



# Think7 Japan Communiqué

April 2023





### **Table of Contents**

#### **Preamble**

Bridging the G7 and G20: A Call to Action

#### 1. Addressing Intersecting Crises

- 1.1. Addressing Systemic Risks for Global Peace and Nuclear Nonproliferation
- 1.2. Addressing the Rampant International Financial System Crisis and Fixing the Ballooning Debt Crisis
- 1.3. Addressing the Climate and Biodiversity Crises and Strengthening Environmental Diplomacy

#### 2. Reigniting the 2030 Agenda

- 2.1. Recognizing the Universality and Centrality of the 2030 Agenda
- 2.2. Tackling the Return of Hunger
- 2.3. Investing in Global Science Systems and Research Infrastructure
- 2.4. Learning in the 21st Century: A Vision for Resilient Human Capital Development

#### 3. Initiating the Design of a G7/G20 Dashboard

#### Annex

List of Issue Papers and Policy Briefs from T7 Japan Task Forces





#### **Preamble**

## Bridging the G7 and the G20: A Call to Action

Under Japan's 2023 Group of Seven (G7) presidency, Think7 (T7), the think tank engagement group of the G7, has developed research-based policy recommendations for the G7 and partners guided by the T7 Japan theme, *Addressing Crises, Reigniting Sustainable Development, Bridging the G7 and G20.* The T7 Japan Communiqué outlines these recommendations formulated by global experts to support discussions at the G7 Hiroshima Summit and beyond. They draw upon the G7's knowledge infrastructure enhanced by the strengthening of the T7 under Germany's 2022 G7 presidency.

Current systemic environmental, geopolitical, and socioeconomic changes bear obvious risks. At their spring meeting in April 2023, the International Monetary Fund and the World Bank released sluggish global growth forecasts. They noted that both the G7 and BRICS could hamper growth if they favored competition over cooperation in areas such as inflation and debt, climate finance, just energy, agriculture transition, and sustainable infrastructure investments.

Prosperity and peace also hinge on ensuring a rules-based policy environment. By contrast, the increasing weaponization of food, trade, and reserve currencies and the lack of multilateral agreement on international financial institution reform pose huge short- and long-term risks. Rising geopolitical tension and unilateral approaches to national security could further undermine global supply chains and their socioeconomic benefits, while challenges to rules-based trade could weaken economic growth through the end of the decade.

Meanwhile, the world's high level of attention to the deadly war in Ukraine following the Russian Federation's invasion in 2022 has sometimes overshadowed other regional tensions and armed conflicts which are equally brutal for those affected, as acknowledged by the G7 Japan 2023 Foreign Ministers' Communiqué. Yet unlike other conflicts, the war in Ukraine is contributing to geopolitical fragmentation as it deepens divergences between the G7 and some Group of Twenty (G20) members. One immediate consequence is the weakening of the 2030 Agenda for Sustainable Development while increasing official development assistance (ODA) to address the humanitarian crisis in Ukraine has affected ODA for lower-income countries in sub-Saharan Africa and risks contradicting G7 partnership efforts with Africa. The conflict has also elevated nuclear deterrence within geopolitics, not only in Europe and the Russian Federation but also in the Indo-Pacific, and beyond, which could undermine decades of non-proliferation efforts.

In a world exposed to a combination of immediate and long-term threats, we need new proposals for progress, which can come from bridging the G7 and G20 and recognizing the roles of civil society, science, and gender equality for inventing and implementing new policy solutions. Think tanks believe that G7 countries' high innovation and transformation capabilities should be mobilized to support science-based policy-making and the development of a new generation of international social and human science programs and visionary, inclusive monetary and investment policies.

The nexus between peace and development, including post-conflict reconstruction, has reached a level of importance not seen since the aftermath of World War II. The preliminary findings of the independent panel of scientists appointed by the Secretary-General of the United Nations for the triennial evaluation of the 2030 Agenda suggest a return of extreme poverty and extreme hunger. These experts also warn of the impossibility of achieving the Sustainable Development Goals (SDGs) in the presence of the high and pressing debt crisis, unmatched climate emergencies, and high levels of violent conflicts. As the 2030 Agenda itself is exposed to many risks, shaping integrated responses to achieve more ambitious social outcomes has reached a new level of urgency.





To avoid a 'lost decade of growth' (World Bank), T7 Japan proposes a new holistic approach. The G7 should proactively lead the promotion of public research and development that favors evidence-based and science-based policies. Another priority is to realize new measurements of economic, social, and environmental prosperity that consider people's well-being globally.

Joining forces across the G7 and G20, think tanks have realized that the impacts of the G7 and G20's respective decisions have often been difficult to assess, particularly in the current time of crises. Such a deficit of accountability is no longer an option. Following the call of the Think20 (T20) Indonesia in 2022, think tanks from the G7 and G20 have recognized the unique value added of enduring and ambitious cooperation across the G7 and G20. T7 Japan has therefore built on the organization of task forces initiated by T7 Germany and those which originated under T20, and created an advisory council of eminent experts. In addition, T7 Japan has systematically established close ties and coordination with T20 India, including with African counterparts and the emerging T20 Brazil. 2

To help bridge G7 and G20 actions and create additional channels of communication among T7 and T20 experts that can amplify their voices and make their respective arguments more impactful, the T7 Japan Communiqué will be supplemented by a joint statement issued by T7 Japan and T20 India ahead of the G20 India summit. In addition, T7 Japan invites G7 and G20 engagement groups to join T7 and T20 for a 'Seven-Twenty joint call to action' for peace and development.

