

Global Agenda

Network of Global Agenda Councils 2012-2014 Issue Briefs

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Issue Overview

The manufacturing sector is a fundamental part of the global economic growth for emerging economies and developed markets. Over the past decades, the globalization of the manufacturing ecosystem has driven more change and impacted the prosperity of more companies, nations and people than at any time since the Industrial Revolution. Manufacturing has been a key driver of higher-value job creation and a rising standard of living for the growing middle class in developing and emerging economies. In effect, the manufacturing industry has radically transformed the nature of competition between developed countries and emerging economies.

Despite the industry's importance, statistics reveal that, between 1985 and 2008, manufacturing's global added value decreased from 35% to 27%. Yet many countries, including developed and emerging economies, have made manufacturing one of their key priorities. Indeed, in 2011, India launched its 12th Five-Year Plan, aiming to increase manufacturing's share to 25% of GDP and create 100 million additional jobs. The United States, through the Obama administration, has also made manufacturing one of the country's key priorities.

Manufacturing has become a highly complex activity and is affected by many key factors, including government policies, trade agreements, workforce and talent development, wage growth, FDI, energy supply, access to resources, innovation ecosystems and currency exchange.

The fundamentals behind a successful advanced manufacturing strategy include identifying and addressing capability and innovation gaps through manufacturing, effective FDI strategies, strong talent and infrastructure development and access to finance. Yet, there are a number of trade-offs and conflicting requirements when establishing a more comprehensive and sustainable manufacturing strategy, including between local jobs and global outsourcing, job creation and productivity, protectionism and free trade, national technology development and technology transfer, and short-term and long-term strategies.

Did You Know?

- India aims to increase its manufacturing sector's contributions to GDP from 16% to 25% in the next 10 years and generate 100 million additional jobs
- Annual FDI inflows for manufacturing more than doubled to an average of US\$ 350 billion from 2006 through 2009
- An estimated 10 million jobs with manufacturing organizations cannot be filled today due to a growing skills gap

Further Resources

Enabling Sustainable Global Manufacturing:
http://www3.weforum.org/docs/WEF_GAC_EnablingSustainableGlobalManufacturing_Report_2012.pdf

The Future of Manufacturing:
http://www3.weforum.org/docs/WEF_MOB_FutureManufacturing_Report_2012.pdf

The Future of Manufacturing video:
<http://www.youtube.com/watch?v=rldolKukpnU>

Calendar

6-8 November 2012, World Economic Forum on India, National Capital Region, Gurgaon, India

23-27 January 2013, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland



Fadi Farra,
Adviser to the
Prime Minister
of Kazakhstan



Alignment of public and private interests is the key to a successful national manufacturing strategy.



Sharan Burrow,
General
Secretary,
International
Trade Union
Confederation
(ITUC),
Brussels



The manufacturing sector in every country is critical because it delivers an R&D base that actually provides skills for a whole range of other industry sectors.



João Carlos
Ferraz,
Vice-President,
Brazilian
Development
Bank (BNDES),
Brazil



There is a key challenge for businessmen to engage their corporation in strengthening their capacity to innovate.



Global Agenda Council on Advanced Manufacturing



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Council Insights

Following the recommendation of several Forum constituents, the Council on Advanced Manufacturing was launched in 2011. Although many nations have made manufacturing one of their key priorities, there is little awareness of the importance and opportunities linked to the manufacturing industry.

To be able to develop concrete recommendations, the Council defined what is meant by “advanced manufacturing”; identified key trends impacting the global manufacturing ecosystem; outlined a framework that highlights the need to align interests of the three major stakeholders, namely, governments, businesses and society at large.

The following definition of the concept of Advanced Manufacturing was developed by the Council:

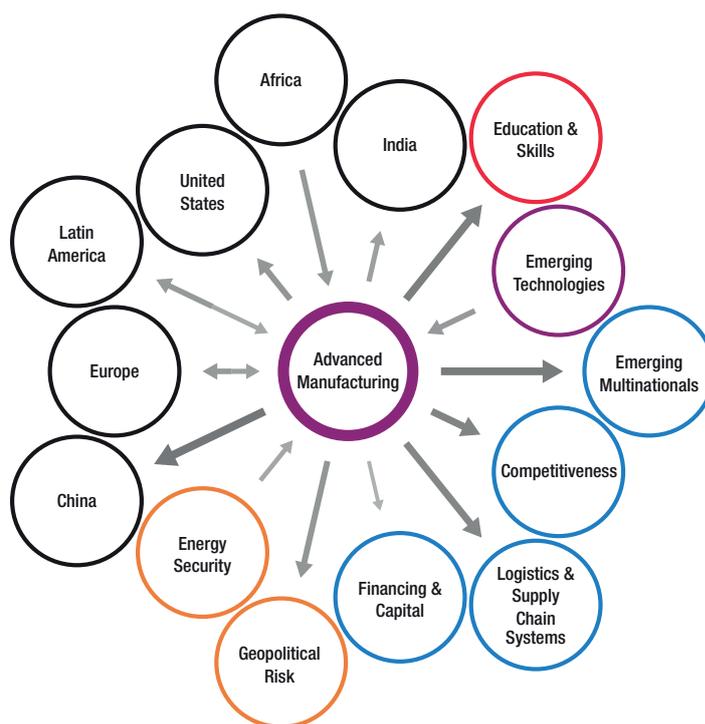
Advanced manufacturing is the technological, organizational, social and environmental strategies that improve manufacturing so that it can meet the goals of enterprises, society and governments and adapt to change. This definition reflects the growing level of embeddedness brought by supply chain management of the functions of production, distribution and consumption.

The Council mapped the fundamentals behind a successful advanced manufacturing strategy, including identifying and addressing capability and innovation gaps through manufacturing, effective FDI strategies, strong talent and infrastructure, and access to finance. Putting manufacturing back at the centre of country competitiveness can help address, in the longer term, both job creation and higher productivity.

To raise awareness on the importance of manufacturing, the Council published a white paper entitled Enabling Sustainable Global Manufacturing. The paper will provide a framework of the context, drivers, new models and recommendations that have an impact on global sustainable manufacturing.

To move their work forward, the Council is exploring ways to:

1. Develop an industry analysis matrix
2. Create a manufacturing competitiveness index
3. Contribute to the Manufacturing for Growth initiative of the World Economic Forum



Contact Information

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Issue Overview

The outlook on Africa is optimistic and its narrative is changing from a developing continent in need of aid to one offering opportunity for growth and prosperity. Many African countries are seeking emerging-economy status within the next two decades, which will be achievable through sustained double-digit growth. These high aspirations call for new governance models to capitalize on opportunities and address challenges. Africa is working to identify quality-growth models that can increase competitiveness and employment, while reducing poverty. Concurrently, Africa's growing population and swelling consumer base is becoming an attractive market for regional and global companies.

The ongoing commodity boom also offers the opportunity for Africa to transform its natural resource wealth into much-needed infrastructure and basic development. In addition, Africa needs to contend with a changing global landscape incorporating an economic slowdown among traditional trading partners, and an upsurge in economic interest among the leading emerging economies. As Africa remains vulnerable to global risks, including the global financial crisis and climate change, these changes call for new economic and social partnerships.

Did You Know?

- Africa is home to seven of the 10 fastest growing economies, yet 70% of the working-age population is unemployed.¹
- 40 countries in Africa are now involved in exploration for or production of minerals and oil and gas.²
- 65% of Africa's +1 billion people (expected to reach 2 billion by 2050³) are below the age of 35, making Africa the most youthful continent.⁴
- Only a quarter of Africans have access to electricity compared with 50% of Asians and 80% of people in the Middle East and Latin America.⁵
- The number of mobile subscribers doubled from 2008 to 2010 to more than 500 million.⁶

Further Resources

Africa's Pulse:
http://siteresources.worldbank.org/INTAFRICA/Resources/Africas-Pulse-brochure_Vol6.pdf

Africa at Work: Job Creation and Inclusive Growth:
http://www.mckinsey.com/insights/mgi/research/africa_europe_middle_east/africa_at_work

Calendar

8-10 May 2013, World Economic Forum on Africa, Cape Town, South Africa

27-31 May 2013, Annual Meetings of the AfDB Group, Marrakech, Morocco



Donald Kaberuka, President, African Development Bank (AfDB), Tunis

“

We are commodity dependent and vulnerable to the shocks of the global economy. To keep momentum, we have to manage external shocks; our buffers are weaker than in 2008. We need to go from economic growth to economic transformation and ensure growth is broad-based. We cannot remove inequalities completely, but must ensure the policy mix extends growth to the majority of the population.⁷

”



Omobola Johnson, Minister of Communications Technology of Nigeria

“

If you look at the real innovators, they are the youth. Young people are born with technology; they understand it and are comfortable with it. They can leverage the technology and innovate. Africa needs innovation that is focused on inclusiveness. Innovation based on mobile phone technology will shape Africa's transformation.⁸

”

¹ *Shaping Africa's Transformation*, Report of the World Economic Forum on Africa.

² Ibid.

³ http://www3.weforum.org/docs/WEF_GAC_SevenBillionGrowing_Report_2012.pdf.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ *Shaping Africa's Transformation*, Report of the World Economic Forum on Africa.

⁸ Ibid.

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*Caroline Kende-Robb, Executive Director, Africa Progress Panel (APP), Switzerland

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*Kandeh Yumkella, Director-General, United Nations Industrial Development Organization (UNIDO)

Hassan Mshinda, Director, Tanzania Commission for Science and Technology (COSTECH), Tanzania

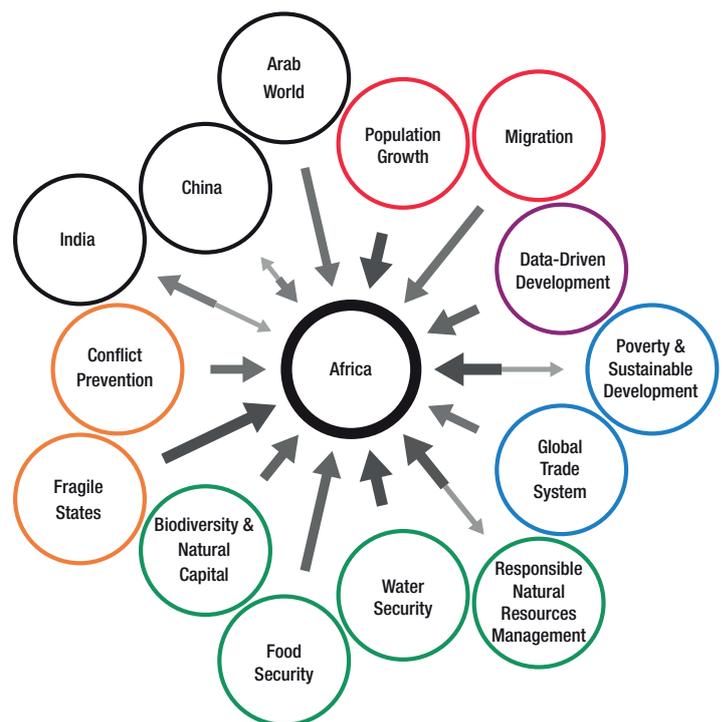
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

Building on the work of last year, the Council will continue to focus on the following three areas:

- Driving Value Added: Unlocking New Market Opportunities in Agriculture and Extractive Industries; dimensions include contract management, regional infrastructure development and revenue sharing
- Delivering Human Capital Development through Public Private Partnerships (PPPs); dimensions include education, entrepreneurship, health, job creation, poverty reduction, skills and leadership development
- Scaling up Innovative Grassroots Technologies; dimensions include budget transparency, climate change, democracy, media and mobile banking

In addition, the Council will advise the Forum's Africa Team on the programme of the upcoming World Economic Forum on Africa in Cape Town.



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Issue Overview

The rapid ageing of humanity is perhaps the most salient and dynamic aspect of modern demography, and its influence on public health and national economies will be dramatic. The world experienced only a modest increase in the number of people aged 60 and over during the past six decades: from 8% to 10%. But in the next 40 years this group is expected to rise to 22% of the population, from 800 million to 2 billion people.¹

While the ageing trend began in the developed world, it is now a global phenomenon, and it is accelerating particularly in the developing world. In industrial countries, the number of people over 60 has risen from 12% in 1950 to 22% today, and is expected to reach 32% (418 million) by 2050. In developing countries, populations over 60 have risen from 6% in 1950 to 9% today and are expected to reach 20% (1.6 billion) by 2050. This rapid pace means developing nations will have less time to establish the infrastructure and policies required to meet the needs of their shifting demographics. It also means that, unlike developed countries, people will need to cope with getting old before they become financially stable.

Another reason for an emphasis on ageing today is that doomsday scenarios abound. These alarmist views typically assume a world of static policy and institutions, continuing trends involving low fertility, and constant age-specific behaviour and labour outcomes. The resulting scenarios yield stark and shocking images of workforce shortages, asset market meltdowns, economic growth slowdowns, the financial collapse of pension and healthcare systems, and mass loneliness and insecurity. While these scenarios are frightening, the positive aspects of an ageing society should be viewed as well.



Klaus Schwab,
Founder and
Executive
Chairman,
World
Economic
Forum

“
The good news is that, if we act now in a creative and proactive manner, we will have the greatest chance of realizing the potential benefits of the ageing trend, such as utilizing the immense social capital of older people, while avoiding its perils.⁵

Did You Know?

- Globally, the number of those 60-plus has risen from only 8% of the world population (200 million people) in 1950 to about 11% (760 million) in 2011, with a dramatic increase still ahead as those 60-plus are expected to reach 22% (2 billion) by 2050.²
- The global population is projected to increase 3.7 times from 1950 to 2050, but the number of 60-plus will increase by a factor of nearly 10, and the 80-plus by a factor of 26.³
- Between 2010 and 2050, the total population will increase by 2 billion, while the older population will increase by 1.3 billion.⁴

Further Resources

“Global Population Ageing: Peril or Promise?”,
World Economic Forum:
<http://wef.ch/ageingbook>

“Ageing in the 21st Century: A celebration and a challenge”:
<http://unfpa.org/ageingreport/>

“Good health adds life to years: Global brief for World Health Day 2012”:
http://whqlibdoc.who.int/hq/2012/WHO_DCO_WHD_2012.2_eng.pdf

Calendar

For a full list of meetings please see:
<http://www.un.org/esa/population/meetings.htm>

14-16 November 2012, World Pension Summit 2012, with participation of the Organisation for Economic Co-operation and Development (OECD), Amsterdam, the Netherlands

August 2013, World Ageing and Demographic (WDA) Forum, St Gallen, Switzerland

4-6 October 2013, International Istanbul Initiative on Ageing (IIIA), Istanbul, Turkey



John Beard,
Director,
Department of
Ageing and Life
Course, World
Health
Organization
(WHO), Geneva

”
“
While ageing presents challenges to society, it also creates many opportunities. Older people make important contributions as family members, volunteers and as active participants in the workforce. Where the balance lies between the challenges and opportunities of ageing will be determined by how society responds.⁶

¹ John R. Beard, Simon Biggs, David E. Bloom, Linda P. Fried, Paul Hogan, Alexandre Kalache, and S. Jay Olshansky, eds., *Global Population Ageing: Peril or Promise*, Geneva: World Economic Forum, 2011.

² UN, *World Population Prospects: The 2010 Revision*

³ *Ibid.*

⁴ *Ibid.*

⁵ John R. Beard, Simon Biggs, David E. Bloom, Linda P. Fried, Paul Hogan, Alexandre Kalache, and S. Jay Olshansky, eds., *Global Population Ageing: Peril or Promise*, Geneva: World Economic Forum, 2011.

⁶ <http://www.helpage.org/blogs/dr-john-beard-14167/world-health-day-the-challenges-and-opportunities-of-ageing-421/>.

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*Du Peng, Director, Institute of Gerontology, Renmin University of China, People's Republic of China

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Mia Horn af Rantzien, Chief Executive Officer, SNS - Centre for Business and Policy Studies, Sweden

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*Timothy Ma Kam Wah, Consultant, Senior Citizen Home Safety Association, Hong Kong SAR

*Abla Mehio Sibai, Professor, American University of Beirut, Lebanon

*Colin Milner, Founder, International Council on Active Ageing (ICAA), Canada

Shuzo Nishimura, Director-General, National Institute of Population and Social Security Research, Japan

*S. Jay Olshansky, Professor, University of Illinois, USA

*Daniel Ryan, Head, Life and Health Research and Development, Swiss Re, United Kingdom

*Tang Shenglan, Professor of Medicine and Global Health, Duke University Medical Center and Global Health, USA

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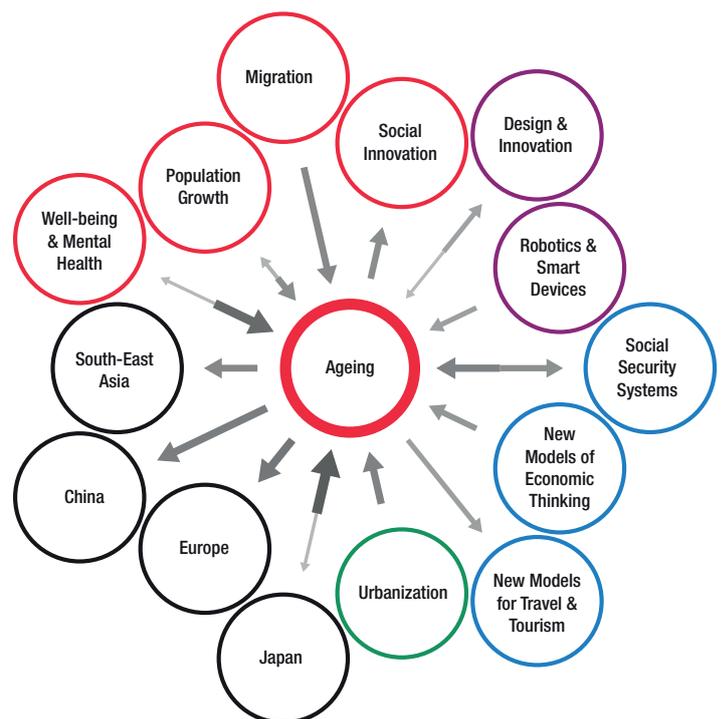
Council Insights

The ideas and actions revealed in the book *Global Population Ageing: Peril or Promise?* will continue to underpin and inform the Council's work. In the coming year, the Council will focus on seeing how some of these recommendations can be implemented in specific countries.

Tales of doom and gloom often accompany the success stories of population ageing and longer lives but, as this report demonstrates, the Council has taken a more proactive stance. Although global ageing presents serious challenges, enormous opportunities can also be seized. Decision-makers must confront the changed landscape with new frameworks and innovations in technology, education and policy.

The goal of the Council's is to ensure these challenges are understood and tackled. In the process, society must make sure that generations reaching older age are allowed to experience and express their full potential.

The Council also wants to look at developing an Ageing Preparedness Index to help countries identify what is needed to become Age-Friendly Countries (this could be prepared in coordination with Standard & Poor's). Additionally, the Council will work with the United Nations Population Fund (UNFPA), which will lead a global consultation around population dynamics for the post-Millennium Development Agenda (MDG).



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Issue Overview

Corruption is the abuse of power for private gain. While levels of corruption vary among regions, countries and political systems, it is one of the greatest obstacles to economic and social development around the world. Corrupt practices distort markets and stifle economic growth and sustainable development. They also rob local populations – particularly in developing countries – of critically needed resources. Estimates show that the cost of corruption amounts to more than 5% of global GDP (US\$ 2.6 trillion) with more than US\$ 1 trillion paid in bribes each year.¹

The effects of corruption are not only economic. Corruption undermines the rule of law and affects political stability, while also sustaining inequality and hindering social cohesion. The recent uprisings in North Africa and the Middle East have shown how continuous, widespread corruption can lead to social unrest.

Although governments are at the epicentre of corruption, the role of business, both as part of the problem and the solution, is also central. In many countries, to make commercial deals companies had (and still have) to be involved in corrupt practices. However, in the last decade the international community has managed to create a strong front against corruption, introducing harder laws, regulations and penalties. The UN, the OECD, the World Economic Forum and other international organizations have devoted considerable attention to corruption. In consequence, more companies are demonstrating leadership in fighting corruption by implementing anti-corruption programmes and adhering to initiatives that address the supply side of corruption at the global, regional or industry levels.

As corruption is an extremely complicated and interconnected problem, the most effective solutions to it are often collective. They involve public and/or private sector solutions at country, regional or global levels or at industry, cross-industry or multistakeholder levels.



Peter Solmssen,
General
Counsel,
Siemens

“

Since we shut down the bribery operations, since we introduced a very strong compliance programme that ensures that illegal behaviour is impossible, much less tolerated, we've become a better company. We are more profitable than we've ever been.

”

Did You Know?

- Of the 183 countries in the Corruption Perceptions Index, 134 are ranked as corrupt to a significant degree. Some 72 of them are ranked as very corrupt. New Zealand was deemed the least corrupt, while North Korea and Somalia were among the most corrupt.²
- In low-income countries, it is estimated that a one-unit fall in the perceived corruption index could result in an increase of 0.59 percentage points in the growth rate of per capita GDP.³
- Corruption increases the cost of doing business globally by up to 10% on average.⁴

Further Resources

PACI website:
<http://www.weforum.org/issues/partnering-against-corruption-initiative>

Pieth, Mark. *Harmonising Anti-Corruption Compliance*. Dike Verlag AG: Zürich St. Gallen, 2011.

Pieth, Mark & Ivory, Radha (Hrsg.). *Corporate Criminal Liability, Emergence, Convergence, and Risk*. Springer: Heidelberg, London, New York, 2011.

World Bank:
<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPUBLICSECTORANDGOVERNANCE/EXTANTICORRUPTION/0,,menuPK:384461~pagePK:149018~piPK:149093~theSitePK:384455,00.html>

Calendar

14-16 November 2012, Resumed third session of the Implementation Review Group of the United Nations Convention against Corruption, Vienna, Austria

15-16 November 2012, 28th National Conference on the Foreign Corrupt Practices Act, Washington DC, USA

4-5 December 2012, Singapore Summit on Asia Anti-Corruption Compliance, Singapore

April 2013, Partnering against Corruption Initiative (PACI) Task Force



Mark Pieth,
Professor of
Criminal Law
and
Criminology,
University of
Basel

“

That's one of the very big problems with combating bribery: you're talking about the centre of legitimate power.

”



Leonard Frank
McCarthy,
Vice-President,
Integrity, World
Bank

“

Without concerted, methodical action and an idea of how to maintain momentum, we are at risk of the anti-corruption movement turning into a trendy movement that peaked all too quickly.

”

¹ Global Agenda Council on Anti-Corruption, Annual Report 2012.

² Transparency International, Corruption Perceptions Index 2011.

³ Ugur, M., Dasgupta, N. *Evidence on the economic growth impacts of corruption in low-income countries and beyond: a systematic review*. London: EPPI-Centre, Social Science Research Unit, Institute of Education, University of London, 2011.

⁴ Global Agenda Council on Anti-Corruption, Annual Report 2012.

Global Agenda Council on Anti-Corruption



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*Mark Pieth, Professor of Criminal Law and Criminology, University of Basel, Switzerland

*Richard Alderman, Director, Serious Fraud Office (2008-2012), United Kingdom

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Kiran Bedi, Founder and Secretary-General, India Vision Foundation, India

Rafael Tiago Juk Benke, Global Head, Corporate Affairs, Vale, Brazil

*Sambuu Demberel, Chairman and Chief Executive Officer, Mongolian National Chamber of Commerce & Industry, Mongolia

Nika Gilauri, Prime Minister of Georgia, State Chancellery of Georgia

*Clare Melford, Chief Executive Officer, International Business Leaders Forum (IBLF), United Kingdom

*Futhi Mtoba, Chairman of the Africa Board, Business Unity South Africa (BUSA), South Africa

David T. Seaton, Chairman and Chief Executive Officer, Fluor Corporation, USA

*Cobus de Swardt, Managing Director, Transparency International, Germany

*Francois Vincke, Head, Anti-Corruption Commission, International Chamber of Commerce (ICC), France

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Council Insights

The Council includes Members from business, government, academia and civil society. It acts as a high-level policy advocacy body on anti-corruption and advocates collective approaches to corruption challenges. The Council feeds into the World Economic Forum Partnering Against Corruption Initiative (PACI), a global anti-corruption initiative developed by companies for companies. PACI offers a risk mitigation platform to help firms:

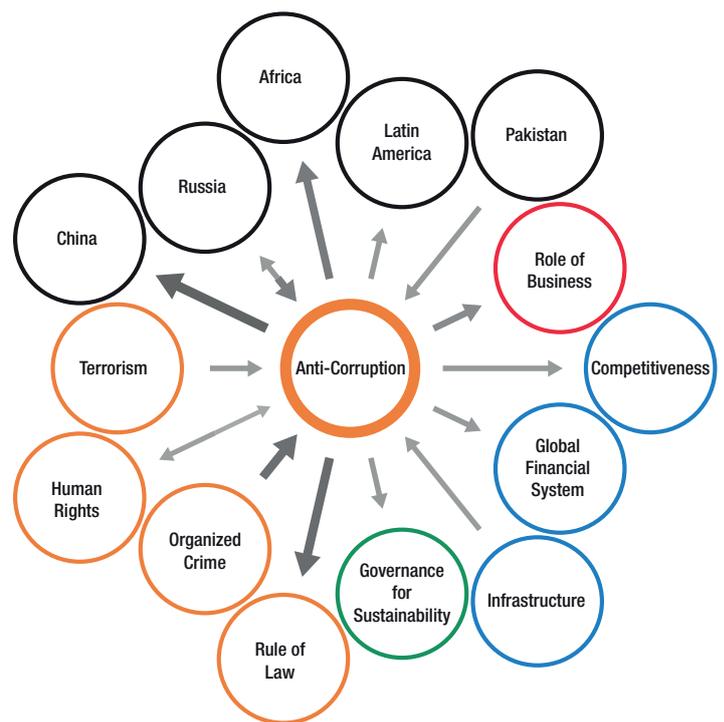
- Design and implement effective policies and systems to prevent, detect and address corruption
- Benchmark internal practices against global best practice through peer exchange and learning
- Level the playing field through collective action with other companies, governments and civil society

As part of efforts against corrupt practices, the Council has identified six recommendations or focus areas, based on those presented at the Los Cabos meeting in 2012, that it feels would have the most impact if implemented, including:

- Encourage transparency in government procurement
- Promote, extend and implement sector-based initiatives
- Engage the private sector in the United Nations Convention Against Corruption (UNCAC) peer reviews and consult with the OECD Working Group on Bribery regarding its monitoring mechanism
- Create business programmes, including training, to encourage public-private partnerships focused on capacity building
- Encourage the adoption of business codes of conduct with a specific focus on small and medium-sized enterprises (SMEs)
- Strengthen the anti-corruption legal and regulatory framework

During 2012-2014 the Council will work to:

- Shape innovative anti-corruption policies
- Adopt and implement recommendations made at the G20 Leaders' Summit
- Ensure its activities are harmonized with PACI objectives
- Focus on the risk management aspect of anti-corruption initiatives
- Continue work on the B20/G20 initiative which facilitates meetings of members of the B20 with G20 government representatives to share and exchange views about their work



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Issue Overview

Two years after the transitions in Tunisia and Egypt started, decision-makers across the Middle East and North Africa face the challenge of translating the unique momentum created into concrete positive outcomes for all their citizens. Adding a layer of complexity, these efforts are taking place against a backdrop of continuous geopolitical uncertainty in the Levant and a deep economic slowdown in Europe.

Leaders from industry, government and civil society across the Arab world need to act together if they are to make an impact in areas of crucial importance for the region, including job creation, private-sector development and a more inclusive model of growth. Tangible results are needed to meet the aspirations of youth across the region and demonstrate to them that new opportunities exist. Clear signals are also needed to reassure investors abroad and encourage greater FDI flows into the region.

This new reality and the urgency of the situation offer a real opportunity for innovative thinking to support decision-makers to achieve genuine impacts.



Masood Ahmed,
Director, Middle East and Central Asia Department, International Monetary Fund (IMF), USA

“

The Arab countries in transition are faced with substantial external financing needs that could rise, especially if international prices for food and fuel remain at current levels or increase, adding to the import bill.

”

Did You Know?

- The average rate of unemployment among youth across the region is currently more than 25% – the highest in the world – and forecasters don't foresee a decrease over the coming years.¹
- Transition economies face severe challenges: Egypt's budget deficit for 2011-12 was 11% of GDP, while Tunisia's economy went into a recession in 2011 with a decline in growth of 1.8%.²
- Taken together, Arab League countries boast 350 million consumers and constitute the world's 9th largest economy, with a GDP of US\$ 2 trillion.³

Further Resources

The Compendium on Arab Economic Governance 2011, Global Agenda Council on the Arab World, 2011:

http://www3.weforum.org/docs/ME11/WEF_ME11_CompendiumArabEconomicGovernance_Report.pdf

Addressing the 100 Million Youth Challenge: Perspectives on Youth Employment in the Arab World in 2012, Global Agenda Council on the Arab World, 2012:

http://www3.weforum.org/docs/WEF_YouthEmployment_ArabWorld_Report_2012.pdf

Unlocking North Africa's Potential through Regional Integration, African Development Bank, August 2012:

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Unlocking%20North%20Africa%20RI%20ENG%20FINAL.pdf>

“Regional Economic Outlook Update”, International Monetary Fund, April 2012:
<http://www.imf.org/external/pubs/ft/reo/2012/mcd/eng/pdf/mena-update0412.pdf>

Calendar

24-26 May 2013, World Economic Forum on the Middle East and North Africa, Dead Sea, Jordan



Tarik Yousef
Chief Executive Officer,
Silatech, Qatar

“

Informed policy debate and action-oriented research are critical to boosting youth employment in the Arab world.

”



Mohamad Al Ississ
Professor,
Economics,
School of Business,
American University in
Cairo, Egypt

“

The Arab world has been growing over the past 20 years; the problem is how to make growth more inclusive.

”

¹ Global Employment Outlook, ILO, September 2012: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_188810.pdf

² IMF, 2011. <http://www.ft.com/intl/cms/s/0/42b76560-fc29-11e1-ae9f-00144feabdc0.html>

³ Vijay Mahajan, The Arab World Unbound: Tapping into the Power of 350 Million Consumers, 2012: <http://online.wsj.com/article/BT-CO-20120803-711831.html>

Members

*Mustapha Kamel, Nabli,
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*Masood Ahmed, Director, Middle
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*Tarik M. Yousef, Chief Executive
Officer, Silatech, Qatar

*Hady Amr, Deputy Assistant
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– US Agency for International
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*John K. Deferios, Anchor and
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*Ishac Diwan, Lecturer, Public
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Essam El Haddad, Assistant,
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*Jacob Kolster, Regional Director,
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*Vijay Mahajan, John P. Harbin
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University of Texas, USA

Dalia Mogahed, Director, Gallup
Center for Muslim Studies, USA

Jaafar Hassan, Minister of
Planning, Jordan

*Anthony O'Sullivan, Head, Private
Sector Development, Organisation
for Economic Co-operation and
Development (OECD), France

*Mohamed Omran, Chairman, The
Egyptian Exchange, Egypt

*Mina Al Oraibi, Assistant
Editor-in-Chief, Asharq Al-Awsat
Newspaper, United Kingdom

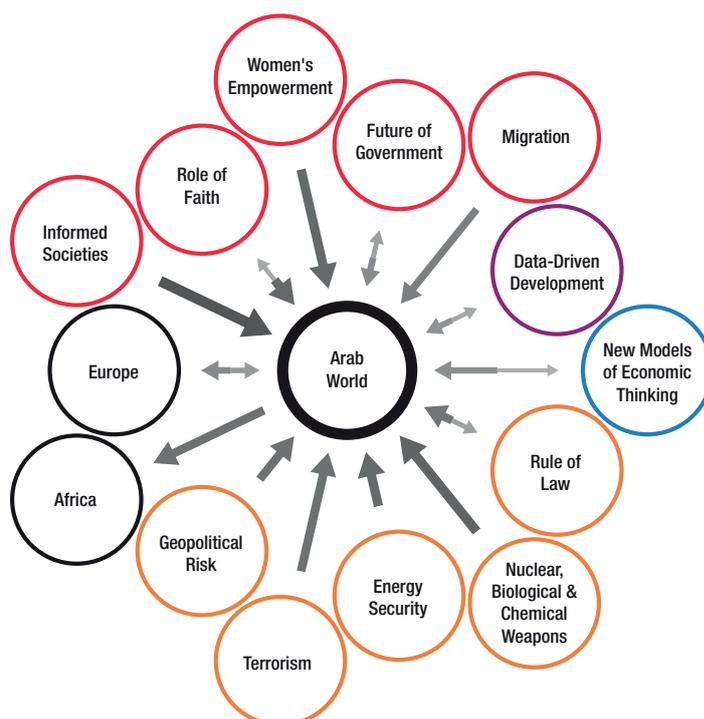
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on the Arab World engages with leaders from government, academia, international organizations and the private sector from North Africa, the Levant, Gulf Cooperation Council countries and elsewhere around the world to develop policy recommendations on economic governance.

During 2011-12, the Council developed a new model for understanding the region's economic governance issues, and contributed to two compendiums of essays on regional economic topics. These publications, *The Compendium on Economic Governance in the Arab World 2011* and *The Compendium on Arab Youth Employment 2012 – Addressing the 100 Million Youth Challenge*, were launched at the World Economic Forum Special Meeting on Economic Growth and Job Creation in the Arab World 2011 and the World Economic Forum on the Middle East, North Africa and Eurasia 2012, respectively.

During the forthcoming term, the Council will continue to support leaders in the region through innovative thinking intended to address the most pressing issues. It will examine the complexity involved in fostering sustained and inclusive economic activity in times of turbulence, since it is likely that the region's economies will experience further instability over the next one to two years. It will also seek to outline lessons learned from similar transitions that have taken place in other regions of the world. The Council will examine the role of the private sector and how business can bridge the gap between the role it needs to play to drive economic development and the way it is perceived within Arab societies. Finally, the Council will examine the issue of job creation, vital to all the countries in the region, and look at proven and successful job creation schemes and the conditions necessary for youth-driven entrepreneurial growth.



Contact Information

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Forum Lead: Miroslav Dusek, Director, Head of Middle East and North Africa, miroslav.dusek@weforum.org

Issue Overview

The increasing complexities of the Arctic Ocean region are matched by equally growing global interests. This large area of sea, islands and icebergs is relatively uninhabited except for indigenous populations; Greenland alone could cover the area from Norway to the Sahara, yet has a population of only 56,648 people.¹ This region, which experienced a heightened level of interest during the Cold War, is now receiving more serious global attention. The environment and ecosystems in the Arctic are both remarkable and vulnerable; however, it is the inanimate components that attract the world's leaders.

The area's resource-rich environs are becoming more accessible due to climatic changes, and the worldwide demand for Arctic resources is steadily increasing. As the global community interacts with this fragile area, it is vital that precision, understanding and cooperation be employed.

Global dialogues are concerned with environmental sustainability, mineral extraction, oil and gas development and advancing new trade routes, among others. With ice-free summers predicted in the near future, more efficient trade routes through the high north are becoming possible. Rising demand for hydrocarbons and minerals are pushing suppliers towards new extraction locations, as they become commercially viable.

The key priorities facing the Arctic region revolve around its sustainable development. International collaboration is clearly needed, not only on the behalf of governments but of the business and the scientific communities as well. The time for action is now.



Artem
Volynets,
Chief Executive
Officer,
EN+Group

“

Like the ‘Wild East’, that was Siberia, or the ‘Wild West’ of the USA, the Arctic is the one wild frontier before the last – if the last one is Antarctica – and it deserves properly organized development.

”

Did You Know?

