

Seeking a resilient and equitable society

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The Asian Development Bank Institute provides intellectual input for policy makers in ADB's developing member countries.

Equitable and sustainable economic growth is the ultimate goal of society. The 2019 T20 will be the first time that the Think Tank Engagement Group will be led from Japan. The T20 Japan has set up ten task forces, which include new task forces on the topics “Aging Society” and “Small and Medium-sized Enterprises”. The T20 Japan will continue to discuss various topics that were dealt with at past T20 summits. Proposals made in Japan will be based on theoretical analyses and empirical investigations which will be conveyed to G20 policy-makers.

1. Mobilization of domestic savings for sustainable growth and need for financial education

Domestic savings must be increased in order to promote financing for domestic private investment and infrastructure investment. If a country borrows from abroad in excess of its capacity to repay, the country will eventually become bankrupt. The development of financial technology and the globalization of trade and finance generated massive capital flows among various part of the world. Traditionally, active capital flows were restricted mainly to developed countries. However, current financial technology enables anyone in the world to gain access to various financial products offered by financial institutions all over the world through mobile phones and the Internet.

Huge capital mobility would then be created once a crisis hit a country. Exchange rate volatility would become very large. If the exchange rate depreciated on account of capital outflows from the country, prices of imported products would rise and the country would face high inflation. Keeping stable capital flows throughout the world promotes the continuation of stable global growth.

»Domestic savings must be increased in order to promote financing for private and infrastructure investment.«

Illegal financial institutions might sell their products across the border and innocent individuals would suffer. International regulations for financial institutions must be strengthened.

Technological progress is remarkable in financial industries. Through mobile phone and the Internet, people can make deposits from remote areas. Financial inclusion is remarkably increased by the use of mobile phones. At the same time, people can borrow money easily using mobile

phones, which makes them more vulnerable to the possibility of debt overhang. Financial education is needed to maintain people's ability to act responsibly under the fintech development. It is important to provide school education to understand existing financial products, compute personal interest burdens, and appreciate the importance of savings for one's future needs. Japan started children's savings accounts at primary school many years ago, which promoted useful attitudes to savings in children.

If the government spends too much beyond collectable tax revenues, it must issue government bonds or borrow from overseas, which might lead the country into bankruptcy. Similarly, if households or companies borrow much more than they can earn, they will enter bankruptcy. Circulation of domestic savings to domestic investment and domestic bonds are key for the sustainability of the economy.

The growth of the economy generates increases in tax revenues, and income growth of households and corporations enables them to reduce their debts. Each sector must keep the balance between revenues and expenses in order to avoid debt overhang. If the rate of interest payments on government loans is lower than the increase in tax revenues from infrastructure investment, borrowing from overseas will stabilize the government budget. If this condition does not hold, the borrowing from abroad to construct infrastructure will lead to the country's default.

Demographic changes are rapid in selected Asian countries compared with other regions. The number of children is declining as a percentage of the total population in many advanced nations. Elderly pension

payments and healthcare are increasing very rapidly. As for developing nations, human capital formation by providing good education and capital accumulation are urgently needed. Gender issues are addressed in Task Force 1 and several other task forces. Environmental pollution is growing in many developing countries alongside economic growth.

2. Sequencing of economic and social development

Proper sequencing of economic and social development is important for economic development. Various infrastructure investments are lacking in developing countries. Constructing physical infrastructure is not sufficient to generate economic growth. Infrastructure investment must induce

Figure 1.

	1956-60	1961-65	1966-70	1971-75	1976-80	1981-85
Direct effect	0.696	0.737	0.638	0.508	0.359	0.275
Indirect effect (Kp)	0.452	0.557	0.493	0.389	0.270	0.203
Indirect effect (L)	1.071	0.973	0.814	0.639	0.448	0.350
20% returned	0.305	0.306	0.261	0.206	0.144	0.111
% increment	0.438	0.415	0.410	0.404	0.400	0.402

	1986-90	1991-95	1996-00	2001-05	2006-10	
Direct effect	0.215	0.181	0.135	0.114	0.108	
Indirect effect (Kp)	0.174	0.146	0.110	0.091	0.085	
Indirect effect (L)	0.247	0.208	0.154	0.132	0.1250	
20% returned	0.084	0.071	0.053	0.045	0.042	
% increment	0.392	0.392	0.390	0.390	0.391	

