

VISION20 Memo

Three Establishment Views on the G20

Insights from the T20 Japan Inception Conference

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Three Japanese representatives shared their insights through speeches during various segments of the T20 Japan Inception Conference held in Tokyo from December 4, 2018 to December 5, 2018. This memo captures the main points offered by each of the representatives and offers a comparison between the speeches. It seeks to offer a brief analysis on Japan's priorities for its G20 presidency.

The opinions presented in this memo are from Vice-Minister **Kenji Yamada** (Parliamentary Vice-Minister for Foreign Affairs), Ambassador **Koji Tomita** (Ambassador, Representative of the Government of Japan for the G20 Summit), and Minister **Taro Kono** (Minister of Foreign Affairs). Vice-Minister Yamada and Ambassador Tomita spoke during the official proceedings of the T20 Inception Conference while Minister Kono spoke during an evening reception for T20 participants. All speeches took place on December 4, 2018.

The points here are based on notes taken during our participation in the T20 Japan Inception Conference. An official transcript for Minister Kono's speech released by MOFA is included as an annex to this memo. Any errors are ours.

ONE

Kenji Yamada (Parliamentary Vice-Minister for Foreign Affairs of Japan)

- Discussed the need for a “human-centered future society” which is “free, open, inclusive, and sustainable” which includes a focus on the Sustainable Development Goals (SDGs)
- Emphasis on economic growth and trade, along with the need to reduce disparity
 - Japan to promote free trade through a free, fair, open, rule-based multilateral system and to take leadership against protectionism and unfair trade agreements, both of which are critical to economic growth, productivity, innovation and development
 - Examples include the Japan-EU Economic Partnership Agreement 2018 and the ASEAN-Japan Comprehensive Economic Partnership Agreement 2008. Japan “took the lead on TPP11” negotiation and in finalizing the Agreement.

- Japan remains committed to free trade, green technology, and infrastructure and aims to “mobilize expertise and cooperation”
- Emphasis on SDGs
 - Sustainable Development Goals Promotion Headquarters - June 15, 2018
 - Held at PMO and approved the “Expanded SDGs Action Plan 2018”
 - Japan promotes achieving human security through strong health and education policies and will share expertise and experience
 - Japan encourages think tanks and academia to share knowledge, mobilize expertise and cooperation to “Leave no one behind”.
 - Japan is promoting Universal Health Coverage
- Emphasis on Climate Change
 - Ensure full engagement of the international community, in continuation of Paris Agreement efforts to 2020 commitments
 - Large scale action is needed, as well as investments in green energy technology and the promotion of innovation
 - This will also have positive effects on economic growth: increased competitiveness and job creation while adhering to the SDGs
 - Investment in renewable energy for sustainable growth. Environment and economic growth can go hand in hand
 - Measures against climate change “should not be seen as cost but as opportunity to address competitiveness”
- Emphasis on Maritime Issues
 - Japan commits to effective measures to combat maritime challenges
- Emphasis on institutional and people-to-people connectivity
 - Increase the quality and quantity of infrastructure
 - Open access, transparency and fiscal soundness
- Further issues: digitization, immigration and the development of Africa

TWO

Koji Tomita (Representative of the Government of Japan for G20 Summit):

- Just returned this morning from the G20 Buenos Aires Summit which was upstaged by “Putin/Saudi high-five” and the “momentous meeting” between Trump and Xi

- Observed that agreement was not easy and that the agreement was decided one hour before closing. The need to fight against protectionism and widening gap among G20 members
- Japan to focus on concrete steps to rebuild G20 consensus when it is broken
 - Ensure Continuity: Objective of Japan's G20 presidency to share priorities with the previous presidency (Argentina) to ensure sustained growth in the face of uncertainties. It would not be enough for leaders to simply ensure economic growth. Several Key Issues for G20
 - Technology, including harnessing technology and innovation to minimize negative impact
 - Aging population
 - Sustainable growth
 - Trade as an important priority
 - Tackling global challenges - climate change, SDGs, plastic waste, international health
- Japan to address these issues through "Pragmatic leadership" e.g. how to harness the power of migration while minimizing risks
- Prime Minister Abe's focus for the G20 is sustainable growth and equitable distribution. But many countries are focused on domestic agenda
- G20 leaders' efforts need to be complemented by stakeholders outside government (such as T20)
- The aim of Osaka Summit is to "regain confidence"