- Arctic sea ice has plunged to the lowest level since satellite records began in the 1970s, to less than 3.5 million square kilometres (*The Guardian*).²
- The Arctic is reckoned to hold around 15% of the world's undiscovered oil reserves and 30% of those of natural gas (*The Economist*).³
- Growing interest in four key sectors, mineral resources (oil, gas and mining), fisheries, logistics (including shipping) and Arctic tourism, could generate investment reaching US\$ 100 billion or more in the Arctic region over the next decade, mostly in the minerals sector (Lloyd's).⁴

Further Resources

“Arctic Opening: Opportunity and Risk in the High North”:

<http://www.lloyds.com/News-and-Insight/Risk-Insight/Reports/Arctic-Report-2012>

“Chill Out: Why Cooperation is Balancing Conflict Among Major Powers in the New Arctic”:

<http://www.brookings.edu/research/reports/2012/05/30-arctic-cooperation-jones>

The Barents Observer: <http://barentsobserver.com/en/sections/arctic>

US National Oceanic and Atmospheric Administration: <http://www.arctic.noaa.gov/arp/>

US Arctic Research Commission: <http://www.arctic.gov/>

Centre for High North Logistics: <http://www.chnl.no/>

Calendar

14-15 November 2012, Formal Senior Arctic Officials Meeting, Arctic Council, Haparanda, Sweden

3-6 December 2012, Arctic Transportation Infrastructure; Reykjavik, Iceland

13-14 December 2012, First International Scientific and Practical Conference “Electronic Memory of the Arctic – cultural communication of the circumpolar world”; Saint Petersburg, Russian Federation

14-17 January 2013, Third International Symposium on Arctic Research, Tokyo, Japan

17-20 January 2013, World Snow Forum; Novosibirsk, Russian Federation

20-25 January 2013, Arctic Frontiers: Geopolitics and Marine Production in a Changing Arctic, Tromsø, Norway

12 March 2013, Arctic Summit, The Economist, Oslo, Norway

19-21 March 2013, Formal Senior Arctic Officials Meeting, Arctic Council



Vladimir
Golitsyn,
Judge and
President,
Seabed
Disputes
Chamber,
International
Tribunal for the
Law of the Sea

“

What's happening in the Arctic is affected by what's going on outside the Arctic, in the rest of the world. So any negative developments that might take place in the Arctic are not necessarily linked to what's happening in the Arctic, but may be caused by [developments] in other parts of the world.

”



Felix Tschudi,
Chairman of
the Board and
Owner, Tschudi
Shipping
Company

“

[We need to] create an understanding of the need for balanced development – integration of economic and environmental development – and avoid excesses on both sides.

”

¹ <http://eu.nanoq.gl/Emner/About%20Greenland/Facts%20on%20Greenland.aspx>

² <http://www.guardian.co.uk/environment/2012/sep/17/arctic-collapse-sea-ice?intcmp=122>

³ <http://www.economist.com/node/21530079>

⁴ <http://www.lloyds.com/News-and-Insight/Risk-Insight/Reports/Arctic-Report-2012>

Global Agenda Council on the Arctic



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Members

*Per-Ola Karlsson, Senior Vice-President, Booz & Company, Sweden

Gustaf Lind, Ambassador of Sweden for the Arctic; Chairman of the Arctic Council Senior Arctic Officials, Ministry of Foreign Affairs of Sweden, Sweden

*Artem Volynets, Chief Executive Officer, EN+Group, Russian Federation

Michael Daly, Executive Vice-President, Exploration, BP Plc, United Kingdom

Julie Gourley, Senior US Arctic Official, US Department of State, USA

*Guo Peiqing, Professor, Ocean University of China, People's Republic of China

*Runi Hansen, Vice-President, Statoil ASA, Faroe Islands

*Huang Huikang, Director-General, Department of Treaty and Law, Ministry of Foreign Affairs, People's Republic of China

Jakob Edvard Kuupik Kleist, Premier and Minister of Foreign Affairs, Government of Greenland, Greenland

*Amina C. Mohamed, Secretary-General and Deputy Executive Director, United Nations Environment Programme (UNEP), Nairobi

*Laurence C. Smith, Professor of Geography and Earth and Space Sciences, University of California (UCLA), USA

Phil du Toit, Executive Vice-President, Mining Exploration and Projects, ArcelorMittal Mining UK Ltd, United Kingdom

*Mead Treadwell, Lieutenant Governor of Alaska, USA

*Felix H. Tschudi, Chairman of the Board and Owner, Tschudi Shipping Company AS, Norway

*Vladimir Vladimirovich Golitsyn, Judge, International Tribunal for the Law of the Sea, Germany

*Jan-Gunnar Winther, Director, Norwegian Polar Institute, Norway

*Confirmed participation in the Summit on the Global Agenda 2012

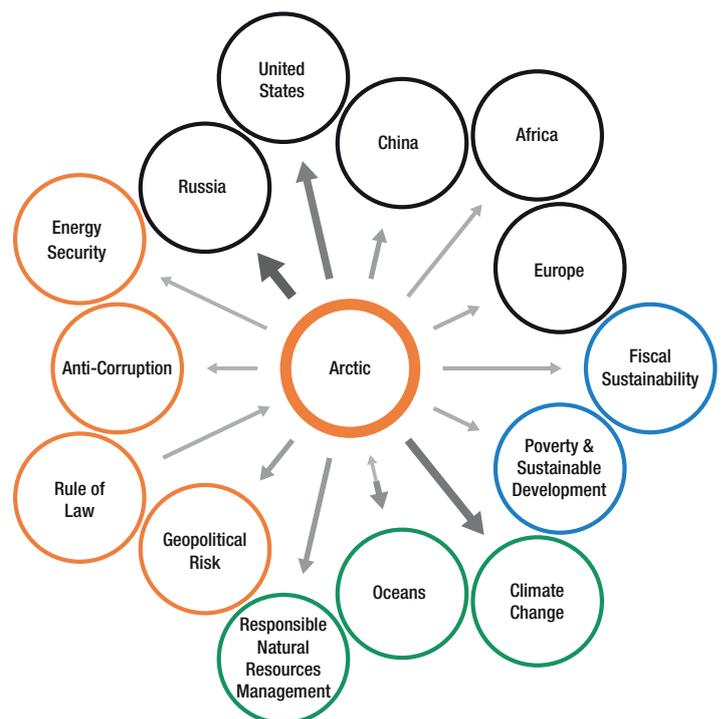
Council Insights

The Council may focus on a point that cuts across multiple issues, such as "Arctic Governance". This will include other voices beyond the traditional Arctic players, like China, South Korea, Japan, European states and mainland America. Just as important is the private sector, since the inter-connections of the industries' operations makes their collaboration essential. Because of globalization, the high northern region now interacts with southern areas that have the industrial products and the demand necessary for developing Arctic resources.

Investment resources for infrastructure projects are in tremendous need. A greater understanding of the requirements of shipping development and of mechanisms to promote joint infrastructure investment, as well as coordinated port development are also needed. The Council could foster cross-border cooperation between Arctic states regarding infrastructure needs, thus helping to solve many logistical and transportation issues. The Council also aims to highlight the fact that joint solutions are needed to address the enormous regional challenges.

Often during meetings on Arctic issues, proposals for a complete ban on all regional activities are voiced, yet business developments are under way. Therefore, the Council could promote a balanced integration of economic and environmental development, and ensure new developments are conducted in an organized fashion that preserves the environment while advancing industrial interests.

Goals and Milestones: As a new Council to the Network, its Members will hold two conference calls prior to the Dubai Summit in November. Until this point, the Council will be exploring various ideas and possibilities for work.



Contact Information

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Forum Lead: Martin Nägele, Director, Deputy Head of the Network of Global Agenda Councils, martin.nagele@weforum.org

Issue Overview

During the past decade, research combining chemistry and biology has driven valuable discoveries for human health, energy and agriculture. The application of science and technology to living organisms, known as biotechnology, has allowed numerous inventions: in medicine (red biotech), new vaccines and drugs have been created to combat disease; in agriculture (green biotech), genetically modified seeds have been created to improve crop yields, increase resource efficiency and boost health and nutrition; in industry (white biotech), fuels, materials and chemicals have been produced from converted bio-mass. At the same time, new methods have been developed to utilize terrains previously unsuited for human use, such as deserts and ocean surfaces.

However, after thriving for some years, the companies using these technologies are feeling the need to demonstrate that this revolution is improving their success rate for product discovery and making a good return on investment (ROI). Some areas in which biotechnology would be extremely beneficial for public health and environmental sustainability do not yet offer sufficient ROI for companies to take the risk to invest in research and development (R&D). Moreover, negative public perception surrounding the safety and sustainability of biotechnology tools has also been a great obstacle to investment in new biotechnologies.

With the potential to spur job creation and generate billions of dollars in economic activity, biotechnology provides a promise of growth and innovation for countries around the world. However, researchers must enhance international collaboration to devise methodologies that facilitate the translation of new findings into practical applications, as well as to develop ways to manage public opinion.

Did You Know?

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Further Resources

Lee, Sang Yup. "Systems Metabolic Engineering, Research in Computational Molecular Biology", paper presented at the 12th Annual International Conference, RECOMB 2008, Singapore, 30 March-2 April 2008

Fedoroff, Nina V. and Brown, Nancy Marie. "Mendel in the Kitchen: A Scientist's View of Genetically Modified Food", Keasling Laboratory, <http://keaslinglab.lbl.gov/>, 22 May 2006

Chen, Guo-Qiang. A Polyhydroxyalkanoates Based Bio- and Materials Industry. In *Chemistry Society Review* 38, 2009

Calendar

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December 2012, 3B Platform in China: Biorefineries, Biotechnology and Bioenergy, Beijing, China

29-30 January 2013, BIO Asia International Conference, Tokyo, Japan

24-26 March 2013, BIOVISION World Life Sciences Forum, Lyon, France



Lee Sang Yup,
Distinguished
Professor,
Director and
Dean, Korea
Advanced
Institute of
Science and
Technology
(KAIST)

“

Biotechnology is playing an increasingly important role in the healthcare, food and nutrition, agriculture, chemicals, energy and materials industries. It is expected that the current fossil oil-based chemicals industry will be adopting more and more bio-based processes for the sustainable production of chemicals, fuels and materials from renewable non-food biomass and even from carbon dioxide. Indeed, biotechnology is at the centre of attention towards establishing a healthy and sustainable world.

”



Andrey Zarur,
Managing
General
Partner, Kodiak
Venture
Partners

“

Many of the key issues of current human society, from food shortages to energy demand, from human health to waste remediation, can be addressed in an efficient and inexpensive way using biological systems evolved naturally over hundreds of millions of years. The role of biotechnology is to harness the power of those systems scientifically to ensure they are used safely for the benefit of the entire human race.

”

¹ OECD, Biotechnology Statistics Database, and OECD, Main Science and Technology Indicators Database, December 2011.

² Ibid.

³ Ibid.

Global Agenda Council on Biotechnology



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Members

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*David Berry, Partner, Flagship Ventures, USA

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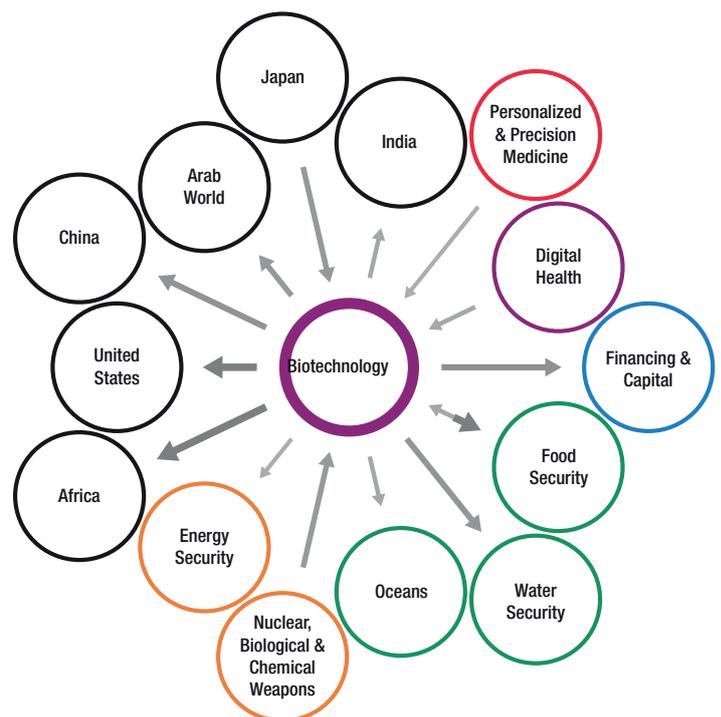
Council Insights

During the 2012-2014 term, the Global Agenda Council on Biotechnology aims to:

- Ascertain the key global challenges that biotechnology can address, identify work-streams already under way and propose new ways to leverage biotechnology
- Identify the latest developments in biotechnology and compile a top 10 list of emerging biotechnologies
- Form specialized groups on key biotechnologies to identify hurdles and develop strategies for commercialization
- Hold a discussion on the different colours ("rainbow") of biotechnology to create a common language across the sector
- Discuss the potential unintended consequences of biotechnology (e.g. artificial organisms and bioterrorism); also discuss the public and industrial perception of specific biotechnologies and suggest strategies to address them
- Explore the public sector's role in biotechnology, including management of public perception, public-private partnerships and regional differences

The Council's relevant projects include the "3B Platform": biorefineries, biotechnology and bioenergy. This platform is a partnership between the Forum, the China Petroleum and Chemicals Industry Federation and the World Council on Industrial Biotechnology with the aim to facilitate innovation related to biorefineries in China. A similar collaborative platform is being developed in India while in-depth studies and meetings have been conducted in North America and Brazil. Over the past two years, the platform has explored issues such as sustainability and water, feedstock, technology, aviation and policy.

Another key project is on energy harnessing. The global energy landscape is changing, marked by a constantly growing demand for energy and an increasing importance of renewable sources. Innovative solutions related to key Energy Harnessing themes, such as energy storage, renewable energy sources and resource management techniques, will be required over the next decade. The World Economic Forum is bringing together a multistakeholder group that will address relevant challenges and opportunities to produce a white paper with recommendations.



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Forum Lead: Andrew Hagan, Director, Head of Chemicals Industry, andrew.hagan@weforum.org

Issue Overview

Biodiversity and natural capital provide the foundation on which our daily lives and economies are built. Natural resources such as oxygen, fresh water, food, minerals, medicines and a multitude of ecosystem functions are the foundation of human survival and well-being. However, the alarming state of biodiversity and natural capital today displays a short-sighted stewardship that assumes an infinite supply of natural assets and a magical recovery or replacement button regardless of the damage done. No less than 25% of all remaining mammals, 33% of amphibians and 25% of freshwater fishes are threatened with extinction. Critical species and natural habitats are disappearing, leaving gaps in ecosystems that result in disturbed or even dysfunctional life-supporting services.

This continued degradation, driven by the relentless demands of a US\$ 60 trillion global economy, is threatening the very same ecology on which we humans have built our lives and prosperity. It reflects a fundamental omission in the way growth is tracked and measured. Without the recognition of its value, natural capital is taken for granted, assumed to be infinite, resulting in the depletion of the “planetary currency base” for future generations.

This must stop. There are a number of bold ideas under way that showcase how degraded lands can be turned into fertile, species-rich grounds, how the commons can be efficiently managed to serve the public good in perpetuity, how local actions can change livelihoods and how new economies can be built to capitalize on the presence of biodiversity and natural capital. However, to scale up these initiatives, it is imperative to move biodiversity and natural capital centre stage in the mainstream political, social and business discourse.

Did You Know?

- The rapid loss of species witnessed today is estimated to be between 1,000 and 10,000 times higher than the natural extinction rate.¹
- Every two seconds, an area of forest the size of a football pitch is lost due to logging or destructive practices. Fully 72% of Indonesia's forest landscapes and 15% of the Amazon's have already been lost forever. The Congo's forests face the same threat.²
- The world has missed the 2010 target for biodiversity conservation. Based on current trends, the loss of species will continue throughout this century.³

Further Resources

Convention on Biological Diversity,
<http://www.cbd.int/>

“The Economics of Ecosystems and Biodiversity (TEEB) Reports”. October 2010. Nagoya: TEEB,
<http://www.teebweb.org/InformationMaterial/TEEBReports/tabid/1278/Default.aspx>

“Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication”. November 2011. Beijing: UNEP,
<http://www.unep.org/greeneconomy/GreenEconomyReport/tabid/29846/language/en-US/Default.aspx>

Calendar

8-19 October 2012, Eleventh meeting of the Conference of the Parties to the Convention on Biological Diversity, Hyderabad, India

14–16 November 2012, Biodiversity and Society: Societal dimensions of the conservation and utilisation of biological diversity, Gottingen, Germany

26 November–7 December 2012, COP 18/CMP 8–18th session of the Conference of the Parties of the Climate Change Convention and Eighth Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (UNFCCC), Qatar

3-15 March 2013, 16th Meeting of the Conference of the Parties to the Convention on International Trade in Endangered Species of Wild Fauna (CITES), Thailand



Leo Schlesinger
Chief Executive Officer, Masisa Mexico Organization, Mexico

“

We don't own natural resources, we only own the interest of natural capital.

”



Jim Leape
Director-General, World Wide Fund for Nature, Lausanne, Switzerland

“

We will not be able to build an economy that the Earth can sustain as long as GDP continues to be the sole measure of progress.

”



Kazuhiko Takeuchi
Vice-Rector, United Nations University, Tokyo, Japan

“

The establishment of a resilient society is possible based on traditional knowledge and sustainable landscape. There is a need to establish new commons – to include not only foresters and farmers but also NGOs, the government, private sector and urban citizens.

”

¹ World Wildlife Federation.

² Greenpeace.

³ United Nations, http://www.un.org/millenniumgoals/pdf/MDG_FS_7_EN.pdf.

Global Agenda Council on Biodiversity & Natural Capital



COMMITTED TO
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OF THE WORLD

Members

*Leo Schlesinger, Chief Executive Officer and Country Head, Masisa Mexico Organization, Mexico

*Usha Rao-Monari, Director, Sustainable Business Advisory, International Finance Corporation (IFC), USA

Robert Annibale, Global Director, Citi Microfinance and Community, Citi Global Markets, United Kingdom

*Ivonne Baki, Secretary of State for the Yasuni-ITT Initiative, Yasuni-ITT Initiative, Ecuador

*Eron Bloomgarden, Partner, EKO Asset Management Partners, USA

Gretchen Daily, Bing Professor in Environmental Science, Stanford University, USA

*Bernice Dapaah, Executive Director, Ghana Bamboo Bikes, Ghana

Braulio De Souza Dias, Executive Secretary, Convention on Biological Diversity, Canada

Jim Leape, Director-General, WWF - World Wide Fund for Nature, Switzerland

*Simon Lord, Group Director, Sustainability, New Britain Palm Oil, Papua New Guinea

Daniel Mahler, Partner and Managing Director, A.T. Kearney International, Switzerland

Malini Mehra, Founder and Chief Executive Officer, Centre for Social Markets (CSM), India

*Andrew Steer, President and Chief Executive Officer, World Resources Institute, USA

Achim Steiner, Executive Director, United Nations Environment Programme (UNEP), Kenya

*Graeme Sweeney, Special Adviser on CO2, Royal Dutch Shell, United Kingdom

*Kazuhiko Takeuchi, Vice-Rector, United Nations University, Japan

Mark Tercek, President and Chief Executive Officer, Nature Conservancy Protecting Nature, Preserving Life, USA

*Andrew Wales, Senior Vice-President, Sustainable Development, SABMiller, United Kingdom

Wen Bo, North-East Asia Coordinator, Global GreenGrants Fund, People's Republic of China

*Confirmed participation in the Summit on the Global Agenda 2012

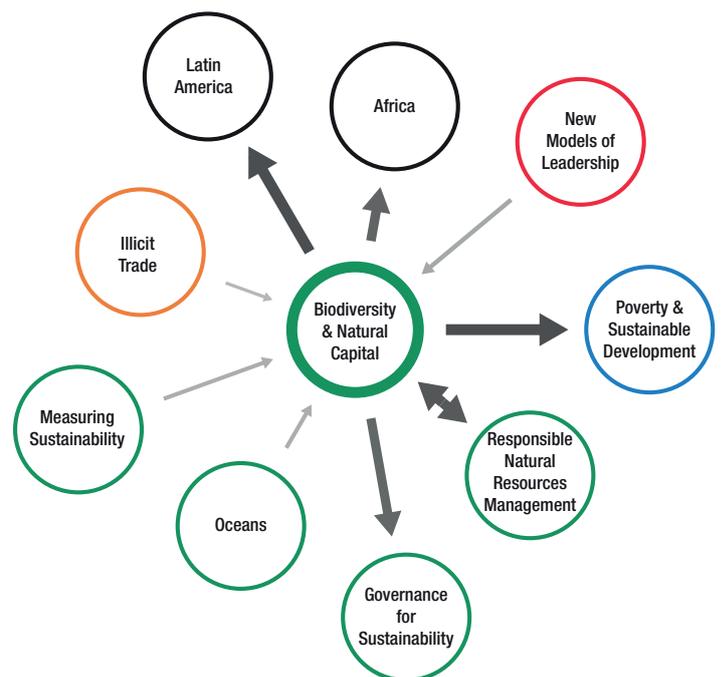
Council Insights

The Global Agenda Council on Biodiversity & Natural Capital is a new Council. It aims to help transform the status quo by bringing in facts, focus and urgency to the debate. The Council Members' collective expertise will draw a strong picture of where and how interventions need to be made to catalyse change to ensure a sustainable future. They will bring skills in the areas of communication and scenario-building to help target efforts by various stakeholders within and beyond the Forum's realm. It will strive to gather bold, scalable ideas to attract investment in natural capital, and to identify critical points for intervention to mainstream the sustainable use of natural resources.

The Council has decided to focus on sustainable forests as they harbour the world's most biodiverse ecosystems. In addition, forests interconnect with all natural resources: they provide an anchor to enhance the quality and quantity of other natural resources such as water, air and land. Forests comprise an interesting "asset class" to focus on, given the various financing innovations under way and emerging between governments in both the carbon and non-carbon spaces. Forests provide a useful basis to develop solutions, test ideas, pilot replication of promising initiatives and interest a range of stakeholders. They may also illustrate the potential to drive positive change through focused efforts in multistakeholder forums such as the Network of Global Agenda Councils.

The Council's objectives are:

- to develop a new narrative by providing insights and arguments through solutions that emerge from innovations in business, technology and governance, and to "test" for their applicability in the natural resource space
- to develop concrete scenarios that provide solutions for systemic drivers, and "apply" these scenarios on the different audiences society represents



Contact Information

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 Council Manager: Lieske van Santen, Project Manager, Environment Initiatives, lieske.vansanten@weforum.org
 Forum Lead: Dominic Waughray, Senior Director, Head of Environmental Initiative, dominc.waughray@weforum.org

Issue Overview

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Partners

“

Many of the key issues of current human society, from food shortages to energy demand, from human health to waste remediation, can be addressed in an efficient and inexpensive way using biological systems evolved naturally over hundreds of millions of years. The role of biotechnology is to harness the power of those systems scientifically to ensure they are used safely for the benefit of the entire human race.

”

¹ OECD, Biotechnology Statistics Database, and OECD, Main Science and Technology Indicators Database, December 2011.

² Ibid.

³ Ibid.

Global Agenda Council on Biotechnology



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Members

*Lee Sang Yup, Distinguished Professor, Director and Dean, Korea Advanced Institute of Science and Technology (KAIST), Republic of Korea

*Andrey Zarur, Managing General Partner, Kodiak Venture Partners, USA

*David Berry, Partner, Flagship Ventures, USA

*George Chen Guo-Qiang, Professor, School of Life Sciences, Tsinghua University, People's Republic of China

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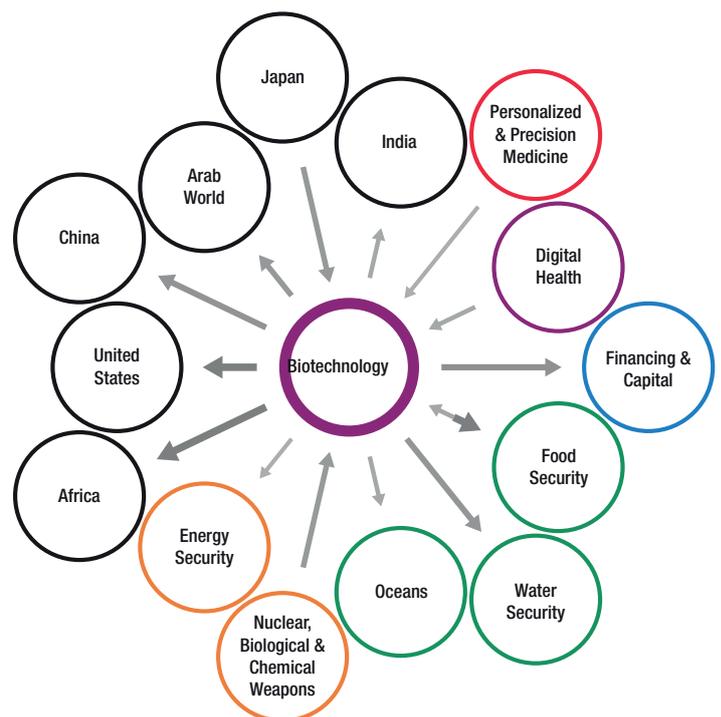
Council Insights

During the 2012-2014 term, the Global Agenda Council on Biotechnology aims to:

- Ascertain the key global challenges that biotechnology can address, identify work-streams already under way and propose new ways to leverage biotechnology
- Identify the latest developments in biotechnology and compile a top 10 list of emerging biotechnologies
- Form specialized groups on key biotechnologies to identify hurdles and develop strategies for commercialization
- Hold a discussion on the different colours ("rainbow") of biotechnology to create a common language across the sector
- Discuss the potential unintended consequences of biotechnology (e.g. artificial organisms and bioterrorism); also discuss the public and industrial perception of specific biotechnologies and suggest strategies to address them
- Explore the public sector's role in biotechnology, including management of public perception, public-private partnerships and regional differences

The Council's relevant projects include the "3B Platform": biorefineries, biotechnology and bioenergy. This platform is a partnership between the Forum, the China Petroleum and Chemicals Industry Federation and the World Council on Industrial Biotechnology with the aim to facilitate innovation related to biorefineries in China. A similar collaborative platform is being developed in India while in-depth studies and meetings have been conducted in North America and Brazil. Over the past two years, the platform has explored issues such as sustainability and water, feedstock, technology, aviation and policy.

Another key project is on energy harnessing. The global energy landscape is changing, marked by a constantly growing demand for energy and an increasing importance of renewable sources. Innovative solutions related to key Energy Harnessing themes, such as energy storage, renewable energy sources and resource management techniques, will be required over the next decade. The World Economic Forum is bringing together a multistakeholder group that will address relevant challenges and opportunities to produce a white paper with recommendations.



Contact Information

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Issue Overview

Increasingly efficient production processes, vast supply chain networks and the geographical concentration of production create an environment vulnerable to the cascading effects of catastrophic risks. Economic losses due to natural disasters and extreme weather were estimated at US\$ 366 billion globally in 2011, said to be the most expensive year of disasters in history.

Catastrophic risks are those that can result in substantial loss of life or livelihood, call an organization's existence into question or cause significant environmental damage. Another essential consideration is the time frame for the onset of a catastrophic event: the concept of catastrophic risk should normally be applied to events that are relatively rapid in onset, although it may also be appropriate to include slow-burning and incremental events such as climate change. A more specific definition of catastrophic risk depends much upon the particular context or intended application. Catastrophic risks include a diverse range of events such as floods, pandemic infections, nuclear accidents, wars and economic collapse. Their likelihood and magnitude are difficult to predict but they tend to have a large-scale impact that seriously threatens vulnerable populations, human well-being, business operations and the functioning of government.

Looking back at recent catastrophic events such as the Great East Japan Earthquake of 2011, the Thailand floods of the same year and Hurricane Katrina in the United States in 2005, multiple spillover points of failure and aggravating effects of events are evident. Such examples illustrate that a major disaster immediately affects not only the country where it occurs; through various interdependencies and networks, it affects numerous others.

Did You Know?

- In 2011, 332 natural hazard-related disasters killed more than 30,770 people worldwide, affected over 244.7 million others and caused US\$ 366.1 billion of damages. A total of 101 countries were hit by these disasters, although only five countries accounted for 31% of the 332 disasters.¹
- Between 1970 and 2010, the proportion of world population living in flood-prone river basins increased by 114%, and on cyclone-exposed coastlines by 192%.²
- The risk of losing wealth in disasters is outpacing wealth creation. Since 1980, in OECD countries, the risk of economic loss due to floods has increased by over 160% and due to tropical cyclones by 265%. These losses are growing faster than GDP per capita.³

Further Resources

"Global Agenda Council on Catastrophic Risks Annual Report 2011-2012". World Economic Forum:

<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/catastrophic-risks/>, 2012

"Global Agenda Council on Disaster Management Annual Report 2011-2012". World Economic Forum: <http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/disaster-management/>, 2012

World Economic Forum Risk Response Network: <http://www.weforum.org/community/risk-response-network>

Reliefweb: <http://reliefweb.int/>

Calendar

9-10 October 2012, Sendai Dialogue on Managing Disaster Risks, Sendai, Japan

25-27 March 2013, International Humanitarian Aid & Development Conference & Exhibition – DIHAD, Dubai, United Arab Emirates

19-23 May 2013, Global Platform for Disaster Reduction, Geneva, Switzerland

17-18 June 2013, 4th Annual Meeting of the Centre for Risk Studies, University of Cambridge Judge Business School, United Kingdom



Satoru Nishikawa,
Director of
Audit, Japan
Water Agency,
Japan

“

When there is a big disaster and the mitigation or disaster reduction measures fail, it makes the headlines and people are excited and a massive amount of relief flows into the affected area. However, when the disaster mitigation or disaster reduction measures are successful, there are no headlines. Success is not highlighted, which means that international attention and national budgets for such activities tend to decrease. And this is the irony of dealing with disasters.

”



Peter Guthrie,
Professor,
University of
Cambridge,
United
Kingdom

“

The private sector can respond very quickly, they can be very agile, they can assist the international agencies and the local governments and local communities. The added value of private-sector engagement is huge and it is surprising that it hasn't been more involved historically.

”

¹ *Annual Disaster Statistical Review 2011: The Numbers and Trends*. 2011. Brussels: CRED.

² "The future we want: disaster resilience". World Meteorological Organization, http://library.wmo.int/opac/index.php?lvl=notice_display&id=12267, 2012.

³ *Ibid.*

Global Agenda Council on Catastrophic Risks



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*Valerie Amos, Undersecretary-General for Humanitarian Affairs and Emergency Relief Coordinator, United Nations Office for the Coordination of Humanitarian Affairs (OCHA), USA

*Eduardo Martinez, President, The UPS Foundation, USA

*Lauren Alexander Augustine, Director, Disasters Roundtable, National Academy of Sciences, USA

*Bekele Geleta, Secretary-General, International Federation of Red Cross and Red Crescent Societies (IFRC), Switzerland

Ian Goldin, Director and Professor, Oxford Martin School, University of Oxford, United Kingdom

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*Yuichi Ono, Chief, Disaster Risk Reduction Section, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Thailand

*Sara Pantuliano, Head, Humanitarian Policy Group, Overseas Development Institute, United Kingdom

*William H. Saito, Commissioner, National Policy Unit, Cabinet Office of Japan, Japan

Niyati Sareen, General Manager, Corporate Social Responsibility, Hindustan Construction Company (HCC), India

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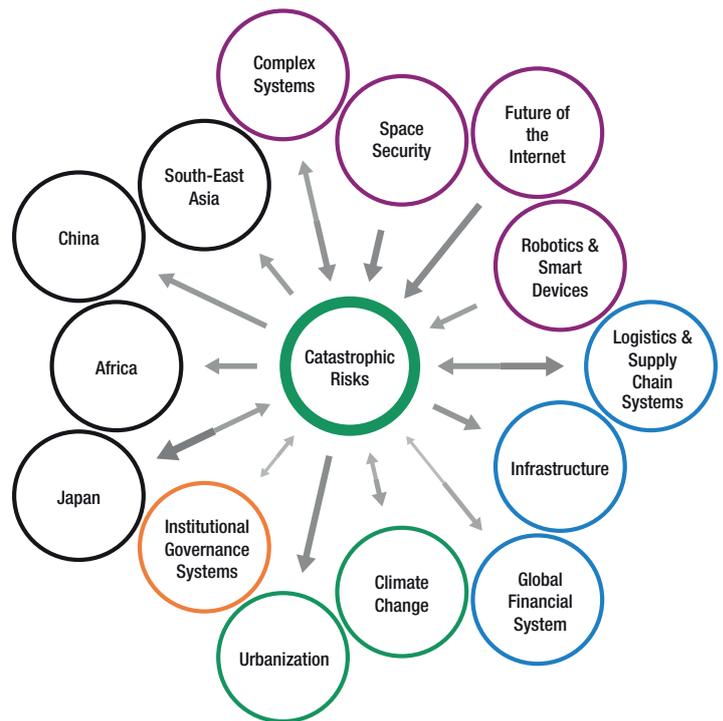
Council Insights

The Global Agenda Council on Catastrophic Risks aims to enhance understanding of catastrophic risks and highlight innovative ways of managing them by drawing on the practices and experience of the world's leading public and private sector experts, academics and the Risk Response Network of the World Economic Forum.

At the end of the last term, the Council on Catastrophic Risks merged with the Council on Disaster Management to take advantage of the synergy and complementary nature of the two groups. The close relationship between this Council and the Forum's Risk Response Network will be continued in order to explore the contributions Council Members can make to advance the thinking on catastrophic risks and on the various phases of risk management, disaster risk management in particular.

For this new term, the primary goal of the Global Agenda Council on Catastrophic Risks is to gain a better understanding of such risks at the global, regional and local levels, to promote best practices aimed at building resilience and preparedness on response and post-disaster recovery. The Council has planned the following activities:

- Gather and share case studies of catastrophic risk management
- From those case studies, put in place a best practice manual and share it through workshops targeting key decision-makers
- Build regional public-private networks to promote interregional learning, starting with Latin America
- Create a process to assess the level of exposure and resilience of countries to catastrophic risks to increase awareness and help leaders make decisions on how to best manage them



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Issue Overview

China's impact on the world economy is increasing constantly, through the greater global presence of Chinese companies in international markets. The amount of China's outbound investments and frequency of international cooperation have grown at a particularly rapid rate in recent years. Chinese enterprises that seek to expand overseas must confront a steep learning curve; although overseas investments offer great opportunity, they also carry enormous risk.

Undeniably, Chinese companies still lack experience and talent. They require intelligent guidance on the practicality of integrating their own transnational business expectations, with the industrial development goals and preferential development industries found in foreign destinations.



Did You Know?

- As the second largest economy in the world, China accounts for 21% of global population, 9.5% of global gross domestic product (GDP), and 9% of global trade of goods and services; however, it lags behind in cross-border flows. Its international assets consist largely of foreign exchange reserves, whereas direct and portfolio investment assets are negligible compared to China's weight in other aspects of the global economy.
- The turning point came in the mid-2000s: Chinese demand sent global commodity import prices soaring and state-owned enterprises ventured abroad to buy stakes in extractive projects, to increase supply security and profits. This push for natural resource investments boosted Chinese outward foreign direct investment (FDI) from less than US\$ 2 billion in 2004 to more than US\$ 20 billion in 2006, and more than US\$ 50 billion in 2008.
- The compound annual growth rate of China's outward FDI in 2004-08 exceeded 130%; in 2009, outflows slowed amid the global financial panic, but reached another record high in 2010 of nearly US\$ 60 billion. In 2011, flows reached US\$ 50 billion amid renewed global financial instability; by the end of 2011, China's global outward FDI stock reached US\$ 364 billion, about one-fifth the US\$ 1.8 trillion stock of inward investment.¹

Calendar

17 December 2012, Experts Beijing Gathering, World Economic Forum Beijing Office, Beijing, People's Republic of China

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

September, Annual Meeting of the New Champions 2013, People's Republic of China



Zhou Hanmin,
Standing
Committee
Member, National
Committee of the
Chinese People's
Political
Consultative
Conference
(CPPCC);
Vice-Chairman,
CPPCC,
Shanghai,
People's Republic
of China

“

It is a critical moment for the thought leaders to think about the most sensible strategy for Chinese companies' overseas expansion, given the slowdown of economic growth and leadership transition.

