

Summary of Global Financial City OSAKA Strategy

Strategy Formulation Objectives To strengthen financial functions referred to as “the blood of the economy” and create a global financial city that is unique and functional and will be a new pillar of growth towards the revitalization of the Osaka-Kansai economy in the post-Covid era

Image of the City Osaka Aims to Be

Global city that develops by leveraging finance,
attracting the energy of Asia and the world

Front-running city in finance,
which challenges the world with innovative initiatives

Pillars of the Initiatives and Specific Initiatives (Action Plan)

1. Global city that develops by leveraging finance

(1) Promote financial initiatives for attractive community development

- Support demonstration experiments as a “test site for future society”
- Invest in funds related to the theme of the Expo
- Consider issuance of a local digital currency originating from Osaka, utilization of personal data, etc., as part of the Expo legacy

(2) Encourage diversity in financing to revitalize start-ups and local communities

- Implement strategic activities such as promotions to attract companies
- Establish incentives to attract companies
- Create opportunities for start-ups, companies, venture capitalists (VCs), etc. to connect with each other
- Generalize the use of ST* for corporate bonds and other products
- Other initiatives

(3) Strengthen hub functions to improve resilience

- Conduct fact-finding surveys, etc. on resilience functions at financial institutions
- Disseminate information regarding preferential treatments for dual operation response such as financing, insurance, etc.
- Other initiatives

(4) Revitalize domestic financial markets

- Encourage the expansion, etc. of the scope of aggregated profit/loss for income taxes on financial products (to include derivative transactions)
- Provide financial literacy education by establishing and operating a consortium that brings together universities, etc. with corporations

* Securities issued using electronic methods such as blockchain technology

2. Front-running city in finance

(1) Create cutting-edge, innovative financial products and markets

- Consider new commodity futures
- Generalize the use of ST for corporate bonds and other products (repeated)
- Urge the expansion of the range of derivatives products that are subject to the Financial Instruments and Exchange Act

(2) Implement initiatives for an advanced city in sustainable finance

- Green bond issuances by the government
- Support issuances of SDGs bonds by organizing workshops, etc.
- Consider creating a system of certification and labeling associated with added value initiatives such as enhanced monitoring post-issuance
- Other initiatives

(3) Encourage a review of regulations related to financial services

- Utilize National Strategic Special Zones related to residence status, etc.
- Promote use of the “regulatory sandbox framework” (support demonstration experiments of financial services, etc.)
- Consider local tax incentives
- Other initiatives

(4) Nurture highly skilled professionals in the field of finance

- Provide education in finance, entrepreneurship, and technology at universities and in higher education

Shared Initiatives

(1) Establish attractive living conditions for foreign nationals

- Conduct investigations into the current state of international schools and drive environmental improvements
- Establish a structure to accommodate foreign patients
- Transmit information via a multilingual website, etc. and establish a one-stop assistance service in English
- Other initiatives

(2) Create a business environment that attracts companies and people from within Japan and abroad

- Facilitate business startup activities of foreign exchange students by utilizing the National Strategic Special Zones
- Coordinate with the government to provide support for administrative procedures such as registering financial licenses
- Utilize National Strategic Special Zones related to residence status, etc. (repeated)
- Disseminate information about the place for arbitration and hearings for international disputes by coordinating with the Japan International Dispute Resolution Center (Osaka)
- Other initiatives

(3) Disseminate information and conduct marketing

- Conduct PR activities via diplomatic missions, government agencies, local government offices, private sector networks, etc.
- Support companies in transmitting information in English, etc.
- Other initiatives

(4) Collaborate with overseas entities

- Execute MOUs with overseas financial cities

(5) Innovative and impactful initiatives by Osaka City and Prefecture

- Establish a one-stop assistance service in English (repeated)
- Nurture employees who are financially literate and possess financial knowledge

Implementation Period The period up to FY2025, the year of the Osaka-Kansai Expo, will be for building a foundation for the realization of a global financial city (Active Stage Phase 1); the period until FY2030, the target year for SDGs goal achievement (Active Stage Phase 2), will be for deepening the initiatives; and finally FY2050, the year the world aims to achieve carbon neutrality, will be the year we achieve the image of the city we aim to be.

Strategy Goals

Output Goals

Number of consultations at the Osaka Global Finance One-Stop Support Center

Achieve an average of 100 companies per year by FY2025

Outcome Goal 01

Number of foreign financial companies (including FinTech), investors, etc. recruited

Recruit 30 companies by FY2025

Outcome Goal 02

Creation of unicorns, start-ups, university-launched ventures

Generate 3 unicorn companies and 300 start-ups (of which 100 are companies launched at universities) by FY2024

Promotion System, etc.

- To make progress on the initiatives over the long term in a continuous yet powerful manner, an all-Osaka structure must first be created. To that end, a new structure to promote strategy from FY2023 will be created, the strategic direction will be determined in the first half of the next fiscal year, and preparations will take place with the administration, the business community, and the private sector all working together.
- The action plan will be updated every fiscal year upon a review of the progress of specific initiatives and based on careful examination of what the needs of the companies are, etc., while the strategy will be revised in FY2025, the end of the active stage phase 1, based on the achievement status of the strategic goals and the socio-economic situation, etc. at that time.