

What's on the Global Agenda

Digest from the World Economic Forum 2023 Annual Meeting

This year's [World Economic Forum](#) (WEF) Annual Meeting convened under the theme of **"Cooperation in a Fragmented World"**. It brought together over 2600 participants, including 50 heads of state, more than 75 high-level government officials, over 600 CEOs of global companies and leaders from academia, media and nonprofit worlds to share their perspectives on the critical issues on the global agenda. In recent years, the Annual WEF Meeting expanded beyond the formal sessions in the Congress Center, bringing together nearly 30,000 participants to the small alpine town of Davos, converting the main Promenade into a bustling global ecosystem with over 100 pavilions – representing the world's largest corporations, media centers, national pavilions and multi-stakeholder coalitions. We were especially proud to contribute to initiatives at the [SDG Tent](#) this year, among many other activities our APCO team engaged in on the ground.

In addition to addressing well-established threats related to climate change, technological disinformation and global health, the conversations in Davos also focused on recent and continuing challenges such as the war in Ukraine, inflation, slowing economic growth, and the potential of a global recession. APCO's [Strategic Partnerships and Global Engagement](#) practice brings you the latest insights and outcomes from last week and dives into implications and opportunities for 2023 and beyond.

From "Polycrisis" to "Polyopportunity"

The latest capital "P" on everyone's mind in Davos this year, after "People, Planet and Prosperity", was undoubtedly "Polycrisis", as stressed by the WEF [2023 Global Risks Report](#). While many treated this as a new buzzword, the stark backdrop against which global leaders gathered in Davos is well captured by this term, characterizing the perfect mix of enduring global crises affecting the global economy, politics and society. However, within every "Polycrisis" there is "Polyopportunity."

Coming up the mountain many were expecting somber conversations and a depressed mood, however, there was also a sense of **"cautious optimism."** China's decision to end its zero-COVID policy triggered hopes of a bounce back, not just in the country but across the world. A drop of over 80% in natural gas prices is anticipated to bring relief to Europe at a time of heightened tensions with Russia. The Inflation Reduction Act (IRA), which provides major subsidies for the green transition in the U.S., has been forecast to drive growth in North America and beyond, whilst [raising concerns of a new form of protectionism, or indeed "economic nationalism"](#). In the same vein, German Chancellor Olaf Scholz predicted his country would avoid a recession, while Ursula von der Leyen, European Commission President, promised a relaxation of state aid rules to accelerate Europe's move towards clean energy as gas prices decrease. Liu He, China's Vice-Premier, predicted growth in his country would rebound from 3% to 5.5% this year, announcing that **"China is back."** The IMF's Managing Director, Kristalina Georgieva, stated that the global outlook **"is less bad than we feared a couple of months ago,"** signaling a shift towards a more positive outlook.

Davos was also a key platform for accelerated action on major global challenges. Ukraine's President Volodymyr Zelensky called for increased military aid as the war continues, garnering support from Germany and the UK, which promised to deliver more weapons and ammunition. United Nations Secretary-General António Guterres called for enhanced leadership from the private sector in committing their resourcefulness and cooperation to advance peace, sustainable development and human rights, stressing that **"the world can't wait"** for progress and that we were "witnessing a category 5 hurricane of inter-connected global challenges". This year's WEF saw fewer headline announcements than the May 2022 convening, despite the launch of a [Future of Growth Consortium](#); the first discussion on [securing better trade outcomes for indigenous communities](#); the expansion of the [First Movers Coalition](#) from 35 to 70 companies; the announcements of the [first winners of the Global Freshwater Innovation Challenge](#); and critical progress on job creation within the [African Continental Free Trade Area](#). This shorter list of announcements shouldn't be misconstrued as subdued action on the world's toughest issues, it is a sign that the global community is focusing on delivering on recent critical commitments, bridging high-level deliberations and much-needed solutions.

Energy, Water, Nature & Food – an Interconnected Climate Systems Approach

On the heels of what has been considered by many a [disappointing COP](#), the WEF addressed climate action head-on throughout the week, whether directly, or as an undercurrent affecting other global challenges. Fossil firms were especially under fire at Davos, with

António Guterres, Secretary-General of the United Nations calling them out for having a “business model inconsistent with human survival,” and Greta Thunberg delivering a “cease and desist letter” to “fossil fuel CEOs” signed by more than 800,000 individuals. From a geopolitical perspective, Russia’s invasion of Ukraine and the resulting energy crisis have demonstrated the intractable link between clean energy and energy security, prompting calls for continued investment in and development of clean energy, both by the private sector and governments. With China currently positioned as the leading provider and developer of clean energy, cooperation with a willing Chinese leadership will be increasingly critical in coming years.