To make it easier to assess the impacts of decisions by the G7 and the G20 and enhance transparency and accountability against the backdrop of global uncertainty, T7 Japan has moreover initiated a prototype G7/G20 open-source dashboard. The dashboard also aims to facilitate the development of policies under rotating G7 and G20 presidencies and improve their continuity.

T7 Japan expresses its thanks to the Japan G7 presidency for its support as well as to other G7 Japan engagement groups which have collaborated closely with T7 Japan, especially Women7, Civil7, Science7, and Urban7.

\_

<sup>&</sup>lt;sup>1</sup> The four T7 Japan task forces (TF) are: TF 1 - Development and Economic Prosperity, TF 2 - Wellbeing, Environmental Sustainability, and Just transition, TF 3 - Science and Digitalization for a Better Future, TF 4 - Peace, Security, and Global Governance. They have been tasked with creating 16 policy briefs and 4 issue papers.

<sup>&</sup>lt;sup>2</sup> The principles of regular, structured T7-T20 collaboration were discussed between T7 Germany and T20 Indonesia. T7 Japan has sought to consolidate this space for dialogue with T20 India in 2023 and T20 Brazil in 2024, and beyond the current G20 troika to South Africa in 2025.





## 1. Addressing Intersecting Crises

#### 1.1. Addressing Systemic Risks for Global Peace and Nuclear Nonproliferation

Contemporary crises are even more diversified and compounded than the crises of the mid-1970s and the late 1990s, when the G7 and the G20 were born, respectively. In a world of poly-crises and interconnections, the ripple effects of the war in Ukraine are manifold and far-reaching, although the warfare itself is confined to one corner of Europe. While the G7 has repeatedly condemned the Russian Federation's aggression against Ukraine as a challenge to the rule of law and the principles of the international community, it is not the only unilateral attempt to change the status quo and other regions of the world suffer from harmful conflicts.

Security issues are increasingly tainting all aspects of international relations. Geopolitical differences are exacerbated by a rhetoric of blocs and divides, and cornerstone treaties, such as that on nuclear nonproliferation, are becoming eroded. This is contributing to the development of new multi-year military programs aiming at control of land, air, sea, and even outer space. Whereas high debt and inflation reduce countries' fiscal space, including those in the G7, shifting budget priorities risk hampering climate and sustainable finance commitments and further fuel anxiety and frustration in civil society. Intra-country social inequalities are also being exacerbated by rapidly mounting imbalances between developed and lower-income countries and have reached an unprecedented scale since the COVID-19 crisis.

As security risks are multiplying, the G20 stands out as a critically active diplomatic forum, beyond its traditional macroeconomic convening role, or perhaps, precisely because of this role. Since the outbreak of the war in Ukraine, the G20 Bali summit, in conjunction with the Association of Southeast Asian Nations (ASEAN) summit and the Asia-Pacific Economic Cooperation (APEC) summit, and the G20 India meetings of ministers of foreign affairs, have proved to be effective ways to navigate the most sensitive geopolitical issues. Hence, as building multilateral cooperation is vital to address risks to comprehensive security, the vision of T7 Japan is that the G7 should work with the G20 to take action to counter the rise of nationalism and the retreat from globalization, which pose significant threats to global peace and stability.

T7 Japan calls for think tanks, civil society, science academies, and other related organizations involved in sustainable development and economic issues to collaborate more openly and frequently, in a structured manner, on the sides of the G7 and G20. It affirms its support of the 'Bellagio Format' initiated in 2023 with the support of the Rockefeller Foundation and the participation of the United Nations University across the global think tank community, represented by the T7 and T20, and recognizes that nurturing high-quality dialogue across the G7 and the G20 is an international public good.<sup>3</sup>

G7-G20 multilateral cooperation should also aim to secure the nuclear nonproliferation treaty and its binding commitments targeting nuclear disarmament. T7 Japan acknowledges the Stockholm Initiative for Nuclear Disarmament and the Non-Proliferation Treaty to implement commitments more effectively, and the role of voluntary organizations such as the European Union (EU) Non-Proliferation and Disarmament Consortium. <sup>4</sup> T7 commends the Government of Japan for organizing the second

<sup>&</sup>lt;sup>3</sup> G20 / G7 Retreat – A Matter of Peace. A joint initiative by the Asian Development Bank Institute (ADBI) and the Rockefeller Foundation, 13–17 March 2023.

<sup>&</sup>lt;sup>4</sup> The NPT at 50. Advancing Nuclear Disarmament, Securing Our Future. Berlin, 25 February 2020. https://multilateralism.org/wp-content/uploads/2020/11/200220-Berlin-Declaration-and-Annex-Stepping-Stones-AS-ADOPTED.pdf





meeting of eminent global experts for the substantive advancement of nuclear disarmament and the 17 April 2023 Statement of the G7 Non-Proliferation Directors Group.

T7 Japan urges G7 members to actively promote such government-sponsored meetings, track two diplomacy, awareness campaigns, and student exchange programs with partners in Hiroshima and Nagasaki, among other efforts. This approach could help strengthen the global nuclear disarmament strategy and the public's understanding of the importance of nuclear nonproliferation, which may in turn ease pressure on governments to build up nuclear deterrence in response to the war in Ukraine and broader geopolitical tensions.