THREE

Taro Kono (Minister of Foreign Affairs):

- Cooperation is necessary with the international community facing significant challenges that require us to "bring together the wisdom and expertise of academia, business, and civil society like never before"
- An example of challenges includes the displacement of people and how "we face an increase in the number of refugees fleeing from tyranny, failed regimes and natural disasters. We know that there are nearly 70 million refugees and internally displaced persons in need of assistance."

- SDGs remain a priority
 - Leave no one behind shares common ground with Japan's concept of human security
 - "Japan will accelerate its efforts in areas such as health and education through next year's G20 Osaka Summit and TICAD7" [7th Tokyo International Conference on African Development]
- Climate Change is another priority
 - "Accelerating its considerations for a long-term strategy to address climate change"
 - Non-state actors are important, so Kono invited "T20 members to the G20 Climate Sustainability Working Group next year for your input."
- An "international solidarity tax" to fill the development finance gap
 - Development finance gap of 2.5 trillion (by 2030)
 - "We might have to ask those who have benefited from globalization to give back something"
 - One idea is for the "introduction of an international solidarity tax, a thinly spread tax on currency exchange, that would be spent on humanitarian aid by international organizations is one idea for the viable longer-term solutions"
 - Kono emphasized how he spoke about "the importance of innovative financing for humanitarian aid in order to secure financial resources necessary to deal with pressing global issues." at the UN General Assembly and APEC
- Additional priorities moving forward:
 - "Japan is willing to contribute to and increase momentum for an international discussion on innovative finance. I would like to seek the ideas of experts all over the world, including you. Connectivity becomes of particular importance to pursue economic prosperity and stability"
 - "will be enhanced through quality infrastructure that is built and operated in accordance with international standards such as open access, transparency, economic efficiency in view of life cycle cost, and fiscal soundness"
 - Enhance sustainable and inclusive growth, to stabilize the global economy

COMPARISON AND CONCLUSION

All three representatives spoke about the SDGs, climate change, sustainable growth (and development). This reflects what Tomita describes as Abe's two priorities: sustainable growth and equitable distribution for the G20. The addition of climate change to alongside these two priorities suggests that the environment will feature prominently in Japan's G20 presidency, especially with the recent IPCC report and Japan's past leadership on the issue: e.g. Kyoto.

Trade issues were covered by Yamada and Tomita but not Kono. Yamada discussed Japan's role in promoting a free, fair, open, rule-based multilateral system while Tomita identified trade as a key issue and important priority. Both Yamada and Tomita placed a greater emphasis on the systems and architecture required for continued trade. In contrast, Kono's emphasis on sustainable development and development finance focused on the *repercussions* of trade. This is an important dimension with strong parallels to the VISION20's recent work on emphasizing social cohesion and recoupling trade with its impacts.

Tomita's recognition that agreement was difficult to reach was also unique, and likely related to his recent experience as a G20 Sherpa. The emphasis on continuity between G20 presidencies was also a point unique to Tomita. It is worth observing that while Japan may have its own priorities, it might find greater success by embedding these within work done by the previous G20 Argentine presidency to leverage existing capacity, expertise, and political will. This would be consistent with Japan's commitment to effective solutions.

While Tomita's observation of ongoing challenges facing global agreements reflects a cautionary stance, Kono's reference to an "International Solidarity Tax" suggests that Japan is still willing to encourage big and bold ideas. This is a positive sign for Japan's G20 presidency. If Japan can effectively build coalitions with other states to move forward with innovative solutions that address disruptors to the global order, it is likely that the G20 delivers meaningful progress in 2019.