Source: Yoshino, Abidhadjaev and Nakahigashi (2018)

economic activities not only for large businesses, but also for small businesses. Power, transport, communications, water supply and sanitation have to be provided to assist the stable growth of the economy. Good infrastructure will invite housing starts and the construction of office buildings in the region. Business sectors will start production, which will increase employment. Small businesses can start their own restaurants. Railway stations can be developed so that farmers can sell their own products at the station. Shopping malls can provide sales opportunities for SMEs in the region. These economic developments, alongside infrastructure, generate increased corporate, property, business, income and sales tax revenues. These increases in tax revenues are not generated by increases of tax rates, but arise from enhanced economic growth. If these increased tax revenues were partly returned to infrastructure investors and operating companies, their rate of return would increase in comparison to when the revenue was only based on user charges. The following figures are estimates of how much the spillover tax revenue would increase the rate of return from infrastructure investment if they were returned to infrastructure investors. The last row shows the percentage increase of the rate of return, which is about 39.0%–43.8%.

In order to increase spillover effects, financing for start-up businesses along road, railway, water supply and electricity supply must be provided, such as financing through hometown crowdfunding. SMEs must be able to borrow money through regional crowdfunding since banks are reluctant to lend money to risky borrowers. Women must have easy access to participating

in business supported by employment. Women can start businesses supported by hometown crowdfunding, as evidenced increasingly in selected Asian countries. This development can provide opportunities to low-income individuals.

»Proper sequencing of economic and social development is important for economic development.«

An empirical study of 44 countries shows that secondary school education and university education enhance the spillover effects of infrastructure investment. Secondary school education provides basic skills in the region and university education offers advanced skills. The Internet and smartphones can provide education programs to remote areas so as to promote human capital development. Modern technological progress will enhance the quality of education and interactive education programs can be created in remote areas. Technological progress will allow people to work at home and, as a result, lifestyles may drastically change in many developing countries.

3. Governance structure and role of the government

Small government is a desirable policy goal. However, many developing countries require government initiatives since the private sector cannot expand their business without the provision of basic infrastructure. Governance of the public sector is important. Incentive mechanisms to make the public sector efficient and productive are necessary. Bonus payments would provide some incentives for workers in public sector. The World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank and other multilateral financial institutions need to be involved in government infrastructure investment. They will make various public sector activities transparent and efficient.

International regulatory institutions might be needed to guard against global crime in financial products. Proper supervision and regulation of cross-border activities will be required. Global regulations must be introduced to cope with various crimes in fintech industries.

