

NEWS RELEASE

DG Financial Technology Provides Credit Card Payment Service for MLIT's UAV Registration Fee Payment System

~Accelerates Support for Cashless Payment Systems in Japan, Including Public Funds~

DG Financial Technology, Inc. (HQ: Tokyo; Representative Director, President and Co-COO: Hiroshi Shino; DGFT), a payment service provider and a subsidiary of Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) provides a credit card payment service for payment of fees required for the unmanned aerial vehicles (drones, radio-controlled aircraft, etc.) registration, which will be accepted on December 20, 2021, by the Next Generation Air Mobility Office of the Civil Aviation Bureau of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT). DG and DGFT will work together to accelerate support for promoting cashless transactions in Japan, including public funds, in line with the DG Group strategy, "DG FinTech Shift."

Overview of registration system for unmanned aerial vehicles

By the revised Civil Aeronautics Act (announced on June 24, 2020, effective on June 20, 2022), which stipulates the introduction of a registration system for unmanned aerial vehicles (UAV), from June 20, 2022, anyone wishing to fly a UAV must register it in advance and must display an identification number (registration code) issued by the government. Registration applications will be accepted either online or in written form starting December 20, 2021. Aircraft weighing 100g or more are subject to enrollment, and owner/user information and aircraft information^{*1} must be registered.

MLIT has announced that the number of applications for drone flight permits^{*2} will reach approximately 60,000 in fiscal 2020, representing a 4.4-fold increase from fiscal 2016.^{*3} As the number of drone flights is expected to increase rapidly due to commercial applications, a proportional increase in the aircraft registration is expected. MLIT has decided to introduce a credit card payment service for immediate settlement of payments to promote the registration of UAVs and increase the convenience of payment.



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[UAV registration portal site] https://www.mlit.go.jp/koku/drone/



■ "VeriTrans4G" credit card payment service

"VeriTrans4G" is a next-generation comprehensive payment solution compatible with the largest number of payment methods in the industry, including not only basic payment methods using credit cards, convenience stores, and banks, but also e-money, carrier payments, various ID-based payment methods such as PayPay, as well as international payment methods such as UnionPay, Alipay, and PayPal.

Based on a system with Japan's highest level of security, and fully compatible with non-retention of card information, the "VeriTrans4G" provides basic functions such as recurring billing and card information update functions, as well as various security options to prevent fraudulent use provided as standard.

Future development

DGFT has been supporting the promotion of cashless services in public fund realm, including the collection of fees at the Japan Patent Office,^{*4} and cashless payment of customs duties and other taxes at airports.^{*5} At present, Japan's government is focusing on the digitization of public administration, which is lagging in the shift to online services and is rapidly pushing forward with the digitization of the entire country.

The DG Group is promoting the "DG FinTech Shift," a group strategy that integrates payments and data. With DGFT, which is active in the payment industry, at the core, DG will contribute contributing to sustainable social development by creating next generation DX businesses not only with the Group but also with strategic partners in various fields.



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[About DG Financial Technology] https://www.dgft.jp/

DGFT is a payment service provider offering comprehensive payment services to online business operators, including E-Commerce, as well as stores and other face-to-face business operators. As a member of the DG Group, it provides support in the payment and financial fields for cashless payments and DX by business operators. VeriTrans Inc. was renamed "DG Financial Technology, Inc. (DGFT)" in April 2021. DGFT will continue contributing to the sustainable growth of society through its infrastructure businesses that are useful to society, by providing highly convenient functions and services to participating merchants and consumers (who are the end users), as well as reliable, safe, and pleasant payment experiences.

- *1: Information about owners and users, including name, address, aircraft type, manufacturer details, and so on.
- *2: Suppose you intend to conduct a flight in a "no-fly zone" as stipulated in Article 132 of the Civil Aeronautics Act, or a flight that does not comply with the "methods of flight" stipulated in Article 132-2 of the Civil Aeronautics Act. In that case, you must apply for and receive approval for a flight permit from a Regional Civil Aviation Bureau or airport administrative office.
- *3: Source: "Changes in Number of Applications for Permits and Approvals Related to Flight of Unmanned Aerial Vehicles", Ministry of Land, Infrastructure, Transport and Tourism (in Japanese)
- *4: Related press release: "VeriTrans Launches Credit Card Payment Services for Patent and Other Fee Payments to the Japan Patent Office" (April 1, 2019)
- *5: Related press release: "DG Group Provides "Cloud Pay," a Unified QR Code Payment Solution as a Customs Duty Payment Method at 6 Major Japanese Airports" (July 16, 2021)