# 1.2. Addressing the Rampant Crisis of the International Financial System and Fixing the Ballooning Debt Crisis

Eighteen months ago, G20 Indonesia was established with the motto, *Recovering Together*, *Recovering Stronger*. Recovery speed, however, has varied significantly across economies. The global landscape of post-COVID-19 recovery is one of high volatility of global financial markets, especially due to real estate and new technologies finance, with many negative cascading impacts, especially in mid- and low-income countries. Continuous efforts by the G7, coordinated with those of the G20, are necessary to address ballooning debt levels affecting many low- and middle-income countries facing risks of payment default, which could jeopardize hard-won progress toward the SDGs.<sup>5</sup>

However, a tightening United States monetary policy cycle initiated in 2022 in the face of severe inflationary pressures led to a broad-based appreciation of the US dollar. In turn, central banks in emerging and developing economies increased domestic interest rates to address rising inflation concerns and avert excessive net capital outflows. The broad-based appreciation of the US dollar poses serious challenges for developing economies in terms of imported inflation and debt sustainability and this has spurred several initiatives by BRICS countries since the beginning of 2023 to lower their dollar dependency. In the meantime, while calling for greater cooperation across the G20 to alleviate debt pressure on lower- and middle-income countries, as exposed on the sides of the G20 Finance Ministers' Meeting in Bengaluru in March 2023, the G7 also advocated for more friend-shoring at the G7 Finance Ministers and Central Banks Governors' meeting in Washington, DC in April 2023.

As G7 countries have increased their commitment of budget and economic support to Ukraine to nearly \$40 billion,<sup>6</sup> in addition to more than \$40 billion for military spending,<sup>7</sup> the global economic outlook as of spring 2023 shows that coordination among G7 countries only is not enough to address wider issues of debt sustainability in distressed developing economies.

A new framework is needed to include all creditor countries with a more balanced distribution of adjustment costs. Yet, agreeing on a new definition of the role of the International Monetary Fund and major development banks in providing support to developing countries largely depends on a complex mix of financial and geopolitical priorities, with dire immediate impacts on the economy of many middle- and lower-income countries.

<sup>&</sup>lt;sup>5</sup> A number of major middle-income countries, such as Egypt, Argentina, Pakistan, Kenya, Nigeria, and Sri Lanka, are currently facing a serious debt crisis. According to World Bank Group estimates, the number of people living in extreme poverty (on less than \$2.15 per day) will increase to 600 million by 2030, and more than 3 billion people will live on less than \$6.85 per day, following declining growth trends in recent months.

<sup>&</sup>lt;sup>6</sup> Source: G7 Finance Ministers and Central Bank Governors' Statement on Russia's War of Aggression Against Ukraine and Its Impact on the Global Economy. Bengaluru, 23 February 2023.

<sup>&</sup>lt;sup>7</sup> Source: Council of Foreign Relations, Kiel Institute for the World Economy, February 2023. https://www.cfr.org/article/how-much-aid-has-us-sent-ukraine-here-are-six-charts





As around 60% of the world's low-income countries are either in debt distress or at high risk, while around 25% of middle-income countries face debt distress risks, the current talks on debt relief and international financial institution reform need to be multilateral. Any other way would add more fragmentation to the global financial system without creating any serious alternative source of growth.

First, the reform of the G20 Common Framework for Debt Treatment needs to gather all creditors together, including the People's Republic of China, whereas a prolonged period of passivity on such restructuring would worsen the conditions of debtor countries. Second, since the United States Federal Reserve has started to raise interest rates in response to rising inflation, the exposure of emerging markets and developing economies to abrupt US dollar fluctuations has worsened. Yet, so far, responses have been largely through the development of bilateral swap lines at the expense of an integrated approach at the G20 level and with very limited efficiency. Third, fragmented responses will only hamper current efforts to reform the global financial architecture and improve the impact of multilateral development bank finance. Instead, coordinated implementation of the multilateral development banks' Capital Adequacy Frameworks report could help leverage more capital for climate finance and the SDGs in developing countries. In that sense, the G7 could be instrumental in addressing the current backlash over the implementation of the SDGs (T7 Japan Communiqué section 2), by creating the conditions for global talks intersecting issues of debt sustainability or sovereign credit rating profiles with sustainable development priorities.

# 1.3. Addressing the Climate and Biodiversity Crises and Strengthening Environmental Diplomacy

The synthesis of the sixth assessment of the United Nations Intergovernmental Panel on Climate Change (IPCC) warns that limiting warming to around 1.5°C requires global greenhouse gas emissions to peak before 2025 at the latest and be reduced by 43% by 2030. Yet, current climate commitments fall far short of this trajectory and will not deliver on the Paris Agreement goals. In addition, developed countries have not yet fulfilled their pledge to jointly mobilize \$100 billion annually to support developing nations in facing climate change. This has resulted in a significant loss of trust within the Conference of the Parties (COP). Moreover, adaptation, which is a critical priority for developing economies, particularly those middle-and lower-income countries disproportionately affected by climate change, requires many more resources, while the issues of losses and damage are taking center stage in advance of COP28.

