Data Localization Laws: Japan

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A Q&A providing a high-level summary of key data localization requirements in Japan. It identifies applicable laws, sector-specific requirements, and exceptions.

1. What are the key data localization laws in the jurisdiction?

Japan does not have specific laws governing data localization. However, government agencies have issued official guidelines that contain data localization requirements for certain fields and industries including:

- Guidelines on the Safety Management of Medical Information Systems (in Japanese): These guidelines consist of four documents, including Overview, Governance, Management, and Control and were updated in May 2023. The Management guidelines require medical institutions to locate "external equipment" (for example, equipment not possessed or controlled by the medical institutions) storing or holding certain medical records within the jurisdictional scope of Japanese laws. This in effect requires storage of the equipment in Japan.
- Guidelines for Safety Management of Medical Information by Providers of Information Systems and Services Handling Medical Information (in Japanese): These guidelines require providers of medical information systems to locate medical information and medical information systems within the jurisdictional scope of Japanese laws. This in effect requires storage of covered information and systems within Japan.
- Guidelines for Governmental Bodies to Establish Standards for Countermeasures: These guidelines state that when governmental bodies outsource the development, operation, or maintenance of information systems to third parties, they must contractually mandate that the third parties store personal information where Japanese laws and regulations apply.

2. What do the data localization laws cover?

The Guidelines on the Safety Management of Medical Information Systems (in Japanese) cover records that contains patient medical information.

The Guidelines for Safety Management of Medical Information by Providers of Information Systems and Services Handling Medical Information (in Japanese) cover:

- Medical information that healthcare professionals must create and keep under laws such as the Medical Practitioners Act, the Dental Practitioners Act, the Pharmacists Act, and the Medical Care Act.
- Confidential information that healthcare professionals learn while performing their duties.
- Medical records, books, and documents that healthcare professionals may be required to submit to relevant Japanese governmental authorities.

The Guidelines for Governmental Bodies to Establish Standards for Countermeasures cover personal data held by administrative bodies and certain independent administrative agencies.

3. To which sectors, individuals, and entities do the data localization laws in the jurisdiction apply?

The Guidelines on the Safety Management of Medical Information Systems (in Japanese) apply to medical institutions such as:

- Hospitals.
- · General and dental clinics.
- Midwifery centers.
- Pharmacies.



- · Home nursing stations.
- Nursing care providers.
- Medical information coordination network operators.

The Guidelines for Safety Management of Medical Information by Providers of Information Systems and Services Handling Medical Information (in Japanese) apply to businesses that:

- Provide medical information systems (for example, information systems and services that process medical information) based on a contract with any medical institution, even if the businesses do not have a direct contractual relationship with the medical institution.
- Provide resources and services necessary for medical information systems.
- Receive medical information from medical institutions pursuant to patient instructions, even if the businesses do not have a direct contractual relationship with the medical institution.

The Guidelines for Governmental Bodies to Establish Standards for Countermeasures apply to administrative bodies, certain independent administrative agencies, and similar organizations.

4. What are the main exemptions from the application of the data localization laws?

The guidelines discussed in this Q&A contain no exemptions from the data localization requirements.

5. Do the data localization laws allow for cross-border transfers after storing the data in the jurisdiction?

The guidelines discussed in this Q&A do not explicitly address the permissibility of transferring a copy of locally stored data to a foreign country. However, any transfer of personal data may be subject to the Act on the Protection of Personal Information (APPI). For more on crossborder transfers under APPI, see Country Q&A, Data Protection in Japan: Overview: Transfer of Data Outside the Jurisdiction and Practice Note, Personal Data Transfer Restrictions (Japan).

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