”



Elizabeth C.
Economy, C.V.
Starr Senior Fellow
and Director, Asia
Studies, Council
on Foreign
Relations, USA

“

The most important issue on China's outbound investment is the lack of reciprocity with other countries.

”



Long Guoqiang,
Senior Research
Fellow and
Director-General,
Research
Department,
Foreign Economic
Relations,
Development
Research Centre
of the State
Council, People's
Republic of China

“

There are significantly different views on the so-called 'industries of national security interest' between China and other countries, particularly the USA. That's probably the fundamental challenge that Chinese conglomerates face in their international expansions.

”

¹ Data and facts excerpted from "China Invests in Europe – Patterns, Impacts and Policy Implications", Hanemann, Thilo and Rosan, Daniel H., June 2012.

Members

*Zhou Hanmin, Member of Standing Committee, National Committee of the Chinese People's Political Consultative Conference (CPPCC), People's Republic of China

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*Kevin Lu, Regional Director, Asia-Pacific MIGA, MIGA – World Bank Group, Singapore

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*Stephen A. Orlins, President, National Committee on United States-China Relations, USA

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Wang Boming, Editor-in-Chief, Caijing Magazine, People's Republic of China

Wang Yiming, Vice-President, Academy of Macroeconomic Research, National Development and Reform Commission, People's Republic of China

*Levin Zhu, President and Chief Executive Officer, China International Capital Corporation (CICC), People's Republic of China

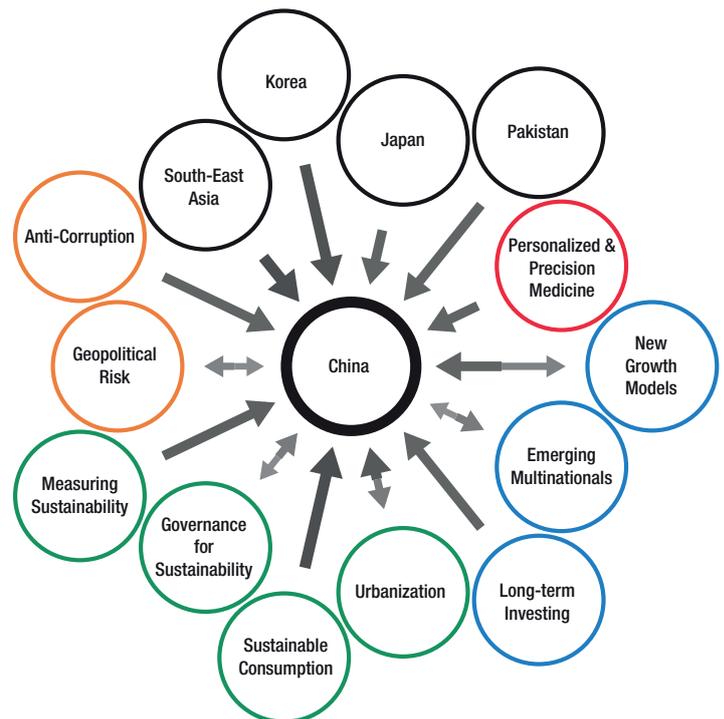
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on China will focus its work around the "Consideration and Recommendations on China's Outbound Investment", which aims to enable Chinese companies to objectively assess their own abilities before making overseas investment decisions. This will enable companies to gain a clear picture of the investment environment, to assess geopolitical, economic and financial challenges, and to gain insight on societal perspectives.

Discussions will focus on the three following dimensions:

- geopolitical consideration
- economic and financial recommendations
- societal challenges and considerations



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Issue Overview

Recent studies indicate that climate change is taking place faster than originally thought.¹ Climate change poses both immediate and long-term threats to the life-support systems upon which all people depend – food, water, habitat, health, ecosystem services and critical infrastructure such as energy, transport and coastal protection. Meanwhile, market opportunities for «green» technologies are growing, such as renewable and efficient energy that help to mitigate greenhouse gas emissions, as their costs come down and they offer attractive investment possibilities.

As extreme temperatures and floods result in loss of life, livelihoods and assets, climate adaptation is becoming critical for business, society and governments, as they seek to respond to the risks posed by the unavoidable impacts of climate change. Indeed, climate change raises the possibility that societies must tackle climatic shifts (in temperature, storm frequency, flooding and other challenges) that previous experience has not prepared them for.² Emerging countries are even more vulnerable as they are least able to recover from climate stresses and their economic growth is often highly reliant on climate-sensitive sectors.

While climate change is a growing concern, multilateral climate negotiations have progressed slowly. The agreement reached at the 17th session of the Conference of the Parties (COP 17) in Durban to negotiate a new legally enforceable and universal Global Accord on greenhouse gas emission reductions by 2015 offers a significant opportunity to deliver a climate strategy that recognizes the important roles of all stakeholders in delivering solutions. Meanwhile, local initiatives show that progress is possible. Recent examples include Mexico's commitment to reduce greenhouse gas emissions by 30% by 2020; Australia's adoption of a carbon-price system; and China's efforts to pilot emissions trading schemes to advance low-carbon development in cities and provinces.

Did You Know?

- The global annual average temperature is expected to be 2°C above pre-industrial levels by 2050. A 2°C warmer world will have more frequent and intense droughts, floods and heat waves.³
- Lloyd's of London was hit by record claims for natural disasters, as disasters in Australia, New Zealand, Japan and the US made the first half of 2011 the costliest six-month period in the insurance market's 323-year history.⁴
- In the past decade, renewable power has been growing at an annual rate of 27%. If it continues to grow at that pace, renewables are on track to achieve the pathway spelled out in the International Energy Agency's (IEA) Energy Technology Perspectives scenario to achieve stabilization at 2°C by 2050.⁵

Further Resources

United Nations Framework for Climate Change website: <http://unfccc.int>

Information on adaptation: <http://gain.org/> and <http://index.gain.org/>

World Economic Forum Climate Change Issues: <http://www.weforum.org/issues/climate-change>

Field, Christopher B., Barros, Vicente and Stocker, Thomas F. *Managing the risks of extreme events and disasters to advance climate change adaptation*, 2012.

Muller, Richard A. *Energy for Future Presidents: The Science Behind the Headlines*, 2012.

Calendar

26 November-7 December 2012, UNFCCC 18th Conference of Parties, Doha, Qatar

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

23-27 June 2013, Salzburg Global Seminar, A Climate for Change: New Thinking on Governance for Sustainability, Salzburg, Austria

18-20 March 2013, European Climate Change Adaptation Conference, Hamburg, Germany



Juan José Daboub,
Founding Chief
Executive
Officer, Global
Adaptation
Institute (GAIN),
USA

“

I've witnessed the challenges faced by vulnerable people in more than 110 countries as they relate to food, water, energy and lack of infrastructure. I'm convinced that private sector-led solutions are crucial to save lives, improve livelihoods and increase resilience around the world.

”



Richard A.
Muller,
Professor,
Department of
Physics,
University of
California,
Berkeley, USA

“

I expect the rate of warming to proceed at a steady pace, about one and a half degrees over land in the next 50 years, less if the oceans are included. Most of it will come from the increasing emissions of the developing world. Next comes the difficult part: agreeing across the political and diplomatic spectrum about what can and should be done.

”

¹ The IPCC released its Special Report on Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation (SREX), on 28 March 2012. The report assesses the evidence that climate change has led to changes in climate extremes. For more information: <http://www.ipcc-wg2.gov/SREX/>.

² <http://www.guardian.co.uk/environment/2012/feb/27/climate-change-adaptation>.

³ The World Bank, 2012.

⁴ The Guardian, September 2011: <http://www.guardian.co.uk>.

⁵ OECD/IEA, Energy Technology Perspectives 2012: Pathways to a Clean Energy System, 2012.

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*Wu Changhua, Director, Greater China, Climate Group, People's Republic of China
David Bresch, Head, Sustainability, Swiss Re, Switzerland

*Sean de Cleene, Senior Vice-President, Global Initiatives, Strategy and Business Development, Yara International ASA, Belgium
Dan Esty, Commissioner, Connecticut Department of Energy and Environmental Protection, USA
Chris Field, Director, Department of Global Ecology, Carnegie Institution for Science, USA
*Norichika Kanie, Research Fellow, Sustainable Development Governance, United Nations University Institute of Advanced Studies (UNU-IAS), Japan

*Naina Lal Kidwai, Country Head, India and Director, HSBC Asia Pacific, India
Caio Koch-Weser, Vice-Chairman, Deutsche Bank Group, Deutsche Bank, United Kingdom
*Gary Lawrence, Vice-President and Chief Sustainability Officer, Aecom Technology Corporation, USA
*Rabi Mohtar, Executive Director, Qatar Environment and Energy Research Institute, Qatar Foundation, Qatar
*Richard Muller, Professor, Department of Physics, University of California, Berkeley, USA

Karsten Sach, Deputy Director-General, International Cooperation, Federal Ministry for Environment, Nature Conservation and Nuclear Safety, Germany
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Youba Sokona, Coordinator of the African Climate Policy Center, United Nations Economic Commission for Africa (UNECA), Ethiopia
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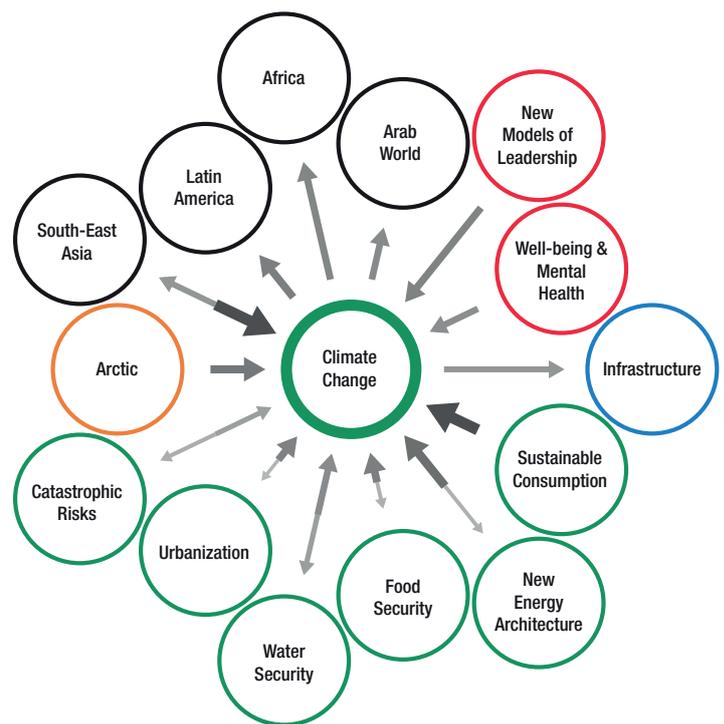
Council Insights

During its last term, the Global Agenda Council on Climate Change explored options for a successful framework for low-carbon, resource-efficient growth, taking into account the current economic and political landscape, and identified key enabling elements for action. The Council proposed a series of specific initiatives and actions that should be implemented. The group recognized that as the pace of international negotiations is too slow for a timely global solution to climate change, "bottom-up" movements, often driven by public-private collaboration at national, sub-national and regional levels, could help create a more favourable environment for a "top-down" approach to climate change.

In 2012-14, the Council on Climate Change intends to develop recommendations for effective climate adaptation, including sources of funding, and a better understanding of resource and supply chain risk and opportunities. In addition, it will advance new models for effective climate governance to achieve the goals of the Durban Platform in 2015.

The Council has acknowledged the urgent need to adapt to a fast-changing world. Accordingly, it will strengthen the argument that adaptation cannot wait and must be on a par with mitigation, health, education and development. To that end, the Council will work on identifying the metrics that best represent vulnerabilities faced by communities, entrepreneurs and governments, as well as metrics to measure results. In addition, it will focus on the capability of countries to attract investments needed to build a resilient society.

In 2015, the parties to the United Nations Framework Convention on Climate Change will prepare a new legally-binding climate deal that will replace the Kyoto Protocol and take effect by 2020. The negotiations in the run up to 2015 will present a major opportunity to design a new kind of multilateral climate treaty, possibly one that recognizes the important role of non-traditional actors, such as sub-national authorities, public-private partnerships and multistakeholder coalitions.



Contact Information

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Issue Overview

The Council defines competitiveness as the set of institutions, policies and factors that determine the level of productivity of a country. The level of productivity, in turn, determines the level of prosperity that can be gained by an economy. The productivity level also determines the rates of return obtained by investments in an economy, which are the fundamental drivers of its growth rates; thus, a more competitive economy is one that is likely to sustain growth.

The importance of enhancing national competitiveness has moved up on the agenda of many countries during the past decade. In this same period, traditional cornerstones of globalization have shifted and changed the framework in which national policies operate. The global financial crisis of 2008-09, the lack of clear progress on the Doha Development Round and the rise in preferential trading agreements are among the developments that have shaped the global context of national economic growth.

Despite recognizing the importance of competitiveness, achieving improvements is a complex process. Leaders often find it difficult to identify the most impactful measures and create the necessary political support and momentum for competitiveness-enhancing reforms.



Clement Gignac,
Chief Economist and Senior Vice-President, Industrial Alliance Insurance and Financial Services



At a time of economic uncertainty among advanced economies and slowing growth in major emerging countries, the need to focus on growth and ways to enhance national competitiveness is paramount for governments the world over. There is an opportunity for business and governments to work together to put in place the kind of policies that will promote productivity growth at the national and sub-national level, and in doing so, make their cities, regions and countries more competitive on the global stage.

Did You Know?

- In this year's Competitiveness ranking, the top 10 remain dominated by European countries, with Switzerland, Finland, Sweden, the Netherlands, Germany and the United Kingdom confirming their place among the most competitive economies. Along with the United States, three Asian economies also figure in the top 10, with Singapore remaining the second-most competitive economy in the world, and Hong Kong SAR and Japan placing ninth and tenth (*The Global Competitiveness Report 2012-2013*).
- During the past 30 years, the key indicator of prosperity – gross domestic product (GDP) per capita – has grown 18 times in Korea and 58 times in China, while in Nigeria it increased only five times.
- Sub-Saharan Africa has grown impressively over the last 15 years: registering growth rates of over 5% in the past two years, the region continues to exceed the global average and exhibit a favourable economic outlook (*The Global Competitiveness Report 2012-2013*).
- Latin America and the Caribbean have continued to grow steadily in the past year at an average rate of 4.5% (*The Global Competitiveness Report 2012-2013*).
- In the Middle East and North Africa, addressing the unemployment challenge will remain the key economic priority for the foreseeable future (*The Global Competitiveness Report 2012-2013*).

Further Resources

World Economic Forum's Global Competitiveness Reports:
<http://www.weforum.org/issues/global-competitiveness>

Global Agenda Council on Competitiveness Annual Report 2011-2012:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/competitiveness/>

Global Federation of Competitiveness Council:
<http://www.thegfcc.org/>

Calendar

27-29 November 2012, Global Federation of Competitiveness Councils (GFCC) Summit, Dubai and Abu Dhabi, United Arab Emirates

January 2013, Global Competitiveness Forum, Riyadh, Saudi Arabia



Deborah Wince-Smith,
President, Council on Competitiveness, USA



As economic, political and social turbulence transform the global landscape, and as advances at the atomic, genetic and nuclear levels rewrite the human condition, nations and leaders in the early 21st century have an obligation to double down and focus as never before on the fundamentals of competitiveness – those factors that will drive long-term productivity growth and better living standards for all. This report and its findings illuminate a path for future prosperity; we must take the first steps and show the way.



Members

*Clément Gignac, Chief Economist and Senior Vice-President, Industrial Alliance, Canada

*Jon Azua, President and Chief Executive Officer, Enovatinglab, Spain

*Ghassan Hasbani, Chief Executive Officer, International, Saudi Telecom, Saudi Arabia

*Tong Jiadong, Vice-President, Nankai University, People's Republic of China

*Razeen Sally, Visiting Associate Professor, Lee Kuan Yew School of Public Policy, National University of Singapore, Singapore

*Janamitra Devan, Vice-President, Financial and Private Sector Development, World Bank, USA

*Kevin X. Murphy, President and Chief Executive Officer, J.E. Austin Associates (JAA), USA

*Jose Antonio Torre Medina, Undersecretary for Competitiveness and Business Regulation, Secretariat of the Economy of Mexico, Mexico

Deborah L. Wince-Smith, President, Council on Competitiveness, USA

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Xavier Sala-i-Martin, Professor, Economics Department, Columbia University, USA

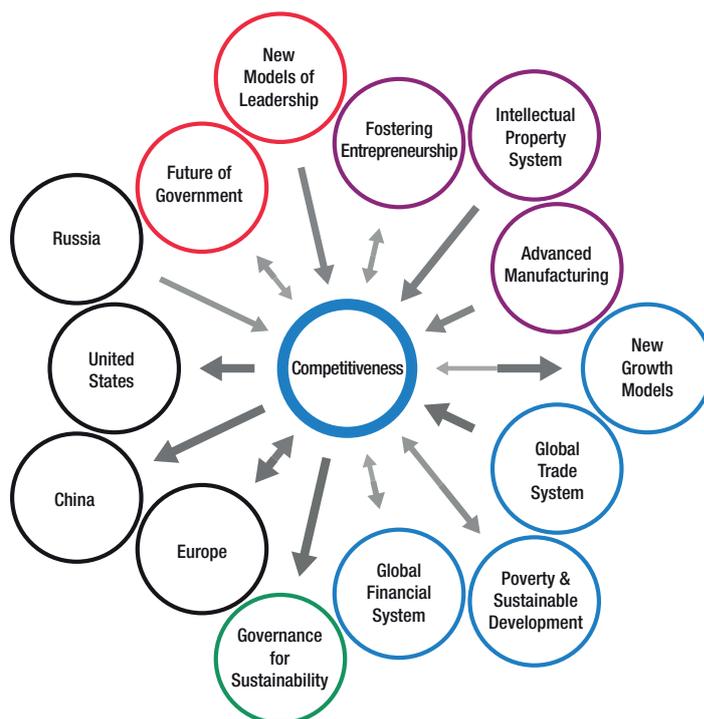
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council seeks to raise awareness of the importance of competitiveness for economic growth, and to identify ways for countries to systematically transform their economies towards higher competitiveness. The Council will reiterate the need to foster competitiveness by raising productivity, and has identified the following as key issues for national competitiveness: increasing sustainable competitiveness; institutionalizing multistakeholder discussions on competitiveness; analysing competitiveness; focusing on competitiveness at the sub-national level; and, developing new models of governance.

During the 2011-12 term, the Council on Competitiveness produced Guidelines for National Competitiveness Councils and reports. These provide a point of entry to institutions interested in setting up a competitiveness council or publishing a competitiveness report. The Council also provided input to a number of regional and topical competitiveness projects. For example, in the Europe 2020 review, benchmarks analyse the progress of Europe towards both the competitiveness goals, and to the World Economic Forum's ongoing work on sustainable competitiveness. The Council has agreed to work with the Global Federation of Competitiveness Councils to stimulate the creation and growth of private-sector-led National Competitiveness Councils around the world, particularly in Europe, Africa, the Indian sub-continent, and South and Central Asia.

During the new term, the Council will focus on wealth creation and economic growth-enhancing reforms, and will pursue two work streams: identification of best practices in regional competitiveness, focusing on large heterogeneous countries; and, analysis of barriers to structural reform and the methods required to overcome them. Individual Council Members will also continue to discuss sustainable competitiveness and related distributional issues in the Advisory Board on Sustainable Competitiveness.



Contact Information

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Issue Overview

Armed conflict has a grave impact on human life, economic growth, development and political stability. According to the 2011 World Development Report, the average cost of civil war equals +30 years of gross domestic product (GDP) growth of a medium-sized developing country.¹ UN peacekeeping resources reached historic highs of US\$ 7.83 billion and 96,305 uniformed personnel in 2012. Environmental damage from conflicts is costly and can be irreversible, as in cases of oil spills and biodiversity loss from mines and fires.

The nature and scope of conflict are changing. Research suggests about 40% of intrastate conflicts are related to or fuelled by natural resources,² and that resource-rich countries are 50% more likely to relapse into conflict. In countries that have previously experienced civil war, a relapse into violence is the primary manifestation of conflict. Drug trafficking and criminal activities provide revenue and motive for conflict actors to continue violence.³ Peace deals unaccompanied by development are more likely to remain fragile and raise the spectre of violent relapses.

Yet many promising trends in peacebuilding should be leveraged. To curtail resources flowing into conflict situations, more nations are applying legislation obliging companies and public procurement to improve their due diligence. The transparency brought by social media and global telecommunications help peacebuilding actors respond more quickly to violence. New methods of tracking exploitation of natural resources can reduce opportunities for funding armed conflicts.

The international community must continue to innovate on conflict prevention strategies. While many organizations have expertise in dealing with specific conflicts, the need to combine resources among peacebuilders is an urgent priority. Business, which has been largely absent from peace processes, should embrace a constructive role in ensuring stability and peace, by: providing economic opportunities and employment; supporting strong institutions for governance; and engaging with the communities where their operations have an impact.

Did You Know?

- 1.5 billion people live in countries affected by cycles of political and criminal violence.⁴
- The Colombian insurgent group FARC reportedly earned US\$ 140 million from drug production in 2002.⁵

Further Resources

Global Witness and Conflict Minerals:
<http://www.globalwitness.org/library/implementing-conflict-minerals-provision-cost-business-usual>

UN Peacebuilding Support Office:
<http://www.un.org/en/peacebuilding/pbso/>

Shell in Nigeria:
<http://www.shelldialogues.com/sites/default/files/Nigeria%20Webchat%20-%20July%202011%20-%20Session%202.pdf>

Calendar

21 September 2012, International Day of Peace

25 September 2012, UN General Assembly in New York, High Level Side-Event on "Peacebuilding: Way Towards Sustainable Peace and Security", chaired by the Prime Minister of Bangladesh

7-8 November 2012, UN Global Compact MENA Regional Forum in Lebanon

3-5 June 2013, World Economic Forum on East Asia in Myanmar



Judy Cheng-Hopkins,
United Nations
Assistant
Secretary-
General for
Peacebuilding
Support

“

Any political agreement remains fragile unless the resultant dividends reach the wider population. It is at this crossroads that peacebuilding is most acute.

”



Anne Gloor,
Founder and
Director,
PeaceNexus

“

There is no doubt that unemployment is a key driver of conflict. Consequently, job creation has entered the peacebuilding arena as peacemakers have come to realize that the business community should not only help create jobs, but also systematically inform the discussion on how to stabilize fragile states.

”

¹ World Bank World Development Report 2011.

² United Nations Department for Peace-Keeping Affairs and United Nations Environment Programme.

³ Nigel Inkster and Virginia Comolli, *Drugs, Insecurity and Failed States*, International Institute for Strategic Studies, Routledge, March 2012.

⁴ World Bank World Development Report 2011.

⁵ Rensselaer W. Lee, "Perverse Effects of Andean Counternarcotics Policy", *Orbis*, vol. 46, no 3, Summer 2002.

Members

*Judy, Cheng-Hopkins, Assistant Secretary-General for Peacebuilding Support, United Nations Peacekeeping UNDPKO, USA

Vice-Chair: *David, Harland, Executive Director, Centre for Humanitarian Dialogue, Switzerland

*Patrick Alley, Co-Founder and Co-Director, Global Witness, United Kingdom

*Mely Caballero-Anthony, Head and Associate Professor, Nanyang Technological University (NTU), Singapore

*Andrew L. Cohen, Chief Executive Officer, JPMorgan Private Bank, Hong Kong SAR

*Brian Ganson, Senior Researcher, The Africa Centre for Dispute Settlement, University of Stellenbosch Business School, South Africa

*Anne Gloor, Executive Director and Co-Founder, PeaceNexus Foundation, Switzerland

*Terry Heymann, Director, Responsible Gold, World Gold Council, United Kingdom

Hind Kabawat, Senior Research Associate, Public Diplomacy, Director, Conflict Resolution Program of Syria, Center for World Religions, Diplomacy and Conflict Resolution, George Mason University, Syria

*Herbert McLeod, Adviser to the Government of Sierra Leone, Office of the President of Sierra Leone, Sierra Leone

*Anton Mifsud-Bonnici, Advocate, Office of the Chief of Staff, BP International, United Kingdom

*Salvador Paiz, President, FunSEPA, Guatemala

Zoya Phan, Campaigns Manager, Burma Campaign UK, United Kingdom

Hugo Slim, Senior Research Fellow, Oxford Institute for Ethics, Law, and Armed Conflict, Oxford Institute for Ethics, Law and Armed Conflict, Oxford University, United Kingdom

*Dan Smith, Secretary-General, International Alert, United Kingdom

*Andrew Vickers, Vice-President, NGO and Stakeholder Relations, Royal Dutch Shell, Netherlands

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council on Conflict Prevention is committed to fostering business and peacebuilding collaboration, fuelling new and more effective peacebuilding alliances.

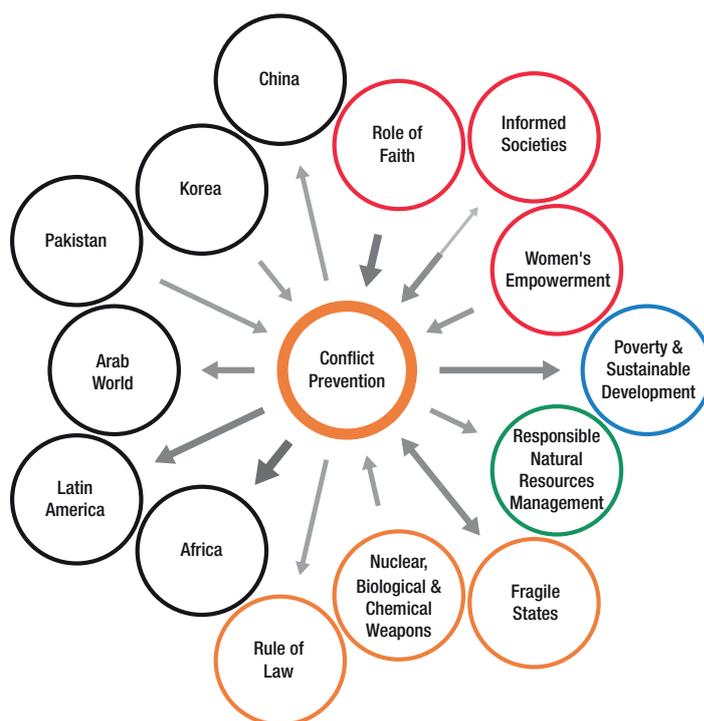
Business can be a force for peace. Traditionally the realm of governments, NGOs and international organizations such as the UN, a major link in the chain is sorely missing from peace-building efforts – the economic and productive sector. Business has also been a counter-productive force in fragile societies through irresponsible practices, corruption and the exploitation of resources. Thus, the engagement of business in peacebuilding must be carefully constructed.

Recommendations:

- Providing easily accessible information for companies operating in resource-rich, conflict-affected areas
- Increasing the dissemination of positive experiences or best practices of businesses acting in the interests of peacebuilding
- Taking advantage of the crucial transition in Myanmar, for the peacebuilding community to work with the private sector to ensure new foreign direct investment is sustainable

Relevant Projects:

- The *Post-conflict Peacebuilding Business Resource Initiative*, spearheaded by the Council in collaboration with the UN Peace Building Support Office (UNPBSO), will build a Web portal providing accessible information for companies operating in conflict-affected environments.
- A research project will provide advice and guidance on the role of the private sector in fragile states, to generate insights and best practices related to the issues facing business and peacebuilders.
- The Strategic Platform for Peace and Investment in Myanmar (under development) will promote dialogue and transparency for new incursions by multinational companies in the extractive sector.
- Ideas and views relevant to the next phase of a global development agenda will be generated, superseding the Millennium Development Goals after 2015, emphasizing the significance of conflict prevention and the link between conflict, peace and development.



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 Forum Lead: Martina Gmur, Senior Director, Global Agenda Councils Team, martina.gmur@weforum.org

Issue Overview

Connectivity is redefining social dynamics. With more than 6 billion people and tens of billions of devices connected to the networked economy, digital hyperconnectivity is transforming the socio-economic landscape, on both an individual and organizational level. It has produced a flood of transactional data – so-called “big data” – estimated at 2.5 quintillion bytes per day. In the developing world, people use mobile devices for day-to-day activities; when aggregated, the signals they generate tell compelling stories. Data can be used to identify needs, provide services, and predict and prevent crises among low-income populations. Once analysed, they provide a tool to understand changes in a population’s well-being, in real time. In short, big data is key to the global economy because it can be used to benefit developing societies.

The world is in flux and business models are struggling to catch up. Demand is outstripping supply and a disconnect exists between sources of revenue and sources of cost. With the number and character of mobile devices also changing, ubiquitous computing is becoming embedded throughout society. Together, these are transforming investment needs with untapped avenues emerging to offer investment opportunities.

Concerted action is needed by governments, development organizations and companies to establish more user-centric, reliable, transparent and accountable socio-economic systems.

In addition to investment in core infrastructure, this will require policies and regulations that encourage competition and innovation, including relevant principles, models and tools. These also need to take account of the challenges inherent among the different stakeholder groups:

- Individuals, frustrated by a lack of transparency and control over the use and commercialization of personal data
- Businesses, uncertain of legal liabilities and seeking to adjust to the realities of vast, real-time, multilayered data
- Governments, struggling to establish harmonized legal frameworks, safeguards and compliance mechanisms that keep pace with the speed and complexity of data production

Did You Know?

- By 2013, annual global Internet traffic is predicted to reach 667 exabytes (one exabyte is equivalent to one quintillion bytes). Internet video alone is expected to generate over 18 exabytes a month by 2013.¹
- The mobile phone is one of the most prolific signalling devices on earth: over 5 billion mobile phones are in circulation, including 4 billion in developing countries.²
- During 2011, more data was generated than mankind has produced since the beginning of history.³

Further Resources

Big Data, Big Impact: New Possibilities for International Development: http://www3.weforum.org/docs/WEF_TC_MFS_BigDataBigImpact_Briefing_2012.pdf

Big Data for Development: Opportunities and Challenges, UN Global Pulse: <http://www.unglobalpulse.org/projects/BigDataforDevelopment>

Big Data for Social Good, Harvard School of Public Health: <http://www.hsph.harvard.edu/ess/bigdata.html>

Rethinking Personal Data: Strengthening Trust: <http://www.weforum.org/personaldata>

Personal Data: A New Asset Class: <http://www.weforum.org/reports/personal-data-emergence-new-asset-class>

Calendar

23-25 October 2012, O'Reilly Strata Conference, New York, USA

6-7 November 2012, New Digital Economics – Digital Arabia, Dubai, United Arab Emirates

3-5 December 2012, New Digital Economics – Digital Asia, Singapore

3-14 December 2012, ITU World Conference on International Telecommunications, Dubai, United Arab Emirates

March 2013, Big Data Summit, London, United Kingdom



Nathan Eagle,
Co-Founder
and Chief
Executive
Officer, Jana

“
Data-driven development represents an opportunity to transcend observational science, enabling us not only to learn more about the underlying dynamics driving behaviour, but to be able to use these insights to design better mechanisms, better systems, better tools that can improve the lives of these billions of people generating this data and the societies in which they live. Rather than the passive, observational roles that scientists have played in these other fields, there is an opportunity to take an active role – not collecting data – but designing more appropriate interventions.”



Robert Quinn,
Senior
Vice-President,
Federal
Regulatory
Authority and
Chief Privacy
Officer, AT&T,
USA

“
We must accelerate and integrate efforts to frame the dynamics of the new personal data ecosystem – and the good news is that a shared set of principles, models on rights and duties and personal data rights language are all in development. The issue is to ensure these are architected into a coherent plan to drive trust, opportunity and growth.”

¹ http://www.cisco.com/en/US/netsol/ns827/networking_solutions_sub_solution.html.

² <http://www.unglobalpulse.org/ResearchAndBigDataVideos>.

³ Ibid.

Global Agenda Council on Data-Driven Development



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IMPROVING THE STATE
OF THE WORLD

Members

* Robert Quinn, Senior Vice-President, Federal Regulatory and Chief Privacy Officer, AT&T, USA
Vice-Chair: *Juliana Rotich, Co-Founder and Executive Director, Ushahidi, Kenya

*John H. Clippinger, Chief Executive Officer, ID3.org, USA

*Rob Conway, Chief International Affairs Officer, VimpelCom, Netherlands

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Alex Pentland, Toshiba Professor of Media, Arts and Sciences, Massachusetts Institute of Technology (MIT), USA

*Shane Green, Co-Founder and Chief Executive Officer, Personal, USA

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*Scott David, Executive Director, Law, Technology and Arts Group, University of Washington, USA

*Michael Macharia, Founder and Group Chief Executive Officer, Seven Seas Technologies (SST), Kenya

*Bright Simons, President, MPedigree, Ghana

*Seth Ayers, Senior Partnership Specialist, World Bank Institute, USA

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*Nicholas A. Nesbitt, Chief Executive Officer, KenCall EPZ, Kenya

*Simon Torrance, Chief Executive Officer, Telco 2.0 Initiative, STL Partners, United Kingdom

*William A. Brindley, Chief Executive Officer and Executive Director, NetHope, USA

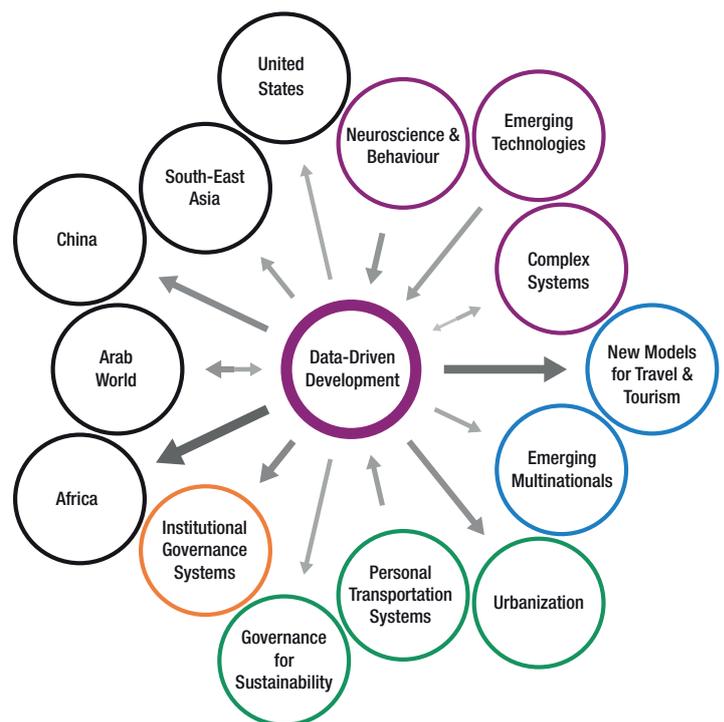
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Data-Driven Development starts from the key assumption that the world is now “hyperconnected”: not merely that there are billions of devices, but also that the data sets involved are extremely large – they are commonly described as “big data”. The Council believes that this data can be used to create more equitable and open socio-economic structures, notably in developing societies. As electronic signals can be collected and analysed more quickly than survey responses, they can be used to track trends and identify problems faster, and in a targeted manner. It is these insights that the Council hopes to focus on and tap into.

