

# What's on the Global Agenda

## Digest from World Economic Forum's 2022 Davos Meeting

[World Economic Forum](#) (WEF) Annual Meeting, themed **History at a Turning Point: Government Policies & Business Strategies**, reconvened in person after a two-year pandemic hiatus. A somewhat more tamed gathering, but at a time of unprecedented geo-political upheaval, with the war in Ukraine and looming food, energy and climate crises, the four-day event brought together nearly 2,500 global leaders, with more than forty heads of state and government leaders, CEOs, heads of multilateral organizations, civil society leaders, academia and media. Our **strategic partnerships & global engagement team** was on the ground, supporting a number of cross-sectoral initiatives focused on advancing global health, gender equality, youth empowerment and more. Below is our analysis of key themes and outcomes that will continue to inform the global agenda in 2022 and beyond.

### Global Governance—and Growth—at a Crossroads

Against a backdrop of stark geopolitical crises and as the world continues to chart its recovery from COVID-19, this year's gathering took a hard look at the **effectiveness of the international system**. Concerns over the end of globalization, regionalization and fragmentation were a red thread throughout the agenda. While leaders sought to present a united front to withstand current shocks—the war in Ukraine, food and energy crises, disrupted trade flows, rising interest rates, unsustainable inflation—a number of deepening divides were brought to the fore. Divides between the “West” and the “East”; divides between developed and developing economies; divides within countries as **trust** and [inequality](#) gaps widen; and divides in the collective adherence to the value of a so-called “global order”. In this spirit, a number of Indian leaders took the floor, hinting at a “third way” vis-à-vis the political alignment with Moscow and Washington—an important consideration as India chairs next year's G20.

Leaders from the European Commission, NATO, Israel, Spain, Qatar and Germany took the floor in person, but the highlight was [Ukrainian President Volodymyr Zelenskyy's virtual speech](#). Concluded by a two-minute standing ovation, he made a poignant call for more international solidarity, quoting George Marshall: “Our policy is directed not against any country or doctrine but against hunger, poverty, desperation and chaos.” Another highlight was undoubtedly the absence of any official Russian representative at Davos this year.

The latest [Global Economic Outlook](#) unveiled worries about a “perfect storm” of intertwined challenges, confronting policy makers and business leaders with daunting trade-offs and a complex balancing act: between the risks of inflation and contraction; between the risks of food, fuel and inequality crisis with higher debt and the risk of default; between the risks of continued fossil fuel use and the shift to green energy; between national priorities and long-term, global goals, namely climate action.

China's presence was a low-key affair with no head-of-state appearance and representation in only a handful of discussions, largely due to COVID travel restrictions. The country's limited voice in critical conversations comes against a backdrop of growing international criticism on China's position over Russia's war on Ukraine. This is a sharp contrast to the image [President Xi projected at Davos in 2017](#) when he first took the stage to extend China's vision of shared responsibility and global cooperation. Climate change was the focus of China's engagement at Davos this year: Special Envoy on Climate Change Xie Zhenhua outlined how the country is leading on a clean and renewable energy transition and decarbonization. He met with his U.S. counterpart John Kerry to accelerate progress on putting together an expert group and drive bilateral partnerships, notably on coal consumption reduction.

Behind the scenes however, conversations on China revealed worries about **the impact of the country's slower growth, disrupted trade and supply chains, protectionism** and the extent to which companies—and governments—should urgently relocate, nearshore or diversify production sources. Procter & Gamble's Europe President set the

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tone by announcing that, in the future, 90% of what is sold in Europe would be produced in Europe while the IMF's Kristalina Georgieva called on business leaders to no longer consider the security of supply chains as a matter of efficiency. She closed by saying that "we all need to think collectively whether we can afford the luxury of fragmenting our economy even further as we live in a shock-prone world. This world should compel us to work more closely together, to stop globalizing profits and to start localizing benefits for communities."