The **role of data** was specifically highlighted as a tool with immense potential to help companies become better environmental stewards through the provision of real-time information to inform business strategies. While policymakers bear the responsibility of setting standards and regulatory frameworks within which the private sector operates, there is also opportunity for companies, especially in the technology industry, to work collaboratively with governments to make those processes more efficient and better-informed. In addition to leaning on data, indigenous knowledge was also cited as an often-overlooked resource that can unlock new environmental solutions.

With 20 percent of fresh water per capita plummeting in the past twenty years, [according to UN data](#), **water** certainly took a central stage in more than a dozen public and private sessions in Davos. WEF’s [Global Water Initiative](#) spearheaded a number of these critical conversations on systems thinking around the food-energy-water nexus and on oceans, with government leaders from Tajikistan and Netherlands, the hosts of the upcoming March UN Water Conference in New York, playing a leading role in shaping discussion on the intersectionality of water across global challenges, water use and water pricing over the next decades.

The “new systems” conversation also focused on opportunities to revolutionize **food security** through innovation. Today’s hunger challenge has not only been exacerbated by fertilizer and fuel shortages related to humanitarian crises in Ethiopia and Afghanistan but has also been overlaid with growing problems of global inflation and currency devaluation, putting more people in the “marching towards starvation” category. While there were calls for an increased private sector role in solving both short and long-term challenges related to poverty and hunger, the critical role of government policies that allow capital to flow to appropriate investment tools, allowing for a more strategic use of resources and funding to help reshape today’s food systems was underscored. Concrete solutions highlighted by leading organizations in the food and agriculture space include altering the nutritional makeup of food products, such as more plant-based eating, increasing micronutrients, and reducing salt and sugar content to help lower indicators that drive chronic illnesses such as diabetes, heart disease and obesity. Through a \$15 million investment, the [Global Freshwater Innovation Challenge](#) aims to create solutions to promote an ecosystem of innovation for the global freshwater sector, an essential component of today’s food systems. Creating change also means more localization in sourcing within food production systems, working with farmers through regenerative agriculture, and finding ways to improve soil health and crop yields for farmers through new technologies. These changes not only depend on government funding, but also on changing regulators’ attitudes on how agriculture is treated and having a more open mindset to innovative solutions proposed by the private sector. The success of future food systems will depend on the ability of governments to provide levers of support while not hindering innovation that is needed to make food systems more sustainable.

Avoiding Global Fragmentation in Trade, Investment and Finance

Trade and investment continued to be a key pillar of Davos, featuring twenty official events in the Congress Center and dozens of private gatherings along the Promenade. With fragmentation threatening today’s global trade system, multilateralism and cooperation were emphasized as vital tools for economic growth, development and increased incomes, especially in an environment of geopolitical shocks. World Trade Organization (WTO) Director-General Ngozi Okonjo-Iweala stressed that “we can’t solve today’s problems without multilateralism, cooperation and trade” and the [Global Alliance for Trade Facilitation](#) garnered renewed support from USAID Administrator Samantha Power. European Commission President Ursula von der Leyen also underlined the role of free trade in supporting decarbonization efforts and making clean tech supply chains more efficient.

To support international cooperation on climate, trade and sustainable development, a [Coalition of Trade Ministers on Climate](#) was launched, highlighting the intersectionality of the world’s current “Polycrises” and responding to the need for environmental action within trade policy. The WTO also emphasized its role as a mediator and platform, allowing for greater harmonization of rules and standards between global governments and regulators. WTO members announced support for the [Investment Facilitation for Development \(IFD\) Agreement](#), which promotes investor-friendly business climate and boosts investment for development. On

emerging tech, leaders agreed that [leveraging technology](#) can make global trade more resilient and accessible. In this vein, the UAE government showed up in force in and outside the Congress Center, signing an MoU with WEF focusing on [TradeTech](#).

In addition to trade, conversations around finance and blockchain were a hot topic at Davos, especially as crypto prices slowly rebounded from losses since the collapse of FTX. Given the number of controversies surrounding crypto in 2022, there is expectation that the industry will need to work more closely and partner with regulators in this coming year. While some called for increased regulation of cryptocurrency, others emphasized the need to shift the conversation to focus on customer trust and accountability building, notably highlighting blockchain's capacity to ensure traceability in a way that traditional tools cannot. Many also expect 2023 to be a big year of opportunities for blockchain and decentralized financial assets, inviting policymakers to develop principles-based regulation. Across crypto-focused discussions, there was consensus that more regulation is ultimately needed to address issues of trust, while emphasizing the industry's ability to create social benefits through innovation. These social benefits can be further amplified by blockchain-enabled partnerships, especially ones that can unlock much-needed environmental, aid and financial inclusion solutions.

