

# **FY202 | Global Financial City OSAKA Promotion Committee Initiatives(Draft)**

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**March 29, 2021**

**Global Financial City OSAKA Promotion Committee Establishing General Meeting**

# 【1】 Osaka's Vision for the Global Financial City

- Launch of a preparatory session of the Committee (December 23, 2020) -

- On December 23, 2020, Osaka Prefecture, Osaka City, Economic Groups (Kansai Economic Federation, the Osaka Chamber of Commerce and Industry and Kansai Association of Corporate Executives) held a preparatory session for the “Global Financial City OSAKA Promotion Committee,” where they agreed to establish the Committee and to make every effort to realize a global financial city, utilizing Osaka's strengths and potential.

【Extracted from Governor's regular press conference on November 18, 2020】

## Osaka's strengths

### 1. Historical background

- ▽ Birthplace of the futures trading (derivatives)

### 2. Well-organized urban infrastructure

- ▽ The only general exchange market that deals with derivatives
- ▽ Developed transportation network and an international trading port
- ▽ Higher educational facilities and life science-related industries

## Osaka's Potential

### 1. Developing big projects that attract investments from Japan and the world

- ▽ 2025 Expo Osaka-Kansai
- ▽ The highest level growth in **the world**

### 2. Acting as home to new innovation

- ▽ Promoting a smart city and a super city
- ▽ Creating a global hub for startup-ecosystem
- ▽ Creating Umekita II and an international hub for the future of medical care (Nakanoshima)

## Global Financial City that Osaka Aims for (Image)

### Innovative Financial City OSAKA

- ▽ Promote ※ESG investment to achieve SDGs with entirety of Osaka, as the venue of Expo 2025
- ▽ Realize an innovative financial city home to operating funds and financial human resources from Japan and throughout the world, by the drastic deregulation
- ▽ Conduct social implementation of cutting-edge technology in the financial business and create a new market by financial digital transformation

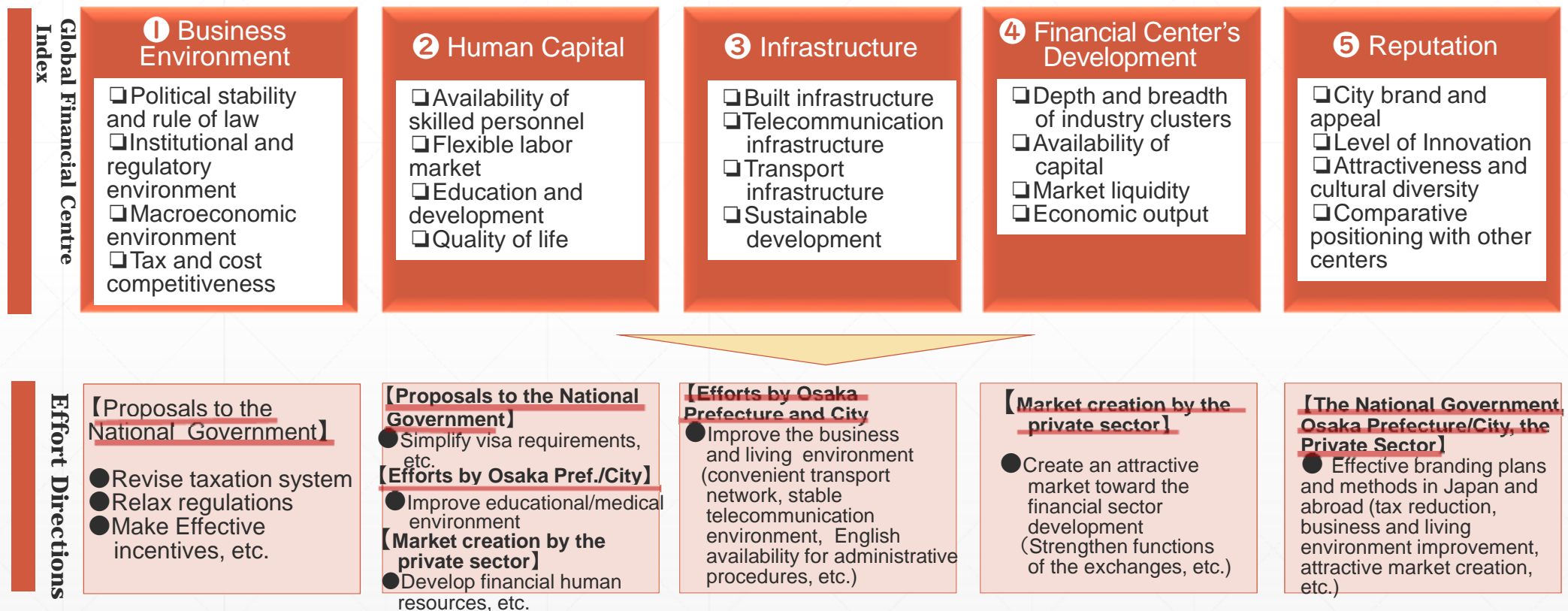
※ESG investment: The investment that has Environmental, Social and Governance elements, which means investments seeking positive returns and long-term impact on society

### Asian Derivative City OSAKA

- ▽ Create the leading hub of the Asian derivative market to take in the growth of derivative transactions

## [2] Conditions and Effort Directions of a Global Financial City

- To realize a Global Financial City, preparing five conditions ( "Global Financial Centre Index (GFCI)") is essential.
- Therefore, it is necessary to proceed with consideration along with the following initiative directions based on the role sharing and cooperation between the public and private sectors.



