardization Forum), IEC Secretariat.

From that perspective, in June 2023, the Japanese Industrial Standards Committee, which is a deliberative council under the Ministry of Economy, Trade and Industry, proposed a Japanese-style standardization acceleration model (Column Figure 3-3).

**Column Figure 3-3. Japanese-style standardization acceleration model**



Source: Japanese Industrial Standards Committee.

This model, which represents the vision of an ideal standardization activity in Japan in the future, underscores the need for standardization activity that is more integrated with corporate management strategies and that serves as a means to create and capture markets (strategic activity) in addition to the existing basic activity (standardization activity centered on quality assurance). Under the model, the committee set forth three broad challenges that currently stand in the way of standardization—(i) securing and training of workers, (ii) the positioning of standardization under management strategy, and (iii) activities at the research and development stage—and presented solutions for each of those challenges. The Ministry of Economy, Trade and Industry is promoting the enhancement of training and the development of a worker database (directory of information on workers with skills relevant to standardization) as solutions for (i) above and appointing a Chief Standardization Officer (CSO) as well as describing standardization activity in an integrated report as solutions for (ii). As for (iii), systems of monitoring and follow-up review of the status of activity related to standardization strategy have been introduced under the research and development programs of the Ministry of Economy, Trade and Industry. In particular, under Green Innovation Fund projects, which aim to realize social change in the form of achieving carbon neutrality by 2050, the percentage of companies that have developed a standardization system extending across divisions and departments, including not only the research and development division but also the management planning division, has reached 70% of the total number of participant companies and the percentage of companies that have formulated standardization strategy has reached 50% as a result of follow-up reviews of standardization strategy. In short, steady progress is being made in the standardization initiative with a view to creating new markets (both of those percentage figures are as of February 2024).

As for the future outlook on the global economy, the growing presence of the Global South is an important factor in considering future market developments. In order to smoothly spread Japanese companies' products and services globally, it is essential to have Japanese companies' technologies adopted as international standards, thereby creating a market environment conducive to the acceptance of those products and services. Using standardization and other rule-making practices is also indispensable for resolving the various social challenges faced by Global South countries.

At a time when standardization is becoming more and more important as a means to create new markets now and into the future as explained above, what actions should Japan take? It is necessary that not only the government but also companies and all other stakeholders recognize anew the need to be more proactively involved in rule-making activity and place more and more emphasis on the activity.