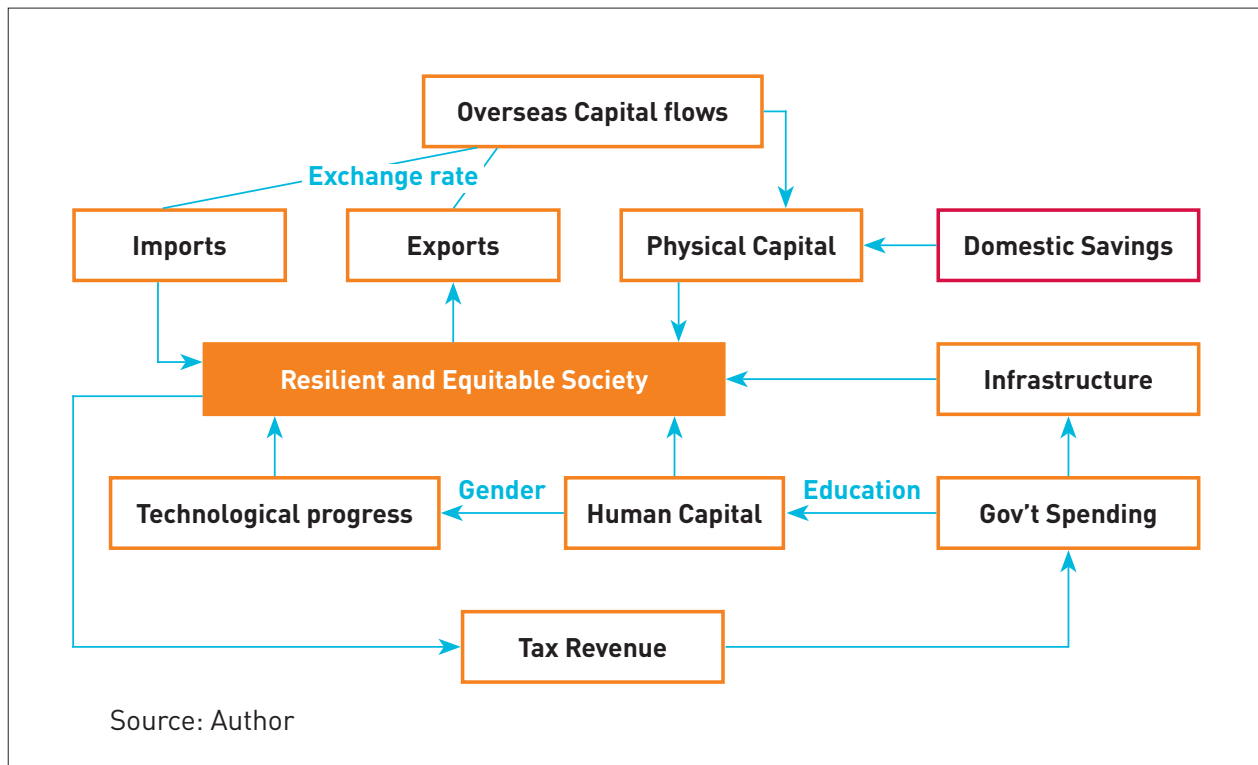
4. Structure of T20 Japan and brief descriptions of the ten task forces

The three leading research institutes of T20 Japan are

- the Asian Development Bank Institute (ADBI),
- the Institute of International Monetary Affairs (IIMA) and
- the Japan Institute for International Affairs (JIIA).

The themes of the ten task forces are as follows:

Figure 2.



Task Force 1: 2030 Agenda for Sustainable Development (Japan International Corporate Agency (JICA))

Since the adoption of the Sustainable Development Goals (SDGs) in 2015, the Group of Twenty (G20) have sought effective means of implementing the SDGs using various frameworks and fora such as the G20 Action Plan on the 2030 Agenda for Sustainable Development, and the G20 Development Working Group (DWG). This year, Task Force 1 will cover the following issues: universal health coverage (UHC), global institutional and/or financing issues, gender issues, and education in development. In addition, the Task Force will highlight new issues such as the role of the private sector in achieving the SDGs, while of course paying due attention to the continuity of discussions in the past T20 summits.

Task Force 2: International Financial Architecture for Stability and Development (Institute for International Monetary Affairs (IIMA))

Task Force 2 (TF2) aims to promote an international financial architecture for stability and development, with a focus on cryptocurrency and financial technology (fintech). To this end, the TF2 will review the T20's aspirations and achievements during the past decades with respect to the design and improvement of the international financial architecture. As a result of this review, TF2 will identify and recommend new priorities for policy action. Firstly, TF2 will introduce the topic of global financial instability in an era of changing monetary policies and financial crisis management. Lessons learned from the global financial crisis 10 years ago and global analysis of capital flows will be included. The effects

of the Federal Reserve Board's interest rate hikes on currencies and interest rates in emerging markets will also be discussed. Secondly, Japan's experience of introducing comprehensive regulations on cryptocurrency in April 2017 could serve as a starting point for discussing cryptocurrency regulations in the G20. Thirdly, TF2 will try to offer suggestions to strengthen global financial safety nets. Finally, TF2 will discuss the innovation and evolution of fintech. This includes how traditional financial institutions, fintech companies, and big tech players in the financial ecosystem can coexist harmoniously for consumers, and the future implications for society.

