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Now we will move on to our friend Kazuto Suzuki, who will talk to us about data, trust and ideas, notably for a global digital agency.

### **Kazuto Suzuki**

Thank you, François. Let me just give me a perspective on data policy and data transfer in the world from a Japanese perspective. At the World Economic Forum in 2019, Japan proposed an idea called DFFT, the Data Free Flow with Trust, and again at the G20 Osaka summit. This concept is designed to facilitate cross-border activities and to encourage e-commerce and digital payment across borders, as Benoit explained. However, there are no rules at the moment because there are different ways for handling data. The United States focuses on the company and the company does all the collection, maintenance and management of the data. Whereas in China, data is collected and controlled by the state and in Europe, the EU model focuses more on the ownership by the individual. There are different modes and rules and there are always the problems of managing this cross-border transfer of data.

Then Prime Minister Abe tried to foster the idea of making data interoperable and to identify and establish the rules for clarity in the exchange of data. The keys are openness, neutrality and the clarity of rules. In a way, this is to make sure that states cannot intervene politically in data traffic and disrupt its free flow. The hidden agenda was to exclude the Chinese model which is politically driven, state-controlled and also has a lack of transparency. The key component in the Data Free Flow with Trust concept is trust. How can you establish rules and systems that can be trusted and trustworthy? The trustworthiness of information and data is the key to international data free flow and digitalization of the international economy.

That has been the issue and I think the pandemic has re-emphasized the necessity of the international flow of data. What Japan is now trying to do is to build up the trust base, which is to make sure that each state authority is handling and managing data responsibly. Also, to make sure that we understand each other, so accreditation and mutual recognition of the rules and regulations are important. I think one of the big agendas here is that today it is all about the size of data. When you try to do machine learning and develop artificial intelligence, you need big data. China alone has as a population of 1.4 billion and it has very concentrated and centralized data collection systems. In order to compete with the datasets that China has we need the combined data flow of the US, Japan, India and Europe to have a comparative advantage against Chinese developments in artificial intelligence systems. The whole idea of



this accreditation, mutual respect and recognition of the datasets provides an opportunity to build up the data flow and the trust base, the database that can be trusted and use it to build applicable technology like artificial intelligence.

**François Barrault**

Thank you, Kazuto, for giving us a sense of the big picture. What is happening in Japan right now is very inspiring.