### Ramping up Action and Ambition on Climate

Climate change was one of the most prominent topics at this year's WEF, representing at least one-third of the 270+ official program sessions. Core agenda issues spanned **enhancing mitigation and adaptation efforts, increasing climate finance and promoting private sector climate action and investment** while focused discussions covered nuclear energy, adaptation finance and investment, sustainable cities, nature-based solutions, plastic waste, food security and food systems, land use and forests, sustainable water use, energy transition, climate justice, blue carbon, the health-climate nexus, greenwashing and eco-anxiety. There was an enduring air of skepticism from civil society—including youth organizations—and the media, who urged decision makers to drastically scale up efforts. And there was a clear sense of discomfort from the fact that the war in Ukraine and sanctions against Russia were diverting more short terms investments towards fossil fuels.

Salesforce Co-Founder Marc Benioff called for "a new form of environmental capitalism wherein all companies should commit to net-zero and start relying on renewable energy source." Forum's [First Movers Coalition](#) announced major climate commitments to create markets for everything from green steel and aluminum to carbon dioxide removal—Alphabet, Microsoft and Salesforce committed \$500M to the latter, and Denmark, India, Italy, Japan, Norway, Singapore, Sweden and the United Kingdom have joined the U.S. as government partners to create early markets for clean technologies through policy measures and private sector engagement. Procurement pledges focused on shifting towards more provably 'green' materials and supply chains over the coming decade—Ford and Volvo set a target of sourcing 10% of their aluminum from 'green' manufacturers by 2030. **Carbon markets** was another hot topic on the agenda. Due to the absence of a universal framework and standards for carbon market as well as a lack of fungibility of cross-border transactions, the implementation of net zero plans has been slower. COP26 President Alok Sharma urged participation in the [Voluntary Carbon Markets Initiative](#), warning that, for "the carbon trading and investment to be a win-win project that delivers mutual benefits to all, it has to be fair and transparent."

COP27 President and Egyptian Minister of Foreign Affairs Sameh Shoukry urged participation in climate pledges to sharply reduce greenhouse gas emissions and to facilitate "non-adversarial" talks on compensation to developing countries for global warming impacts. He stated that "the commitments and the pledges now have to be implemented across all sectors of the climate change agenda, whether it's in adaptation, mitigation or finance, loss and damage."

### Recovering from the Pandemic and Charting a Healthier Future

While the World Health Organization's World Health Assembly was taking place in parallel in Geneva, leading to Dr. Tedros' reelection as Director-General and a new sustainable financing model for the Organization, several debates at the Forum looked back at the—lack of—**pandemic preparedness**, delving into national examples of good practices, and seeking to draw some lessons to future-proof healthcare systems. On the upside, pharmaceutical representatives—including AstraZeneca's Chairman Leif Johansson—celebrated the unprecedented amount of scientific collaboration and the value of partnerships, a key consideration as the world prepares to withstand future crises such as Antimicrobial Resistance (AMR) or the impact of climate on health. On the downside, the COVID-19

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crisis exposed health systems' blatant lack of infrastructure and funding. Despite early shows of solidarity, the crisis also magnified fault lines in vaccine equity and the related risks of protectionism and nationalism.

**Systems transformation** was also central to debates on healthcare, often challenging conventional thinking. The pandemic has taught us that there needs to be a rebalancing between preventive and curative medicine spending—respectively at 3% and 97% today. We need to take a broader look at the factors influencing health—80% being outside the healthcare sector, spanning exposure to risk, susceptibility (including linked to climate change) and access. There needs to be a closer connection between pharmaceutical companies' R&D and governments' healthcare systems.

Harnessing **technology and innovation** to enable the smart development and uptake of technological advances—including biotechnologies—in healthcare was also a thread throughout the agenda. A critical limitation is the lack of standards in the collection and use of big data. Another limitation is the lack of trust in digital health solutions, requiring awareness-raising and cross stakeholder collaboration and campaigns across different health practices—community health workers, clinicians, laboratorians, health economists, patients, etc.