»» **Women must have easy access to participating in business supported by employment.** ««

Task Force 3: Climate Change and the Environment (Institute for Global Environmental Strategies (IGES) and Mitsubishi Research Institute (MRI))

The international community adopted the Paris Agreement and the 2030 Agenda for the SDGs in 2015. Today, the priority is how to implement these commitments. The Government of Japan has put forward the

concept of a Regional Circular and Ecological Sphere (Regional CES) in its 2018 Fifth Basic Environment Plan as key to realizing a paradigm shift towards a model sustainable society, fully compatible with the Paris Agreement and the SDGs. Regional CES emphasizes sustainable and optimal utilization of regional resources to form a self-reliant and decentralized society. The concept of Regional CES seems very relevant not only for Japan but also for other G20 members for implementing the Paris Agreement and the SDGs. T20 Japan will provide a good opportunity to disseminate these ideas and deepen discussions by developing concrete policy recommendations. Task Force 3 (TF3) plans to develop such recommendations underpinned by the following key ingredients of a Regional CES:

- an economic system and rules to establish a decarbonised and climate-resilient society,
 - sustainable community development using local resources,
 - improving the of value of land as stock, and
 - a circular economy.
- TF3's briefs will include:
- policies for a decarbonised and climate resilient society,
 - resource efficiency and a circular economy at multiple levels,
 - revitalising local economies in harmony with nature, and
 - promoting renewable energy in South-east Asia.

Task Force 4: Economic Effects of Infrastructure Investment and Use of Spillover Tax Revenues (Asian Development Bank Institute (ADBI))

Development of infrastructure is a prerequisite to long-term sustainable economic growth. However, a sizable portion of GDP (about 10%) is needed to finance infrastructure-related projects in developing countries across the globe. It is also imperative that policies focus on sustainable investment in infrastructure. Task Force 4 takes this mandate forward in the T20 summit and organizes policy discussions under

» **International regulatory institutions might be needed to guard against global crime in financial products.** «

two themes: Theme 1 is “Challenges: How to increase the rate of return on infrastructure investment.” High quality infrastructure has large spillover effects. Spillover effects will further increase if SMEs and startups, alongside railways and roads, are provided loans. Theme 2 is “The Way Forward—Encouraging private participation in infrastructure investment for sustainable growth.” Participation by private investors will increase if returns from infrastructure

investment are distributed. Insurance and pension funds are potential sources of finance since infrastructure is a long-term investment. Hometown Investment Trust (HIT) funds can also provide financing for startup businesses.

Task Force 5: Cooperation with Africa (Japan International Cooperation Agency (JICA) and African Development Bank (AfDB))

African countries still face various development challenges such as fiscal and debt management, agricultural development, and with these the problem of food security, as well as the need to strengthen the international competitiveness of industries. However, Africa can take advantage of new trends such as the development of global value chains in agriculture and industry, and the leapfrogging impact of science, technology, and innovation (STI). The private sector's role is undoubtedly essential in many areas. This Task Force will promote the African Union's Agenda 2063 and sustainable development across the African continent by tackling the following policy issues: fiscal and debt sustainability, private sector and the G20 Compact with Africa (CwA), industrial development, agricultural development, and STI for Africa.

Task Force 6: Social Cohesion, Global Governance, and the Future of Politics (Japan Institute of International Affairs (JIIA))

Task Force 6 deals with the unprecedented crisis in multilateralism at the global level, disruption of social cohesion at the domestic level, how nations could address these issues, and what the future of politics should look like. In recent years, there has been political backlash against globaliza-

tion in many parts of the world. If populism with its "we-first," protectionist approach were to spread globally, we may experience significant disruption in global supply chains, deterioration of trade and investment, if not a collapse of the liberal trading system. Therefore, political leaders must address these issues at global fora such as the G20. TF6 previously pointed out that social prosperity has become decoupled from economic prosperity (see Snower 2018). For countries with weak social safety nets, the redistribution of income from winners to losers becomes essential. For countries with sufficient social safety nets, income redistribution may not be enough to improve social prosperity; innovative policies will be needed. TF6 aims to conduct robust analysis of populism from a socio-economic perspective. It also seeks to identify implications for global governance to help the G20 consider optimal formula and institutional arrangements that will allow high levels of international economic cooperation while reducing conflicts. TF6 will produce concrete policy measures to address these issues and shed light on the relationship among social cohesion, global governance, and the future of politics.

