Harnessing full potential of digital economy: "Osaka Track" for international

rule-making and the role of the WTO

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LEADERS' INITIATIVE FOR DIGITAL ECONOMY



"I would like Osaka G20 to be long remembered as the summit that started **world-wide data governance**.

Let Osaka G20 set in train a new track for looking at data governance--call it **the Osaka Track**--under the roof of the WTO.

...The regime we must build is one for **D.F.F.T., Data Free Flow with Trust**--non-personal data, needless to say.

...It will be great if every one of us, from the U.S., Europe, Japan, China, and India, to leap frogging countries in Africa, share our efforts and our successes in breathing fresh life into the WTO."

Prime Minister Abe, Jan. 23 at Davos

RULE-MAKING ON E-COMMERCE AT THE WTO

In Dec-2017, **71** Members declared to **initiate exploratory work** toward future WTO negotiations on trade related aspects of E-commerce in Joint Declaration in MC11

In Jan-2019, **76** Members confirmed their intention to **commence WTO negotiations** on E-commerce

Since then, number of JSI Members has increased to **80** and **14** meetings have been held among the Members



OSAKA DECLARATION ON DIGITAL ECONOMY

"We affirm the importance of promoting national and international policy discussions for harnessing the full potential of data and digital economy to foster innovation, ...

Today, we, standing together with



other WTO Members that participate in the Joint Statement on Electronic Commerce issued in Davos ...hereby declare the launch of the "Osaka Track", a process which demonstrates our commitment to promote international policy discussions, inter alia, international rule-making on trade-related aspects of electronic commerce at the WTO."

> by 24 leaders participating in Leaders' Special Event on Digital Economy, Jun. 28 in Osaka

CONCEPT OF THE "OSAKA TRACK" PROCESS

A process to promote int'l policy discussions on digital economy, with the purpose of enriching existing endeavors by approaching digital economy from the **3 viewpoints**

THE "OSAKA TRACK" PROCESS

Fostering common understanding among the negotiating Members conducive to the negotiations

Making best use of the expertise on data flow and digital economy from other int'l fora such as OECD

Promoting holistic policy discussions on digital economy not limited to the negotiations

OVERALL PICTURE OF THE DIGITAL ECONOMY

DISCUSSIONS ON NEGOTIATIONS ON E-COMMERCE AT THE WTO

DISCUSSIONS IN INT'L FORA OTHER THAN THE WTO NEGOTIATIONS

CO-PROMOTERS FOR THE "OSAKA TRACK"

For the promotion of the "Osaka Track", **substantial contributions** from other int'l fora and other stakeholders such as private sector will be highly appreciated

WTO Members

THE "OSAKA TRACK"

Other Int'l Fora

Other Stakeholders (Private Sector, etc.)

- Providing impetus to the WTO negotiations
- Maximizing the potential of digital economy

Ex. <u>Special Session at OECD Global Forum on Trade</u> Oct. 24 2019, Paris

- The ongoing OECD initiative on digital economy
- Representatives of the private sector express their expectation for the "Osaka Track"
- Update on **discussions in Geneva** and possible **contribution by the OECD**