Climate finance needs to be significantly scaled up as adaptation needs are immense and the agreed transformation to a low-carbon economy is expected to require investments of around \$2.4 trillion per year by 2030 for emerging markets and developing countries other than the People's Republic of China. The G7 should play a pivotal role in tackling climate emergencies and contributing to increased climate finance flows through a transformation of the financial architecture with the engagement of all relevant stakeholders. From this perspective, T7 Japan underlines the need to allocate more support to local action, be it in cities, in rural contexts, or through planning and investment policies that strengthen urban-rural environmental and socioeconomic linkages, in line with the conclusions of the G7 Roundtable on Subnational Climate Actions, which should also infuse the Partnership for Global Infrastructure Investments.

T7 Japan calls on the G7 to provide leadership in the ambitious reduction of emissions called for by the IPCC, take necessary steps to deliver on the \$100 billion commitment in 2023, and make bolder, more tangible, more detailed climate commitments at the G7 Hiroshima Summit, including funding for the

<sup>&</sup>lt;sup>8</sup> Finance for Climate Action: Scaling Up Investment for Climate and Development. Report of the Independent High-Level Expert Group on Climate Finance, November 2022.





Global Shield Against Climate Risks, and the proposed loss and damage facility. In addition, the G7 should commit to an ambitious replenishment of the Green Climate Fund and deliver immediately on the commitment to double adaptation finance, scale up support for adaptation and resilience in vulnerable states, and factor-in adverse slow onset climate impacts.

As lead shareholders, the G7 must provide political and financial support for reform and major scaling up of multilateral development banks, including catalyzing much higher volumes of private finance. It must also support the incorporation of climate-related risks in fiscal risk assessments and develop debt relief mechanisms and contingency contracts for climate-vulnerable countries.

In 2022, the G7 presidency introduced the proposal of a Climate Club to support and accelerate G7 and partner countries' efforts to curb greenhouse gas emissions and accelerate the implementation of the Just Energy Transition Partnerships introduced at COP26 in Glasgow. In parallel, in the context of India's G20 presidency, the chair of the Indian parliament's Finance Committee introduced the proposal of a global Climate Alliance in support of ambitious climate action by the Global South. In parallel, In the context of Indian parliament's Finance Committee introduced the proposal of a global Climate Alliance in support of ambitious climate action by the Global South.

T7 Japan acknowledges that the concept of the Climate Club has evolved significantly in recent months, dropping the proposals of gradual sanctions to seek more convergence with the priorities of the Climate Alliance.

T7 Japan welcomes Indonesia, as a former G20 chair and current chair of ASEAN, in the Climate Club and it recognizes that the interoperability between ASEAN and EU green taxonomy could serve as a global benchmark for climate cooperation. It encourages the G7 to seek convergence with G20 India and the subsequent G20 presidencies of Brazil and South Africa to establish a climate club that would bring together advanced economies and the Global South in an effective framework of global cooperation on accelerated climate action. In addition, T7 Japan welcomes the updated focus of the Climate Club on 'processes' to support the Global South, including capacity building, technological cooperation, and technology transfers, and strengthening sector-based cooperation such as for steel and the development of hydrogen, among others. T7 and T20 will further work on the interoperability between the Climate Club and the Climate Alliance in the context of the reform of multilateral development bank financing and calls to transform the global financial architecture.

The success of low-carbon transition requires a greater focus on resource efficiency and the robustness and sustainability of supply chains, including the production of critical minerals through responsible sourcing practices. While T7 Japan acknowledges the related progress made in previous years and confirmed by the G7 Climate, Energy, and Environment Ministers' Declaration in 2023, including on international collaboration on subnational climate actions, it urges the G7 to phase out fossil fuel subsidies more quickly and lead the way toward a more circular economy in partnership with emerging and developing countries.

At COP26 in 2021, the adoption of the Glasgow Climate Pact emphasized that phasing out fossil fuel subsidies is a fundamental step toward a successful low-carbon transition. Yet, as of 2022, global fossil

\_

<sup>&</sup>lt;sup>9</sup> G7 Statement on Climate Club, Elmau, June 2022

<sup>(</sup>https://www.g7germany.de/resource/blob/974430/2057926/2a7cd9f10213a481924492942dd660a1/2022-06-28-g7-climate-club-data.pdf). A task force was launched to structure the process, and an independent study was commissioned to assess the rationale and design of the club: *Collaborating and Delivering on Climate Action through a Climate Club, an Independent Report to the G7*, Nicholas Stern and Hans Peter Lankes, London School of Economics, October 2022. The terms of reference for the Climate Club were edited on 12 December 2022. https://www.g7germany.de/resource/blob/974430/2153140/a04dde2adecf0ddd38cb9829a99c322d/2022-12-12-g7-erklaerung-data.pdf?download=1

<sup>&</sup>lt;sup>10</sup> Such a direction is illustrated by the current focus of the G20 Sustainable Finance Working Group on climate finance in relation to (1) achieving the SDGs and (2) more broadly, supporting capacity building of the global financial ecosystem for financing of sustainable development.





fuel consumption subsidies doubled as compared with 2021.<sup>11</sup> Given that G7 Climate, Energy and Environment Ministers could not reach an agreement to schedule the phasing out of fossil fuel subsidies, T7 Japan invites G7 Leaders to create a temporary special tax on oil and gas industries dedicated to accelerating transition research and climate and biodiversity action. Such new resources could contribute to the \$100 billion in pledges to support climate mitigation and adaptation in the Global South.