Task Force 7: The Future of Work and Education for the Digital Age (Asian Development Bank Institute (ADBI))

Several major technological transformations (e.g., artificial intelligence or AI, fintech, the Internet of Things, Industry 4.0) are putting the global economy on a new track. They will bring immense economic opportunities, such as new ways of doing business, new industries, new and better jobs, higher GDP growth, and better living standards. At the same time, they will cre-

ate challenges for individuals, businesses, and governments. They are likely to change business models, patterns of comparative advantage, skill needs, the organization of work, and may further limit the room for maneuver of national policy. Policy actions are needed to harness the opportunities and ensure the benefits are shared by all. This Task Force will make recommendations on how to achieve well-balanced labor markets capable of matching the supply of and demand for skills in an environment of rapidly changing technology while reducing inequalities and promoting economic and social development. It also aims to provide policy advice to develop educational systems that promote equal opportunities, lifelong learning, and financial literacy. Finally, it aims to make recommendations in the areas of data security, so that the digital economy can be harnessed effectively to greatly improve prosperity and inclusiveness.

»In recent years, there has been political backlash against globalization in many parts of the world.«

Task Force 8: Trade and Investment + Globalization (Research Institute of Economy, Trade and Industry (RIETI))

Free trade and investment are facing various challenges such as rising protectionism, unequal opportunities to engage in global value chains (GVCs), and ill-equipped legal systems for digital trade. To address these issues, the Trade and Investment Task Force will discuss three main topics. First is on eliminating factors that disrupt fair competitive conditions, enhancing and updating World Trade Organization (WTO) rules, and preserving and improving the WTO Appellate Body's functions to strengthen and improve the free trade system. Second concerns the role of GVCs and policies for mutual benefit of developed and developing countries to achieve international collaboration on sustainable and inclusive trade and investment. Finally, the Task Force will explore how to establish well-balanced global rules that promote the free flow of data while also ensuring protection of personal information in an era of digital trade. Through these discussions, the Task Force expects to foster common understanding on global issues and contribute to employment, productivity improvement, and economic growth in every country.

Task Force 9: SMEs and the Development of Financial Technology (Research Institute of Economy, Trade and Industry (RIETI))

SMEs account for more than half of formal employment globally and are crucial for stimulating improvements in productivity. However, many SMEs face challenges related to their size, limited resources, and relationship with larger enterprises. The SME Task Force will discuss three universal

challenges related to SMEs. First, the Task Force will tackle inclusive policies to support and target businesses and entrepreneurs including women, youth, elderly, and non-nationals, as well as policies aimed to boost the healthy turnover of enterprises. Second, the Task Force will discuss measures to support strongly motivated SMEs and promote networked broad-array cooperation among universities, research institutes, and companies to foster R&D and innovation. Finally, the Task Force will deal with policies on development and shared use of financial techniques utilizing big data including timely information for companies to support the financial needs of SMEs. Through these discussions, the Task Force aims to promote better understanding of global challenges related to SMEs and foster employment, productivity, and economic growth.

Task Force 10: Aging Population, its Economic Impact, and Immigration (Asian Development Bank Institute (ADBI) and Korea Development Institute (KDI))

The rising trend of aging societies, a result of decreased fertility rates and longer life expectancies, signals drastic changes in the world's demographic structure, as Asia clearly demonstrates. This phenomenon of rapidly aging populations poses a serious challenge to the global economy. As the ratio of the aged to the total population increases and the working population declines, productivity is seriously affected, growth decelerates, and social security systems become less fiscally sustainable. G20 policy makers are mindful of the impacts of aging populations on the global economy. Thus, Task Force 10 (TF10) was established to focus on policy measures and actions aimed toward sustaining inclusive economic growth and well-functioning socioeconomic systems which provide social security to all people. The role of labor migration to alleviate the impact of declining labor forces and working populations will also be explored in the context of well-designed immigration policies that will support aging societies.

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Yoshino, Naoyuki, Matthias Helble and Umid Abidhadjaev (2018), *Financing Infrastructure in Asia and the Pacific: Capturing Impacts and New Sources*, Asian Development Bank Institute.