More specifically, the Council aims to improve common understanding and develop an evidence base of big data, with the long-term objective of establishing tools and frameworks to drive socio-economic growth. This is a rapidly changing field; the Council has been designed to be flexible so as to respond to changes in this field. In particular, the Council hopes to shift the dialogue to learning-lab models, as part of efforts to promote an understanding of the different relationships in the field of data.

The Council feeds into the World Economic Forum’s *Rethinking Personal Data* project. This project has three overall objectives. First, to produce a set of shared principles for the trusted flow of personal data; second, to develop a better evidence base for the economic and social impacts of personal data; and, finally, to support and encourage the development of a “test and learn” environment related to personal data. For more information, see www.weforum.org/personaldata.



Contact Information

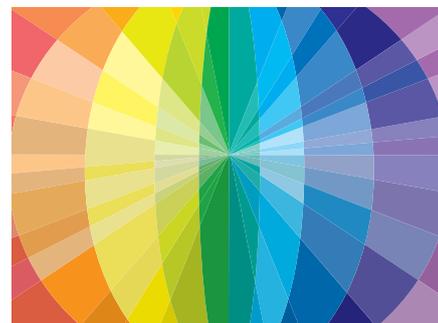
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Forum Lead: Alan Marcus, Senior Director, Head of Information Technology and Telecommunications Industries, alan.marcus@weforum.org

Issue Overview

The world needs creative solutions to overcome the current set of crises, from climate change to fragile states and youth unrest. Today's complex environment requires that we constantly readjust our mindsets to tackle its dynamic forces. In this context, design and innovation are drivers for humanity's creative and sustainable future.

Design and innovation can serve several functions. First, they are a universal language that communicates different values. This is important for balancing the perspectives and goals of multiple stakeholders. Second, they act as systems of collaboration that encourage inclusive, accessible, multifunctional and sustainable ways of thinking. This is crucial to address the global problems of tomorrow. Finally, design and innovation are naturally democratic mediums: they are able to preserve cultural principles yet can embrace new ideas and new systems, while iterative processes automatically incorporate checks and balances.

Design and innovation can transform the transmission and dissemination of information. With the world increasingly communicating through social media, including YouTube, Flickr, Instagram and Facebook, information has become visual, and visual design will become a universal language of the digital age. The increasingly visual nature of our interactions will have implications for education, and for our economies, religion and technology. Looking to the future, the question to ask is how design and innovation can best help to create an equitable value system within our global society.



Paola Antonelli,
Senior Curator,
Department of
Architecture
and Design,
Museum of
Modern Art,
New York

“

Designers stand between revolutions and everyday life. They are able to grasp momentous changes in technology, science and society and convert those changes into objects and ideas that people can understand.

”

Did You Know?

- In China today, 1 million students are studying design.¹
- A Danish study shows that companies using design as an integral part of their business and their innovation and development processes saw a 22% increase in value, compared to companies that only use design for last styling and finish.²

Further Resources

Antonelli, Paola. "On Governing by Design". *Seed Magazine*, 11 February, 2011.
http://seedmagazine.com/content/article/on_governing_by_design/

Brown, Tim. *Change By Design*. Harper Collins, September 2009. <http://www.ideo.com/by-ideo/change-by-design?cbd>

Radjou, Navi, et al. *Jugaad Innovation: Think Frugal, Be Flexible, Generate Breakthrough Growth*. Jossey-Bass, April 2012.
<http://jugaadinnovation.com/>

Walking the Talk with Jens Martin Skibsted. Design Indaba, <http://www.designindaba.com/article/walking-talk>, 1 October 2012

Calendar

20-22 January 2013, DLD,³ Munich, Germany

24 February-1 March 2013, Design Indaba Conference,⁴ Cape Town, South Africa

9-14 April 2013, Salone Internazionale del Mobile,⁵ Milan, Italy

12-13 June 2013, World Innovation Forum,⁶ New York, USA



Jens Martin
Skibsted,
Founding
Partner, KiBiSi/
Skibsted
Ideation

“

There are a multitude of challenges that design thinking can and must address, the biggest of which is the fact that design has become the mercenary of consumer culture.

”



Navi Radjou,
Executive
Director, Centre
for India &
Global
Business,
Judge
Business
School,
University of
Cambridge

“

To innovate faster, better, cheaper, Western firms must embrace a new mindset: a frugal and flexible mindset that sees opportunity in adversity and enables you to do more with less.

”

¹ Internal estimation by the Central Academy of Fine Arts (CAFA), People's Republic of China.

² Danish Business Authority http://ebst.dk/publikationer/design/design_skaber_vaerdi/index.htm.

³ <http://www.dld-conference.com/events/>.

⁴ <http://www.designindaba.com/event/design-indaba-conference-2013>.

⁵ <http://www.cosmit.it/tool/home.php?s=0,2,67,71,75>.

⁶ <http://www.wobi.com/event/world-innovation-forum-new-york-2013>.

Members

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*David Butler, Vice-President, Innovation, Coca-Cola Company, USA

*Jens Martin Skibsted, Founding Partner, KiBiSi / Skibsted Ideation, Denmark

*Anne Asensio, Vice-President, Industrial Design, Dassault Systèmes, France

Tim Brown, Chief Executive Officer, IDEO, USA

*Valerie Casey, Founder and Executive Director, The Designers Accord, USA

*Brian Collins, Creative Chairman, COLLINS, USA

*Dimitar Gantchev, Deputy Director, Culture and Creative Industries Division, World Intellectual Property Organization (WIPO), Switzerland

*Daria Golebiowska-Tataj, Board Member, European Institute of Innovation and Technology, Hungary

Jon Christopher Hacker, Chief Design Officer, Johnson & Johnson, USA

Cesar A. Hidalgo, ABC Career Development Professor, Massachusetts Institute of Technology (MIT), USA

John Kao, Chairman and Founder, Institute for Large Scale Innovation, USA

*Sujata Keshavan, Co-Founder, Ray + Keshavan Design, India

Chris Luebckeman, Director, Global Foresight and Innovation, Arup Group Ltd, USA

*Toshiko Mori, Robert P. Hubbard Professor in the Practice of Architecture, Harvard University Graduate School of Design, USA

*Erynne Owunwanne, Founder, Heritage1960, USA

*Navi Radjou, Executive Director, Centre for India & Global Business, Judge Business School, University of Cambridge, United Kingdom

*Jer Thorp, Co-Founder, The Office for Creative Research, USA

*Wang Min, Dean, School of Design, Designer, Central Academy of Fine Arts (CAFA), People's Republic of China

*Confirmed participation in the Summit on the Global Agenda 2012

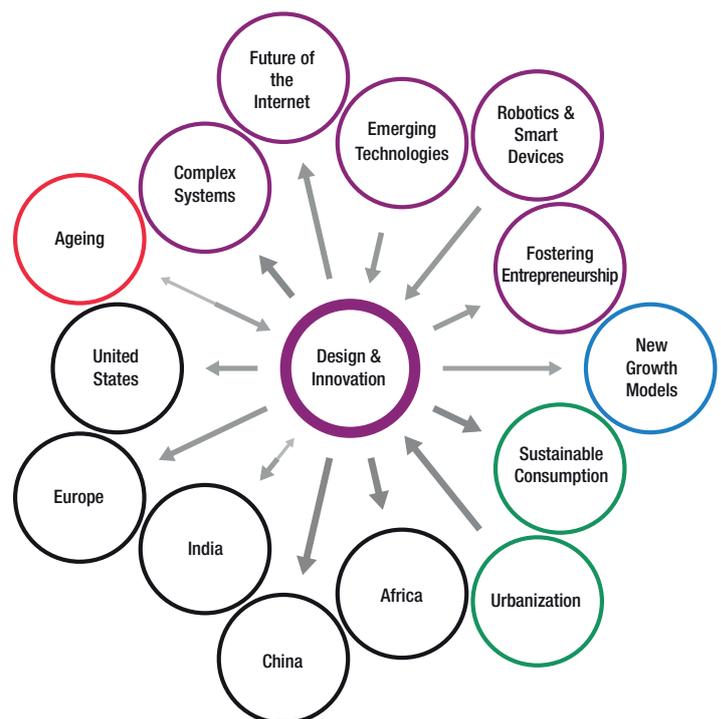
Council Insights

The Council on Design Innovation strives to apply design and innovation to identify and analyse systemic problems, and to invent and deliver creative solutions. During the five years of its existence, the Council has developed principles for design to become a capacity-building tool as well as a provider of concrete solutions to global issues. For example, in response to the need for drinking water in environmentally-challenged and underserved communities, the Council developed a water bottle filtering system.

In the upcoming term, the Council plans to organize four roundtables open to the public. Each roundtable will focus on a different topic and will be hosted by Council Members in countries around the world. The nature of the outcome is yet to be determined; however, to ensure the visibility of the outcomes, social media will be employed prior to, during and after the events. The Council plans to connect with the Forum teams and other Councils related to each of the selected topics and regions to create interlinkages across issues.

The four draft topics for the roundtables are:

- Policies and strategies: How can design and innovation policies and strategies be implemented to boost national competitiveness and stimulate sustainable economic growth?
- Education: How is design and innovation reshaping education to develop the skills and talent that meet the needs of the 21st century?
- Urban development: With rapid urban development, what role can design and innovation play in shaping smart and sustainable cities for the future?
- Embracing complexity: In today's hyperconnected world, mastering complex systems is critical for decision-making and building resilient organizations. What role can design and innovation play?



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Issue Overview

The health sector has belatedly implemented the benefits of information and communications technology (ICT) and taken advantage of ICT's transformative power and potential to improve access to care, productivity and quality.

Progress has been hampered by gaps in communication, the interests between the information technology (IT) and health industries, as well as by regulatory and competitive features of ICT markets. Health is a highly regulated industry; its product innovation cycle is often 5-10 years, compared to only 6-12 months in many industries. These long innovation cycles and regulatory hurdles have discouraged the IT and telecommunications (TC) industries. Health professionals and healthcare institutions purchasing ICT often take a conservative approach to adopting new technologies. Additionally, competition in the IT and TC industries does not always serve broad social interests in public and population health management, which have the characteristics of public goods.

Awareness is growing across both industries, however, that many of the obstacles to realizing ICT benefits in the health sector are common among nations, and that knowledge sharing between countries could accelerate progress in health ICT. Developing countries are not just learning the best practices in digital health from developed countries but are occasionally overtaking them. In areas like advancements in mobile technology, innovation can help reach certain populations that were historically inaccessible. As ICT advances are made in healthcare, opportunities to share information across national boundaries will grow, and international collaboration could enhance data sharing.

Did You Know?

- In 45 out of 167 countries, no responsible unit exists within the Ministry of Health for the management of medical devices; 87 countries do not include health technology within their national health policy.¹
- The global e-health market is estimated at US\$ 96 billion, and is increasing on every continent.²
- In the European Union, there is no uniform procedure for drafting e-health policy; in different countries the Ministry of Health, the Prime Minister's office, a federal council or regional authorities, may handle this.³

Further Resources

Digital Health Annual Report, 2011:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/digital-health/>

Healthcare Information Management Systems Society (HIMMS):
<http://www.himss.org/ASP/index.asp>

World Health Organization:
<http://www.who.int/topics/ehealth/en/>

Calendar

3-7 November 2012, American Medical Informatics Association (AMIA) 2012 Annual Symposium, Chicago, Illinois, USA

3-7 March 2013, Healthcare Information Management Systems Society (HIMSS) Annual Conference, New Orleans, USA

14-16 March 2013, Fourth Annual Consortium of Universities for Global Health (CUGH) Conference, Washington DC, USA



John Glaser,
Chief Executive
Officer, Health
Services
Business Unit,
Siemens, USA;
Vice-Chair,
Global Agenda
Council on
Digital Health

“
Numerous studies have examined the impact of Health IT (HIT) on specific aspects of care provision: reduction in medication errors, improvement in referral processing and better management of chronic disease. Very few analyses have examined a holistic impact of HIT on the economic impacts across a country, such as the productivity of a country's workforce.”



David
Blumenthal,
Samuel O.
Thier Professor
of Medicine
and Professor
of Health
Policy, Harvard
Medical
School, USA;
Vice-Chair,
Global Agenda
Council on
Digital Health

“
The potential contribution of digital health to solving the enormous problems of health and healthcare affecting both the developed and developing world continues to grow ever more promising and exciting. There is a pressing need, therefore, for collaborative, cross-national work to clear away obstacles to the use of digital health. The World Economic Forum can make a significant contribution in facilitating and stimulating this work.”

¹ World Health Organization Statistics.

² Boston Consulting Group. "Understanding the E-Health Market." Presented at Making the E-Health Connection: Global Partners, Local Solutions. Bellagio (Italy); 2008. p. 3.

³ Health Affairs, "Global E-Health Policy: A Work In Progress", February 2010 vol. 29 no. 2 237-243.

Members

*Karin Johansson, State Secretary, Ministry of Health and Social Affairs of Sweden

David Blumenthal, Samuel O. Thier Professor of Medicine and Professor of Health Policy, Harvard Medical School, USA

John Glaser, Chief Executive Officer, Health Services Business Unit, Siemens, USA

*Richard C. Alvarez, President and Chief Executive Officer, Canada Health Infoway

*Peter Bach, Director, Center for Health Policy and Outcomes, Memorial Sloan-Kettering Cancer Center

*Peter Beshar, Executive Vice-President and General Counsel, Marsh & McLennan Companies (MMCo), USA

Harry Cayton, Chief Executive, Council for Healthcare Regulatory Excellence

*Dai Tao, Head of the Institute of Medical Information, Chinese Academy of Medical Sciences

*Jamie Ferguson, Vice-President, Health IT, Fellow, Institute for Health Policy, Kaiser Permanente, USA

*Mamar Gelaye, Vice-President and General Manager, Healthcare IT, Middle East, Africa, Eastern Europe and Central Asia, GE Healthcare,

*Harry Greenspun, Senior Advisor, Healthcare Transformation and Technology, Deloitte Center for Health Solutions, Deloitte, USA

*Rajendra Gupta, President and Director, Disease Management Association of India (DMAI)

Michael Hedges, Vice-President and Chief Information Officer, Medtronic

Jan Malek, Oracle Client Advisor, Oracle Corporation, USA

*Meg McCabe, Vice-President, Consumer Health Solutions, Aetna, USA

*Deven McGraw, Director, Health Privacy Project, Center for Democracy and Technology

Denis Protti, Professor Emeritus, University of Victoria, Denmark

*Sangita Reddy, Executive Director, Operations, Apollo Hospitals Enterprise Ltd

William Xu, Executive Director of the Board and Chief Executive Officer, Huawei Enterprise Business Group, Huawei Technologies, People's Republic of China

*Thomas Zeltner, President, Science et Cité Foundation, Switzerland

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

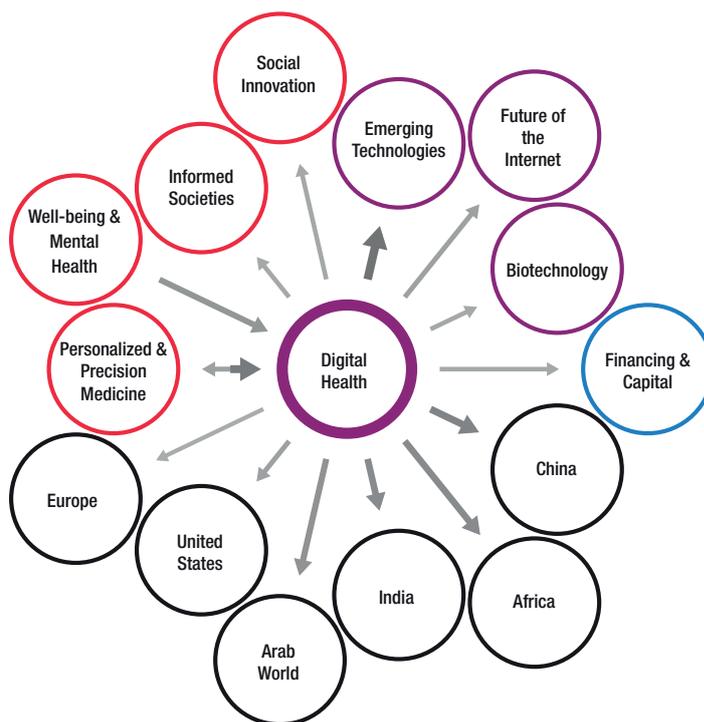
The Council aims to advance the use, adoption and measurement of technology in health and healthcare, focusing on the following four key areas within digital health.

The development and alignment of standards are necessary to allow the exchange of health information between healthcare providers, public health organizations and consumers. The lack of common standards is a major barrier to using digital health to exchange health information. Researchers must identify innovations and interventions that can improve public health, and demonstrate that data exchange can empower patients to participate and have an influence on their own care.

The identification of digital health investments that offer the best clinical and economic returns would acknowledge the variations in healthcare priorities that can exist between countries. This would help ensure that scarce digital health resources yield the best possible return in health improvement and healthcare savings globally. The digital health dimension of proper data management should become a part of the total cost of health and care.

Stakeholder sharing across countries of similar and different stages of economic development can help overcome barriers to the deployment and use of digital health. Such issues include: process change within and between provider organizations; privacy and security management; the governance of digital health networks; the development of the digital health workforce; and, the effectiveness of clinical decision support.

It is also important to identify cross-national opportunities that can be used in a private and secure manner, as well as non-traditional sources of information on the behaviour, attitudes and values of individuals and populations. There is great advantage to ensuring all aspects of personal and health data are connected, as they are most valuable when integrated. A national debate on personal data is also needed to inform the public about the integration process and its benefits and risks.



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Issue Overview

Improving education worldwide is essential for encouraging productivity, innovation, job creation and ultimately, economic growth. Such improvement requires identification and adoption of new short- and long-term policies and practices. Appropriate investments in education can achieve the desired results, but this outcome depends on awareness of the changes that are needed at global and local levels. Political support and substantial public and private resources will be required. Fortunately, the evidence base needed to identify necessary reforms is becoming more widely available. Closely interlinked with the essential discussion around education is that of the «skills gap», particularly its existence, nature, policy approaches, skills mobility and skills employment.

Did You Know?

- Between 1999 and 2009, the overall number of children enrolled in primary or secondary education increased from 84% to 90%.¹
- Most illiterate persons are female. In over 20 developing nations, illiteracy rates among women exceed 70%.² Disparities between males and females in access to secondary education remain a challenge.³
- A good basic education is among the most effective and cost-effective means to prevent HIV/AIDS.⁴
-

Further Resources

Global Education Digest 2011: Comparing Education Statistics Across the World, United Nations Educational, Scientific and Cultural Organization
<http://www.uis.unesco.org/Education/Pages/ged-2011.aspx>

Education in a Globalized World, David E. Bloom, 2006
http://www.relooney.info/00_New_933.pdf

Abdul Latif Jameel Poverty Action Lab:
<http://www.povertyactionlab.org/>

Calendar

13-15 November 2012, World Innovation Summit for Education (WISE), Qatar

21-23 November 2012, Global Education For All Meeting, Paris, France



The Universal Declaration of Human Rights, Article 26

“
Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.



David E. Bloom, Clarence James Gamble Professor of Economics and Demography, Harvard School of Public Health, Harvard University, USA

”
“
In a globalized world, education at all levels is more important than ever. Education deficits can hinder a society in isolation, but in a globalized world these deficits can be even more detrimental to a country's economy and development.



Brij Kothari, Director, PlanetRead, India

”
“
There are 300 million completely illiterate people in India, while there are another 300 to 400 million who are functionally literate but cannot read fluently. Our experiments in same language subtitling have proved that by playing Hindi-subtitled Hindi songs for half an hour everyday, reading skills improve.

¹ Global Education Digest 2011: Comparing Education Statistics Across the World, UNESCO.

² dosomething.org.

³ Global Education Digest 2011: Comparing Education Statistics Across the World, UNESCO.

⁴ Worldbank.org.

Members

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*Mallam Bolaji Abdullahi, Minister of Sports, Ministry of Sports and National Sports Commission, Nigeria

*Kristin Clemet, Managing Director, Civita, Norway

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Abdulla Bin Ali Al Thani, President, Hamad bin Khalifa University, Vice-President, Education, Qatar Foundation, Qatar

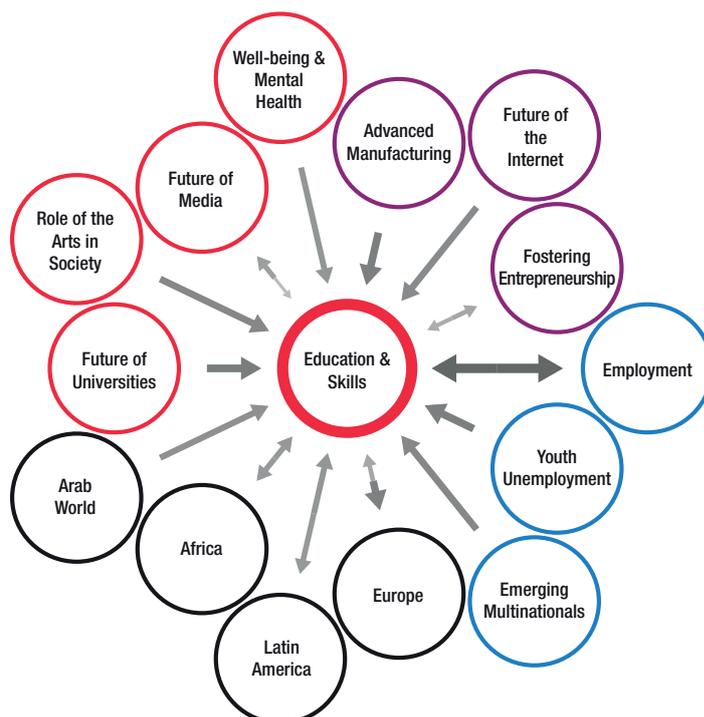
Tae Yoo, Trustee, Cisco Foundation, USA

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

With a lineage to the former Council on Education Systems and the Council on Skills & Talent Mobility, this new Council on Education & Skills offers leaders an opportunity to take their education and skills agenda to the next level, by raising global awareness on the need to improve education systems. The Council plans to be solution-oriented, with a focus on accountability for progress. By leveraging the multistakeholder platform provided by the World Economic Forum, the Council aims to make a difference by bringing the private and public sectors to the table.

While the topic of education and its related challenges is broad, the Council has already explored a series of potential areas of work for the coming term. The first one is the skills gap: looking at its nature, existence and the different policy approaches needed to address this issue. A second area of interest focuses on the various steps and levels within educational systems, from early childhood to lifelong learning, and the identification of respective challenges associated with each. Another focus area for the Council is recognizing the benefits of global partnerships, both in addressing common challenges in education and appreciating close working relations with existing endeavours. Joining forces in a "global education fund" (in a similar manner to the Global Fund to Fight AIDS, Tuberculosis and Malaria) could significantly advance responses to challenges in the field of education worldwide. Finally, significant interest exists in the use of information technology to create distance-learning opportunities, for example, due to its potential to create innovative solutions for addressing existing gaps, particularly in developing countries.



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Issue Overview

As companies from emerging markets deal with extremely competitive environments in their home countries, they expand abroad in an attempt to secure resources and to better serve foreign demand. These new, emerging enterprises have already become new poles of business excellence, which they achieved with inspiring leadership and innovative approaches to traditional and tough problems.

The largest emerging multinationals – from China, India, Brazil and other emerging markets – are increasingly challenging traditional enterprises. Some first-generation emerging economies, such as South Korea, Hong Kong SAR and Taiwan, have even become net foreign direct investment (FDI) exporters, a position traditionally reserved for developed countries.

In a world of global competition, where companies face the need to shift from a traditional productivity-and-costs model to one that is equally focused on creativity and innovation, emerging multinationals have the advantage of having been created with innovation at their core. In addition, large and rapidly-growing domestic markets give them the space and funds to invest easily abroad. Many of them have access to advantageous financing, and some are family-controlled, public companies, in which decision-making is facilitated.

Emerging multinationals can become a bridge to the advanced economies by promoting responsible business practices at home. Leaders of many of these companies understand the positive role business must play in their societies, which helps to build trust with policy-makers and the public.

Did You Know?

- FDI outflows from developing and transition economies have rapidly increased from US\$ 12 billion in 1990 to nearly US\$ 457 billion in 2011, which is equivalent to 25.1% of the world total.¹
- Among the top 500 multinationals worldwide, 202 companies are from developing countries as of 2012, compared with only 19 in 1990.²
- India and China together are projected to account for 42% of the total number of new multinationals established over the next 15 years.³

Further Resources

Khanna, Tarun and Palepu, Krishna. *Winning in Emerging Markets: A Road Map for Strategy and Execution*. Boston: Harvard Business School Publishing, 2010

<http://wetware.blogspot.ch/>

<http://blogs.hbr.org/quelch/>

Gupta, A.K., and Wang, H. *Getting China and India Right*. San Francisco: Jossey-Bass, 2009

Calendar

24-25 June 2012, Global India Business Meeting, Antwerp, Belgium

13-15 March 2013, Emerging Markets Summit, Istanbul, Turkey

24-27 June 2013, SuperReturn Emerging Markets 2013, Geneva, Switzerland

March 2013, BRICs Summit, South Africa



S.D. Shibulal,
Chief Executive
Officer and
Managing
Director, Infosys,
India

“

There is no good time for transformation but if you don't do it, you will not survive. Change is hard for people; you are resetting expectations; you are recreating processes; you are changing people's aspirations. But look at the history of corporates in the world – whatever makes you successful today is not going to make you successful tomorrow.

”



Reuben
Abraham,
Executive
Director, Centre
for Emerging
Markets
Solutions, Indian
School of
Business, India

“

You can't redistribute poverty, you can only redistribute wealth. And the only agent of society that can create wealth is business. Therefore the focus should be squarely on business and the creation of wealth, which unfortunately along the way we seem to have forgotten.

”



Subramanian
Rangan,
The Abu Dhabi
Crown Prince
Court Endowed
Chair in Societal
Progress,
INSEAD, France

“

At the enterprise level there has been a shift from the broad view that performance means profitable growth, the mantra of the 1980s and 1990s, to a broader definition of sustainable profitable growth.

”

¹ UNCTAD, 2012.

² Fortune Global 500, 2012.

³ PricewaterhouseCoopers, Emerging Multinationals 2010.

Global Agenda Council on Emerging Multinationals



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Members

S. D. Shibulal, Chief Executive Officer and Managing Director, Infosys, India

*Reuben Abraham, Executive Director, Centre for Emerging Markets Solutions, Indian School of Business, India

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*Subramanian Rangan, The Abu Dhabi Crown Prince Court Endowed Chair in Societal Progress, INSEAD, France

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*Ruben K. Vardanian, President, Troika Dialog, Co-Head, Corporate Investment Unit and Head, Wealth Management, Sberbank, Russian Federation

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Emerging Multinationals, in collaboration with the Council on Youth Unemployment, launched TEN Youth, a pilot initiative aimed at urgently addressing youth unemployment by creating a new approach to talent development for the private sector. The key objectives of TEN Youth are to assist enterprises in accessing new talent, facilitate career development for the young and build trust between the private sector and young people.

The initiative calls on all multinational corporations to leverage their vast capabilities and resources to meet the global challenge of youth unemployment, emphasizing that if emerging and established multinationals can lean forward on this challenge, their supply chain and channel partners might well be inspired to follow.

Enterprises taking part in the initiative pledge to employ and mentor 10 previously unemployed young people in roles that offer career opportunities for at least two years. They commit to eventually hiring these youths in a full-time role or assisting with their placement in another company. The goal of TEN Youth is to reach 80% or greater retention of these employees after two years.

Selected companies from among the Members of the Global Agenda Council on Emerging Multinationals – including Aramex, Educomp Solutions and Infosys – became the first enterprises to participate in this pilot. At the World Economic Forum Annual Meeting 2012, multinational corporations such as Hilton and DHL also joined up. The Council's ambitious goal is to engage up to 1,000 emerging and established enterprises in TEN Youth by the end of 2012.

In addition to taking forward its initiative on youth unemployment, in the coming term the Global Agenda Council on Emerging Multinationals aims to:

- focus on the issue of innovation by emerging multinationals
- explore factors that explain the success or failure of emerging multinationals in the transfer and integration of capabilities in cross-border expansion, whether South-South, South-North or North-South



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Issue Overview

Emerging technologies provide solutions to pressing global challenges and providing fertile ground for sustainable business opportunities, but it is important to determine which technology trends have the greatest potential impact in the near and long-term future. In an ever-more complex, inter- and hyper-connected, risk-aware and transparent world, realizing potential depends on identifying developmental barriers, enabling responsive and responsible innovation, and forging partnerships between governments, industry, academics and the public sector.

During the past 20 years, accelerating progress in science and technology stimulated a new age of discovery; yet integrating emerging technologies within existing industries presents a big challenge. Gambling on emerging technologies and uncertain markets is a complex proposition and requires deep understanding of value networks and systems. Moreover, public perception of the possible unintended consequences of emerging technologies can also hinder investment.

Current models for implementing technological innovation to support economic and social progress are falling short of the challenges presented by an increasingly complex and resource-constrained world. As financial systems and companies become more risk averse, it is possible to miss opportunities created by technological progress, and increasingly difficult to translate innovation into products and tools that address growing global challenges. The world lacks the resources for developing economies to replicate the West's 20th-century consumption patterns.

If corporations and governments are to ensure sustainable economic and social development and a healthy environment, a new model for investing in, developing and using technology innovation is required. Unified research efforts that manage expectations and deal with public perception issues must be formed.



David King,
Director, Smith
School of
Enterprise and
the
Environment
(SSEE), United
Kingdom

“

Human ingenuity is the answer. We created the science and engineering technological revolution on which all our wellbeing is based. That same keen intelligence can point to the solutions to the hangover challenges and this requires nothing less than another renaissance.

”



Noubar Afeyan,
Managing
Partner and
Chief Executive
Officer,
Flagship
Ventures, USA

“

The true successful innovators get very close to the customer and are knowledgeable enough with all the interactions of the pieces of the system to try and come up with the true benefit of their discoveries.

”

Did You Know?

- In the OECD countries, Government Budget Appropriations or Outlays for R&D (GBAORD) represented a 0.741% of their gross domestic product (GDP).¹
- In 2005, Brazil, Russia, India, Indonesia, China and South Africa (BRIICS) represented 3.3% of the world's Patent Cooperation Treaty (PCT) applications; in 2012 this figure was 10.1%.²
- Novel catalysts, based on nano-structured materials, can potentially transform carbon dioxide to high value hydrocarbons and other carbon-containing molecules, which could be used as new building blocks for the chemical industry as cleaner and more sustainable alternatives to petrochemicals.

Further Resources

“Energy, Transport & the Environment”, Sir David King, Oliver Inderwildi, 2012, Springer, London, New York, Heidelberg.

“The Atlas of Ideas: How Asian innovation can benefit us all”, James Wilsdon, C. Leadbeater Demos, 2007.

“Biotemplated Synthesis of Perovskite Nanomaterials for Solar Energy Conversion”, Angela Belcher, Nurxat Nuraje, Xiangnan Dang, Jifa Qi, Mark A. Allen, Yu Lei, Advanced Materials, 2012.

Calendar

22-25 November 2012, 24th SITEX Expo, Singapore

December 2012, 8th LeWeb Meeting, Les Docks, Paris, France

28 March 2013, Ideas Economy: Innovation 2013, Berkeley, California, USA

¹ OECD Science, Technology and Industry Outlook 2012.

² Ibid.

Global Agenda Council on Emerging Technologies



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*Jeffrey Carbeck, Chief Technology Officer, MC10, USA

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*Julia R. Greer, Assistant Professor of Materials Science and Mechanics, California Institute of Technology (CALTECH), USA

*Clare Grey, Fellow of the Royal Society, University of Cambridge, United Kingdom

*Tim Harper, Chief Executive Officer and President, Cientifica, United Kingdom

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*Kiyoshi Matsuda, Chief Innovation Officer, Corporate Strategy Office, Mitsubishi Chemical Holdings Corporation, Japan

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Council Insights

The Council strives to address the current challenges by identifying the top emerging technological trends and raise awareness about how they can provide solutions to the most pressing global challenges, at the same time generating insights on the transformation of emerging technologies into industries. More specifically the Council will:

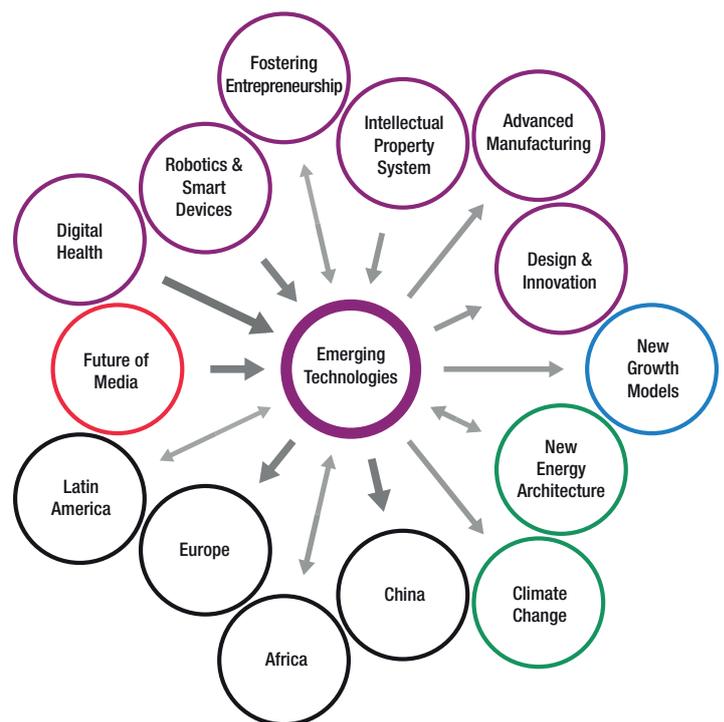
- Identify and describe the potential of the top 10 emerging technologies that best address global issues
- Identify new ways to harness the opportunities of the transformational power of emerging technologies and how they might stimulate emerging industries
- Find innovative methods to overcome short-term problems of financing emerging technologies, while addressing public perception

Goals and Milestones:

The 2012 list of Top 10 Emerging Technologies was published on 15 February 2012 on the World Economic Forum's «Forum: Blog», the Washington Post, and cited and tweeted in many other publications. This provided visibility and positive feedback to the Council, with significant emphasis on the role of emerging technologies as a job creation engine. The main goal of the Council will be to raise awareness through the publication of the 2013 Top 10, while assisting opinion leaders and business strategists in analysing emerging industrial ecospheres.

Relevant Projects:

The global energy landscape is changing, marked by a constantly growing demand for energy and an increasing importance of renewable energy sources. To address this issue over the next decade, innovative solutions related to key 'energy harnessing' themes like energy storage, renewable energy sources and resource management techniques will be required. The World Economic Forum is bringing together a multistakeholder group to address the challenges and opportunities, and produce a white paper with recommendations.



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Issue Overview

Since the financial and economic crisis began, the global economy has witnessed rising unemployment; several advanced economies have been particularly badly affected. Unemployment in OECD countries has risen from 5.7% to 8.6%; it has almost doubled in the United States. Despite recent improvements, unemployment has risen well above 20% in Spain and Greece, where it has been particularly severe among young people – one out of two remains unemployed – and the long-term unemployed, whose numbers have been steadily rising. In Asian developing countries, however, unemployment rates are starting to drop to pre-crisis levels.

Addressing this challenge will require several measures, both in the short and medium to long term, including policy solutions designed to tackle skills shortages, improve the efficiency of labour markets and create gainful employment. Bridging the gap between education and training systems, as well as in-company and lifelong-learning programmes, and labour markets to ensure greater coherence between supply and demand will be imperative. Today, many industries suffer skill shortages, while others have vacancies they are unable to fill. This hampers productivity and competitiveness and fails to address the unemployment challenge. In Europe, despite high rates of unemployment, currently 4 million vacancies exist. Similarly, in the United States, there are 3.7 million vacancies, but unemployment remains stubbornly high. Even in booming China, where it is difficult to fill vacancies in certain sectors, segments of the population are struggling to join the labour market.