### Balancing Innovation, Digital Transformation and Accountability in a Fast-Changing World

Under the overarching umbrella of the “Fourth Industrial Revolution” many conversations sought to match industry 4.0 with meaningful societal returns, starting with **Artificial Intelligence** (AI). While AI holds massive potential, it needs to be shaped in a positive and ethical way, and we need to equip economic and societal actors with practical toolkits for implementation. This year's WEF also featured a frontal rebuttal of the use of AI by philanthropist George Soros, who claimed that it had been particularly conducive to political control against open societies and that the COVID-19 crisis helped legitimize its invasive use.

As digitalization permeates all industries, new **data sources** are being unlocked to tackle climate and sustainability challenges. Conversations highlighted how this will only gain in importance as companies increasingly incorporate the wider ecosystems within which they operate. Technology, and smart software specifically, bear the potential to align ESG standards across companies and industries—an aspect which will only become more important as concrete policy plans and obligations are being established from the US Security & Exchange Commission proposed ESG disclosures to EU's Sustainable Finance Disclosure Regulations.

Although ~\$500 billion have been wiped off the crypto market in the last month, the **crypto community** came out in full force at Davos. Conversations highlighted the potential of blockchain in terms of greater transparency and access. Mastercard CEO Michael Miebach shared his view that the SWIFT system would cease to exist in five years as central bank digital currencies (CBDCs) and the future of cross-border payments in the financial systems would lead to cost savings and an overall productivity boost. As the business of **cybersecurity** grows, many call for stronger investment beyond cybersecurity infrastructure and deterrence technologies. This will be key to address dwindling levels of trust in technology. Due to the fast-changing nature of cybercrime patterns, there also needs to be more real-time information exchange, and greater partnerships across industries and stakeholder groups.

Another key trend at Davos this year was the **metaverse**, which holds the potential of rethinking, as opposed to reflecting, reality. Conversations focused on avoiding the mistakes the tech industry has made on social media, including the unintended consequences of predicting user behavior to target content and advertising. The Forum,

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Microsoft and Accenture jointly created “The Global Collaboration Village”, which seeks to “bring together key global stakeholders to imagine alternative futures, explore ideas in an immersive way and envision what the future world could be.” This collaboration aims to build their own metaverse—perhaps bringing the physical Congress Center to a new digital reality!

### Reinventing the World of Work and Learning

**The Great Resignation:** When examined closer, there was no “great resignation” but rather a great “re-evaluation” and almost a one-to-one correlation between workers quitting jobs and replacing them with new ones. However, this rate of quitting and change often depends on the industry (workers in IT and technology sectors are changing jobs at a much faster rate than other industries that are not as remote work-friendly). Part of this great “re-evaluation” includes shifting expectations for flexibility and sense of purpose, particularly for Millennial and Gen Z generations. Employers are finding that they are having to adjust their working models and reevaluate culture to continue to attract younger workers who seek balance between their professional and personal purpose.

**Protecting gig workers:** Platform workers’ rights has been a growing topic of debate among policy makers and policy shapers, and the state of the gig economy did not escape the Davos spotlight. While some companies argue that platform workers are willing to trade social protections for flexibility and easy access to income, others highlighted the need to help workers take a more long-term approach to their wellbeing, benefits and career prospects. As leaders across the world try to move closer to a solution (most actively in the EU), a number of questions remain unanswered: how to account for vested interests of both companies and workers, who has the responsibility to bear the cost of protecting platform workers (employers or society) and how to create a balance between social benefits and flexibility.

**Wanted—a Reskilling Revolution:** Employers across labor markets are finding that there is not enough skilled labor to fulfill their needs, and that the digitization and modernization of many industries is outpacing the rate at which workers are able to upgrade their skills to keep up with these changes. As such, workers are reconsidering the value of the traditional graduate university degrees, and looking at reskilling and upskilling programs to help them become employable faster. Building on the WEF’s [Reskilling Revolution initiative](#), key voices in the labor and employment conversation pointed to the potential of partnerships between government and business to launch and scale these programs and quickly address the skilling needs of the current labor market.