Structure of T20 Japan and brief descriptions of the ten task forces

The three lead research Institutes of T20 Japan are (i) Asian Development Bank Institute (ADBI), (ii) Institute of International Monetary Affairs (IIMA) and (iii) Japan Institute for International Affairs (JIIA). The themes of ten task forces as follows:

Task Force 1: 2030 Agenda for Sustainable Development

Since the adoption of the Sustainable Development Goals (SDGs) in 2015, the Group of Twenty (G20) have sought effective means of implementing the SDGs using various frameworks and fora such as the G20 Action Plan on the 2030 Agenda for Sustainable Development, and the G20 Development Working Group (DWG). The SDGs aim to realize a society ‘that leaves no one behind,’ and this shares much common ground with the concept of human security which Japan has been promoting for many years. Therefore, this year, Task Force 1 will cover selected issues which are critically important for SDG advancement, giving consideration to priority agenda of the Japanese government. The topics of policy briefs include: (i) universal health coverage (UHC), (ii) education in development, (iii) sustainable finance for development, (iv) the role of the private sector in achieving the SDGs, (v) technology cooperation, and (vi) gender. While ensuring the continuity of discussions in the past T20 summits, we will also address new, cross-cutting issues (such as (iv) and (v)).

Task Force 2: International Financial Architecture for Stability and Development/Crypto-assets and Fintech

Task Force 2 (TF2) aims to promote an international financial architecture for stability and development, with a focus on Crypto-assets and Fintech. To this end, the TF2 will review the T20’s aspirations and achievements during the past decades with respect to the design and improvement of the international financial architecture. As a result of this review, TF2 will identify and recommend new priorities for policy action. Firstly, TF2 will introduce the topic of global financial instability in an era of changing monetary policies and financial crisis management. Lessons learned from the global financial crisis 10 years ago and global analysis of capital flows will be included. The effects of the Federal Reserve Board’s interest rate hikes on currencies and interest rates in emerging markets will also be discussed. Secondly, Japan’s experience of introducing comprehensive regulations on crypto-assets in April 2017 could serve as a starting point for discussing crypto-assets regulations in the G20. Thirdly, TF2 will try to offer suggestions to strengthen global financial safety nets. Finally, TF2 will discuss innovation and evolution of Fintech. This includes how traditional financial institutions, Fintech companies, and big tech players in the financial ecosystem can coexist harmoniously for consumers, and the future implications for society.

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The international community adopted the Paris Agreement and the 2030 Agenda for the SDGs in 2015. Today, the priority is how to implement these commitments. The Government of Japan has put forward the concept of a Regional Circular and Ecological Sphere (Regional CES) in its 2018 Fifth Basic Environment Plan as key to realizing a paradigm shift towards a model sustainable society, fully compatible with the Paris Agreement and the SDGs. Regional CES emphasizes sustainable and

optimal utilization of regional resources to form a self-reliant and decentralized society. The concept of Regional CES seems very relevant not only for Japan but also for other G20 members for implementing the Paris Agreement and the SDGs. T20 Japan will provide a good opportunity to disseminate these ideas and deepen discussions by developing concrete policy recommendations. Task Force 3 (TF3) plans to develop such recommendations underpinned by the following key ingredients of a Regional CES: (i) an economic system and rules to establish a decarbonised and climate resilient society, (ii) sustainable community development using local resources, (iv) improving the value of land as stock, and (v) a circular economy. TF3's briefs will include: (i) policies for a decarbonised and climate resilient society, (ii) resource efficiency and a circular economy at multiple levels, (iii) revitalising local economies in harmony with nature, and (iv) promoting renewable energy in Southeast Asia.

Task Force 4: Economic Effects of Infrastructure Investment and its Financing

Infrastructure is crucially important to foster countries' economic development and prosperity. Investments in infrastructure contributes to higher productivity and growth, facilitates trade and connectivity, and promotes economic inclusion.

Global infrastructure demand is high. McKinsey has reported that from 2016 to 2030, there will be a need to invest on average USD3.3 trillion annually to keep pace with projected growth. Of which, 60% is accounted for by developing countries. Furthermore, Asian Development Bank has estimated that USD1.7 trillion is required every year to maintain rates of growth sufficient to alleviate poverty in the Asian region including investment needs for climate change mitigation and adaptation.