### **[3] FY2021 Action Plan (Draft)**

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- **In order to promote initiatives toward the realization of a global financial city, the "2021 Action Plan" of this committee is to be determined as follows:**

#### **1. Overview of the strategies**

- ▽ Clarify the challenges to realize a global financial city, after analyzing the strengths and weaknesses in the aspects of business and daily lives in Osaka, and grasping the needs of private businesses in Japan and overseas
- ▽ Based on the results of the above, formulate strategies that clarify specific key initiatives according to each role of private businesses, different organizations, the business community, and local governments.

#### **2. Promotion to attract overseas businesses/Activities to make request to the national government**

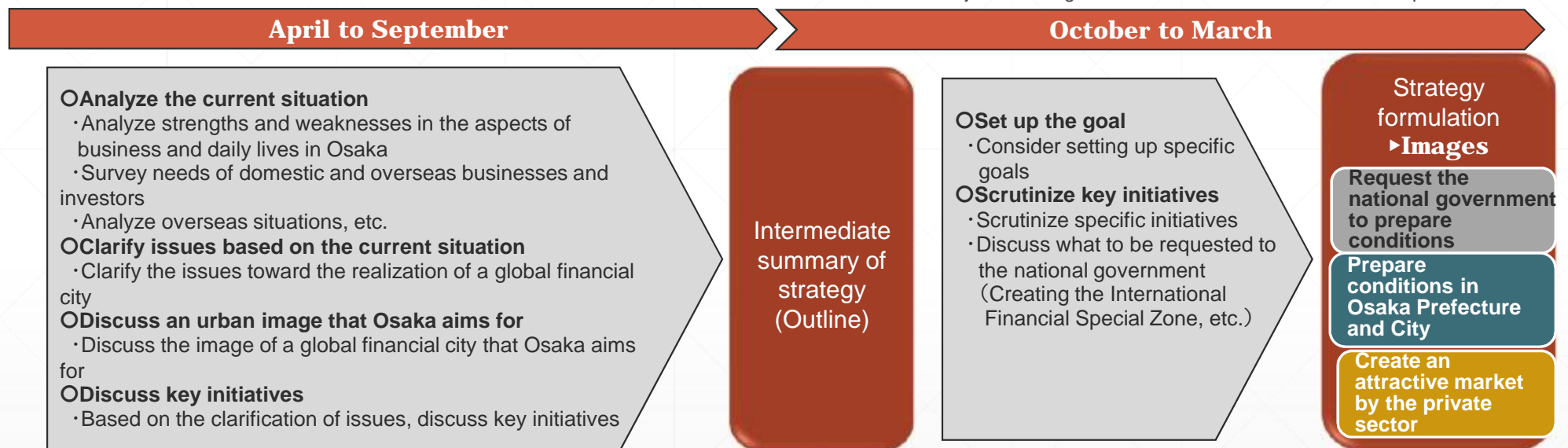
- ▽ Carry out promotions to attract overseas businesses. In addition, consider proposals and make a request such as the setup of an "international financial special zone" to the national government, to encourage the government to improve the conditions

**\*Agendas necessary to achieve the purpose of the committee will also be discussed as necessary.**

## 【4】 The Next Fiscal Year Schedule (Images)

- This committee will formulate strategies that summarize the key initiatives, based on the analysis of the current situation in Osaka and the clarification of issues to realize a global financial city. As soon as the preparations get ready, the Committee will proceed with initiatives to attract and accept overseas businesses.

※Subject to change as this is an assumed schedule as of present



※When implementing above matters, necessary systems such as launch of relevant sectors and securing advisers are to be prepared.

- Initiatives to attract and accept overseas businesses** ( As soon as prepared, they will be carried out in sequence)
  - Promotion to attract each business (using online, etc.)
  - Launch and operate a one-stop service/Improve the business and living environment (educational/medical institutions, English notation, etc.)
  - Develop the advanced financial human resources, improve financial literacy, etc.



## [5] Image of the Strategy Formulation (Three key strategies)

- Strategies to be formulated will be specified in the discussions of the Promotion Committee hereafter, however, the following three strategies from A to C are to be set as the key initiatives at first.



### Strategy A

Encourage the national government to improve conditions

◎ Propose to establish "International Financial Special Zone" to attract domestic and overseas private businesses

- ▼ Taxation system (corporate tax, income tax, inheritance tax)
- ▼ Deregulation of the financial legislation
- ▼ Relaxation of status of residence requirements ( Immigration Control Law ) , etc.



### Strategy B

Prepare conditions in Osaka Prefecture/City

◎ Promote to improve business and living environments

- ▼ Support for administrative procedures (establishment of a one-stop support center)
- ▼ Development of highly-skilled financial human resources, promotion of financial literacy education
- ▼ Attracting and improving educational/medical institutions, etc.



### Strategy C

Create attractive markets by the private sector

◎ Create attractive markets and gather companies toward the development of the financial sector

- ▼ Enhancement of exchange functions ( Expansion of line of business, development of private exchanges, cooperation with overseas exchanges, etc.)
- ▼ Issuance of digital securities, creation of secondary market
- ▼ Attracting FinTech businesses
- ▼ Promotion of ESG investment, etc.