Finally, job quality has also become a huge concern. Significant numbers of people work in the informal sector where they lack decent working conditions.



Stefano Scarpetta,
Deputy Director
for Employment,
Labour and
Social Affairs
(DELSA),
Organisation for
Economic
Co-operation and
Development
(OECD), Paris

“

It's an investment for the present, an investment for the future, so I think that while we are thinking about where to cut, we have to bear this in mind.

”

Did You Know?

- About 27 million jobs have been lost directly as a result of the recession.¹
- Low-skilled adults are the most vulnerable to rising unemployment: in the European Union, unemployment among this demographic has increased by 5 percentage points between 2008 and 2012.²
- Although measuring employment in the informal economy is a challenge, it represents a very significant part of employment in many parts of the world: the percentage of individuals employed in the informal sector is estimated to be 59.2 in Uganda (2010), 58.3 in Honduras (2009) and 43.5 in Vietnam (2009).³

Further Resources

International Labour Organization, September 2012: Global Employment Outlook

Global Agenda Council on Employment and Social Protection, 2012: The Case for an Integrated Model of Growth, Employment and Social Protection

CEDEFOP, 2012: Skill mismatch: the role of the enterprise, Research paper 21

Organisation for Economic Co-operation and Development:

Calendar

11 October 2012, Workshop on government approaches to supporting local economic and employment development, Riga, Latvia

5-21 June 2013, 102nd Session of the International Labour Conference, Geneva, Switzerland

26-27 March 2013, 9th Annual Meeting. OECD LEED Forum on Partnerships and Local Governance, Dublin, Ireland



John Evans,
General
Secretary, Trade
Union Advisory
Committee to the
OECD, Paris

“

There has to be an overall strategy now for prioritizing job creation as the key problem which has to be resolved in this economic crisis.

”



Stephen Pursey,
Director, Policy
Integration
Department and
Senior Adviser to
the Director-
General,
International
Labour
Organization
(ILO), Geneva

“

I believe we are facing a global social time bomb, or more accurately, a series of such time bombs, each one different according to the particular circumstances in various parts of the world. This situation we face is derived from a global shortage of jobs and widening social inequalities. Something like 61 million people have as much income as the bottom 3.5 billion of the world's population.

”

¹ The Case for an Integrated Model of Growth, Employment and Social Protection, Global Agenda Council on Employment and Social Protection, 2012.

² CEDEFOP, 2012.

³ ILO department of Statistics, 2011.

Members

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*Maggie Berry, Managing Director, Women in Technology, United Kingdom

*Tito Boeri, Director, Fondazione Rodolfo De Benedetti, Italy

*Peter Cappelli, George W. Taylor Professor of Management, Wharton School, University of Pennsylvania, USA

*David Coats, Research Fellow, Smith Institute, United Kingdom

*Zeynep Dagli, Founder and Chief Executive Officer, Momento, Turkey

*Pascaline Descy, Head, Area Research and Policy Analysis, European Centre for the Development of Vocational Training (CEDEFOP), Greece

Dong Keyong, Dean, School of Public Administration and Policy, Renmin University of China, People's Republic of China

Lori Harnick, General Manager, Citizenship and Public Affairs, Microsoft Corporation, USA

Prakash Loungani, Adviser, Research Department, International Monetary Fund (IMF), USA

*Iyad Malas, Chief Executive Officer, Majid Al Futtaim Group, United Arab Emirates

Stephen Pursey, Director, Policy Integration Department and Senior Adviser to the Director-General, International Labour Organization (ILO),

*Andrés Rodríguez-Pose, Professor, London School of Economics and Political Science, United Kingdom

*Hanne Shapiro, Centre Manager, Policy and Business Analysis, Danish Technological Institute, Denmark

*Richard Shediak, Senior Vice-President, Booz & Company, United Arab Emirates

B. G. Srinivas, Member of the Board, Infosys, United Kingdom

Brent Wilton, Deputy Secretary-General, International Organisation of Employers (IOE), Switzerland

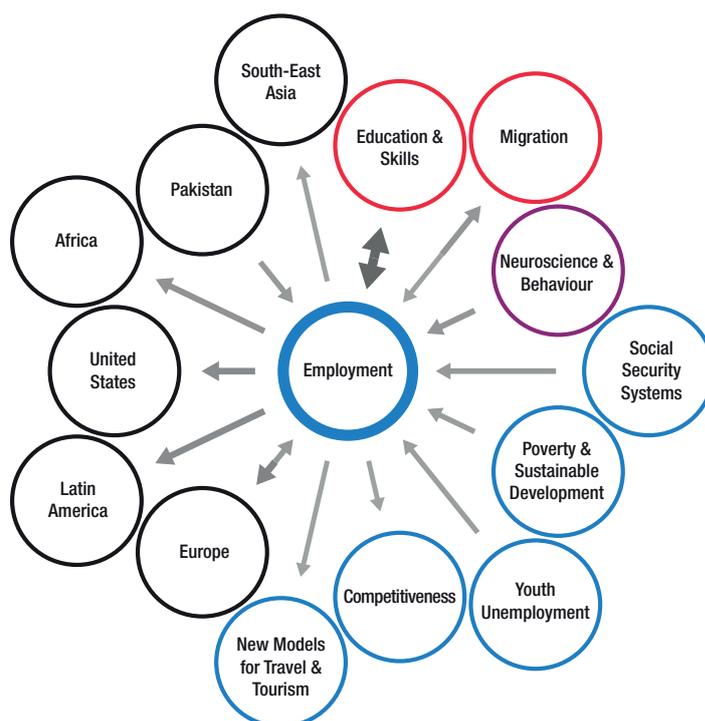
*Jane Zhang Youyun, Executive Vice-President, China Association for Employment Promotion (CAEP), People's Republic of China

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Employment seeks to developing tailor-made policies and public-private collaborations to address employment challenges facing several economies. These can result in a severe deskilling of the labour force, especially among particularly affected groups including youth, the long-term unemployed or women. In addition, and in the medium term, the Council will also strive to contribute to a better understanding and monitoring of the skill mismatch in the labour market, including the underutilization, absence and displacement of skills. Moreover, the work of the Council will focus on defining potential programmes and actions that can help address this challenge in different geographical contexts, especially with regard to the involvement of the private sector in monitoring and forecasting current and future skill needs, planning and delivering training programmes for skills development, and developing skills competencies and standards.

The work of the Council will build on the recommendations that the Global Agenda Council on Employment & Social Protection delivered last year for business and governments to implement immediate and existing measures to boost job creation and retention, such as introducing youth employment pacts or flexible job retention policies similar to the short-time working scheme in Germany.



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Forum Lead: Jennifer Blanke, Lead Economist, Senior Director, Head of the Global Competitive Network, jennifer.blanke@weforum.org

Issue Overview

Record high oil price volatility, changing energy demand, concerns over supply, and other economic and geopolitical factors have made energy security an issue of global importance. "Energy security" is the reliable, stable and sustainable supply of energy at affordable prices and social costs. Exploring and implementing long-term sustainable solutions in the complex field of energy security is vital to promote peace and economic growth. Given the scope and geographic spread of energy security issues, potential solutions and related debates often require a regional focus.

In theory, efforts to connect energy security and climate change could lead to more progress on both fronts. In practice, however, relatively little has been achieved by linking these two issues because the efforts have been driven by political expedience rather than a practical vision of what is realizable. Policy-makers have been inclined to set goals that are not achievable given the generally slow pace of change in energy systems. The resulting lack of credibility has, therefore, undermined incentives for industry to invest in the new technologies required because of a belief that policy goals won't be met.

Fixing these problems requires a three-pronged approach. The first is to set more realistic goals. The second is to focus on market mechanisms that enable all energy technologies to compete on fair terms. And the third is to embrace the effects of globalization. The rise of global markets for energy technologies and fuels is potentially great news for efforts to guarantee energy security while simultaneously decarbonizing the energy system. Global markets will expand the supply of ideas and diversify energy systems.



David Victor,
Professor,
University of
California, San
Diego, USA

“

The last 20 years have seen massive changes in the world's energy system and markets with large impacts on energy security. New technologies – such as new supplies of shale gas and a surge in the deployment of various forms of renewable energy – could, with the right policies, lead to more reliable and affordable energy supplies.

”

Further Resources

Annual Report of Energy Security Global Agenda Council 2011-2012:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/energy-security/>

The Climate Threat We Can Beat:
<http://www.foreignaffairs.com/articles/137523/david-g-victor-charles-f-kennel-veerabhadran-ramanathan/the-climate-threat-we-can-beat>

Energy Technology Innovation Policy, Belfer Center: http://belfercenter.ksg.harvard.edu/project/10/energy_technology_innovation_policy.html

Calendar

22-24 October 2012, World Energy Forum 2012, Dubai, United Arab Emirates

12 November 2012, Launch of World Energy Outlook 2012, organized by the International Energy Agency



Lin Boqiang,
Director, China
Centre for
Energy
Economics
Research
(CCEER),
Xiamen
University,
People's
Republic of
China

“

What I believe needs to be addressed is what is achievable: what is the solution to stabilize global energy systems while new, innovative energy options are under deployment. A serious programme requires energy sources to be affordable and highly reliable.

”

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*Badr H. Jafar, President, Crescent Petroleum, United Arab Emirates

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*Confirmed participation in the Summit on the Global Agenda 2012

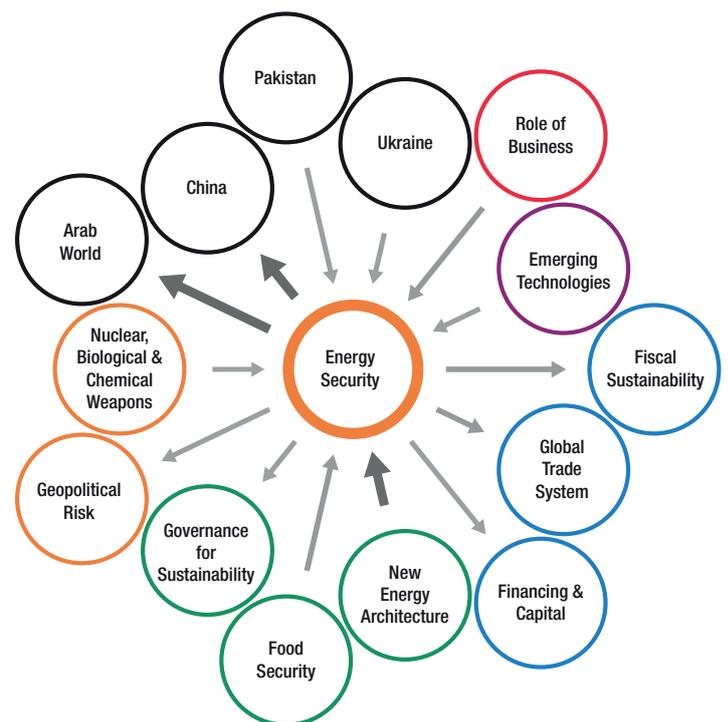
Council Insights

Global energy systems weathered many disruptions in 2011. The Council now has the opportunity, and responsibility, to explore how nations coped with these challenges. The Council plans to explore adaptations that should be considered to ensure the affordability, security and sustainability of the energy supply in the future.

During its previous term, the Council focused on energy security governance and decarbonization policies. It concluded that a global approach to innovation policy, as well as engineering and construction of large systems, are required. It also revealed disagreement surrounding the idea that the technologies needed to address energy security and climate change challenges already exist and are simply awaiting deployment.

Given the changes in energy technology markets – and the global nature of the firms involved in the innovation and deployment of new technology – one solution rests with a global approach. Nearly all promising technologies for deep cuts in carbon require large-scale engineering. International collaboration, ranging from scientific exchange to financial strategies, will be necessary to advance new innovative nuclear reactors, or integrated renewable power systems. Globalizing the engineering and perhaps even construction of these systems offers huge potential for lowering costs and raising performance.

To take its work forward, the Council's discussions will be articulated around a series of questions with a focus on creating a global framework for reliable, affordable and sustainable energy technology innovation.



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Issue Overview

Europe and European governance remain lodged in a predicament partly of its own making. While the western world must share the blame for the failure of regulation in the global banking system, Europe is responsible for its own existential crisis. In particular, inherent flaws in the design of the single currency have produced unsustainable borrowing practices with unrealistic interest rates, in part leading to the sovereign debt crisis facing many European nations.

A gap in competitiveness is straining the economic and monetary union, and is worsening the trade deficit of the eurozone's least competitive members. At the same time, the ageing of the population looms as a threat for highly developed European welfare systems. The combination of these factors has depressed growth in Europe and the continent lags behind emerging economic powers.

A growing disharmony between European nations has reopened divides thought to have been displaced by the creation and continued expansion of the European Union (EU), calling the legitimacy of the supreme decision-making bodies into question. As a result these issues have left Europe struggling in the face of new challenges. Given this new context, public support for the European project will define the decision-makers' capacity to react. Ultimately, this will define Europe's course in an increasingly competitive global environment.

The fundamental problems facing Europe may seem complex, and it is likely that the EU will undergo a period of self-reflection that may lead to a reappraisal of its aims and values. In the medium term, however, Europe must concentrate on financial solutions concerning the resolution of debt problems, increasing competitiveness and the assurance of a sustainable future. If these issues can be adequately addressed, the rest may be easier.



Charles Grant,
Director, Centre
for European
Reform, United
Kingdom

“

As the eurozone integrates, as it will to some degree, the question becomes: how do you hold sensitive power accountable? One of the biggest problems is that people don't appreciate the benefits of the eurozone and why it's good for them. At the moment this appears to be a legitimacy issue. How can we rectify that?

”

Did You Know?

The European Commission set targets for the EU to achieve by 2020, focusing on key areas, including (http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/targets/index_en.htm):

- Employment: 75% of 20-64 year-olds to be employed (2011 = 69%)
- Research and Development (R&D): Invest 3% of the EU's gross domestic product (GDP) in R&D (2010 = 2%)
- Climate change/energy:
 - Lower greenhouse gas emissions to 20% of 1990 levels (2010 = 15% lower than 1990)
 - Produce 20% of energy from renewable sources (2010 = 12.5%)
 - Increase energy efficiency by 20%

Further Resources

“Remodelling Europe: Greater integration, not less”, Stephen Kinnock, World Economic Forum: <http://www.hurriyetdailynews.com/remodeling-europe-greater-integration-not-less-.aspx?pageID=449&nID=22403&NewsCatID=396>

“Europe's wake up call”, Steven Everts, Centre for European Reform: <http://www.cer.org.uk/publications/archive/bulletin-article/1999/europes-wake-call>

“The Europe 2020 Strategy: Can it maintain the EU's competitiveness in the world?”, Daniel Gros and Felix Roth: <http://www.ceps.eu/book/europe-2020-strategy-can-it-maintain-eu%E2%80%99s-competitiveness-world>

Calendar

18-19 October, 22-23 November, 13-14 December 2012, Upcoming meetings of the European Council (<http://www.european-council.europa.eu/council-meetings>)

27-28 November 2012: European Employment Forum, Brussels, Belgium

20 December 2012: Governing Council and General Meeting of the European Central Bank, Frankfurt, Germany



Andrew Cahn,
Vice-Chairman,
Nomura
International,
United
Kingdom

“

Legitimacy comes in part via institutions and machinery, but it also comes through policy and objectives. What strikes me is how difficult the current generation of leaders find it to present to the European population a set of arguments as to why Europe is important and why great European integration would be beneficial. We need to find ways of making integration more palatable and more attractive.

”

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*Danuta Hübner, Member of the European Parliament, Belgium

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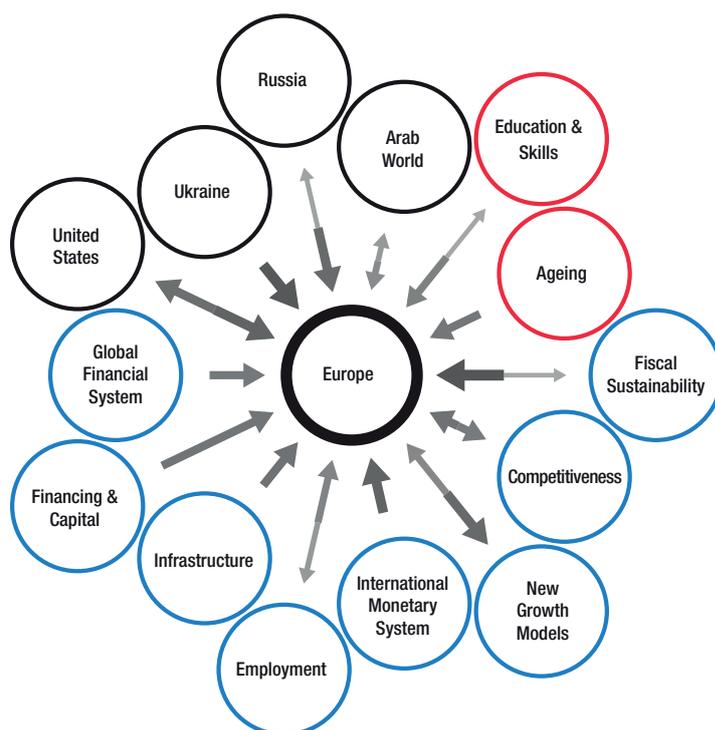
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council on Europe has a number of focus areas. Primarily, the Council will act as a sounding board and contributor to the World Economic Forum's *Rebuilding Europe's Competitiveness* (REC) initiative, which will highlight successful strategies to foster competitiveness, with the aim of strengthening cohesion within the European economy. It is anticipated that the expertise of Council members, particularly in terms of economic policy and social reform, will ensure that recommendations are both realistic and scrutinised from various angles. The regional diversity is intended to produce a consensus that will not appear biased to some European states.

The project will also examine concepts concerning European identity and community, by asking youth leaders to propose new ideas for fostering stronger European solidarity. Furthermore, the Council seeks to add to the intellectual debate on European issues by regularly publishing challenging and thought-provoking pieces across a variety of media.

The first key milestone for the Council will be on 30 October 2012, when members from the Global Agenda Council Network and other experts selected by the Forum will gather at the Villa Madama in Rome to work with the Italian government on the REC project.



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Issue Overview

Across developed and emerging economies, the need for economic growth is a universal theme, and capital represents a key necessity. However, distortions in capital allocations, either from the recent economic crisis or before, are still in place in many cases. While small and medium enterprises (SMEs) complain about difficulties in obtaining finance, arguably too much money is allocated towards sovereign debt and other assets perceived as lower risk.

Three main factors contribute to this adverse situation: 1) banks which traditionally provided credit are shoring up their balance sheets to conform to new regulatory requirements, constraining their capacity to lend to enterprises, particularly those with a weaker credit history; 2) the uncertain economic outlook leads to conservative behaviour by firms and investors; and 3) periodic fear of tail risks (such as a eurozone break-up) leads to “liquidity jams” in institutional markets, which need central bank intervention to be unblocked.

The system of financial intermediation is severely impaired and will be difficult to mitigate for several reasons. Additionally, even external guidance will have to be handled delicately to avoid causing distortions in the system. Some issues that should be considered include:

- incentive structures
- the degree that banks fulfil utility functions for the economy
- sources of capital (mainstream or shadow finance) that best match the goals of SMEs, infrastructure and others
- instances where regulatory arbitrage could either be harmful or could help to stabilize the system (by exposing loopholes and bubbles)
- how governance/measurement/reporting standards can improve to make the financial system more long-term oriented and less volatile

Did You Know?

- In 1980 there was one regulator for every 11,000 employees in the UK financial sector; in 2011 there was one regulator for every 300 people in finance. In 1935 there was one regulator for every three banks in the USA; in 2012 there are three regulators for every USA bank.¹
- European banks slashed leveraged lending to private equity by over US\$ 50 billion (42%) in 2012.²
- The IMF warned that European banks might shrink lending by US\$ 700 billion through the end of 2013.³
- At the end of the first quarter of 2012, US corporations held a record US\$ 1.7 trillion in cash (equivalent to 12% of US GDP).⁴ Although a large sum, it is important to note that most of this capital is held overseas and, therefore, not necessarily available to invest within the US.

Further Resources

World Economic Outlook, International Monetary Fund, October 2012

Financial Development Report 2011, World Economic Forum:
<http://www.weforum.org/reports/financial-development-report-2011>



Karim El Solh,
Chief Executive
Officer and
Director, Gulf
Capital

“

One interesting statistic is lending in the Middle East is down 78% from [pre-crisis 2007 levels], and whatever lending is left goes mostly to the large government-related entities and the large corporations. So the small and medium enterprise space is suffering tremendously and SMEs are starved for growth capital. This will have a direct repercussion on their ability to keep on growing and generate more jobs.

”



Steven J.
Gilbert,
Chairman,
Gilbert Global
Equity Capital

“

From the creation of the ‘euro-dollar’ in the 1970s, it has been a chess game between capital and governments. It seems to me that if we get to a principle-based regulatory system where everyone can look at conduct and define it, we have a chance. But as soon as we make rules, the practitioners go right around them and create the kind of aberrations we saw in the United States in 2007.

”

¹ Andrew Haldane, “The Dog and the Frisbee”, Jackson Hole, Wyoming, August 2012.

² <http://www.reuters.com/article/2012/10/10/us-private-equity-lending-idUSBRE8990KJ20121010>.

³ <http://www.telegraph.co.uk/finance/financialcrisis/9211724/IMF-Cuts-in-European-bank-lending-to-drag-growth.htm>.

⁴ <http://blogs.barrons.com/incomeinvesting/2012/06/11/corporate-cash-balances-deceptively-top-heavy/>.

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Council Insights

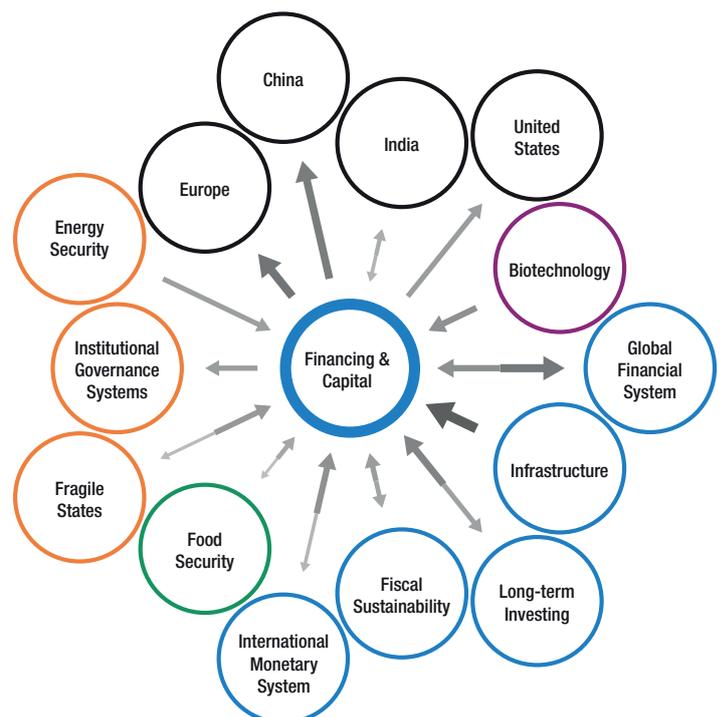
The Council seeks to address how capital/financing can be allocated in line with economic growth and minimal adverse effects. It will refine its scope across three key dimensions: the supply/demand of financing and capital; trust in the financial system and capital destinations; and allocation mechanisms/frameworks of financing and capital.

A central issue regarding supply and demand is gaps in specific asset classes/capital destinations, the most prominent being SME financing. So far debate on this topic has failed to resolve it, as lending and borrowing have dried up globally and SMEs are suffering. The Council is interested in knowing what the effects might be of the institutionalization of banks on SME financing.

The Council feels that trust in financial systems plays a major role in the non-allocation of capital. The recent crisis demonstrated the complexities of the system and its actors, and the uncertainty caused by a lack of transparency. Clearly understanding the current and future role of banks is key.

Regarding the allocation mechanisms/frameworks of capital and financing, the Council questioned what roles intermediaries now have and how that is changing. The Council considered factors including how the ability to support various financing schemes depends upon a country's legal framework. For example, outside of the Anglo-Saxon world, it is difficult to employ market-based financing schemes, since courts view and deal with property rights differently.

The overall goal of the Council is to clarify how capital/financing can be allocated in line with society's needs for economic growth, while minimizing adverse effects. After identifying the key findings, the Council will raise their awareness by encouraging a multistakeholder dialogue. To begin, the Council is designing a session on the role of banks in society in a changing world for inclusion in the programme of the World Economic Forum Annual Meeting 2013 in Davos-Klosters.



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Issue Overview

Challenges to fiscal sustainability exist in many regions of the world. However, the crisis in the eurozone has escalated to the extent that it threatens not only European prosperity but also growth prospects around the world. The crisis continues despite a series of “comprehensive” policy packages announced by many European countries’ heads of state and government.

After an exceptionally generous long-term liquidity provision from the European Central Bank, funding markets calmed down and sovereign spreads narrowed in early 2012, but began to widen again in a number of European economies. The break-up of the eurozone and the possibility of Greece exiting the currency union, unthinkable just months ago, is now considered a viable solution by many policy-makers.

The European fiscal crisis has proven once again the interconnected nature of global economies and the contagion of consequences that policies in one country or region can cause on the rest of the world. Thus, a holistic approach to defining globally compatible and politically feasible solutions is needed.

In the context of social unrest and soaring unemployment rates in Europe, defining a sustainable path for Europe and restoring confidence in the health of the European fiscal policy remain the priority for European policy-makers. Assessing growth prospects and outlining mechanisms for reviving growth are at the heart of the long-term fiscal sustainability agenda.



Laurence
Kotlikoff,
William Fairfield
Warren
Professor,
Boston
University, USA

“

America is headed for a fiscal cliff at the end of this year. If Congress does not act, US\$ 1.2 trillion in automatic spending cuts will take effect as will a number of tax hikes on 1 January. Many economists believe this so-called fiscal cliff could send the country back into recession.

”



Jeromin
Zettelmeyer,
Deputy Chief
Economist and
Director,
Research,
European Bank for
Reconstruction and
Development (EBRD),
London

“

Like Latin America in the early 1980s, we are at a juncture where we face a lost decade – at least for Europe, perhaps for the world. Whether we can avoid this scenario will depend first and foremost on whether we can master a broad strategy to deal with our debt problems; one that transcends traditional fiscal instruments, borders, and the interests of particular groups.

”

Did You Know?

- Government debt in the eurozone is constantly increasing. At the end of the first quarter of 2012, the government debt to GDP ratio in the euro area (EA17) stood at 88.2%, compared with 87.3% at the end of the fourth quarter of 2011.
- The breakup of the eurozone (with the exit of Greece, Portugal, Ireland, Cyprus and Spain) is estimated to cost 385 billion euros for Germany.
- In Spain, 52.7% of 15- to 24-year-olds are unemployed.

Further Resources

“The European Redemption Pact: An Illustrative Guide”. German Council of Economic Experts, www.sachverstaendigenrat-wirtschaft.de/fileadmin/dateiablage/download/publikationen/working_paper_02_2012.pdf, 2012

Kotlikoff, Laurence; Burns, Scott. “The Clash of Generations” and “The Economic Consequences of the Vickers Commission”. <http://www.kotlikoff.net/>, 2012

Calendar

12-14 October 2012, Annual Meetings of the International Monetary Fund and the World Bank Group, Washington DC, USA

13-14 December 2012, Joint Conference on EU Fiscal Governance of the European Commercial Bank and the International Monetary Fund, Frankfurt, Germany

3-4 November 2012, G20 Meetings of Finance Ministers and Central Bank Governors, Mexico City, Mexico

Global Agenda Council on Fiscal Sustainability



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*Confirmed participation in the Summit on the Global Agenda 2012

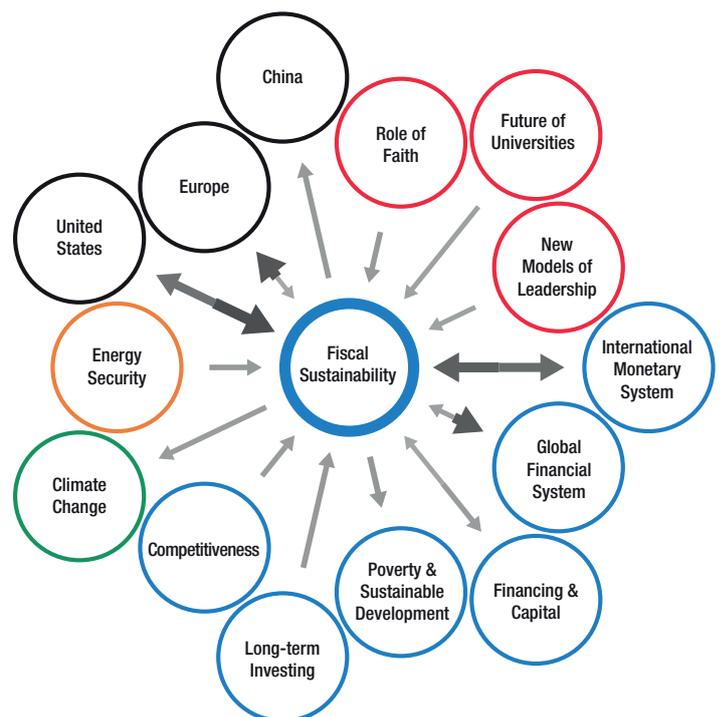
Council Insights

The Global Agenda Council on Fiscal Sustainability aims at developing solutions to the challenge of fiscal sustainability in advanced economies, as well as identifying adjustment processes and their implications for the rest of the world. Council Members recognize that this year the Council should examine, in addition to continuing problems in Europe, the fiscal challenges facing the United States and the emerging markets.

Last year, the Council collaborated with experts from other Councils to develop a comprehensive strategy paper outlining a long-term vision for the eurozone. Experts from the private and public sectors, research institutions and think tanks established an informal "Friends of the Euro" group united around one goal: saving the eurozone from fiscal collapse. The group's work has been shared with the German Council of Economic Advisors and other European policy-makers.

This year, the Council will focus on:

- long-term institutions for European fiscal policy. While there is an increasing convergence of opinion on the need to establish a fiscal union in addition to the existing monetary union in Europe, European and global experts are not agreed on what such a union would entail. The Council will seek to define the key characteristics of a fiscal union and assess its political feasibility.
- the nexus between monetary and fiscal policy. The distinctions between monetary and fiscal policy have blurred in both the United States and Europe as a result of quantitative easing by their central banks. This raises questions about the institutional separation of monetary and fiscal policy.
- the questions of private versus sovereign debt, and debt restructuring. Some of the present public debt problems are due to the socialization of private losses. Is there a need to, in effect, re-privatize these losses through debt restructuring?



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Issue Overview

With continuing population growth, rising energy demand and the impact of climate change, the water-food-energy nexus, particularly in Africa, has come to be of central concern to the world community. Added to this is a complex mix of interconnected challenges, such as rapid urbanization and growing natural resource constraints, which have made global food and nutrition security more difficult to achieve.

By 2050, when the global population is projected to surpass 9 billion people, the demand for agricultural products will double. Yet, agricultural systems are already stretched to their limits by constraints on water, volatile weather patterns and price volatility, raising the risk of production shortfalls. In fact, the price volatility that has existed across the global economy since 2007 is likely to intensify, constricting global food supplies. In addition, the increased frequency of natural disasters and additional challenges posed by climate change will further threaten the resilience of production systems and smallholder farmers.

A silo approach to sustainable development is, therefore, counterproductive. Despite the fact that trade-offs exist between environmental sustainability and food productivity, it is important to develop complementary solutions to reduce pressure on the already stressed natural resource base and local livelihoods. Innovative agricultural practices combining different goals, for example substantial productivity gains, smallholder income increases and sustainability, are essential to provide adaptive buffers. However, this requires a significant level of collaboration among stakeholders along the agricultural value chain, including governments, companies, multilateral and civil society organizations, farmers, consumers and entrepreneurs.



Shenggen Fan,
Director-
General,
International
Food Policy
Research
Institute

“

The global food system has become very vulnerable due to both natural shocks and man-made shocks. We need to build and strengthen resilience and we can leverage the Council on Food Security to influence thought processes and develop concrete action plans.

”



David Nabarro,
United Nations
Special
Representative
for Food
Security and
Nutrition

“

What makes this Council special is that we engage the perspectives of leaders from business, governments, the research community, farmer leaders and international organizations to integrate solutions towards achieving global food security

”

Did You Know?

- The global food and economic crises have driven tens of millions of additional people into food insecurity, now exceeding 1 billion hungry. Shortfalls and volatility in global food supplies and prices will likely intensify due to rising demand for food, energy, increased costs of production and intensified climate change.¹ In the next 20 years, farmers will need to increase production on aggregate by 70%-100% and reduce post-harvest loss.²
- In the coming decades, while warming may extend the frontier of agriculture in higher latitude areas (both northern and southern hemispheres), it is projected that agricultural systems will have to cope with new temperature, humidity and water stress, making the need to increase efficiency of land and water use even more critical.³

Further Resources

Pinstrup-Andersen, Per and Watson II, Derill D. Food Policy for Developing Countries: The Role of Government in Global, National, and Local Food Systems. Cornell University Press, 2011.

Research, Analysis and Policy Briefs. IFPRI, www.ifpri.org

Statistics and Data. Food and Agriculture Organization, www.fao.org

Zero Hunger Challenge. United Nations, <http://www.un-foodsecurity.org/>

Calendar

12-14 November Summit on the Global Agenda, Dubai, UAE

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

13-19 October 2013, World Food Prize, Des Moines, Iowa, USA

¹ FAO, The State of Food Insecurity in the World 2009, 2009

² United Nations Environment Programme, The Environmental Food Crisis, 2009.

³ Food and Agriculture Organization, FAO Statistical Yearbook, 2012

Global Agenda Council on Food Security



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*Elisio Contini, Deputy, Embrapa Strategic Studies and Training, Empresa Brasileira de Pesquisa Agropecuária (EMBRAPA), Brazil

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*Hans Feyen, Head, Products Centre for Agriculture, Swiss Reinsurance Company Ltd, Switzerland

Jane Karuku, President, Alliance for a Green Revolution in Africa (AGRA), Kenya

Willem Jan Laan, Director, Global External Affairs, Unilever, Netherlands

*Kanayo Nwanze, President, International Fund for Agricultural Development (IFAD), Italy

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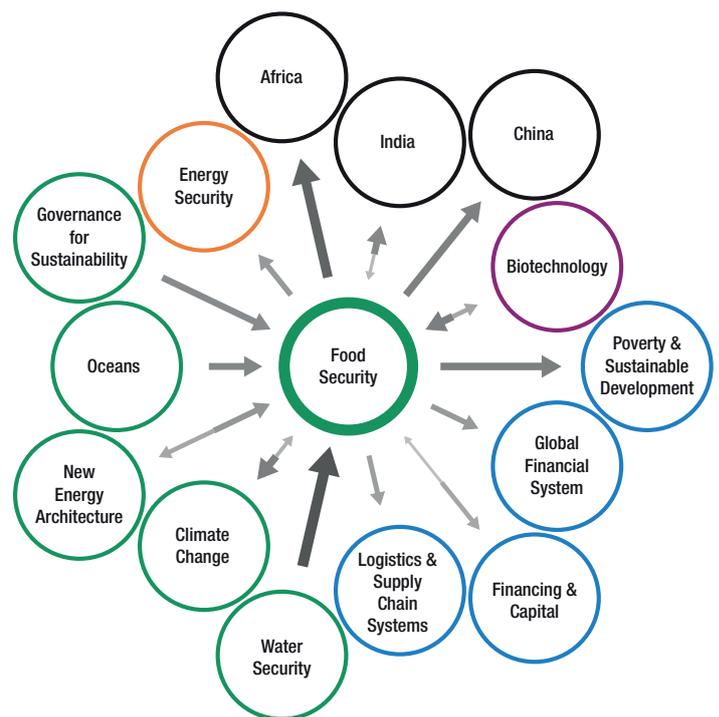
Council Insights

Over the past three years, the Global Agenda Council on Food Security has advised and supported the Forum's New Vision for Agriculture initiative, which works to transform agriculture while simultaneously improving food security, environmental sustainability and economic opportunity worldwide. Council Members have notably contributed to transformative change at the country level through public-private collaboration, especially in Africa where the Grow Africa partnership is afoot. The group has contributed to the global agenda through their involvement in key political processes such as the G8, G20 and Rio+20.