In line with the adoption of the Kunming-Montreal Global Biodiversity Framework, T7 Japan urges G7 Leaders to strengthen global and multilateral scientific research capabilities. Science and innovation are highlighted in paragraphs 5 and 6 of the Sapporo G7 Climate, Energy, and Environment Ministers' Communiqué. In addition, T7 Japan emphasizes the importance of engaging multi-year, well-funded public research programs across global, regional, and local scales. The priority should go to technological as well as social and human science research programs, and to explore the complementarity between climate action and biodiversity preservation, including different perspectives from developed, emerging, and lower-income countries. The G7 should enrich the G7 2030 Nature Compact with precise engagements in the field of research and policy-making, a task which T7 is ready to support in the long run.

The agreement reached by the Intergovernmental Conference on Marine Biodiversity of Areas Beyond National Jurisdiction to protect high seas (the High Seas Treaty) is another example of a successful multilateral environmental achievement that will also need long-term knowledge support. T7 Japan welcomes the G7 Climate, Energy, and Environment Ministers' affirmation of their continued commitment to implementing the G7 Ocean Deal in Sapporo on 16 April 2023. T7 Japan urges the G7 to adopt the updated version, called Ocean Deal Plus, which global stakeholders and experts are proposing.

Building research and policy-making capabilities in climate and environmental action across all sectors is critical to support a just transition. T7 Japan, therefore, calls upon G7 Leaders to include in the proceedings of the G7 Hiroshima Summit a clear mention of 2025 as the 10th anniversary of the Paris Agreement, in support of a global climate and environment conference to be held on this occasion, and lay a durable foundation for a new, multiyear environmental diplomacy framework, as was done by the 1992 Rio Earth Summit.

<sup>&</sup>lt;sup>11</sup> International Energy Agency (IEA). 2023. *Fossil Fuels Consumption Subsidies 2022*. Paris: IEA. https://www.iea.org/reports/fossil-fuels-consumption-subsidies-2022

<sup>&</sup>lt;sup>12</sup> Sapporo G7 Climate, Energy, and Environment Ministers' Communiqué, 16 April 2023. https://www.env.go.jp/content/000127828.pdf





## 2. Reigniting the 2030 Agenda

#### 2.1. Recognizing the Universality and Centrality of the 2030 Agenda

Midway through its completion, the 2030 Agenda for Sustainable Development (2030 Agenda) is suffering from systemic underfinancing and a consistent undervaluation of the positive and negative impacts of the trade-offs between the 17 SDGs.

In 2020, the outbreak of the COVID-19 pandemic overshadowed the remarkable conclusions of the first Global Sustainable Development Report (GSDR) commissioned by the United Nations Secretary-General and released in 2019. In the post-COVID-19 context, this report should gain the same level of visibility and recognition as the International Panel on Climate Change assessments. Thus, T7 Japan acknowledges the converging efforts of the independent panel of scientists co-authoring the report alongside that of the Sustainable Development Solutions Network and other initiatives from global think tanks and research institutions highlighting the policy relevance of the SDGs.

T7 Japan urges the G7 and G20 to:

- Preserve and enhance the 2030 Agenda through an integrated and holistic approach, including deepening opportunities to simultaneously reform development and raise climate finance. This includes the use of blended finance, as exemplified by the Global South Impact Community, initiated in July 2022 ahead of the Summit for a New Global Financing Pact to be held in Paris in June 2023.<sup>13</sup>
- Reinforce support for freer trade and investment to promote robust economic growth. Worsening
  geopolitical tensions may force policy makers in some countries to introduce trade and technology
  controls that are counterproductive in the long run. The threshold for controls should be set as
  clearly as possible to reduce policy uncertainty and ensure economic activities under the rulesbased trading regime of the World Trade Organization.
- Gear the acceleration of digital transformation and build on the rapid development of artificial
  intelligence (AI) to support social and economic inclusion and public services, and regulate digital
  provision and governance to give digital access and control over personal data to citizens. G7 and
  G20 investment should support capacity building and infrastructure for data collection, making it
  publicly available both in developing and developed countries, which is a goal of the proposed
  G7/G20 Dashboard introduced in section 3 of the T7 Japan Communiqué.
- Promote gender equality and the empowerment of women and girls as a core action in all countries for achieving the SDGs, as highlighted by the 2023 Women7 Communiqué. Actions and initiatives should target areas with the most transformative potential, such as eliminating violence against women and girls, reducing and rebalancing unpaid care and domestic work, strengthening women's participation in decision-making and leadership, ensuring universal access to sexual and reproductive health and rights, undertaking reforms to ensure women's access to economic opportunities, promoting the empowerment of women through technology, and supporting legal and institutional reforms for protecting the rights of women and girls and changing gendered social norms.
- Achieve new people-centered measurement of human well-being and economic, social, and
  environmental prosperity to supplement gross domestic product (GDP). There have been several
  attempts to create such well-being measurements since 2000, but they have not succeeded in
  significantly complementing GDP at a macroeconomic level. T7 Japan recognizes the long-standing

<sup>&</sup>lt;sup>13</sup> Elevating the Voice of the Global South. https://ivpc.global/initiatives/global-south-impact-community-gsic/





efforts of the Global Solutions Initiative to develop new measurements and the efforts of T20 India linked with the ethics and values of the Indian LiFE program. T7 Japan, therefore, calls on the G7 to create a G7/G20 Working Group to promote these endeavors, to identify a comprehensive and concise set of indicators focused on multidimensional well-being, which would reaffirm the G7's commitment to advancing the global climate agenda and the SDGs.