### Advancing the Equality Agenda

Since the unveiling of its **inclusive “stakeholder capitalism” model**, the WEF has dedicated an ever-increasing proportion of its program to the equality agenda. [Some even suggest](#) that the “Davos Man” is increasingly becoming a “Davos Woman” who preaches inclusion. Several attendees celebrated the prominence of the ‘S’ in ESG, a result of the widening of inequalities in the wake of COVID-19, and clear understanding of the urgency for companies to match profit with purpose (BlackRock and UN Women notably [announced an agreement to collaborate on gender-lens investing](#)).

The [global gender gap](#) has been extended by a generation and it is estimated it will now take 135.6 years to reach parity, up from about 100 years before the crisis hit. There has also been no progress in the journey to gender equality in the G7 since 2019. In 2021, the Reykjavik Index average score for G7 countries remained at 73—the same as in 2020 and 2019 and only one point higher than in 2018—highlighting entrenched gender stereotypes regarding men and women in positions of leadership. This is all the more essential, as women in leadership help foster a more diverse

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workforce, which allows companies to create more innovative, thoughtful and nimble business solutions. The role of women in the **care economy and informal work** was another notable dimension of the gender agenda. The pandemic exposed fractures that have existed for decades but also showed the essential nature of caregiving for our societal fabric. The care economy, profoundly affected by lockdowns, did not receive enough attention from experts, and in particular the implications for women who often shouldered these extra responsibilities.

Several conversations referred to the recent **Roe v. Wade case** and its impact on women's health and the choices—or lack thereof—that women will be facing in the coming years. Discussions on **LGBTQI+** rights also revealed the sense of a shrinking human rights space in many countries around the world. Campaigners called for year-long, substantive partnerships with the private sector to act (within the company), enable (wider impact in an ecosystem) and influence (engagement with policy makers) on these critical issues. According to UN Women, 1 in 2 women experienced **gender-based violence during the pandemic**. The pandemic has had enormous impacts on the lives of women and girls and their sense of security, which has ripple effects into wider economic and societal contributions. Global Survivors Fund's Co-Founder [Nadia Murad spoke about her experiences](#) to highlight the plight of women in conflict zones around the world. She called for consistent commitments from the international community to address the root cause of gender-based violence through legal accountability. APCO's team partnered with the [Spotlight Initiative](#) to help increase awareness and cross sectoral efforts to combat gender-based violence.

### What Davos Delivered This Year, and What's Ahead

The value of in-person convenings does not just reside in the serendipity of Davos encounters or heated closed-door debates. We wanted to highlight a number of critical initiatives and multi-stakeholder partnerships that were launched and/or expanded last week, helping advance business and societal impact. We

- More than 50 companies and nearly a dozen new governments joined the [First Movers Coalition](#), which aims to decarbonize the heavy industry and long-distance transport sectors responsible for 30% of global emissions.
- 120 CEOs committed to net zero by 2050 (and some by 2030), as part of the [Climate Alliance](#).
- The [Global Fund to fight AIDS, Tuberculosis and Malaria](#) secured a third of the \$18 billion needed to reverse setbacks due to the pandemic.
- Pfizer and partners announced an [Accord for a Healthier World](#), making Pfizer patent-protected vaccines available on a not-for-profit basis to 45 countries.
- The [Lung Ambition Alliance](#) and the WEF launched a new collaboration to eliminate lung cancer as a leading cause of death.
- UNICEF, the WEF and 16 logistics partners co-signed a [Charter for Humanitarian Supply Chain Resilience](#).
- CEOs and ministers joined forces in [Jobs Consortium](#) to champion a job-rich recovery focusing on social, green and tech jobs and the [Refugee Employment and Employability Initiative](#) was launched, a coalition of chief human resources officers from more than 140 organizations who support the integration of Ukrainian refugees in Europe.
- The [Reskilling Revolution initiative](#) is on track to support 100 million people and heading towards its target of 1 billion to unlock \$8.3 trillion in increased productivity.
- Public-private partnerships were established to accelerate the implementation of the [African Continental Free Trade Area](#) and The African Union, ITC, OECD, UNCTAD and the World Bank launched the [World Investment Development Alliance](#).
- The [EDISON Alliance](#) launched a new program to accelerate digital inclusion in the “life critical” sectors of health, education and finance.