Entering the new term, the Council believes that food insecurity can be mitigated through policy reforms, targeted investment and innovations aimed at increasing production and access to food. Achieving large-scale impact requires coordination across a complex landscape of issues and stakeholders. Although historically food security efforts have suffered from insufficient investment and coordination, new initiatives, funding and partnerships are now creating momentum. The Council seeks to build a common agenda, help raise awareness, leverage support for priority actions and develop synergies to strengthen the global response to this challenge.

In particular, the Council will focus on:

- strengthening resilience against shocks so as to mitigate the vulnerability of global food systems
- helping smallholder farmers and small and medium-sized enterprises to manage risk and improve access to markets
- improving transparency and accountability with responsible investments in agriculture by the public and private sectors



Contact Information

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 Forum Lead: Lisa Dreier, Director, Food Security and Development Initiatives, lisa.dreier@weforum.org

Issue Overview

Entrepreneurship is a key factor of economic prosperity and employment. While there is broad agreement on the components of an entrepreneurial ecosystem, how to scale such ecosystems and support the scaling of its enterprises is less well understood. In addition, success can vary from one local context to another. The many attempts to recreate Silicon Valley missed the point that Silicon Valley was not built – it was grown. While many projects celebrate and support entrepreneurs, few globally connect policy-makers and stakeholders to co-design an ecosystem tailored to local needs and capable of supporting the transformation of entrepreneurial firms into productive enterprises.

Transformational processes need to take place in:

- Funding Venture capital has gone through a difficult decade, and new channels of financing are increasing in importance. Private, risk-based finance is most effective, since investors have a direct interest in the success of the business and can often provide micro-guidance and macro-regulation.
- Legislation/Regulation The ease of starting a business, adjusting the workforce to changes in revenue/skill needs and exiting certain business activities are fundamental for entrepreneurs.
- Skills/Talent A basic educational infrastructure is key, for both entrepreneurs and their employees. Policy-makers often overlook the need for communication/management skills, as well as engineering and entrepreneurship training. Additionally, more talent could be exploited by allowing more talent mobility (cross-border reciprocity of qualifications, simplified visa/immigration regulations).
- Culture Social stigma of failure, misunderstanding of entrepreneurship and lack of role models are inhibitors of entrepreneurial activity.
- Customers Governments and large businesses have vast resources in training/management skills to share with start-ups, and as customers of those start-ups, they would have incentives to do so. Good customers, who buy on the basis of product/service quality, are important to successful entrepreneurial ecosystems.

Did You Know?

A recent survey of over 8,000 entrepreneurs from 35 countries found that:¹

- Surveyed entrepreneurs increased their headcount in 2011 by 18% in the USA, 16% in Asia-Pacific and 12% in Europe, ahead of job growth in the wider economy. 68% planned to further increase their workforce in their home country, and 44% internationally.
- Most entrepreneurs hired more experienced, non-management employees than administrative employees; most entry-level individuals had university degrees.
- Their main concerns are fiscal and economic outlook in their country, education policies and regulation. They are also actively engaged in improving the quality of local labour pools – one in four has created, endowed or sponsored an educational programme.

Further Resources

“Getting the Arab Youth into Employment”, by Tom Speechley, Wamda, 14 January 2012: <http://www.wamda.com/2012/01/getting-the-arab-youth-into-employment>

“The multiplier effect: How a network of entrepreneurs created a tech sector in Argentina”, Endeavor, March 2012: http://www.youtube.com/user/endeavorglobal?feature=results_main

“Business Angel Investing in Emerging Economies: Policy Implications for Southeast Asia”, William Scheela et al, Ewing Marion Kauffman Foundation, 11 March 2012: http://www.kauffman.org/uploadedfiles/irpr_2012_scheela.pdf

Calendar

15 November 2012,² Mix And Mentor, Dubai, United Arab Emirates

2-18 November 2012, Global Entrepreneurship Week,³ local, national and global activities

2-3 June 2013, Celebration of Entrepreneurship: E-Commerce,⁴ Amman, Jordan

5-6 June 2013, Ernst & Young's Entrepreneur of the Year,⁵ Monte Carlo, Monaco

10-14 June 2013, TEDx Global,⁶ Edinburgh, Scotland



“

Always make new mistakes.

”

Esther Dyson,
Chairman,
EDventure
Holdings



“

Entrepreneurship is an equal opportunity employer.

”

Daniel Isenberg,
Professor of
Management
Practice,
Babson
College



“

When the economy turns down, entrepreneurs look up! Times of crisis are excellent opportunities for entrepreneurship and innovation.

”

Linda Rottenberg,
Co-Founder and Chief Executive Officer,
Endeavor

¹ <http://www.ey.com/GL/en/Services/Strategic-Growth-Markets/Global-job-hot-spots---a-survey-of-entrepreneurs---Entrepreneurs-are-hiring>.

² <http://wamda.com/page/mnmdubai>.

³ <http://www.unleashingideas.org/>.

⁴ <http://www.wamda.com/page/coe-ecommerce>.

⁵ <http://www.ey.com/EM/en/About-us/Entrepreneurship/Entrepreneur-Of-The-Year>.

⁶ <http://www.ted.com/tedx>.

Global Agenda Council on Fostering Entrepreneurship



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*Esther Dyson, Chairman,
EDventure Holdings Inc., USA

*George Foster, Konosuke
Matsushita Professor of
Management and Dhirubhai
Ambani Fellow in
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Graduate School of Business, USA

*Eric Kacou, Author and Founder,
Entrepreneurial Solutions Partners
(ESPartners), USA

*Virginia Cha, Chief, Research and
Innovation, Institute of Systems
Science, National University of
Singapore, Singapore

*Chen Hongbo, Deputy Director
and Senior Vice-President,
TusPark Co. Ltd, People's Republic
of China

*Habib Haddad, Chief Executive
Officer, Wamda, United Arab
Emirates

*Krisztina "Z" Holly, Advisor,
National Advisory Council for
Innovation and Entrepreneurship,
USA,

*Daniel Isenberg, Professor of
Management Practice, Babson
Global, Babson College, USA

*Daisuke Iwase, Co-Founder and
Representative Director, Lifenet
Insurance Company, Japan

Guriqbal Singh Jaiya, Director,
Small and Medium-Sized
Enterprises Division, World
Intellectual Property Organization
(WIPO), Switzerland

Harkesh Kumar Mittal, Adviser and
Head, National Science and
Technology Entrepreneurship
Development Board, Department
of Science and Technology,
Government of India, India

*Allon Raiz, Chief Executive Officer,
Raizcorp, South Africa

Linda Rottenberg, Co-Founder
and Chief Executive Officer,
Endeavor, USA

*Thom Ruhe, Vice-President,
Entrepreneurship, Ewing Marion
Kauffman Foundation, USA

*Thomas Speechley, Chief
Executive Officer, Aureos Capital,
United Arab Emirates

*John Strackhouse, Senior Partner,
Heidrick & Struggles, USA

*Tan Yinglan, Author, Singapore

*Raymond Yang Lei, Managing
Director, WestSummit Capital
Management, People's Republic of
China

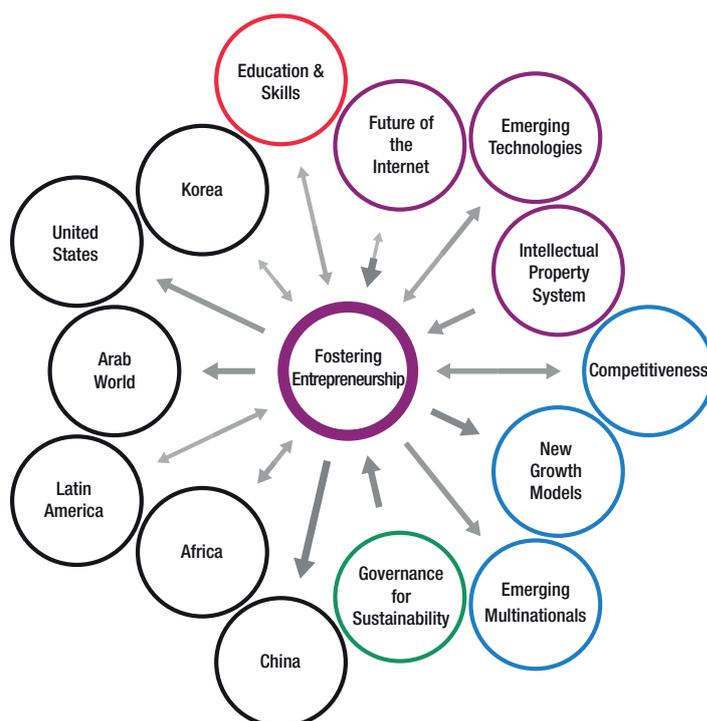
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council aims to assemble and maintain a repository of resources and services available to help aspiring entrepreneurs. However, the group does not focus only on helping entrepreneurs get started, but also on helping start-ups scale and develop enterprises that effectively use capital and resources, and employ significant numbers of people productively. The Council does not support the idea of the hero-entrepreneur or innovation over utility, but rather a healthy economy that creates value by starting and scaling new firms that often use existing resources in new, more efficient and effective ways. Entrepreneurs are the spark, but they must leverage many other people and resources to contribute to society significantly.

Council projects:

- A list of lists: Many resources are already targeted at entrepreneurs, ranging from government programmes and offices to incubators, publications, websites and curricula. The Council plans to consolidate these resources into one curated and continually updated database of useful resources for entrepreneurs.
- A set of curricula: Many curricula for aspiring entrepreneurs exist, on topics of fund-raising, management, market surveys and how-to guides. Some are teaching guides, whereas others comprise content for teachers or for self-taught students. The Council aims to assemble the best of these and participate in projects to create new curricula targeted at specific, mostly geographic, markets.
- A constructive challenge to large enterprises and governments: Entrepreneurs and start-ups may benefit the economy and the world at large, but they threaten the status quo and incumbent players. The Council plans to challenge or incentivize large organizations to support entrepreneurs, whether by buying from, investing in or mentoring them.



Contact Information

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Forum Lead: Michael Drexler, Senior Director, Head of Investors Industries,
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Issue Overview

States suffering from fragility are those in which the national public authority fails to provide the basic public goods that allow their societies to live in peace and their citizens to improve their prospects. These are states that do not provide accountable and effective security and social protection. They do not have predictable and enforced laws generally accepted as legitimate, or the mechanisms to hold the state authorities accountable to society. They fail at revenue collection and the management of external aid to ensure the delivery of basic social and economic services to their people.

Fragile countries affected by conflict threaten global stability and prosperity. Many threats to global security emanate from the roughly 70 countries classified as "fragile states". In these countries, hundreds of millions of people remain trapped in poverty and insecurity, excluded from opportunities to participate in the marketplace and to make their voices count politically.

In many such states, citizens are no longer waiting for change; they are taking to the streets and demanding inclusion in democratic decision-making processes and the opportunities of the marketplace. Although the countries of the Arab Spring have dominated the headlines in the past year, many other countries, from Pakistan and Sri Lanka to Nigeria, Liberia and Southern Sudan, face similar demographic pressures and their young people are making similar demands.

It is imperative to find new models to help such states create accountable institutions, market-friendly environments and systems for social justice, security and economic prosperity. In particular, many opportunities exist to create new models for business involvement by leveraging private capital, corporate responsibility, entrepreneurship and private philanthropy.

Although the challenges these countries face are enormous, they also represent a massive potential if they can find the right path forward.



Kevin Rudd,
Member of
Parliament,
Australia

“

My fear, however, is this: for those of us who are mindful of the bloody, destructive and often wretched pages of global history, for those of us who therefore believe in the intrinsic importance of the integrity of the international rules-based system in helping build a different future, unless middle powers and constructive powers act together to preserve and enhance this global public good, then the current international system may well die the death of a thousand cuts.³

”



Clare Lockhart,
Director, The
Market Building
Initiative, The
Aspen Institute,
USA

“

Complacency is not an option anymore. The international aid system has failed to deliver change; smarter systems which would allow the use of scarce resources for development in fragile states are needed.

”

Did You Know?

- The World Bank estimates that in Afghanistan, the cost of humanitarian and military assistance as well as lost growth amounted to US\$ 240 billion in the year 2004 alone.¹
- According to recent analyses, Africa is likely to receive less than half of the US\$ 25 billion increase in aid envisaged at the 2005 G8 Gleneagles Summit, mainly because of the underperformance of some European funders' economies.
- In 2008, the total recorded FDI flowing into fragile states was US\$ 13 billion, compared to the US\$ 586 billion total net FDI given to developing countries.²

Further Resources

The Institute of State Effectiveness, <http://www.effectivestates.org/>

"Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A Resource for Companies and Investors". UN Global Impact and PRI, http://www.unglobalcompact.org/docs/issues_doc/Peace_and_Business/Guidance_RB.pdf, 2010

"Failed States". In Foreign Policy, <http://www.foreignpolicy.com/failedstates2012>

Calendar

20-22 April 2012, Spring Meetings of the International Monetary Fund and the World Bank Group, Washington DC, USA

¹ "Two Decades of Conflict Cost US\$ 240 Billion." World Bank, <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20186600~menuPK:34463~pagePK:34370~piPK:34424~theSitePK:4607,00.html>, 2004; Belasco, Amy. "The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations since 9/11". Congressional Research Service, <http://www.fas.org/sgp/crs/natsec/RL33110.pdf>, March 29, 2011.

² "Two new facilities". Presentation by the Multilateral Investment Guarantee Agency, 19 May 2010.

³ Nicholson, Brendan. "Kevin Rudd takes up the cause of 'fragile states' with Davos Council chairmanship". In The Australian, <http://www.theaustralian.com.au/national-affairs/foreign-affairs/rudd-takes-up-the-cause-of-fragile-states-with-davos-council-chairmanship/story-fn59nm2j-1226436218368>, 27 July 2012.

Global Agenda Council on Fragile States



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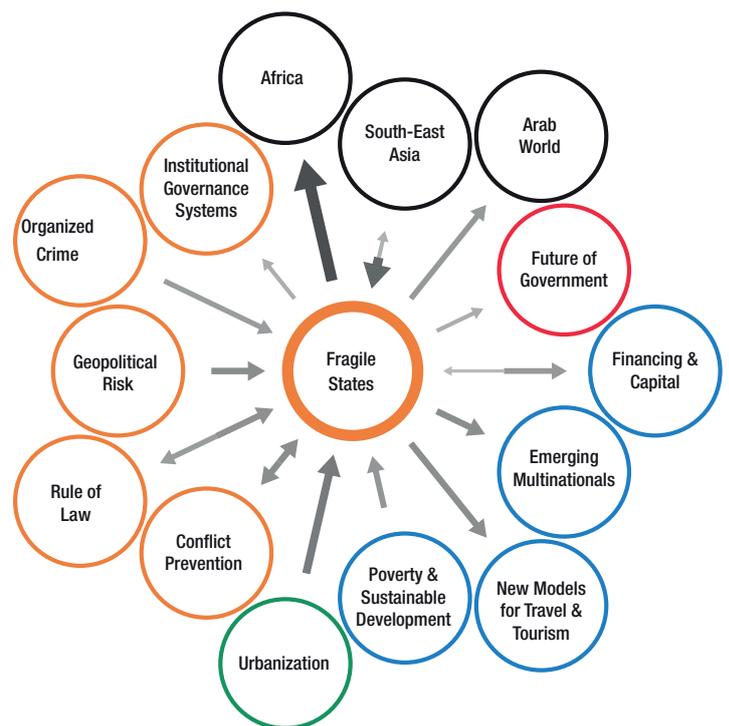
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|--|---|--|---|
| *Kevin Rudd, Member of Parliament, Australia | Cheick Sidi Diarra, Former Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, United Nations, USA | Jean-Marie Guéhenno, Arnold Saltzman Professor of Professional Practice, Columbia University, USA | *Ahmad Nader Nadery, Commissioner, Afghan Independent Human Rights Commission, Afghanistan |
| *Clare Lockhart, Director, The Market Building Initiative, The Aspen Institute, USA | | *Vidar Helgesen, Secretary-General, International Institute for Democracy and Electoral Assistance, Sweden | James Putzel, Professor of Development Studies, Department of International Development, London School of Economics and Political Science, United Kingdom |
| *Clare Akamanzi, Chief Operating Officer, Rwanda Development Board (RDB), Rwanda | *Paddy Docherty, Chief Executive, Phoenix Africa Development Company Ltd, United Kingdom | *Margaret Kilo, Resident Representative, Liberia Country Office, African Development Bank, Liberia | *Ravi Vish, Director and Chief Economist, Multilateral Investment Guarantee Agency (MIGA), USA |
| *Rashid Bajwa, Chairman of the Board of Directors, Pakistan Microfinance Network, Pakistan | *Ashraf Ghani, Chairman, The Institute for State Effectiveness (ISE), USA | *Alastair McKechnie, Senior Research Associate, Overseas Development Institute, United Kingdom | *Rosa M. Whitaker, President and Chief Executive Officer, The Whitaker Group (TWG), USA |
| *Pauline H. Baker, President Emeritus, Fund for Peace, USA | Elissa Golberg, Ambassador and Permanent Representative of Canada, Permanent Mission of Canada, Switzerland | | |
| *Nathalie Delapalme, Director, Research and Policy, Mo Ibrahim Foundation, United Kingdom | | | |

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

Most of the work of the Global Agenda Council on Fragile States last year was around "New Models for Engagement in Fragile States". The Council determined the need to build an agenda to create jobs and prosperity in fragile states. The challenge and opportunity for the private sector, the Council proposed, is to find new models to forge partnerships between private capital, corporations, entrepreneurs and domestic firms on the one hand, and the public sector and private citizens on the other.

- In the new term, the Council will continue on this track and aims to:
- harness the power of private capital by putting together a list of success stories, whether through the use of domestic or international capital. These examples will then be brought to the attention of the international community, possibly with the help of a short and concise report that would be circulated at international events such as the World Economic Forum Annual Meeting in Davos-Klosters, where the Council will engage with the business community.
 - examine the credibility of the role of the state, however degraded a state may be. It will focus on the need to reinforce the role of the legitimate state while at the same time ensuring the existence of a functional economy.



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Issue Overview

The world is experiencing the worst financial crisis since the 1930s, resulting in the need to rethink government. Macroeconomic imbalances – sovereign debt crises, national budget deficits, shrinking global demand, weak productivity in developing countries, anaemic growth in developed countries, a slowdown in the BRICs, overheating in some major markets – in addition to growing pressures from unemployment, rising protectionism, new security challenges and environmental degradation, are only a few of the issues that governments are being called to act upon. Governments are under pressure to find solutions, transform themselves to live up to the expectations of the 21st century, “do more with less”, and create public goods for their constituents.

At the same time, the relationship between governments and their constituents is being further tested by the revolution in communications. Digital television, the Internet and social media reduce the ability of politicians to dominate the agenda, making calls for transparency and information-sharing harder to resist by governments and highlighting the responsibility for accountability.

The changing global environment, widely characterized by uncertainty and “multiproblematicity” and the continual scrutiny of government performance, has resulted in rising dissatisfaction from the public. Citizens question the suitability of government policies as the right remedy to solve complicated questions, and in many cases criticize governments as being behind the curve, “heavy”, reactive and unable (or unwilling) to reform.

Governments must now address how they are to remain relevant. To do so they must respond to rapidly changing conditions and citizens’ expectations. They also need to build capacity to operate effectively in complex, interdependent national and global networks across the public, private and non-profit spheres. This will necessitate building public-private collaboration at global, regional and national levels – through leadership, dialogue and partnership building.

Did You Know?

- Singapore provides better schools and hospitals and safer streets than most Western countries – and all with a state that consumes only 19% of GDP.
- Spending on public services in Europe as a percentage of GDP changed very little during the first decade of the 2000s, decreasing from 6.6% of GDP in 2002 to 6.5% of GDP in 2010.¹
- Out of 29 US government departments, 17 were rated as “meeting expectations” in the most recent version of the US Open Government Initiative. The remaining 12 were “making progress towards expectations”.²

Further Resources

The Global Competitiveness Report 2012-2013, World Economic Forum:
<http://reports.weforum.org/global-competitiveness-report-2012-2013/>

Doing Business Report, World Bank:
<http://www.doingbusiness.org/rankings>

The Future of Government Report, World Economic Forum:
<http://www.weforum.org/reports/future-government>

The Observatory of Public Sector Innovation, OECD:
<http://www.oecd.org/governance/oecdobservatoryofpublicsectorinnovation.htm>

Calendar

17 October 2012, Chatham House E-Leadership: Political Communication in a Digital World, London, United Kingdom

7-8 November 2012, London School of Economics and Royal Society of Arts, How to Govern Intelligently in the 21st Century, London, United Kingdom

21 November 2012, OECD Global Forum on Public Governance, Paris, France

25 January 2012, Who Perceives Government’s Role in Their Lives? Harvard Kennedy School Seminar, Boston, USA



Lord Mandelson, Member of the House of Lords, United Kingdom



Society is asking more of government than government is able to provide. We need more than a transition – we need transformation of governments from authoritarian to civil to highly effective. The information revolution has enormous power to unite – and to divide – societies.



Joe Nye, Distinguished Service Professor, Harvard Kennedy School, USA



World politics is no longer the sole province of governments. Individuals and private organizations, ranging from Wikileaks to corporations to NGOs to terrorists to spontaneous societal movements, are all empowered to play direct roles. The spread of information means that power will be more widely distributed, and informal networks will undercut the monopoly of traditional bureaucracy. The speed of Internet time means all governments have less control of their agendas. Political leaders enjoy fewer degrees of freedom before they must respond to events, and then must communicate not only with other governments but with civil societies as well.



¹ http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/General_government_expenditure_statistics.

² <http://www.whitehouse.gov/open/around>.

³ Quoted in <http://www.tnr.com/article/world/83707/information-technology-egypt-revolution>.

Global Agenda Council on the Future of Government



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Members

Joseph S. Nye, Distinguished Service Professor, Harvard Kennedy School, USA

*Peter Mandelson, Member of the House of Lords, House of Lords of the United Kingdom, United Kingdom

*Abdulla Al Basti, Director, Leadership Development Programs, Office of the Prime Minister of the United Arab Emirates, United Arab Emirates

*Rolf Alter, Director, Public Governance and Territorial Development, Organisation for Economic Co-operation and Development (OECD), France

*Jacques Attali, President, PlaNet Finance, France

Anders Borg, Minister of Finance, Ministry of Finance of Sweden

Victor Cha, Director of the Asian Studies program, Edmund A. Walsh School of Foreign Service, Georgetown University, USA

*Jared Cohen, Director, Google Ideas, Google, USA

*Gregory Curtin, Founder, Civic Resource Group, USA

*Jane E. Fountain, Professor of Political Science and Public Policy and Director, National Center for Digital Government, University of Massachusetts, USA

*Yasar Jarrar, Fellow, Dubai School of Government, United Arab Emirates

*Orsalia Kalantzopoulos, Secretary-General, Black Sea Trade and Development Bank, Stathis Kalyvas, Arnold Wolfers Professor of Political Science, Director Program on Order, Conflict and Violence, Yale University, USA

*Bruno Larvin, Executive Director, eLab, INSEAD, France

*Sherry Rehman, Ambassador of Pakistan, Embassy of Pakistan, USA

*Hera K. Siu, President, SAP China, People's Republic of China

Larry Stone, President, Group Public and Government Affairs, BT, United Kingdom

Jimmy Wales, Founder and Trustee, Wikimedia Foundation, USA

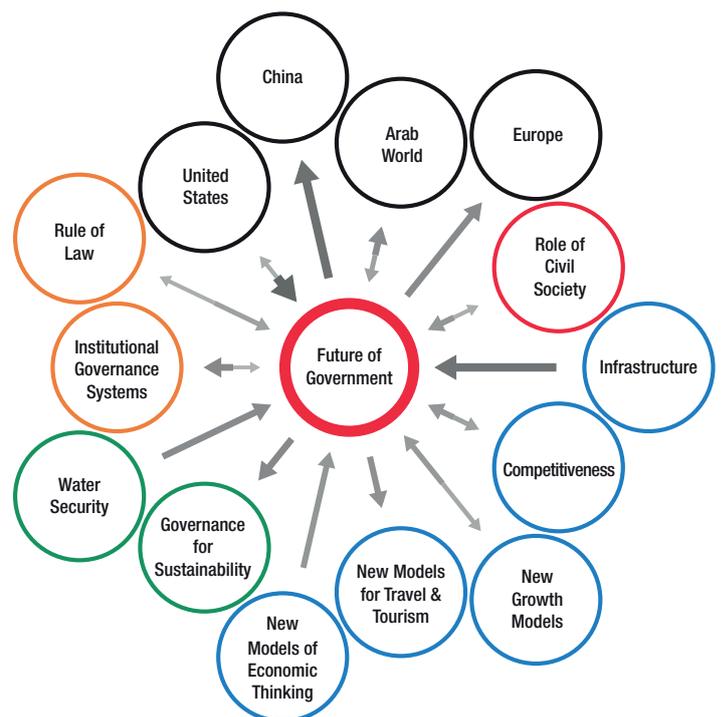
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The future of government will be shaped according to how successfully, efficiently and cost-effectively governments embark on problem-solving to produce public value and deliver transformational change. The Global Agenda Council on the Future of Government seeks to generate a "smart" toolbox for government decision-makers, drawing from lessons-learned and best practices around the world.

Different examples of organizations that rank government performance exist, but they tend to focus on just a few criteria. With this in mind, the Council intends to create a scorecard to measure government performance according to the FAST (Flat, Agile, Streamlined, Tech-Enabled) model developed by the Council in 2011 and described in *The Future of Government: Lessons Learned from around the World* report.

First introduced at the World Economic Forum Europe and Central Asia Summit in 2011, the FAST concept includes the following criteria. Flatter governments promote (a) citizen engagement, (b) administrative efficiency, (c) decision-making process, (d) intergovernment and cross-sector collaboration. An agile government organizes itself to marshal public and private resources quickly to address challenges. A streamlined government carefully plans workforce reductions coupled with significant organizational, technological and workforce advances. Finally, a tech-enabled government is successful in redesigning its policy, legal and regulatory frameworks and processes to align with the dynamics of a networked world.



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 Council Manager: Melita Leoussis, Senior Associate, Public and Government Affairs, melita.leoussis@weforum.org
 Forum Lead: Borge Brende, Managing Director, Government Relations and Constituents Engagement, borge.brende@weforum.org

Issue Overview

The media, entertainment and information industry has long held a role in informing, educating and entertaining consumers and citizens. Theoretical and normative arguments have identified media as the key source of information, particularly in democracies. However, the latest technologies, proliferation of sources and distribution channels, and changes in consumption habits have influenced how the industry creates, distributes and turns content into profit. In addition, whenever a new media technology appears, questions instantly arise about how the new tool will affect its predecessor; over time, the role and functions of media have changed dramatically and will continue to do so.

While continuing to innovate with respect to content, formats and business models, the industry has to balance its business survival with its societal role to uphold democracy and influence values and behaviours. Media, in general, and social networks and entertainment in particular, have recently demonstrated unprecedented influence in educating communities on political, social, health and environmental issues. As this happens more citizens integrate mobile devices further into their lifestyles, opening up opportunities for the media world to play a larger role in shaping the public interest, in political and social campaigns for example. The industry's challenge is to find the right business models to ensure creative, high-quality content while still embracing the disruptive nature of participatory media.



Robert Madelin,
Director-
General,
Communication
Networks,
Content &
Technology,
United

“
Media companies still in business in 2050 will have had the courage to set aside past ways and identify future opportunities. The job of the Global Agenda Council is to help shine a light on the future, by including perspectives from many different stakeholders in its discussions. By including a diverse range of voices, we can help media businesses adapt to the changing face of their industry. Last year, I and other council members advised on the ‘Future of Content’ report; this is a tangible example of how GACs are helping to set the agenda for the years ahead.”

Did You Know?

- There are significant advantages to integrating content into social media platforms. By 2011, The Guardian Facebook news application was generating an average of almost 1 million extra page impressions a day. Similarly, Yahoo! News had a 600% increase in traffic coming from Facebook, with those connecting via Facebook also reading more articles than the average user (<http://reports.weforum.org/future-of-content-2011/>).
- Arabic appears on less than 1% of the Internet, despite being the fifth most spoken language on the planet (<http://reports.weforum.org/future-of-content-2011/>).
- In the United States, 98% of the online population engages in social networking; in Japan, this figure is 58% (ComScore Media Metrix, October 2011).

Further Resources

“The Future of Content”, World Economic Forum in collaboration with Bain & Co.: <http://reports.weforum.org/future-of-content-2011/>

“What if there was a global cyber pandemic?”, Robert Madelin:
<http://forumblog.org/2012/05/what-if-there-was-a-global-cyber-pandemic/>

“Using social media to cut the road toll in the Middle East and North Africa”, Elizabeth Daley:
<http://forumblog.org/2011/10/social-media-in-the-public-interest/>

“Road Safety Campaign”, Global Agenda Council on Media, Information and Entertainment:
<http://www.youtube.com/watch?v=iVYJC4dq6RY>

“Media in Fast-Growing Markets”:
<http://wefmediamarkets.org/>

“EU Media Futures Forum”:
http://ec.europa.eu/information_society/media_taskforce/pluralism/forum/index_en.htm

Calendar

9-11 October 2012, Abu Dhabi Media Summit, Abu Dhabi, United Arab Emirates

14 November 2012, The Ad Council's 59th Annual Public Service Award Dinner, New York, USA

25-28 February 2013, Mobile World Congress, Barcelona, Spain



Masa Inakage,
Dean and
Professor,
Graduate
School of
Media Design,
Keio University,
Japan

“
Media is the driver for innovation and one of the most effective tools to communicate important messages is coming out of various Global Agenda Councils. Connected media will become the most important platform for our everyday life, at work, at school and at home. Thus, continuous innovation drives the global society and economy, putting media industry-at-large in the driver's seat. For example, media will drive the transformation of learning experience.”

Global Agenda Council on the Future of Media



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Members

*Elizabeth Daley, Dean, School of Cinematic Arts, University of Southern California (USC), USA

*Masa Inakage, Dean and Professor, Graduate School of Media Design, Keio University, Japan

*Naif Al Mutawa, Chairman and Chief Executive Officer, THE 99, Kuwait

*Gianni Riotta, Professor in New Media Studies, Princeton University, USA

*Robert Madelin, Director-General, Communication Networks, Content & Technology (DG CONNECT), Belgium

Peggy Johnson, Executive Vice-President and President, Global Market Development, Qualcomm, USA

Robert Osher, President, Sony Pictures Digital Production Division, Sony Pictures Entertainment, USA

*Arnaud Robert, Chief Technology Officer, Beachbody, USA

*Sanford Ciiman, President, Entertainment Media Ventures, USA

*Noura Al Kaabi, Chief Executive Officer, TwoFour54, United Arab Emirates

*Lindsay Pattison, Chief Executive Officer, United Kingdom, Maxus, United Kingdom

Philip Thomas, Chief Executive Officer, Cannes Lions, United Kingdom

Peggy Conlon, President and Chief Executive Officer, Advertising Council, USA

David W. Kenny, Chairman and Chief Executive Officer, The Weather Channel Companies, USA

*Yves Pitton, Senior Vice-President and Director, Advanced Advertising and Innovation, Nagra Kudelski Group, USA

Wang Lifan, Founder and Chief Executive Officer, Umiwi Technology, People's Republic of China

*Joel David Gallagher, Chairman and President, Europe, Ketchum Pleon, United Kingdom

*Charles Kim, Partner, Global Media Practice, Bain & Company, USA

*John Riady, Director, Lippo Group, Indonesia

*Confirmed participation in the Summit on the Global Agenda 2012

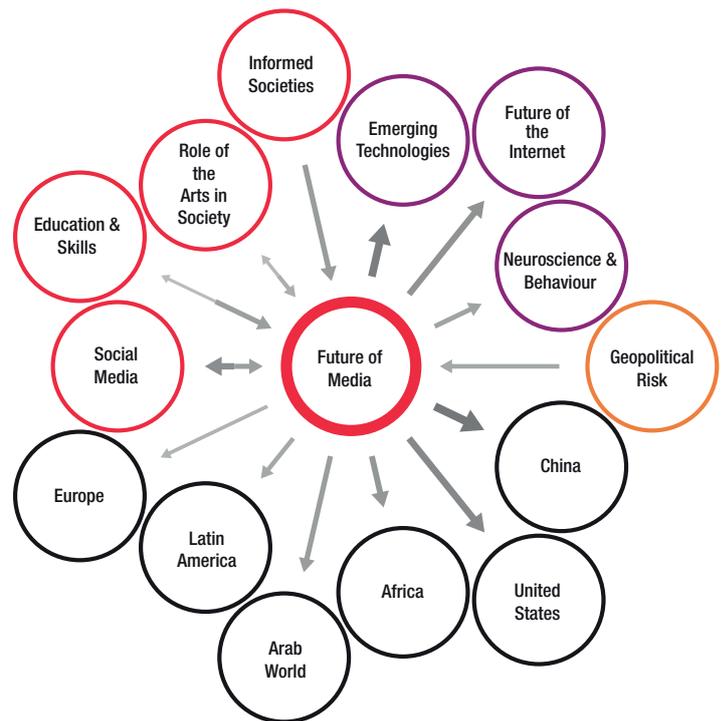
Council Insights

Speaking broadly, the Global Agenda Council on the Future of Media will focus on the future of the media industry as not only a dynamic force that shapes society and culture, but a major contributor to the global economy.

The Council is currently exploring ideas to highlight the ways in which the media industry has impacted the world, both culturally and economically. One proposal is to identify 10 case studies that provide concrete facts and forward-looking trends. Another possibility is an in-depth exploration of a key area where media can potentially play a transformative role, such as mobile learning. The results of such projects will initially serve as a resource for the other Global Agenda Council networks, and eventually for the broader public.

The Council has previously reached out to the Councils on Social Networks, Informed Societies, Future of Internet and Education. The Council places significant value on cross-council collaboration and will continue to work closely with them in the future.

The Council is also committed to supporting existing Forum projects, particularly the Hyperconnection Reality initiative. Specifically, Council members will lend their support to the Shaping Culture and Governance in Digital Media project by contributing research and conducting interviews.



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Issue Overview

Internet technology has expanded rapidly and changed dramatically in a relatively short space of time. Today, there are questions about the direction it is heading. Awareness is growing of the impact of the Internet in a range of areas from consumer rights to human rights, and from business models to political security. The number of devices that can connect to the Internet continues to increase, as does the breadth of access and the volume of data involved in online interactions.

Public discourse surrounding Internet governance is unclear. Much of the debate, be it about regulation, cybersecurity, privacy or cyberwarfare, is dominated by fear, uncertainty and doubt. Although these concerns are legitimate, the result is that the social, economic and political benefits and opportunities offered by the Internet risk being eclipsed. In particular, those not intimately acquainted with technology, notably political leaders and decision-makers, tend to focus on the negatives rather than the positives. In addition, technical and academic discussions surrounding the technology are often difficult to understand or poorly communicated, making them inaccessible to the general public.