As the population of developing countries keep growing, it is imperative we need high-quality infrastructure that is sustainable, increases business activities, creates new employment, narrows income disparities and empowering gender participation. Quality Infrastructure is at the heart of the Sustainable Development Goals as it supports inclusive growth and enhances access to all. One cannot ignore the Paris Climate Agreement and the inter-relation between infrastructure, sustainability and climate.

This task force aims to propose ways of developing quality infrastructure investments which consider financial, climate, and urban planning challenges. By addressing the challenges of the inherent complexity of quality infrastructure investments, mobilization of long-term finance at reasonable costs, and reformation of existing urban management systems amongst other, the task force will create a corpus of knowledge including best practices followed in various G20 member countries to encourage quality infrastructure investments.

Task Force 5: Cooperation with Africa

African countries still face various development challenges such as fiscal and debt management, agricultural development, and the problem of food security, as well as the need to strengthen the competitiveness of industries. However, Africa can take advantage of new trends such as the development of value chains in agriculture and industry, and the leapfrogging impact of innovative technologies. The private sector's role is undoubtedly essential in many areas. This Task Force will promote the African Union's Agenda 2063 and sustainable development across the African continent by tackling the various policy issues including fiscal and debt sustainability, the G20

Compact with Africa (CwA), industrial development, agricultural development and food security, and taxation.

Task Force 6: Social Cohesion, Global Governance, and the Future of Politics

Task Force 6 deals with the unprecedented crisis in multilateralism at the global level, disruption of social cohesion at the domestic level, how nations could address these issues, and what the future of politics should look like. In recent years, there has been political backlash against globalization in many parts of the world. If populism with its “we-first,” protectionist approach were to spread globally, we may experience significant disruption in global supply chains, deterioration of trade and investment, if not a collapse of the liberal trading system. Therefore, political leaders must address these issues at global fora such as the G20. TF6 previously pointed out that social prosperity has become decoupled from economic prosperity (see Snower 2018). For countries with weak social safety nets, the redistribution of income from winners to losers becomes essential. For countries with sufficient social safety nets, income redistribution may not be enough to improve social prosperity; innovative policies will be needed. TF6 aims to conduct robust analysis of populism from a socio-economic perspective. It also seeks to identify implications for global governance to help the G20 consider optimal formula and institutional arrangements that will allow high levels of international economic cooperation while reducing conflicts. TF6 will produce concrete policy measures to address these issues and shed light on the relationship among social cohesion, global governance, and the future of politics.

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Several major technological transformations (e.g., artificial intelligence or AI, fintech, the Internet of Things, Industry 4.0) are putting the global economy on a new track. They will bring immense economic opportunities, such as new ways of doing business, new industries, new and better jobs, higher GDP growth, and better living standards. At the same time, they will create challenges for individuals, businesses, and governments. They are likely to change business models, patterns of comparative advantage, skill needs, the organization of work, and may further limit the room for maneuver of national policy. Policy actions are needed to harness the opportunities and ensure the benefits are shared by all. This Task Force will make recommendations on how to achieve well-balanced labor markets capable of matching the supply of and demand for skills in an environment of rapidly changing technology while reducing inequalities and promoting economic and social development. It also aims to provide policy advice to develop educational systems that promote equal opportunities, lifelong learning, and financial literacy. Finally, it aims to make recommendations in the areas of data security, so that the digital economy can be harnessed effectively to greatly improve prosperity and inclusiveness.

Task Force 8: Trade, Investment and Globalization

The world trading system is facing various challenges such as rising protectionism, unequal opportunities to engage in global value chains, and legal systems that are ill-

equipped for digital trade and international trade in services. To address these issues, the task force will discuss policies to strengthen the WTO as a negotiating forum and both restore and reinforce the WTO dispute settlement procedure to improve the world trading system. The task force will also focus on goods and services trade policies and socially just and environmental-friendly investment policies that create mutual benefit for both developed and developing countries and mitigate the negative effects of globalization in order to achieve sustainable, balanced and inclusive development. Finally, the task force will explore how to establish well-balanced global rules that promote the free flow of data while also ensuring the protection of personal information in the era of digital trade. Through these discussions, the task force aims to foster common understanding on global issues and provide policy recommendations to G20 officials from an academic perspective.