Boosting Global Resilience Through Technology Innovation

Powering technology and innovation to boost global resilience to today's major challenges, from health to climate, was a central theme this year. An accelerated adoption of technologies such as 5G, artificial intelligence (AI) and the Internet of Thing (IoT) can drive sustainable industry transformation while creating sustainable economic growth. For climate tech in particular, digital transformation is key in furthering innovative solutions and in amplifying positive use cases globally, such as promoting climate-friendly production methods. However, the push for innovative solutions comes paired with concerns around data security, privacy, and digital inclusion, which will be vital moving forward. Experts also remain alarmed by the disconnect between regulation and the pace of 5G rollout among various global markets, especially in EU member states, currently lagging compared to countries like China and India. The recent rise of text-generator ChatGPT added another layer of complexity to discussions on what regulation of AI should look like, especially when it comes to ethics, disinformation and national security. The [EU is already working on an AI Act](#), which would be the first of its kind in regulating such powerful AI technology.

Many agreed that there is ample opportunity for the private sector to continue to drive innovation through efficient allocation of funding, with government playing a supporting role in providing a favorable regulatory and operational framework for companies to succeed. Access to technological innovation remains a key issue, especially in emerging markets, where affordability is the main challenge. Many experts warned, however, that overregulating may hinder innovation. A one-size-fits-all approach will not work, and models need to be based on transparent collaboration between the private and public sectors. Fintech was specifically identified as a sector that should not be subjected to the same regulations as traditional finance.

In the face of continuous cycles of disruption, countries and companies have started to devise their own resilience plans, with investment in infrastructure emerging as essential to drive both the economic and climate agendas. While [deglobalization was perceived as the key trend in May 2022](#), experts at Davos promoted the idea of "hyper-collaboration" between public and private sector actors to invest in diversification of commodity sources and trade activities. Whereas businesses must become better at developing wider capabilities around future scenarios which were inconceivable only a few months ago, policymakers and regulators can also enable this process by investing in strategic industries, similar to the recent [Net Zero Industry Act passed by the EU Commission](#).

Shifting Demands for Work, Skills and Care

Tying together many of Davos' central themes – climate, innovation, health and resilience – were conversations about the future of **jobs, skills and how to set up today's workers for success** in a rapidly changing world. Not only will this be determined by increasing opportunities to earn a livable wage, but also by workers' ability to adjust to the shifting skills mix employers expect and need to implement innovations and solutions that will advance the green transition and help countries prepare for future shocks. Employers' biggest challenge today is that the demand for green skills is quickly outpacing the supply of workers who already possess them. However, there is opportunity for government and private sector to come together and make workers feel empowered to enter the "green" world of work through reskilling and training, helping them adjust to this new demand. As pointed out by Nicolas Schmit, European Commissioner for Jobs and Social Rights, workers need to feel they are being invested in, and not losing out as a result.

More still needs to be done to ensure that the pace of reskilling does not hold back the **green transition** timeline. Effective coordination between regulators and employers can alleviate this challenge in addition to re-thinking the core values of today's education system. Representatives from organizations intricately linked to the world of work, including LinkedIn, Coursera and Code.org, emphasized the possibility of expanding today's talent pool by looking outside of traditional degrees, such as through apprenticeships or digital courses, creating long-term career pathways for workers without access to higher education. Scaling these solutions is dependent on putting in place the right infrastructure to enable access to digital skilling, training and remote work, which many workers, especially in the global South, still lack. This important conversation will continue at WEF's Jobs Summit in May, led by the Forum's Future of Growth Consortium.

Shifting population and labor market dynamics are also calling for stronger links between **work and the care economy**, with fewer working-age people available to fill open roles, more elderly requiring medical and professional care, and the responsibility to care for young and old often disproportionately falling on women. This link becomes only more salient in the context of China's recently recorded population drop for 2022, a demographic crisis that threatens to overburden pension systems and economic productivity, not only in China, but in other countries across East Asia and Europe. APCO's founder and executive chairwoman [contributed to Forum first ever session](#) on an 11 trillion dollar opportunity that the care economy market represents. Later in the week, the ["Working with Cancer" pledge](#), was unveiled by the Publicis Foundation, bringing together a cross-industry coalition (including Bank of America, Mondelez, LVMH, Google, Sanofi, Unilever, Toyota and other global organizations) to help erase the stigma of cancer in the workplace. The initiative calls for commitment from the world's most influential companies to create more supportive work cultures for employees who are cancer patients by providing them with full job security and any additional career support they may require.