The varying coverage of substantive points by the three Japanese representatives is of interest and may reflect differing portfolios and roles. But the areas of convergence are

just as critical. Beyond substantive issues, all three representatives mentioned the critical need for cooperation. In discussing the limitations of Buenos Aires, Tomita highlighted the need for Japan to seek to “rebuild consensus” when it is broken. Kono’s point on cooperation being necessary to overcome significant challenges by bringing together “the wisdom and expertise of academia, business, and civil society like never before”. Cooperation is also inherent in Yamada’s emphasis on institution and “people-to-people connectivity”.

Overall, the importance of cooperation is likely to take many forms not just within the G20 member states and between the G20 member states and other states, but also between and within the non-state actors involved in the priority issue areas of the G20. If Japan can succeed in its efforts to facilitate cooperation, the impact of its G20 presidency is likely to be multi-dimensional and strong.

Annex

Minister Taro Kono's Speech at the Evening Reception of
the T20 Japan Inception Conference on Dec 4, 2018

Retrieved from Ministry of Foreign Affairs of Japan

<https://www.mofa.go.jp/mofaj/files/000425459.pdf>

Dr. Yoshino, Dean of the Asian Development Bank Institute, Mr. Sasae, President of the Japan Institute of International Affairs, Mr. Watanabe, President of the Institute for International Monetary Affairs, T20 members, Ambassadors, distinguished guests and experts, ladies and gentlemen,

I would like to extend a warm welcome to you for the T20 Inception Conference. It gives me a great pleasure to celebrate this formal kick-off of Japan's T20, just days after Japan assumed the G20 presidency from Argentina.

The international community is facing challenges that cannot be solved by governments alone. We need to bring together the wisdom and expertise of academia, business, and civil society like never before.

Looking ahead to the G20 Osaka Summit and G20 Foreign Ministers' meeting, I would like to touch upon several topics today, on which Japan intends to lead discussions.

In today's world, we face an increase in the number of refugees fleeing from tyranny, failed regimes and natural disasters. We know that there are nearly 70 million refugees and internally displaced persons in need of assistance.

The Sustainable Development Goals is to realize a society 'that leaves no one behind,' and this shares much ground with the concept of human security that Japan has been promoting for many years.

In order to achieve the SDGs and human security, Japan will accelerate its efforts in areas such as health and education through next year's G20 Osaka Summit and TICAD7 which will be held in August in Yokohama. We look forward to presenting concrete outcomes from these initiatives at the SDGs summit meeting in New York in September 2019.

Japan is now accelerating its considerations for a long-term strategy to address climate change. Not only initiatives of national governments, but also those of non-state actors are crucial for tackling climate change. I would therefore like to invite the T20 members to the G20 Climate Sustainability Working Group next year for your input.

The international community needs to consider seriously how to overcome the annual 2.5 4 trillion-dollar funding gap that must be filled to achieve the SDGs by 2030. It will not be easy to eliminate this gap through official development assistance, even with the help of public-private partnerships.

We might have to ask those who have benefited from globalization to give back something. The introduction of an international solidarity tax, a thinly spread tax on currency exchange, that would be spent on humanitarian aid by international organizations is one idea for the viable longer-term solutions.

At recent international conferences such as the UN General Assembly and APEC, I have emphasized the importance of innovative financing for humanitarian aid in order to secure financial resources necessary to deal with pressing global issues. And, I have already received positive responses from some participants.

Japan is willing to contribute to and increase momentum for an international discussion on innovative finance. I would like to seek the ideas of experts all over the world, including you.

Connectivity becomes of particular importance to pursue economic prosperity and stability.

Connectivity will be enhanced through quality infrastructure that is built and operated in accordance with international standards such as open access, transparency, economic efficiency in view of life cycle cost, and fiscal soundness. Looking ahead to our own G20

presidency next year, Japan will continue its efforts to elaborate an international standard of quality infrastructure shared by the G20 countries.

During our G20 presidency, Japan will lead efforts to enhance sustainable and inclusive growth, to stabilize the global economy, and to tackle global challenges.


I hope the T20 will continue to engage in active and fruitful discussions, and come up with practical policy recommendations for the G20. I would like to take this opportunity to thank all the T20 members and supporters here tonight for your efforts and contributions.

Ladies and gentlemen, please join me in raising a glass for fruitful discussions of the T20.

Kanpai!

The VISION20 Initiative

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