

Concept Paper on “International Policy Discussions” under the “Osaka Track”

As of September 3, 2019
The Government of Japan

G20 Osaka Leaders’ Declaration mentioned: “As digitalization is transforming every aspect of our economies and societies, we recognize the critical role played by effective use of data, as an enabler of economic growth, development and social well-being. We aim to promote international policy discussions to harness the full potential of data.”

Along with such recognition, the “Osaka Track”, as affirmed by those leaders participating in the Osaka Declaration on Digital Economy, was launched, aiming as its ultimate goal to “harnessing the full potential of data and digital economy to foster innovation” in order to “keep pace with the fast-growing digital economy and maximize the benefits of digitalization and emerging technologies.”

As digitalization is transforming every aspect of our economies and societies, there are various international fora under which digital economy is being addressed from numerous aspects.

Against such background, the Osaka Track, as a process to promote international policy discussions on digital economy, *inter alia*, international rule-making on trade-related aspects of electronic commerce at the WTO, will contribute to enriching such existing endeavors by approaching digital economy from the following three viewpoints:

- 1) discussing issues which need further intellectual works, to foster mutual understanding among WTO members participating in the on-going negotiations on electronic commerce at the WTO (hereinafter referred to as the “WTO negotiations”);
- 2) making best use of the accumulation of the best experiences and knowledge conducive to the WTO negotiations, gained through expert discussions in international fora other than the WTO; and

- 3) promoting holistic policy discussions on issues surrounding digital economy, not limited to those covered under the WTO negotiations.¹

Building on these approaches, which are not mutually exclusive but should complement with each other, where appropriate, depending on the nature of each issue, the Osaka Track will make a distinctive contribution to promoting the WTO negotiations by providing political as well as substantial impetus to the negotiations with a view to achieving substantial progress by the 12th WTO Ministerial Conference in June 2020². To that end, the Osaka Track will also play an important role in clarifying how far the WTO negotiations can cover, and where it should interface with other ongoing endeavors for maximizing the potential of digital era under other international fora, so that both will complement with each other in order to achieve the above mentioned leaders' target and the ultimate goal of the Osaka Track.

The Government of Japan will work with other countries, regions and relevant international organizations and fora as well as relevant experts and other stakeholders to achieve the progress under the Osaka Track through organizing or taking opportunities of relevant events, and will report to the WTO negotiations in due course.

¹ Other than the WTO negotiations, specific fields or issues for discussion under the "Osaka Track" could include, for example, a layer of international policy discussions on digital economy in various international fora such as the principles of Artificial Intelligence (AI) based on the "human-centered" concept and the Governance Innovation, which were welcomed at and annexed to the G20 Osaka Leaders' Declaration.

² The "Osaka Track" does not replace the Joint Statement Initiative on electronic commerce, nor does it intend to prejudge the outcome of the WTO negotiations in Geneva. The major purpose is to give such impetus to the Joint Statement Initiative on electronic commerce at the WTO.