T7 Japan urges G7 Leaders and their guests at the G7 Hiroshima Summit to extend strong public support to the interdisciplinary and cross-sectoral conclusions of the second triennial Global Sustainable Development Report to be released in 2023.

T7 Japan recommends the creation of a joint T7/T20 experts liaison group with a group of SDG experts.

#### 2.2. Tackling the Return of Hunger

SDG indicators show a lack of progress toward two of the main goals of the 2030 Agenda—reducing poverty and addressing hunger. T7 Japan welcomes the G7 Agriculture Ministers' Communiqué and its recognition of the massive scale of global hunger and the need to focus on long-term objectives.<sup>14</sup>

The G7 and G20 have established several initiatives to strengthen global food security since the global financial crisis of 2007–2008. However, these initiatives have remained small, isolated, and ad hoc. Considering mounting climate risks and environmental degradation, such as water stress, depleting soil health, and biodiversity loss, combined with conflicts, disasters, and market failures, the G7 and G20 should channel their combined resources to build a resilient food system that can stabilize and improve the global food situation and protect the most vulnerable.

Building on section 4 of the G7 Agriculture Ministers' Communiqué on innovation, T7 Japan calls upon the G7 to emphasize investment in the food systems of developing and emerging countries, with a focus on the interplay of gender, climate, and digital technologies. Expanding and investing in affordable AI technology and digital advisory services in agriculture can improve the well-being of smallholder farmers and food and nutritional security. These initiatives should be part of a sustained strategy to enhance technological and institutional capacities within the sector.

T7 Japan proposes utilizing the G7/G20 Dashboard, introduced in section 3 of the T7 Japan Communiqué, to develop a mechanism to track the G7 Food Security Commitment (G7 Canada, 2018) and the G7 Statement on Global Food Security (G7 Germany, 2022) and evaluate the effective impacts of other such commitments.

Bundled sociotechnological innovations need to be scaled up to deliver healthier and more equitable, resilient, and sustainable food per capita with minimal impacts on the environment and ensure that investment and technological development enhance yields, climate resilience, and carbon mitigation. Such programs will improve productivity sustainably, support initiatives for net-zero emissions, and help implement a 'global rebalancing' while enhancing the competitiveness of low-income countries, boosting their economic and environmental productivity, and promoting income growth, particularly for smallholder farmers.

It is also essential to address gender inequalities while implementing these actions. This reflects the findings of a 2023 report by the Food and Agriculture Organization of the United Nations, *The Status of Women in Agrifood Systems*, which shows that women make up a significant portion of the agricultural labor force but in many cases do not own the land they farm, which limits their access to financial capital, new technologies, and marketing information.

<sup>&</sup>lt;sup>14</sup> https://www.maff.go.jp/j/press/y\_kokusai/kikou/attach/pdf/230423-1.pdf





#### 2.3. Investing in Global Science Systems and Research Infrastructure

The G7's significant scientific and innovative capabilities can play an important role in advancing global intellectual and technological leadership. However, a key question arises about how to proceed, as development perspectives tend to be narrowed down to national or fragmented regional blocs, and rising security concerns tend to fuel military budgets without a clear vision of how this could promote research and development in civilian fields. The acceleration of digitalization, including the rapid development of AI, can help address myriad systemic risks, but it is also creating new imbalances and amplifying social and economic inequalities globally and domestically.

T7 Japan also recognizes that a number of countries have started exploring the use of AI in weapons systems, building on advances in robotics and digital technologies. Striking with no human involvement could lead to quick and precise action, but autonomous weapons could cause serious damage to humankind. The United Nations Secretary-General António Guterres has urged states to 'prohibit weapons systems that could, by themselves, target and attack human beings', calling them 'morally repugnant and politically unacceptable', a position that T7 Japan urges the G7 to reflect on.

The role of think tanks is complementary to that of science academies, which have long gathered within the G7 orbit. T7 Japan calls for more funding for research and (re)launching and investing in global research programs and research infrastructure. In Investing in research infrastructure, including the human resources to manage and develop them, would provide a stronger foundation for quality, well-informed discussion within the G7 and the G20. For instance, T7 Japan acknowledges the decision of the executive committee of the World Meteorological Organization (WMO) to create a new global infrastructure to precisely measure sources of greenhouse gas emissions, in particular carbon dioxide and methane.

T7 Japan thus calls on G7 Leaders to unequivocally support the rapid development of such infrastructure, ahead of the next WMO world congress. T7 Japan also proposes that building global research infrastructure become part of the G7 agenda, in cooperation with G7 and G20 engagement groups, such as T20 and Science20. T7 Japan also proposes to further develop the issue as part of the creation of the G7/G20 Dashboard, as described in section 3 of the T7 Japan Communiqué.

The fragmentation of science systems, characterized by a lack of coordination between national scientific agencies, patent dominance by developed countries, and the uneven distribution of science funding, is slowing the adoption of new scientific pathways. In particular, regionally differentiated science and research that takes account of specific natural, environmental, and sociocultural contexts are needed to contribute to global development and environmental goals.