Prioritizing Fundamentals in Healthcare Equity and Access

Ahead of United Nations General Assembly High-Level Meetings on Universal Health Coverage, Tuberculosis, and Pandemic Preparedness, this year's WEF took stock of progress on global health whilst stressing the urgency for accelerated consensus and action. Speaking at a high-level panel on **Tuberculosis**, Dr. Tedros Adhanom Ghebreyesus, Director-General of the World Health Organization, announced plans to establish a new [TB Vaccine Accelerator Council](#) which will facilitate the licensing and use of effective novel TB vaccines. Manufacturing capacities, access inequity and trade disruptions were cited as key impediments to our collective ability to prepare for the **next pandemic**, with many citing the establishment of the [Regional Vaccine Manufacturing Collaborative](#) and the G20 and G7-supported [100 Days Mission](#) as essential pre-requisites for future pandemic preparedness.

Stakeholders also reflected on the need to fix health systems, notably by creating a **healthcare workforce** that is set up for success to handle not just the next pandemic, but also everyday illnesses, other communicable diseases and mental health challenges. A shortfall of 10 million healthcare workers is expected in the next decade and may become a chronic global problem if the value proposition of the healthcare industry is not better articulated for all stakeholders involved. Some 39 organizations signed the [Global Health Equity Network Zero Health Gaps Pledge](#), committing to concerted action to advance health equity globally. Investing in [basic healthcare for women](#) was also addressed, with United Nations Population Fund Executive Director Natalia Kanem stressing that "there are still 300 million women who would want to access family planning that are knocking on the door of a clinic and nobody is there."

Linking trust to equity was another important theme that can help improve global health outcomes. Sanofi's new [A Million Conversations](#) global initiative aims to rebuild trust in healthcare through a EUR 50 million healthcare systems investment to help people from marginalized communities engage more directly with the healthcare industry, and to grow a more diverse pipeline of healthcare professionals. A more robust foundation of data collection catalyzed by WEF's [Zero Health Gaps Pledge](#), the world's first global, multi-sector health equity pledge, will collect and share data and best practices to decrease health inequality through increased transparency. It will be accompanied by interactive dialogues to bring together global stakeholders and identify concrete actions to advance health equity. The climate crisis was also cited as today's biggest health threat, leading to increased respiratory and cardiovascular disease, faster spread of infectious diseases, and increased rates of malnutrition.

Leadership on Business and Societal Impact

Interestingly, despite a [pronounced “ESG momentum”](#) during “summer” Davos in May, ESG was barely mentioned on the official Davos agenda this week. According to Larry Fink, BlackRock CEO and one of earliest and more vocal advocates for ESG disclosures and investments, the narrative around ESG “became ugly” and created polarization around the idea of sustainable business. There was a general sentiment that politicization around ESG was reflective of polarization in the US and that [Europe was more bullish and further ahead](#) on ESG regulations. There was no shortage of critical conversation and signals from leading multinational corporations that **ambitions on bridging between business and longer-term societal impact objectives are here to stay**. Ester Baiget, Novozymes, CEO spoke at a private breakfast hosted by Bain & Company on the future of ESG about there “not being 50 shades of green” and that it was essential for business to “walk the walk” on sustainability commitments that were essential for long term viability of the business. She also emphasized the role of government and the progressive role Nordic countries play in setting clear incentives, and the role of innovative partnerships and public-private collaborations, especially with research institutions.

Another indication of the rise of sustainability to boardroom agenda was the record number of Chief Sustainability Officers present in Davos this year. As Fortune’s Peter Vanham [noted](#), CSO presence at Davos tripled from 20 to 60 in the past five years, with over 60% of these posts held by women. At a private CSO roundtable, convened by DP World’s Chief People and Sustainability Officer, Maha alQatan, participants spoke about “sustainability increasingly turning to be a way of corporate life and not a standalone division of a company” and trends in sustainability driving an ecosystem approach in many companies, bringing to the table HR, finance, procurement and other key functions.

Last week’s conversations demonstrated that companies are well-aware of urgent concerns on the global agenda. Many agenda-setting processes and initiatives in 2023, such as the UN Water Conference, the United Nations General Assembly and its key convenings on global health, the G20 and COP 28 processes, will create more urgency and opportunities for do-ers to come together to celebrate, accelerate and create new critical collaborations needed to advance global progress.

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We hope you found this report useful. “What’s on the Global Agenda” is brought to you in conjunction with major international agenda-setting platforms and processes throughout the year to keep you informed of key developments and highlight impacting-multiplying cooperation and partnerships. Reach out to us discuss collaboration and/or subscribe to our next editions [here](#).