The key priority for the future of the Internet is to ensure that its benefits and advantages are properly understood, both at the legislative and public levels. For legislators, this means ensuring that arguments focus not only on the uncertainties surrounding the Internet, but also on the benefits. For non-specialists, it is important to provide real-world examples in order to engage them in discussion. Finally, it is essential to consider alternative models of Internet governance to fully appreciate how the Internet might evolve in the future.



Brett Solomon,
Co-Founder,
accessnow.org,
Australia

“

Security, surveillance and censorship are very much current features of the Internet. While I think it is important that we develop a positive vision and positive examples across the spectrum, we also need to recognize the limitations and the negatives that are associated with the online environment.

”



Vivek Kundra,
Executive
Vice-President,
Emerging
Markets,
salesforce.
com, USA

“

If we look at how policy is crafted today, a small number of people behind closed doors look at facts that reflect the world today and they hard-wire policy for decades – but the world doesn't work like that, it is constantly changing. Sometimes it seems as though there's more data and analytics used to decide where milk is placed in grocery stores versus how governments disperse billions of dollars!

”

Did You Know?

- As of 2012, almost one-third of the world's population had used the Internet.
- The 2012 Reporters without Borders Enemies of the Internet Report identifies 12 “Enemies: Bahrain, Belarus, Burma, China, Cuba, Iran, North Korea, Saudi Arabia, Syria, Turkmenistan, Uzbekistan and Vietnam.”¹
- According to the OpenNet Initiative, globally, there are seven states with “pervasive” – the maximum – levels of Internet filtering tools (websites that provide e-mail, Internet hosting, search, translation, Voice over Internet Protocol telephone services, and circumvention methods). Another five countries have “substantial” levels of Internet filtering.²

Further Resources

Risk and Responsibility in a Hyperconnected World: Pathways to Global Cyber Resilience, World Economic Forum:
<http://www.weforum.org/reports/risk-and-responsibility-hyperconnected-world-pathways-global-cyber-resilience>

Declaration of Internet Freedom – Access:
<https://www.accessnow.org/page/s/internetdeclaration>

Behind the hype of hyperconnectivity, Alan Marcus, World Economic Forum:
<http://forumblog.org/2012/04/behind-the-hype-of-hyperconnectivity/>

What if the Internet collapsed? Rob Wainwright, Director of Europol:
<http://forumblog.org/2012/05/what-if-the-internet-collapsed/>

Calendar

6-9 November 2012, Internet Governance Forum, Baku, Azerbaijan

20-29 November 2012, World Telecommunication Standardization Assembly, Dubai, United Arab Emirates

3-14 December 2012, World Conference on International Telecommunications, Dubai, United Arab Emirates

22-24 April 2013, Telecoms Regulation Forum, London, United Kingdom

14-16 May 2013, World Telecommunication and ICT Policy Forum, Geneva, Switzerland

¹ <http://en.rsf.org/internet.html>.

² <http://map.opennet.net/>.

Global Agenda Council on the Future of the Internet



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Members

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Susan Crawford, Visiting Professor, Harvard Kennedy School, USA

Eugene Kaspersky, Chairman and Chief Executive Officer, Kaspersky Lab, Russian Federation

*Brett Solomon, Co-Founder and Executive Director, Accessnow.org, USA

*Rod A., Beckstrom, President, Rod Beckstrom Group, USA

*Sadie Creese, Professor of Cybersecurity, University of Oxford, United Kingdom

Max Levchin, Chief Executive Officer and President, HVF, USA

*Lynn St Amour, President and Chief Executive Officer, Internet Society (ISOC), Switzerland

*Rosemary, Leith, Director, World Wide Web Foundation, United Kingdom

*Michael Fertik, Founder and Chief Executive Officer, Reputation.com, USA

*Jun Murai, Dean and Professor, Faculty of Environment and Information Studies, Keio University, Japan

Hamadoun I. Touré, Secretary-General, International Telecommunication Union (ITU), Switzerland

Manuel Castells, University Professor and Chair of Communication Technology and Society, Annenberg School of Communication, University of Southern California (USC), USA

*Mohamed N. Al Ghanim, Director-General, Telecommunications Regulatory Authority (TRA), United Arab Emirates

*Paul Nicholas, Senior Director, Microsoft Corporation, USA
Bruce Schneier, Chief Security Technology Officer, BT Global Services, BT Group, USA

Jonathan Zittrain, Professor of Law and Professor of Computer Science, Harvard University, USA

*Confirmed participation in the Summit on the Global Agenda 2012

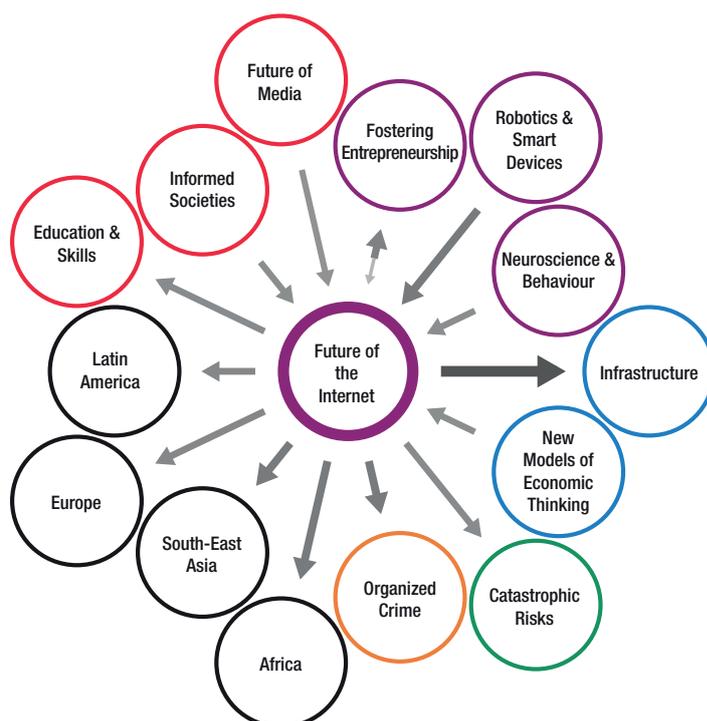
Council Insights

The Council on the Future of the Internet will examine the governance and benefits of this medium, with a focus on heads of state, civil society and chief executives as its key constituents. First, the Council will work on concept flows: how the Internet will evolve under certain conditions, so as to demonstrate how regulation will impact on these flows. Second, it will examine multistakeholder models, which are integral to the emergence of the Internet and the changes it brings to social structures, and discuss how partnerships can be used for the benefit of all.

The Council will create several task forces: one will work with civil society, looking at innovation and the long-term future of the Internet; a second will take the policy perspective and consider possible real-world examples of policy decisions; a third will look at the overall system and examine the Internet's development; and a fourth will consider the Internet of things.

Through these focus areas, the Council hopes to provide real-world examples of concept flows to demonstrate the benefits of the Internet and explore the conditions for multistakeholder engagement, to reveal the range of governance options and their possible implications, whether positive or negative.

The Council on the Future of the Internet works closely with the World Economic Forum's Partnering for Cyber Resilience initiative, a community of chief executive officers and public-sector leaders who have joined forces to address the new risks and responsibilities associated with a hyperconnected world. It seeks to gather signatories and support for the Principles for Cyber Resilience to support organizations to achieve protection and resilience of their own assets and reputations so that their actions also contribute to greater security and resilience at a systemic level.



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Issue Overview

Universities, the engines of economic growth, contribute substantially to human capital development. Educational enterprises are increasingly exposed to transformations in society, such as the omnipresence of the Internet, the growing importance of distance learning, greater intellectual entrepreneurship, international collaborations and new models of partnership between universities, NGOs and business organizations.

The Council has been exploring how these elements modify the ecosystem of higher education. How do “classic” universities adapt to or resist these changes and what are the reasons for doing so? Do innovations, particularly in the field of connectivity, provide meaningful solutions to increase access to studies? Why are so many top universities aggressively pursuing online opportunities?

Although discussions around these questions are relatively new, academic, business and political leaders need to address them and shape a sustainable model of higher education that continues its contribution to societies across the globe. The University of the Future is taking form.



Anant Agarwal,
Professor edX,
Massachusetts
Institute of
Technology, USA

“

When we posted on the website that we were taking registration and the course would start in March, my colleague Piotr Mitros called and said, ‘We’re getting 10,000 registrations a day’.

”

Did You Know?

- Some estimates indicate that the cost of higher education in the United States has increased twelvefold since 1978.¹
- Affordability of higher education varies significantly between countries: the average cost represents 110% of the median income in Japan while it is only 2% in Norway.²
- Since it began in April 2012, Coursera, the free open online course, has enrolled 1.57 million students.³

Further Resources

Ivarsson, Viktoria and Petoche, Michele. “What will the university of the future look like?” World Economic Forum, <http://forumblog.org/2012/06/what-will-the-successful-university-of-the-future-look-like/>, 28 June 2012

Auletta, Ken. “Get Rich U”. The New Yorker, http://www.newyorker.com/reporting/2012/04/30/120430fa_fact_auletta?currentPage=1, 30 April 2012

“Inaugural Address of MIT President L. Rafael Reif”. MIT, <http://video.mit.edu/watch/inaugural-address-of-mit-president-l-rafael-reif-12680/>, 21 September 2012

Carey, Kevin. “The Siege of Academe”. Washington Monthly, http://www.washingtonmonthly.com/magazine/septemberoctober_2012/features/_its_three_oclock_in039373.php?page=all, September/October 2012

Calendar

13-15 November 2012, World Innovation Summit for Education, Qatar

4-7 February 2013, Third International Conference on e-Learning and Distance Learning, Riyadh, Saudi Arabia



Kenneth
Prewitt,
Carnegie
Professor of
Public Affairs,
Columbia
University, USA

“

Our predecessors in, say, 1870, understood the research university as we know it today about as clearly as today we are likely to understand what universities will look like a century from now. I am taken with the following phrase: **We need no less than a new Enlightenment based on the principle ‘from local universalism to global contextualism’.** This counter-intuitive juxtaposition of what is universal and what is contextual will, perhaps, help us think more deeply about the global university so many of us are trying to build.

”

¹ Bloomberg, 15 August 2012.

² Usher, A. and Medow, J., Global Higher Education Rankings 2010.

³ Fortune, October 5, 2012. <http://management.fortune.cnn.com/2012/10/05/mba-online-education-uva-coursera/>.

Global Agenda Council on the Future of Universities



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* Ben Nelson, Chairman and Chief Executive Officer, The Minerva Project, USA

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* Linah K. Mohohlo, Governor and Board Chairman, Bank of Botswana, Botswana
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* Kenneth Prewitt, Vice-President for Global Centers and Carnegie Professor of Public Affairs, Columbia University, USA

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Tan Chorh-Chuan, President, National University of Singapore, Singapore

* Carlos Villanueva, Director, Strategic Development of the Virtual University, Monterrey Institute of Technology and Higher Education (ITESM), Mexico

* Zhang Xinsheng, President, China Education Association for International Exchange, People's Republic of China

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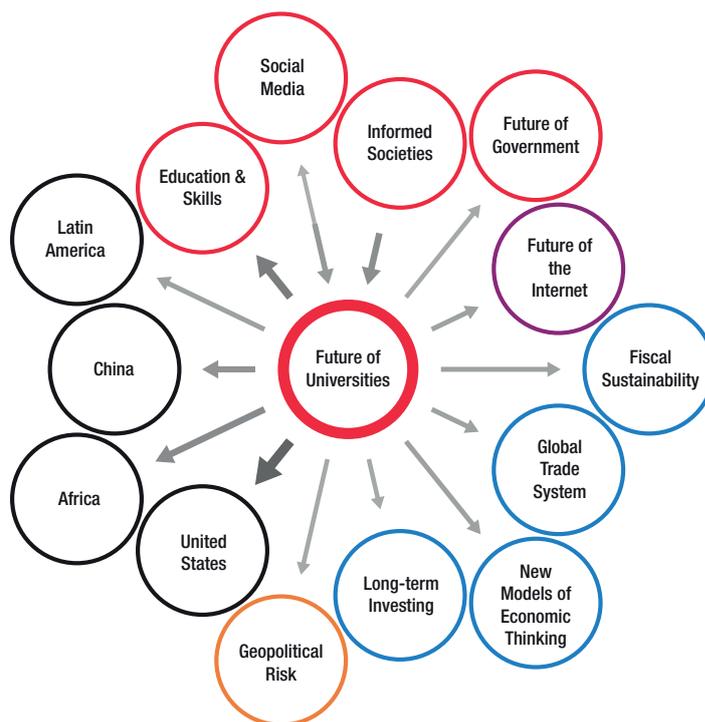
Council Insights

The Global Agenda Council on the Future of Universities brings together traditional and new academic organizations and leaders from the public and private sectors to examine how universities are evolving in the rapidly changing environment of today. It seeks to track trends, changes and new models in higher education and research and to highlight policy implications at national and international levels.

The Council will take up three key themes for discussion in 2012-13. First, it will look at transformative and disruptive technologies to evaluate their impact on capacity building, especially in developing countries. The key questions it will examine will be: how the classroom is evolving, how online courses are a successful complement or alternative to classical methods and what different models of online training exist. Discussions will include thinking about the purpose and design of online platforms, their content and presentation, and certification and the value of course completion.

A second area of interest is in the economics of education in general. What are the differences between a private and a public model of higher education? What should the involvement of industry in universities be, and what are the advantages and disadvantages of a close relationship between the two? Moreover, when it comes to funding research, can the right balance be found between top-down, large-scale and investigator-initiated bottom-up awards?

Third, the concept of a Global University is also gaining significant traction. What would it look like? To what extent are universities responsible for the creation and dissemination of knowledge in this context? How will academic institutions strike a balance between their intellectual traditions and the new educational models that are emerging? These and several related topics will be examined in light of the implications of the information and communications technology revolution for the university.



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Issue Overview

In 2008 the world suffered a financial market meltdown and the subsequent global recession is a reminder that even in this globalized age borders still matter and traditional geopolitical risk is more important than ever. World leaders faced increasingly complex sets of political and economic challenges, and many of them turned inward, focusing attention on how global events and responses would affect their domestic agendas, while the globalized world began to fragment. The demands of local politics and global business seemed increasingly at odds, and political and business leaders faced challenges more complex than ever.

In this increasingly interconnected world, the power dynamics are shifting and the super-powers of yesterday can no longer be as confident of their positions, as they have been historically. Although the US has shown economic resilience, Europe is still mired in deep economic crisis, and it is increasingly being said that this crisis is less economic than political. How governments, political parties and international institutions such as the World Bank and the International Monetary Fund (IMF) respond to this challenge will determine the future of euro as well as the entire eurozone experiment.

Another well-established concept, democracy, has been challenged in the past few months. While some countries like Tunisia and Egypt have taken violent steps towards becoming more democratic and conducting free and fair elections, others have rigidly stayed the same, or worse, receded in the freedom they provide their citizens. This rise in uncertainty is not restricted to the emerging countries, but is threatening to disrupt historical giants like Russia where, according to Dimitri Trenin, there could be signs of a "Russian Awakening"², where the state-led monopolism is being challenged by the worsening economic environment and changing social realities. All these new power struggles are leading to an increase in geo-economic and geo-political challenges all over the world.

Did You Know?

- Norway is ranked first as the most effective democracy in the world, according to the Democracy Index 2011, Economic Intelligence Unit.³
- Tunisia had the biggest jump in rankings in the Freedom in the World 2012 Index, with its political rights rating improving from seven to three and its status improving from "Not Free" to "Partly Free" due to free and fair elections for the Transitional Constituent Assembly held in October.⁴
- Hong Kong's economic freedom score is 89.9, making its economy the most free in the 2012 Index of Economic Freedom.⁵

Further Resources

Geopolitical Risk Annual Report 2011:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/geopolitical-risk/>

Global Risks 2012 Seventh Edition, An Initiative of the Risk Response Network, World Economic Forum:
<http://reports.weforum.org/global-risks-2012/>

Foreign Policy magazine:
<http://www.foreignpolicy.com/>

Calendar

4-5 November 2012, G20 Finance Ministers & Central Bank Governors' Meeting, Mexico City, Mexico

7-9 December 2012, The Manama Dialogue, 8th International Institute for Strategic Studies Regional Security Summit, Manama, Bahrain

28 April – 1 May 2013, Milken Institute, Global Conference 2013, Los Angeles, USA

31 May – 2 June 2013, Shangri-La Dialogue Asia Security Summit, International Institute for Strategic Studies, Singapore



Douglas Rediker, Senior Fellow, New America Foundation, USA, Vice-Chair of the Global Agenda Council on Geopolitical Risk

“

The most under-appreciated risk is the potential failure of international and global organizations to rise to the challenge of addressing today's global financial and economic crises.⁶

”



Ian Bremmer, Director, Eurasia Group, USA, Chair, Global Agenda Council on Geopolitical Risk

“

The G-Zero is a world without effective, consistent leadership. It's not the G7 world where western industrialized powers set the agenda. It's not a G20 world where developed and developing states find some way to work together on tough transnational problems. It's a world where no one can be counted on either to pay the piper or call the tune.⁷

”

¹ What's Next? Essays on Geopolitics that Matter, e-book published by the Global Agenda Council on Geopolitical Risk.

² Dimitri Trenin, "Watching the Russian Wildcard", What's Next: Essays on Geopolitics that Matter.

³ Democracy Index, 2011: Democracy Under Stress, A Report from the Economist Intelligence Unit, http://www.sida.se/Global/About%20Sida/S%C3%A5%20arbetar%20vi/EIU_Democracy_Index_Dec2011.pdf

⁴ Freedom in the World, 2012, Freedom House, http://www.freedomhouse.org/sites/default/files/FIW%202012%20Booklet_0.pdf.

⁵ 2012 Index of Economic Freedom, The Heritage Foundation in partnership with the Wall Street Journal, <http://www.heritage.org/index/default/>.

⁶ "What if Global Institutions Fail", What-If Interview Series by the Risk Response Network, <http://forumblog.org/2012/05/what-if-global-institutions-fail/>.

⁷ Interview of Ian Bremmer by Fareed Zakaria, Author One-to-One by Amazon, <http://www.amazon.com/Every-Nation-Itself-Winners-Losers/dp/1591844681>.

Global Agenda Council on Geopolitical Risk



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*Wu Xinbo, Professor, Fudan University, People's Republic of China

Ahn Ho-Young, First Vice-Minister of Foreign Affairs and Trade, Ministry of Foreign Affairs and Trade of the Republic of Korea, Republic of Korea

*Katinka Barysch, Deputy Director, Centre for European Reform (CER), United Kingdom

John Chipman, Director-General and Chief Executive, International Institute for Strategic Studies (IISS), United Kingdom

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Council Insights

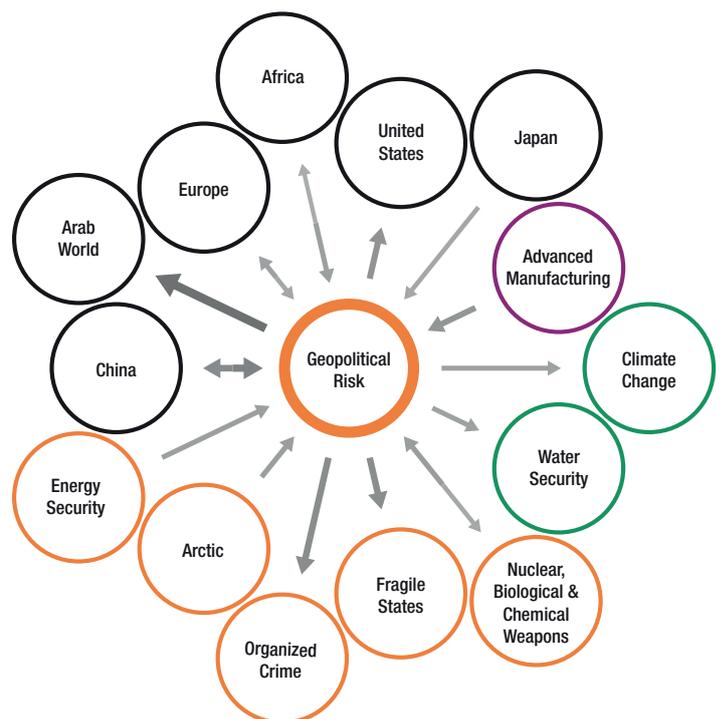
The Global Agenda Council on Geopolitical Risk aims at establishing Geopolitical (and inherently Geo-economic) Risk as a primary category in the discourse on economic and political global governance. Geopolitical and geo-economic risk transcends the boundaries of bottom-line risk assessments both in the private and the public sector and therefore plays an important role in the deliberations and findings of the Network of the Global Agenda Councils, and the World Economic Forum by extension.

The Council discussions were mainly focused upon two areas of exploration:

- Assessing the effectiveness of global institutions amid the rise of regionalism
- Consequences and key points of this dynamic: expected risks, opportunities, winners and losers

The Council has published an e-book entitled, *What's Next? Essays on Geopolitics that Matter*. Authored by Council members, each chapter offers insight into different regions of the world, reporting on its changing world order. The e-book is a collection, rather than a comprehensive portrait of the geopolitical risks being faced, and illustrates where the world might be headed. It explores topics that will be important political and economic drivers for 2013 and years to come. The various chapters cover the eurozone crisis, its link with the IMF, Russia's long-term future in global politics, the Arab Spring, the divergent path of emerging markets, geopolitics of Asia, innovation in US foreign policy, and the future of Afghanistan.

The Council aims to continue publishing this series on an annual basis, to provide a prognosis of the world's central geopolitical issues, and to add value to the work of other Councils in the Network of the Global Agenda. It will also continue to work with the Risk Response Network within the World Economic Forum to complement their work in the broader area of identifying and mitigating global risks.



Contact Information

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Forum Lead: Martin Nagele, Director, Deputy Head of the Network of Global Agenda Councils, Martin.Nagele@weforum.org

Issue Overview

The global financial system consists of the establishments and regulators that oversee all private financial institutions operating on a global scale. Today, the governance and structure of this system are rapidly evolving in response to the debt crisis in the eurozone, the lingering effects of the 2008 financial crisis and the associated risks to financial stability and economic growth that continue to weigh down global markets.

The roots of the current crisis are numerous:

- Excessive pre-crisis expansion of private-sector credit, much of it mispriced, which generated unsustainable economic growth and fiscal expectation
- The fiscal implications that broadened the financial crisis into one embracing sovereign debt, which in turn caused additional damage to the balance sheets of banks holding such debt
- Concern over sovereign credit ratings and further damage to the banking system, which forced policy-makers to provide additional official assistance and to radically increase banks' capital requirements

Within this context, the International Monetary Fund declared in September 2012 that remaking the global financial system remains a work in progress. Given the global nature of the financial and economic turmoil, new approaches and solutions from both governments and the private sector are required.

However, the financial crisis has revealed significant limitations in the current regime of global coordination and financial regulation. The progress made to stabilize financial markets at the national, regional and global levels has often proved misaligned. Approaches aimed at developing national regulatory frameworks have often departed from the international regulatory harmonization and coordination that the G20 and the Financial Stability Board, in particular, are seeking to achieve. While some progress has been made, significant gaps remain in the global regulatory architecture requiring further efforts by all actors.

Did You Know?

- The overall size of the financial system is impressively large: there are 7,100 banks in the US alone. The US has 82,000 bank branches, and China more than 65,000;² there are 10,000 hedge funds³ and 4,100 private equity firms.⁴
- Some 1.645 trillion euros of European sovereign debt in Belgium, France, Germany, Greece, Italy, Spain and the United Kingdom is held by European banks.⁵
- In the US, shadow bank liabilities equal traditional bank liabilities at US\$ 14 trillion.⁶

Further Resources

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Angeloni, Chiara and Wolff, Guntram B. "Are Banks Affected by Their Holdings of Government Debt?". Bruegel Working Paper: <http://www.bruegel.org/publications/publication-detail/publication/717-are-banks-affected-by-their-holdings-of-government-debt/>, 26 March 2012

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Szwarcz, Steven L. "Regulating Shadow Banking": http://scholarship.law.duke.edu/cgi/viewcontent.cgi?article=3121&context=faculty_scholarship, 2012

"Global Financial Stability Report: Restoring Confidence and Progressing on Reforms". IMF: <http://www.imf.org/external/pubs/ft/gfsr/2012/02/pdf/text.pdf>, October 2012

Calendar

9-14 October 2012, International Monetary Fund and World Bank Annual Meetings, Washington DC, USA

4-5 November 2012, G20 finance ministers and Central Bank Governors' meeting, Mexico City, Mexico



Darrell Duffie,
Dean, Witter
Distinguished
Professor of
Finance,
Stanford
Graduate
School of
Business, USA

“

A lot of people seem to have preconceived notions about where we want the boundaries of our banking system drawn and then they work backwards from that to try to argue in favour of whatever it is – narrow banking, traditional banking, universal banking, ring fencing. They all seem to have something in mind, without first bringing it back to the principles we are trying to accomplish.

”



Dr Randall S.
Kroszner,
Norman R.
Bobins
Professor of
Economics,
University of
Chicago Booth
School of
Business

“

In many countries, large financial institutions are effectively off-balance sheet obligations of sovereigns, but at the same time these institutions hold large amounts of sovereign debt. This interconnection creates a potentially dangerous cycle: if the sovereign gets into trouble, the riskiness of the banks increases. But this also increases the likelihood of a government bailout that would only cause the sovereign to get into even more trouble. Similarly, if the banks get into trouble, the sovereign also may be put at risk, in turn deepening the banks' troubles. Hence, a negative shock to either the sovereign or the banks can lead to a vicious cycle of sovereign and bank downgrades that can spiral out of control.

”

¹ Wikipedia, http://en.wikipedia.org/wiki/Bank#Size_of_global_banking_industry.

² Ibid.

³ Hedge Fund Review, <http://www.hedgefundsreview.com/hedge-funds-review/news/2172771/hedge-fund-aum-set-rise-2012-investors-begin-question-fees-terms>.

⁴ Kim, Jim. "More private equity firms go out of business". Fierce Finance, <http://www.fiercefinance.com/story/more-private-equity-firms-go-out-business-2011-04-12>, 12 April 2011.

⁵ Soong, Wendy. "Ranking of Sovereign Debt Held in European Banks". Bloomberg, <http://www.bloomberg.com/news/2011-08-22/ranking-of-sovereign-debt-held-in-european-banks-table-.html>, 22 August 2011.

⁶ Pozsar, Zoltan, Adrian, Tobias, Ashcraft, Adam and Boesky, Hayley. "Shadow Bank". Federal Reserve Bank of New York Staff Report No. 458, http://www.ny.frb.org/research/staff_reports/sr458.pdf, July 2010 and revised February 2012.

Global Agenda Council on the Global Financial System



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*Rhee Chang-Yong, Chief Economist, Asian Development Bank, Philippines

*Erik Berglöf, Chief Economist, European Bank for Reconstruction and Development (EBRD), United Kingdom

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Darrell Duffie, Dean Witter Distinguished Professor of Finance, Stanford Graduate School of Business, USA

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*Stella Kilonzo, Founder, Astute Capital, Kenya

*Liao Min, Director-General, Shanghai Office, China Banking Regulatory Commission

*Kevin Lynch, Vice-Chair, BMO Financial Group, Canada

Andrew Metrick, Deputy Dean for Faculty Development & Michael H. Jordan Professor of Finance and Management, Yale School of Management, USA

*Barbara Ridpath, Chief Executive, International Centre for Financial Regulation, United Kingdom

*Domenico Siniscalco, Vice-Chairman, Country Head, Italy and Head, Government Coverage, Europe, Middle East and Africa, Morgan Stanley Bank, Italy

*Confirmed participation in the Summit on the Global Agenda 2012

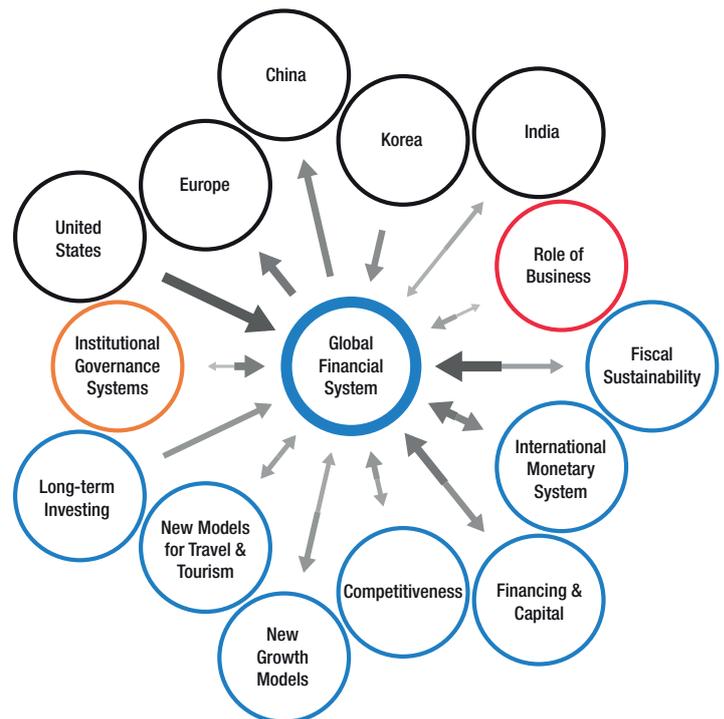
Council Insights

Focusing on the nature of the systemic risks that continue to threaten the stability of the global financial system, the Council on the Global Financial System will convene leaders from government, business and academia to consider efforts by international institutions and regulators to reshape the financial architecture of the global economy. It will seek to build a more stable system that can protect the global economy against similar crises in the future.

The Council will explore several issues, beginning with the relationship between financial institutions and sovereigns. This issue is particularly topical in Europe, and touches on fiscal and financial aspects as well as the relationship between how financial regulation may affect the financing and the credit worthiness of the sovereign. It also raises various issues, such as the role of large financial institutions, cross-border resolutions, leveraging and the future role of finance in society. To provide a roadmap for what should be recommended, policy reactions to past financial crises will be examined.

The key areas of work will include:

- Discussions on the issue of “complexity in the financial system” with Members of the Global Agenda Councils on Financing & Capital and on Complex Systems
- Scrutiny of the world of shadow banking, including in the context of the current World Economic Forum project on Alternative Investments 2020
- Provision of inputs to “The Role of Finance in Society” project, as well as exploration of linkages with other Global Agenda Councils, with emphasis on the specific issue of trust in the banking sector



Contact Information

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 Forum Lead: Giancarlo Bruno, Senior Director, Head of Financial Services Industry, giancarlo.bruno@weforum.org

Issue Overview

The global trade system requires effective governance at several levels. While regional, bilateral and unilateral components of the system are flourishing, progress in achieving multilateral agreements is waning. Since the creation of the World Trade Organization (WTO) in 1995, few binding agreements for multilateral liberalization have been reached in sectors including services, agriculture in industrial countries, and manufacturing tariffs in developing countries.

Furthermore, the time taken to complete the Doha Round of trade talks and its reduced ambition call for new approaches. In the medium term, action is required to strengthen the multilateral component of the system, reinforce plurilateral and regional agreements, assist countries with liberalization and trade facilitation, and foster relationships between the WTO and other institutions.

Recent trends in the global economy, such as the increasing importance of global production chains, growing middle classes in some developing economies, burgeoning south-south trade, and a surge of regional agreements, are changing the face of trade. These trends are resulting in tension between the need for greater global integration, on the one hand, and a revival of protectionism, on the other.

Consequently, deeper understanding of this new reality and its policy implications is needed to assist countries to optimize their trade policies, and to define how multilateral agreements and institutions need to adapt to cope with this new economic reality.

Did You Know?

- In 2008 emerging economies accounted for one-third of world trade; in 2011 they contributed to almost 60% of the growth in imports of goods and services and 52% of the growth in exports.
- Between January 2008 and March 2012, the WTO was notified of 61 new trade agreements. Of these, only five were agreements between developed countries, 32 involved both developed and developing economies, and 24 were agreements between developing countries.
- Globally, “identifying potential markets” is the biggest obstacle to exports, while tariffs and non-tariff barriers and import procedures are the biggest obstacles to imports.

Further Resources

Preferential Trade Arrangements and the World Trading System: http://www3.weforum.org/docs/WEF_GAC_PreferentialTradeArrangementsWorldTradingSystem_2011.pdf

A Plurilateral “Club-of-Clubs” Approach to World Trade Organization: Reform and New Issues: http://www3.weforum.org/docs/WEF_GAC_TradeApproachWorldTradeOrganization_2009-10.pdf

The Shifting Geography of Global Value Chains: Implications for Developing Countries and Trade Policy: http://www3.weforum.org/docs/WEF_GAC_GlobalTradeSystem_Report_2012.pdf

The Future and the WTO: Confronting the Challenges: <http://ictsd.org/downloads/2012/07/the-future-and-the-wto-confronting-the-challenges.pdf>

Blog: The shifting geography of global value chains: Implications for developing countries and trade policy: <http://www.voxeu.org/article/shifting-geography-global-value-chains-implications-developing-countries-and-trade-policy>

Calendar

9-14 October 2012, International Monetary Fund and World Bank Annual Meetings, Washington DC, USA

4-5 November 2012, G20 finance ministers and Central Bank Governors’ meeting, Mexico City, Mexico



Anabel Gonzalez,
Minister of
Foreign Trade
of Costa Rica



Increasing and strengthening intraregional trade by implementing trade facilitation measures is another of the most significant challenges faced by the [Central American] region, to thus maximize the benefits of regional integration and of the relationship with other trade partners. This entails accomplishing important improvements in infrastructure and speeding up customs paperwork to reduce the time and cost of transporting goods.



Robert Z. Lawrence,
Professor of Trade and Investment,
John F. Kennedy School of Government,
Harvard University, USA



The adoption of policies that enable trade will become increasingly important, not only for enhancing development in individual countries but also for generating prosperity in their trading partners.



Global Agenda Council on the Global Trade System



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Members

*Anabel González, Minister of Foreign Trade, Ministry of Foreign Trade of Costa Rica, Costa Rica

*Peter Draper, Senior Research Fellow, Economic Diplomacy Programme, South African Institute of International Affairs (SAIIA), South Africa

*Richard E. Baldwin, Professor of International Economics, Graduate Institute of International and Development Studies, Switzerland

*Karan Bhatia, Vice-President and Senior Counsel, Global Government Affairs and Policy, General Electric Company, USA

*Uri Dadush, Senior Associate and Director, International Economics Program, Carnegie Endowment for International Peace, USA

Salma Hareb, Chief Executive Officer, Jebel Ali Freezone Authority & Economic Zones World, United Arab Emirates

*Gary C. Hufbauer, Senior Fellow, Peterson Institute for International Economics, USA

*Salim Ismail, Group Chairman and Chief Executive Officer, Groupe Socota, Mauritius

*Selina Jackson, Special Representative to the World Trade Organization and the United Nations, World Bank, Switzerland

*Alejandro Jara, Deputy Director-General, World Trade Organization (WTO)

Robert Z. Lawrence, Albert L. Williams Professor of Trade and Investment, Harvard Kennedy School, USA

*Jean-Pierre Lehmann, Emeritus Professor of International Political Economy, IMD International, Switzerland

*Beatriz Leycegui Gardoqui, Senior Fellow, Autonomous Technological Institute of Mexico (ITAM), Mexico

*Christopher Logan, Co-Founder and Chief Executive Officer, Silk Road Mining and Development, Canada

Mario Marconini, President, ManattJones Global Strategies, Brazil

*Susan C. Schwab, Professor of Public Policy, University of Maryland, USA

*Sherry Stephenson, Senior Adviser for Services Trade, Organization of American States (OAS), USA

Guillermo Valles Galmés, Director, International Trade in Goods, Services and Commodities Division, United Nations Conference on Trade and Development (UNCTAD), Switzerland

Wan Meng, Dean, School of Law, Beijing Foreign Studies University, People's Republic of China

*Wang Yong, Director, Center for International Political Economy Research, Peking University, People's Republic of China

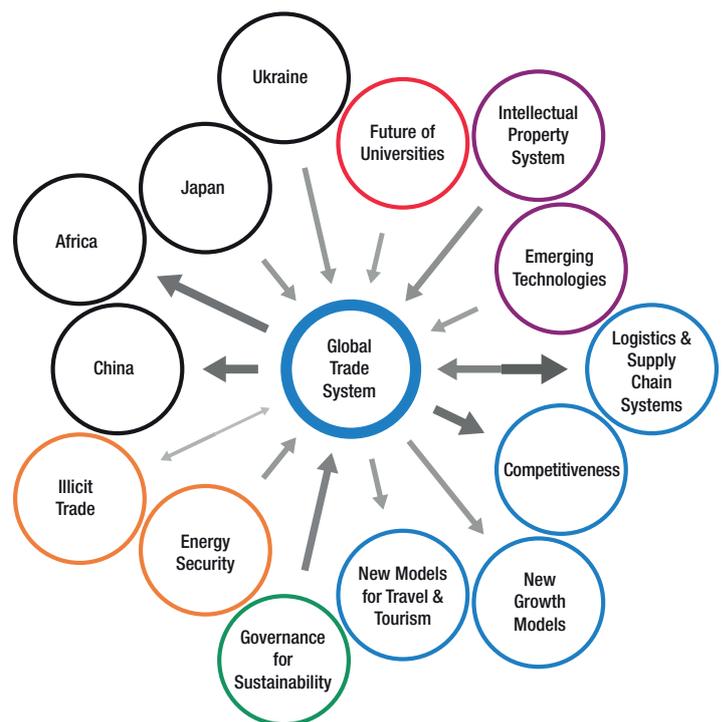
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

After focusing on Regional and Preferential Trade Agreements in 2010-11, Members of the Council on the Global Trade System recognized that the evolution of global value chains is a very important and often misunderstood issue. Since involvement in global value chains offers developing countries the possibility of rapid export-led industrial development, the policy implications for these countries need to be better explained and understood. Council Members also identified a need for more accurate data about value creation along an evolving global value chain, which in turn would shed new light on national trade balance sheets.