T7 Japan advises the G7 to develop innovative approaches to multilateral, regional, and national science policy-making to achieve such goals. The approaches should integrate local communities and citizens, including indigenous peoples, to ensure all people can benefit from global research outcomes while effectively contributing to data gathering and the development of context-sensitive, sustainable solutions.

T7 Japan also urges the G7 to support the significant expansion of digital infrastructure in low- and middle-income countries. At the same time, the G7 is encouraged to advance responsible data policies and practices globally; adopt and promote infrastructure and data standards that meet the principles of findability, accessibility, interoperability, and reusability (FAIR) for open science; and increase capacity to manage and protect intellectual property rights.

<sup>&</sup>lt;sup>15</sup> Research infrastructure is defined here as large-scale, distributed facilities allowing for the collection of standardized data from the ground and the ability to create and manage metadata.





# 2.4. Learning in the 21st Century: A Vision for Resilient Human Capital Development

Human capital is the foundation of future economic, social, and environmental prosperity. It is also a source of innovation and adaptation strategies needed to cope with shocks. Yet, many regional and global assessments of the impacts of the COVID-19 pandemic on education systems highlight the significant depth and imbalances in the losses related to education, social skills, mental health, and capacity since 2020. Left untreated, these losses will have permanent detrimental effects on the global economy, job quality among the directly affected young cohorts, and living standards, and perpetuate intergenerational poverty linkages.

It is critical that human capital investment and learning fully recover from COVID-19 losses and achieve more rapid growth trajectories. T7 Japan encourages the G7 to pursue new efforts to design learning in the 21st century. Learning must be defined more holistically and include not only the development of foundational cognitive skills but also the development of students' skills to care for themselves, others, and the planet. For example, mitigation and adaptation skills with respect to climate change can be learned in schools.

T7 Japan also calls for stepped-up efforts by the G7 to diminish gender-based and group-based inequalities. To achieve this goal, public investment in human capital must increase. International financial organizations and aid agencies should devise and expand innovative financing schemes to significantly close the financing gap in low- and middle-income countries. Domestic revenue also needs to be mobilized. The G7 should lead in developing financing innovations and providing necessary seed funding. It should also support low- and middle-income countries to mobilize their domestic resources.

It is equally crucial that the effectiveness of investments in education is improved. Joint G7 and G20 initiatives to produce innovations in education service delivery are needed. This may include harnessing human-centered technology, including digitalization and AI, where necessary and appropriate. Finding strategies to increase the resilience of education systems when disasters strike is also essential. Given its expertise in these aspects, the G7 should initiate knowledge exchange with low- and middle-income countries.

T7 Japan acknowledges the G7 Japan Climate, Energy, and Environment Ministers' recognition of the significance of resilience and its application to many sectors, including finance resilience. To enhance resilience and preparedness for disruptions to people's well-being, T7 Japan urges the G7 to foster cooperation in prevention, preparedness, and response (PPR) for global crises, including health crises. Although there are many excellent proposals for improving PPR cooperation, including by making economies more circular, the challenge is to ensure that progress is ongoing and inclusive.

The concept of 'One Health' echoes that of a comprehensive approach to pandemic preparedness but brings it to the next level. As a result of the COVID-19 pandemic, the understanding that health issues are eminently cross-sectoral has gained ground in both the G7 and the G20.

T7 Japan therefore welcomes the inclusion of a reference in the G7 Climate, Energy, and Environment Ministers' 2023 communiqué to health priorities in many sectoral actions, in addition to a specific reference to a 'One Health' approach across ecosystems and livelihoods, the impacts of human activities, and the organization and financing of health systems and policies. T7 Japan underlines the interdependency between the broad One Health perspective and the implementation of universal health coverage, which was strengthened at a global level during Japan's 2019 G20 presidency and in the ensuing years. As the health and socioeconomic impacts of the COVID-19 pandemic remain significant across the globe, the financing of robust health systems that ensure universal health coverage is a major priority.





In the G20, the format of the Joint Meetings of Finance and Health Ministers introduced in 2020 has proven very effective. The creation of the G20 Financial Intermediary Fund for Pandemic Prevention in 2022 should allow for a much-improved global response to future infectious disease threats. To Japan welcomes the creation of the Hiroshima G7 Global Health Task Force as a 'multistakeholder, cross-disciplinary group', and it urges G7 Leaders to support its continuation during Italy's 2024 G7 presidency and beyond.

In light of the multiple challenges to finance and pandemic preparedness at the global level, exemplified by the COVID-19 pandemic, T7 Japan proposes to work jointly with the G7 Japan presidency to explore new ways to support pandemic preparedness and universal health coverage, especially in middle- and low-income countries. The prioritization of 'One Health/Universal Health Coverage', as well as climate finance, in negotiations related to the reform of the World Bank and global talks related to the transformation of the role of the multilateral development banks could help lead the way. The extension of special drawing rights by the International Monetary Fund to mid- and long-term health system consolidation in the most fragile countries, echoing the extension that was permitted during the peak of the COVID-19 pandemic, could be another way forward.

<sup>&</sup>lt;sup>16</sup> Joint Statement, G20 Joint Finance & Health Ministers Meeting, 17 September 2020. https://www.mof.go.jp/english/policy/international\_policy/convention/g20/g20\_200917.pdf

<sup>&</sup>lt;sup>17</sup> Promote Global Solidarity to Advance Health-System Resilience: Proposals for the G7 Meetings in Japan. *The Lancet* 401, 22 April 2023, p.1319.