Task Force 9: SME Policy faced with Development of Financial Technology

Small and medium-sized enterprises (SMEs) account for more than half of formal employment globally and are crucial for stimulating improvements in productivity. However, many SMEs face challenges related to their sizes, limited resources, market access and relationship with larger enterprises. The SME Task Force will discuss possible policy recommendations to address those challenges. Policies to raise entrepreneurship awareness, supporting diversified entrepreneurs, and smoothing processes for business start-up as well as business transfer will build an eco-system that allows easy entry and exit of start-ups to promote future economic growth and employment. Also, sustainable growth of start-ups calls for policies that address their internal constraints of resources, such as policies to build network among universities, research institutes, and companies to foster R&D and innovation, especially for strongly motivated SMEs; to utilize new technologies and innovative business models to improve SMEs' access to financial services/resources; to improve labor mobility and promote investment in human capital; to reduce trade and investment barrier for SMEs to integrate into global markets.

Task Force 10: Aging Population and its Economic Impact + Immigration

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Roadmap

Events	Date	Venue
T20 Japan Inception Conference - 10 Task Forces (TFs) formulated	4-5 December 2018	Tokyo, Japan
	Discussions – “T20 Japan associated events”	<i>Various venues around the world</i>
	Products – T20 “Policy Briefs”	Due March 2019
T20 Summit - T20 Communique to G20	26-27 May 2019	Tokyo, Japan
G20 Summit	28-29 June 2019	Osaka, Japan

List of T20 Japan Associated Events

As of 15 March 2019

No.	Name of Events	Date	Venue	Hosts	Task Force
1	Book Launch “From Summits to Solutions: What are the innovative ideas that could help the world reach the Sustainable Development Goals?”	Dec 3	Tokyo	JICA-RI	TF1
2	RIETI-ANU-ERIA Symposium “Asia’s Response to the Trade War”	Dec 6	Tokyo	RIETI, ANU & ERIA	TF8
3	ADB-IEO-ILo Roundtable on Labor Migration in Asia	Jan 24-25	Tokyo	ADB	TF10
4	T20 Mumbai 2019	Jan 28	Mumbai	Gateway House	TF2, TF6, TF9
5	ERIA-IDE-JETRO-RIETI Roundtable Discussion on “New Global Era of Digital Economies”	Jan 30	Jakarta	IDE-JETRO, ERIA & RIETI	TF8
6	KDI School-JICA-RI Sustainable Development Goals (SDGs) Joint Conference	Feb 14	Seoul	JICA-RI & KDI School	TF1
7	Developing Policy Agenda for Global Health Workshop : Global Policy Challenges for the Future Global Health in the SDG era	Feb 19	Tokyo	UTokyo (Co-sponsored by JICA-RI)	TF1
8	Special Open Seminar: “Early Childhood Development and Sustainable Future Society”	Feb 21	Tokyo	CICE, Hiroshima Univ & JICA-RI	TF1, TF7
9	Roundtable on Capital Market and Financial Reform in Asia	Feb 26-27	Tokyo	OECD & ADB	TF4, TF10
10	Toward G-20 Principles for IMF Reform	Feb 28	Boston	Boston Univ & CASS	TF2
11	RIETI-ABER-IIT Roundtable “Global Trade Reform”	Feb 28	Canberra	ANU, Univ of Adelaide & RIETI	TF8
12	Global Solutions Summit 2019	Mar 18-19	Berlin	Global Solutions Initiative	All TFs
13	Expert conference “Fit for purpose? Revitalizing climate and sustainability issues in the G20 process”	Mar 20	Berlin	DIE & IGES	TF3
14	JICA RI Knowledge Forum "Toward G20 Osaka Summit -Think 20 Japan and International Development Agenda"	Mar 25	Tokyo	JICA-RI	TF1, TF5
15	T20-G20 Roundtable Discussion on “Digital Trade, WTO Reform, and Trade and Investment for Sustainable and Inclusive Growth”	Apr 9	Tokyo	RIETI & DIE	TF8
16	Forum on Globalization and Industrialization "Global Value Chains for Inclusive and Sustainable Development"	Late May	Tokyo	UNIDO & Kiel Centre for Globalization	TF8