## 3. Initiating the Design of a G7/G20 Dashboard

The G7 and G20 have made numerous commitments and pledges over the years. These have often suffered from institutional memory loss, as illustrated when pandemic warnings by the G7 and G20 prior to the COVID-19 outbreak did not help to improve preparedness. It is difficult for both the public and governments to see which commitments and pledges have been implemented and whether they need to be replaced by new ones. Monitoring should be strengthened considerably to help identify high-priority challenges and their effective countermeasures, especially as cross-sectoral cooperation and high-quality dialogue between the G7 and G20 are necessary to support and implement key global agreements.

The G7 Information Centre and the G20 Information Centre at the University of Toronto have long gathered G7 and G20 publications and created a unique repository of declarations and related documents. At the same time, the Global Solutions Initiative in Berlin has supported the consolidation and dissemination of T7 and T20 policy recommendations through the G20 Insights Platform. However, a comprehensive analysis of the consequences of global leaders' promises is still largely missing.

The Gender Equality Advisory Council, a pioneering initiative that was founded during Canada's 2018 G7 presidency, started building the G7 Dashboard on Gender Gaps under Germany's 2022 G7 presidency. The dashboard, developed in collaboration with the Organisation for Economic Cooperation and Development, aims to provide accurate and timely data on progress toward gender equality and the empowerment of women and girls.

The G7/G20 Dashboard will cover critical systemic areas starting with food, agriculture and nutrition security, poverty alleviation at the global and local levels, energy transition, and education—including coordinated, long-term responses to education and capacity losses triggered by the COVID-19 pandemic and early childhood education inequalities. In light of the multiple investment frameworks within the G20 and, more recently, within the G7 with the Partnership for Global Infrastructure Investments, the issue of sustainable and quality infrastructure will be another topic under the dashboard. This will include the results of discussions during G20 Indonesia among the G20 finance track, T20, Business20, the D20 Long-Term Investors Club, and T7 to create a global infrastructure observatory.

Taking into account a rapidly changing global context, including the exponential development of new tools provided by AI systems, T7 Japan proposes to connect think tank networks with global researchers in relevant areas, such as the Consultative Group for International Agricultural Research (CGIAR), to leverage their stock of research outcomes and the (open) data—from project-based to meta-level—that they have been collecting.

T7 Japan urges the G7 to support the initiation of the G7/G20 Dashboard and help the T7, alongside other voluntary engagement groups, such as Civil7, Women7, Science7, Urban7, and Youth7, to mobilize resources to drive the process and help deliver reliable data and research outputs that can guide global policy making and build capacity for breakthroughs that could realize a more prosperous, inclusive, sustainable, and resilient world.

Once the foundations of the dashboard are laid out by the T7, other engagement groups, and global experts in their respective policy areas, the dashboard could be updated by a global community of volunteers based on reliable data and research outputs.<sup>18</sup>

\_

<sup>&</sup>lt;sup>18</sup> Open-source models, such as Wikipedia, could serve as inspiration.



# Annex: List of Issue Papers and Policy Briefs from T7 Japan Task Forces

#### Task Force 1: Development and Economic Prosperity

**Issue paper:** Barriers to Development and Prosperity in the Global South and How the G7 Can Help

#### Policy briefs:

- 1. Global South Growing Out of Poverty, Inequality, and Exclusiveness: What the G7 Needs to Do
- 2. Food Security in Times of Crisis: An Action Plan for the G7
- 3. Policy Actions for Alleviating Debt Distress and Debt Sustainability Risks in the Global South
- 4. Toward Accelerating Climate Finance: Forging a New Partnership between the Global South and the Global North

#### Task Force 2: Wellbeing, Environmental Sustainability and Just Transition

Issue paper: Well-Being, Environmental Sustainability, and Just Transition

#### Policy briefs:

- 1. Putting Societal Well-Being at the Core of G7 Climate Strategies: Entry Points and Enabling Reforms
- 2. The Role of the G7 in Strengthening the Global Landscape of Climate Finance for Adaptation and Loss and Damage
- 3. Critical Minerals for Net-Zero Transition: How the G7 Can Address Supply Chain Challenges and Socioenvironmental Spillovers
- 4. Accelerating Just Energy Transition: Implementation and Financing Pathways for the G7

#### Task Force 3: Science and Digitalization for a Better Future

Issue paper: Science and Digitalization for a Better Future

#### **Policy briefs:**

- 1. People-Centered Science and Digital Transformation: A Practical Proposal for the G7 and G20
- 2. Harnessing the Potential—and Mitigating the Risks—of Using Digital Innovation to Build a More Climate-Resilient, Prosperous, and Democratic World
- 3. Sustainable and Scalable Food, Water, and Land Systems through Technology, Innovation, and Inclusion
- 4. Intellectual Property Rights Regimes, Their Assets, and Limitations

#### Task Force 4: Peace, Security, and Global Governance

Issue paper: Building Comprehensive Global Security: Harnessing the Unexplored G7-G20 Synergy

#### **Policy briefs:**

- 1. The Role of Women's Organizations in the Peace Architecture: A Missing Piece?
- 2. Toward a New Age of Multilateralism
- 3. Reshaping the International Order through Human Rights and 'Disarmament, Demobilization, and Reintegration' Implementation in Multilateral Organizations
- 4. Enhancing Global Governance to Safeguard Peace in the Digital Age