Consequently, the Council decided to consider these matters in more detail and to publish a report entitled *The Shifting Geography of Global Value Chains: Implications for Developing Countries and Trade Policy*. The report outlines the consequences of the transformation of the global value chain over the next decade and provides some recommendations. The Council also produced recommendations on the G20/B20 trade agenda and collaborated with the Council on Logistics & Supply Chain Systems and with the World Bank on the supply chain approach to trade cooperation project.

This term, the Council on the Global Trade System has identified the role of investments (FDI) in fostering trade as its main area of focus and will seek to offer insights for improving the WTO framework in this area.



Contact Information

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Issue Overview

The multilateral, nation state-centred institutions of the 20th century are a key building block of international governance for sustainable development. Yet, assessing the performance of the traditional multilateral approach against some of the major global contemporary challenges (climate change, sustainable development, trade), reveals that existing institutions do not appear to be adapting fast enough to an environment in flux, marked by changing geopolitical realities or technological and economic shifts, but also by the emergence of new actors. This suggests a need to equip international governance with new structures designed to deliver and drive practical progress at a much faster pace on the one hand, and to encourage engagement with new actors on the other hand.

New actors include innovative public-private partnerships that go beyond traditional, intergovernmental governance structures and include civil society, business and government stakeholders. The recent Rio+20 summit included a number of examples of what such multistakeholder coalitions might look like. However, the need remains to understand how these new structures can better interact with the existing multilateral institutions to achieve sustainable development at the required speed.



Jim Bacchus,
Chair, Global
Agenda
Council on
Governance for
Sustainability,
on the work the
Council could
achieve

“

I want to build a broad consensus among ourselves about what we are to try to do, what kinds of specific concrete actions we can propose, inspire, highlight that might make a difference for the world.

”

Did You Know?¹

- More than 2.3 million green jobs have been created in the renewable energy sector in recent years.
- Some 500 million small farms worldwide, most still rainfed, provide up to 80% of the food consumed in a large part of the developing world. Investing in smallholder women and men is an important way to increase food security and nutrition for the poorest, as well as food production for local and global markets.
- As many as 40% of the world's oceans are suffering from the impacts of human activities, including pollution, depleted fisheries and loss of coastal habitats.

Further Resources

A Message from the Friends of Rio:
http://www3.weforum.org/docs/WEF_FriendsRio20_Message_2012.pdf

Annex to the Message from the Friends of Rio (example of successful PPPs): http://www3.weforum.org/docs/WEF_FriendsRio20_Annex_2012.pdf

CITES: From Stockholm in '72 to Rio+20 – Back to the future, John Scanlon, Member of the Global Agenda Council:
<http://uncsd.iisd.org/guest-articles/cites-from-stockholm-in-%E2%80%9872-to-rio20-back-to-the-future/>

Calendar

8-9 October 2012, Global Green Growth Forum, Copenhagen, Denmark

18-26 November - 7 December 2012, UNFCCC Conference of Parties, Doha, Qatar

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

23-27 June 2013, Salzburg Global Seminar, A Climate for Change: New Thinking on Governance for Sustainability, Salzburg, Austria



Ida Auken,
Minister of
Environment of
Denmark, at
the Rio+20
Summit

“

Brown economy has hit the wall and failed... Inclusive green economy is not only a way to go, it is the only way to go. Green economy is not about limiting growth – it is about enabling growth.

”

¹ <http://www.un.org/en/sustainablefuture/>.

Global Agenda Council on Governance for Sustainability



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Members

*James Bacchus, Honorary Professor of Law, University of International Business and Economics, People's Republic of China

*Marta Dassu, Undersecretary of State, Ministry of Foreign Affairs of Italy, Italy

*Ida Auken, Minister of the Environment, Ministry of the Environment of Denmark, Denmark

*Sharan Burrow, General Secretary, International Trade Union Confederation (ITUC), Belgium

Paul Collier, Professor of Economics, Department of Economics, University of Oxford, United Kingdom

Thomas A. Daschle, Senior Policy Advisor, DLA Piper, USA

Naoko Ishii, Deputy Vice-Minister of Finance, Ministry of Finance of Japan, Japan

Ashok Khosla, Chairman, Development Alternatives, India

Thomas Lingard, Global Advocacy Director, Unilever, United Kingdom

*Lu Tong, Director, Chinese Center for Corporate Governance, Institute of World Economics and Politics, Chinese Academy of Social Sciences (CASS), People's Republic of China

*Ricardo Meléndez-Ortiz, Chief Executive, International Centre for Trade and Sustainable Development (ICTSD), Switzerland

*Chandran K P Nair, Founder and Chief Executive Officer, Global Institute for Tomorrow, Hong Kong SAR

*Herbert Oberhaensli, Vice-President, Economics and International Relations, Nestlé, Switzerland

Steen Riisgaard, President and Chief Executive Officer, Novozymes, Denmark

*Richard Samans, Executive Director, Global Green Growth Institute (GGGI), Republic of Korea

*John E. Scanlon, Secretary-General, CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora), Switzerland

*Abdulla Bin Touq, Head, Infrastructure and Environmental Department, Strategy and Policy Sector, Office of the Prime Minister of the United Arab Emirates, United Arab Emirates

*Thierry Van Landegem, Vice-President, Alcatel-Lucent Bell Laboratories, USA

*Wang Shi, Chairman, China Vanke Co., People's Republic of China

Durwood J. Zaelke, President, Institute for Governance and Sustainable Development (IGSD), USA

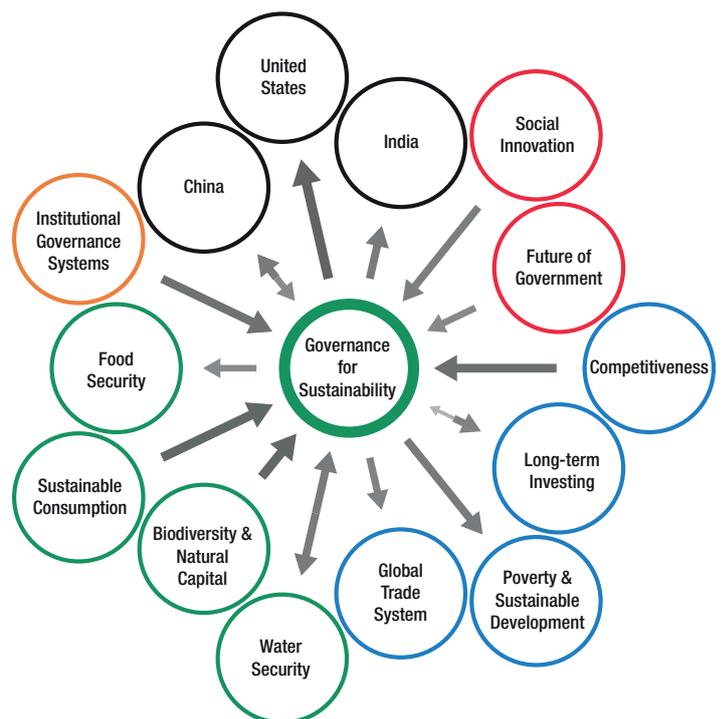
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Governance for Sustainability strives to develop concrete proposals for effective multistakeholder governance structures that go beyond the multilateralism typically associated with the 20th century to deliver sustainable development that is economically sound, environmentally respectful and socially equitable.

The Council believes that international institutions need to evolve in ways that encourage and enable creative and collaborative initiatives to further sustainable development by engaging with coalitions comprised of stakeholders from government, business, science and civil society. This requires new structures of governance that provide legal latitude, technical assistance and necessary funding mechanisms; this would enable progress towards sustainable development at a much faster pace. At the same time, these governance structures need to acknowledge the changed shape of the global economy in the 21st century and, especially, the emergence of new nations as major shapers of the global economy.

This new global governance should not only adopt a "top-down" approach, encouraging deliberations and negotiations among nation-states, but also, and crucially, it should take a "bottom-up" global approach, involving multistakeholder coalitions. The Council shares best practices of effective bottom-up dynamics for sustainable development, to conceptualize new models of governance for sustainability, and to promote understanding and leadership to enable the necessary governance shifts. Toward these ends, the Council's task will be to develop proposals for new, practical and effective governance structures that could spur and support sustainable development worldwide.



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 Forum Lead: Dominic Waughray, Senior Director, Environmental Initiatives, dominic.waughray@weforum.org

Issue Overview

Globalization presents challenges for the protection of human rights, including the need to address the social consequences of a globalizing economy. There is growing acknowledgement of human rights standards as rules for a globally operating ethical market and increasing attention on the human rights responsibilities of business entities.

Business can make a contribution to the realization of human rights by creating employment, providing sustainable goods and services, creating value and contributing to revenue through tax. However, poor business practices and inadequate regulation can impact negatively on human rights.

International organizations and civil society groups are engaged in efforts to hold corporations accountable for human rights violations. Significant advances have helped clarify how businesses can respect human rights standards. International human rights law is transforming itself, from imposing obligations only on states – still the primary duty-bearers – to taking into account that non-state actors – particularly corporations – also have important responsibilities.

The increasing scrutiny of companies has resulted in improved efforts on their behalf to safeguard human rights throughout their operations. Over 250 companies worldwide now have an explicit human rights policy, and many more refer to human rights in their codes of conduct. Many companies are realizing that human rights, far from being a burden on business, can be a powerful tool for developing stakeholder relationships and building long-term value.

In June 2011, the United Nations Human Rights Council endorsed the UN Guiding Principles on Business and Human Rights (UNGPs), which clearly define the responsibilities of all relevant actors to protect human rights and provide access to effective remedies for victims of abuses. As the authoritative focal point on business and human rights, the UNGPs solve inconsistencies among business codes that add transaction costs to actors. They offer a “new governance model” that harnesses 21st-century decentralized governance to shape both business and state conduct on this important issue.

Did You Know?

- Of the world’s 100 largest economic entities, 51 are now corporations and 49 are countries.
- The Universal Declaration of Human Rights calls on every individual and every organ of society – including companies – to protect and promote human rights.
- In August 2003, the UN Sub-Commission on the Promotion and Protection of Human Rights approved the UN Norms on the Responsibilities of Trans-national Corporations and Other Business Enterprises with Regard to Human Rights (also known as the UN Norms).

Further Resources

Website of UN Working Party on Business and Human Rights:
<http://www.humanrightsbusiness.org/un+working+group+on+human+rights+and+business>

Institute for Business and Human Rights:
<http://www.ihrb.org/>

Global Business Initiative on Human Rights:
<http://www.global-business-initiative.org/>

OECD Guidelines for Human Rights and Multinational Enterprises Global Compact:
<http://www.oecd.org/corporate/guidelinesformultinationalenterprises/34873731.pdf>

DIHR – Danish Institute for Human Rights, Human Rights and Business Project:
<http://www.humanrightsbusiness.org/about+us/the+danish+institute+for+human+rights>

Calendar

4-5 December 2012, UN Annual Forum on Business and Human Rights, Geneva, Switzerland



Mary Robinson,
Mary Robinson
Foundation-
Climate Justice

“

There has been a real sea change in the understanding of the human rights impacts businesses can have.

”



Melike Yetken,
Section Chief,
Business and
Human Rights,
US Department
of State, USA

“

Today, half of the world’s 100 largest economies are private companies... The global business community has grown in power and influence, and so must its responsibility for protecting human rights.

”

Global Agenda Council on Human Rights



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Members

Mary Robinson, President, Mary Robinson Foundation-Climate Justice, Ireland

*Alexandra Guáqueta, Lecturer, Flinders University, Australia

*Peter Herbel, Senior Vice-President, General Counsel, Total, France

*Margaret Jungk, Director, Human Rights and Business Department, Danish Institute for Human Rights, Denmark

*Sumi Dhanarajan, Graduate Student, School of Law, National University of Singapore, Singapore

*Kathryn Dovey, Director, The Global Business Initiative on Human Rights, United Kingdom

Audrey Gaughran, Director of Global Issues, Amnesty International, United Kingdom

*Auret van Heerden, President and Chief Executive Officer, Fair Labor Association, Switzerland

*Klaus Leisinger, Chairman, Novartis Foundation for Sustainable Development, Switzerland

*Liang Xiaohui, Chief Researcher, Officer for Social Responsibility, China National Textile and Apparel Council (CNTAC), People's Republic of China

Lana Nusseibeh, Minister Plenipotentiary and Director, Policy Planning Department, Ministry of Foreign Affairs, United Arab Emirates

*Ron Popper, Group Vice-President and Head, Corporate Responsibility, ABB Ltd, Switzerland

*Ed Potter, Director, Global Workplace Rights, The Coca-Cola Company, USA

*Anita Ramasastry, UW Law Foundation Professor of Law, University of Washington School of Law, USA

Muti Sunmonu, Managing Director and Regional Vice-President of Production, Shell Petroleum Development Company (SPDC), Nigeria

Meg Taylor, Vice-President, Compliance Advisor Ombudsman, International Finance Corporation (IFC), USA

Leon Teicher, President, XeonCorp, Colombia

*Melike Yetken, Section Chief, Business and Human Rights, US Department of State, USA

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Human Rights has chosen as its primary strategic goal to promote the United Nations Guiding Principles on Business and Human Rights (UNGPs).

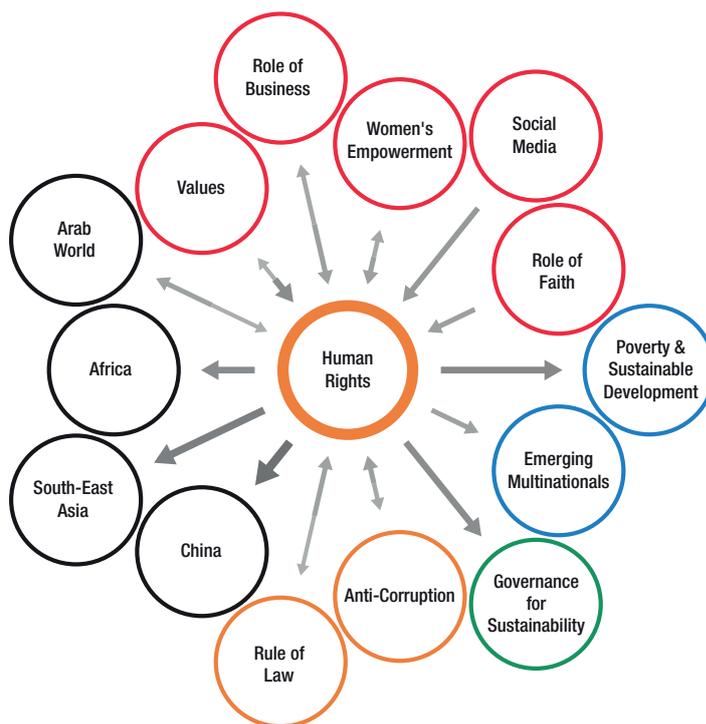
It will initiate dialogue among multiple stakeholders to explore the implications of the UNGPs for specific sectors and to gain wider support for this agenda. It will seek to identify and disseminate good practice, share lessons and strategies from frontline sectors, and offer guidance on how human rights should be protected and respected in different business contexts.

The Council also aims to make human rights and business issues "conversant" with other pressing global challenges, such as environment and population growth, and to address the question of how human rights issues should be worked into corporate social responsibility (CSR), sustainability and corporate ethics strategies, and into other discourses that drive the overall approach of business in this field.

The Council will focus on defining follow-up steps on major global initiatives related to business and human rights; determining challenges and opportunities by sector and region in implementing the Guiding Principles; integrating the issue of human rights with other agendas.

Activities planned include:

- Person-to-person survey of companies, to explore how human rights are conceptualized and managed under broader CSR approaches
- Joint project with other relevant Councils on the human rights lens as an inherent "value"
- Sixty-second 'info'mercial on "the life and times of a human right" (in a cartoon-style format)
- A regional/country focus (e.g. Myanmar)
- Exploration of the interplay between human rights, science and technology
- Strategic outreach with relevant European-level institutions and stakeholders, e.g. the European Council, Parliament and Commission, the Special Representative on Human Rights, the EIB, EBRD, OSCE
- Strategic outreach with international institutions, e.g. the OHCHR, ILO, UNDP, FAO, labour unions, business and civil society organizations, academia, rights-holders and their representatives



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Forum Lead: Martina Gmur, Senior Director, Head of the Global Agenda Councils, martina.gmur@weforum.org

Issue Overview

This is an era of unprecedented openness in trade, travel, communication and finance. This has led not only to economic growth and well-being but also has given rise to opportunities for criminals to legitimize their business. Illicit trade has gone global and reached macro-economic proportions, with goods being manufactured on one continent, trafficked in another, and then sold and consumed on a third continent.

Illicit trade is a burden to society and human progress. It distorts markets, attracts a heavy regulatory burden, destabilizes states and favours short-term profit over human development.

In effect, the value of illicit trade, primarily the sale of counterfeit goods, is estimated at US\$ 650 billion worldwide. Including money laundering, this figure increases to an astonishing US\$ 2 trillion, compared to a legitimate global trade figure of about US\$ 10 trillion. Illicit trade encompasses a wide range of illegal trading activities, from human trafficking and environmental crimes to counterfeiting and drug trafficking.

As a result of advancements in technologies and mobile communications, practitioners today have been able to develop more effective solutions to achieve supply chain integrity, using both product tracking and authentication technologies. This shift to a data-centric world represents a paradigm change in the way illicit trade exploits the infrastructure of the legitimate economy and how it can be addressed.

While technology and accountability are critical components in overcoming illicit trade, such tools are not sufficient on their own. The development of a multistakeholder approach, which engages the private sector, governments and civil society, is essential to enforce regulatory frameworks, monitor supply chains and raise awareness of the issue.



Raymond
Baker, Director,
Global
Financial
Integrity, USA

“
For every dollar in
foreign aid money that
flows into developing
countries, about ten
dollars flow out illicitly.
This dynamic is the
exact opposite of
sustainable.”

Did You Know?

- Fake medicine is a growing problem: 50% of malaria medication and 10% for tuberculosis are fake, killing 700,000 people annually (WHO/INTERPOL).
- 22,000 human trafficking victims were detected globally in 2006. The profits of this industry are over US\$ 31 billion (ILO).
- The number of counterfeit incidents being detected in the US defence and industrial supply chain rose from 3,868 incidents in 2005 to 9,356 in 2008.
- Research shows that arms trafficking routes tend to go either from the US to Mexico or Eastern Europe to Africa. In the former case, weapons are mostly used for criminal purposes; in the latter arms are linked to political struggles (UNODC).
- Illegal fishing represents about 18.5 billion tonnes annually, while tests in stores and restaurants show that fish are mislabelled 50% of the time.

Further Resources

Illicit Trade Estimates: http://www3.weforum.org/docs/AM12/WEF_AM12_GAC_IllicitTrade.pdf

Responses to Illicit Trade: Compendium of Case Studies and Best Practices:
http://www.illicittrade.org/view_articles.php?id=6&ids=76

The Globalization of Crime: A transnational Organized Crime Threat Assessment:
http://www.unodc.org/documents/data-and-analysis/tocta/TOCTA_Report_2010_low_res.pdf

Transnational Crime in the Developing World:
http://www.gfintegrity.org/storage/gfi/documents/reports/transcrime/gfi_transnational_crime_web.pdf

Calendar

15-19 October 2012, Conference of the Parties to the United Nations Convention against Transnational Organized Crime and the Protocols Thereto, Vienna, Austria

20-23 October 2012. 43rd World Intellectual Property Congress, Seoul, South Korea

18-22 March 2013. WCO Enforcement Committee, Brussels, Belgium

24-26 April 2013. 7th Global Congress Combating Counterfeiting and Piracy, Istanbul, Turkey

13-15 May 2013. GOVSEC (Government Security Conference & Expo), Washington, DC, USA



Allen Bruford,
Deputy
Director,
Compliance
and Facilitation
Directorate,
World Customs
Organization
(WCO),
Brussels

“
Due to complexity and
lack of visibility
international supply
chains have become a
safe haven for both
legitimate and illicit
actors.”

Members

*Allen Bruford, Deputy Director, Compliance and Facilitation Directorate, World Customs Organization

Kennedy School, Harvard University, USA

*Vanda Felbab-Brown, Fellow, Foreign Policy, 21st Century Defense Initiative, The Brookings Institution, USA

*Justin Picard, Chief Scientist, Advanced Track & Trace, France

*Steven Broad, Executive Director, TRAFFIC International, United Kingdom

*Raymond Baker, Director, Global Financial Integrity, USA

*Patricia Francis, Executive Director, International Trade Centre (ITC), Switzerland

*Steven Simske, HP Fellow and Director, Document Ecosystem, Hewlett-Packard Company, USA

*Carlos Moreira, Chairman, Chief Executive Officer and Founder, WISKey SA, Switzerland

*Steven Broad, Executive Director, TRAFFIC International, United Kingdom

*Kristina Kangaspunta, Deputy Director, United Nations Interregional Crime and Justice Research Institute (UNICRI), Italy

*Pierre Tami, Founder and Non-Executive Director, Hagar International, Cambodia

*Jose Maria Argueta Cifuentes, Secretary of Strategic Intelligence of Guatemala, Guatemala

Sandeep Chawla, Deputy Executive Director and Director, Division for Policy Analysis and Public Affairs, United Nations Office on Drugs and Crime (UNODC), Austria

Melanie Kreis-Wilczak, Executive Vice-President, Corporate Controlling, Deutsche Post DHL, Germany

*Simon Taylor, Director, Global Witness, United Kingdom

*Christina Bain, Director, Program on Human Trafficking and Modern Slavery, Carr Center for Human Rights, Harvard

*Jay Cziraky, Group Director, Move One Inc., United Arab Emirates

Ethan A. Nadelmann, Executive Director, Drug Policy Alliance, USA

*Richard Danziger, Chief of Mission for Sri Lanka, International Organization for Migration (IOM), Sri Lanka

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

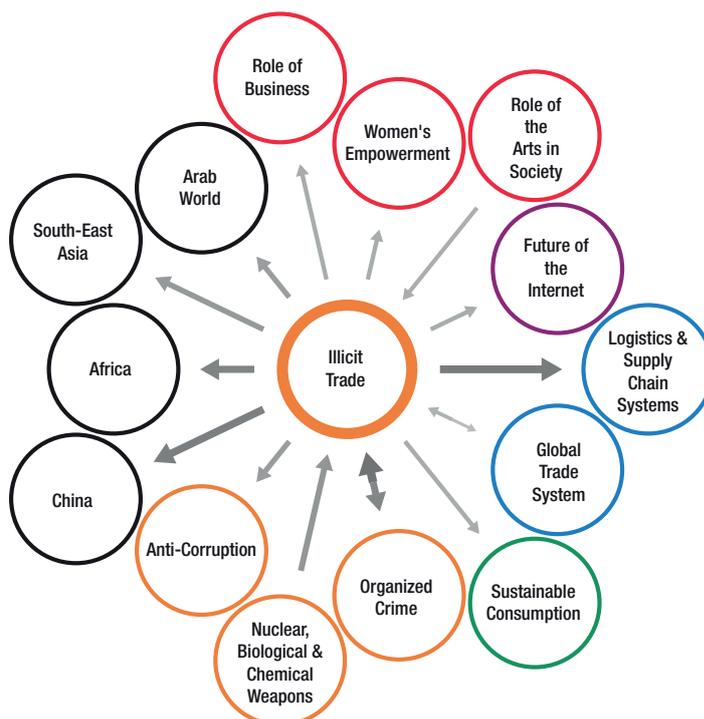
Since its inception the Council on Illicit Trade strives to raise awareness on the issue of illicit trade, measure its impact and develop public-private partnerships required to tackle social, economic, environmental and political challenges related to this issue.

Specifically, the Council developed a publication that not only defines illicit trade, but also provides estimates on the various types and the policy response at the global level. Given the complexity of this issue, the Council has published a compendium of case studies and best practices in the field of illicit trade, tackling issues ranging from human trafficking and mobile security, to supply chain integrity and the legal framework needed to fight illicit trade.

To address illicit trade in a systemic way, the Council is currently developing the Engaged Society Partnership to Reduce Illicit Trade (ESPRIT). The ESPRIT platform will gather corporate leaders, civil society and international organizations with the shared goal of increasing compliant trade through education, simplification and enforcement.

This term, the Council will focus on:

- The Economic Argument of Illicit Trade: Given the current global economic situation, countries are focusing on their economies: boosting growth and trade. The Council will consider how governments and businesses can work to minimize revenue lost as a result of illicit trade.
- The Human and Social Dimension of Illicit Trade: While consumers often appear unaffected by the sale of counterfeit products, the human and social angle of illicit trade seems to touch their hearts. The Council will make displaced people a priority for the coming term.
- Raising Awareness and Educating People: The Council will launch a mobile application entitled «Should I buy it?», to raise awareness of illicit trade. Further, the Council will continue developing its website and write blogs on the different facets of illicit trade.



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Issue Overview

In recent years, India has emerged as one of the fastest growing democracies in the world. This has raised aspirations within India and expectations from outside. This growth has given new hope that India will be able to lift millions of its deprived citizens out of poverty over the next few years.

Yet today, India has reached a critical inflection point. Two decades since the liberalization of the Indian economy began, leading to unparalleled growth, India is faced with new challenges in the form of rising inflation, falling growth, faltering voters' trust, policy paralysis and fading investor confidence. Additionally, last year's "summer of discontent" exposed an unprecedented anti-corruption sentiment and led to one of the most significant civil society uprisings since India's independence.

Still, India is expected to overtake Japan as the world's third largest economy by 2015 and to surpass China as the most populous nation by 2030. The promise of favourable demographics, a rising middle class, improved trade relations with Pakistan and a successful business sector indicate the opportunity to address current challenges and shape India's next wave of economic growth and transformation in international affairs.



“

The India Council hopes to shine a light on ways for civil society, private sector and government to work together to reconcile the current contradictions of rapid growth with persistent and growing inequities.

Kavita N. Ramdas, Ford Foundation Representative in New Delhi, India Ford Foundation, India

”

Did You Know?

- More than a million Indians are millionaires. Yet 35% of India's population lives below the poverty line.
- In 2011, a census revealed that there are more mobile phones (59%) in India than toilets (47%).
- Half of the world's outsourced IT services come from India, making for a US\$ 47 billion industry.

Further Resources

"Scenarios: Shaping India's Future". Planning Commission of India. http://planningcommission.nic.in/reports/genrep/scenarios_v10712.pdf, July 2012

Saez, Lawrence and Sinha, Aseema. Political Cycles, Political Institutions and Public Expenditure in India, 1980–2000. In *British Journal of Political Science*, 2009: Pages 1-23. <http://users.polisci.wisc.edu/sinha/Publications/Sinha%20and%20Saez%20BJPS.pdf>

"How to encourage India–Pakistan trade". World Economic Forum, <http://forumblog.org/2012/02/how-to-encourage-india-pakistan-trade/>, 2012

Calendar

6-8 November 2012, World Economic Forum on India, National Capital Region, Gurgaon, India

29-30 November 2012, Livelihoods India Conference, New Delhi, India

2 April 2013, BRICS Summit, South Africa



Adi B. Godrej, Chairperson, Godrej Group, India

“

It is very important that we set politics aside and set the reform agenda so that we can bring reforms forward rapidly and the deceleration of GDP growth can be reversed.

”

Members

*Kavita N. Ramdas, Representative, Ford Foundation, India

Tanya Dubash, Executive Director and Chief Brand Officer, Godrej Industries Ltd, India

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Council Insights

During the 2011-12 term, the Council discussed several important matters that affect India, relating both to economic growth and to the question of whether growth in India has been adequately inclusive to benefit people from all sections of society.

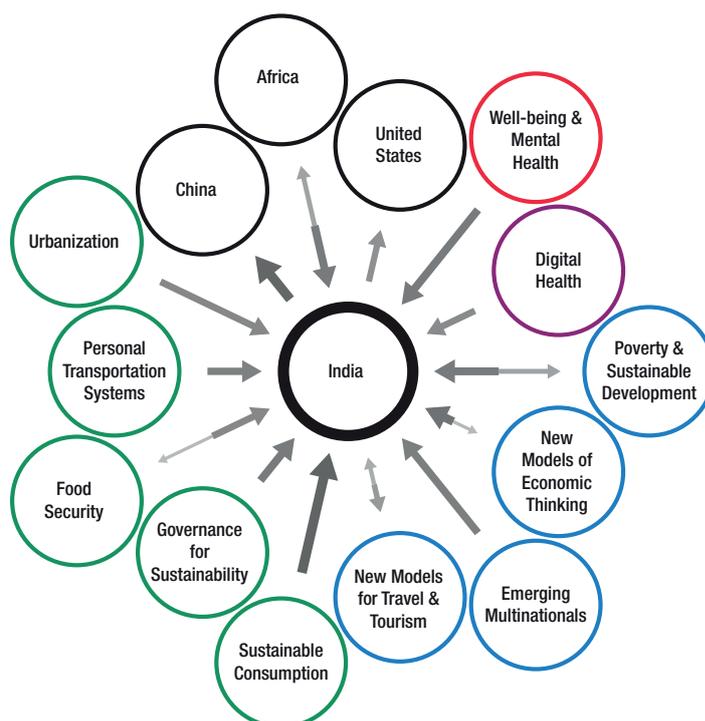
While recognizing that corruption is a very important problem, the Council decided to reframe the issue in a positive light and instead focus on transparency as a means to address it. These deliberations culminated in developing the overarching theme of "Transparency for Inclusive Growth" for the 2011-12 term.

In a bid to promote the ideas generated, the Council Members decided to write a report highlighting the three operational aspects of the theme, namely transparency, inclusiveness and growth. The Council will publish a report on these themes, entitled "Transparency for Inclusive Governance", in collaboration with PricewaterhouseCoopers for the World Economic Summit 2012. The aim is to highlight the new initiatives in India that promote these three elements, and the challenges they face. The report will make some critical recommendations for the consideration of policy-makers.

Another key area of interest for the Council is how to best promote bilateral engagement between India and Pakistan. Recommendations include a student exchange programme and cross-border internships for young college students. In parallel to these discussions, Young Global Leaders from India and Pakistan have created an initiative to discuss similar issues and move the conversation forward.

This term, the Council aims to advance its work on inclusive governance and India-Pakistan relations, as both remain priorities for Council Members. In addition, the Council has identified a number of issues to focus on:

- governance, transparency and corruption
- smart growth and job creation
- geopolitics and the neighbourhood
- responsible leadership
- skills and education



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Issue Overview

It has long been argued that a healthy democracy requires an informed citizenry. The theoretical foundations of this argument assume that media would serve this purpose: citizens would receive impartial and objective information, delivered to them via a free and diverse media, leading to a robust exchange of opinions. Members of society would therefore be able to participate fully in community decisions and democracy would flourish.

In practice, it is widely acknowledged that the media has not served this purpose. Concentrations of ownership, the assimilation of mass media, concerns over private interests – in everything ranging from advertising to sourcing – have forced a re-think of the respected notions of free speech, impartiality and objectivity. With the recent rise in communication technologies, this problem has become more pertinent than ever. The speed at which news is disseminated has increased, the channels through which information is sourced have changed, and the platforms have multiplied, challenging the ability of media organizations to ensure accurate and unbiased reports. At the same time, the largest media groups have a near-monopoly on news coverage, resulting in issues and groups being under-represented.

Given this disconnect between theory and reality, the question remains: what needs to be done to foster the development of an informed society? The fundamental problems surrounding media are persistent and likely to endure. Nonetheless, it remains important to address issues of transparency and accountability, media literacy and privacy. The remaining priority is perhaps the most exciting, and concerns the integration of new communication channels into media; in particular, the empowerment of citizens through citizen journalism and the new opportunities for engaging members of society in public participation. Fundamentally, the priority is to develop a model for a society in which all citizens would have access to reliable and pertinent information, allowing them to make better-informed decisions.



Don Tapscott,
President and
Chief Executive
Officer, The
Tapscott Group

“

There are many constituencies that can contribute to creating an informed society. It is not just government leaders, it is business leaders, the media themselves and individual citizens that increasingly need to take responsibility for their own information diet.

”

Did You Know?

- Eritrea, Turkmenistan and North Korea occupy the last three positions in the most recent Press Freedom Index – all three are ruled by dictators.¹
- Finland and Norway are joint leaders of the Press Freedom Index; 2012 saw the lowest number (three) of Scandinavian countries appear in the top 10 since 2008.²
- American adult ownership of cell phones is at its highest rate ever, with 88% of Americans over 18 owning a cell phone.³

Further Resources

Dispatch from Paris, Yuen-Ying Chan:
<http://forumblog.org/2012/06/dispatch-from-paris/>

Press Freedom Index 2012, Reporters Without Borders:
<http://en.rsf.org/press-freedom-index-2011-2012,1043.html>

Freedom in the World 2012, Freedom House:
<http://www.freedomhouse.org/report/freedom-world/freedom-world-2012>

Calendar

3-14 December 2012, World Conference on International Telecommunications, Dubai, United Arab Emirates

3 May 2013, World Press Freedom Day

13-17 May 2013, World Summit on the Information Society, Geneva, Switzerland



Julia
Hobsbawm,
Chairman and
Chief Executive
Officer, Editorial
Intelligence

“

There is a concern that the economic system is suffering because key workers at a senior level are overloaded with information. They are not burning out, they are tuning out – there needs to be a new form of navigation and curation of information in our societies today.

”

¹ <http://en.rsf.org/press-freedom-index-2011-2012,1043.html>.

² <http://en.rsf.org/press-freedom-index-2011-2012,1043.html>.

³ <http://pewinternet.org/Commentary/2012/February/Pew-Internet-Mobile.aspx>.

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*Pilar Alvarez-Lazo, Assistant Director-General, United Nations Educational, Scientific and Cultural Organization (UNESCO), France

Jace Johnson, Vice-President, World Wide Government Affairs and Public Policy, Adobe Systems, USA

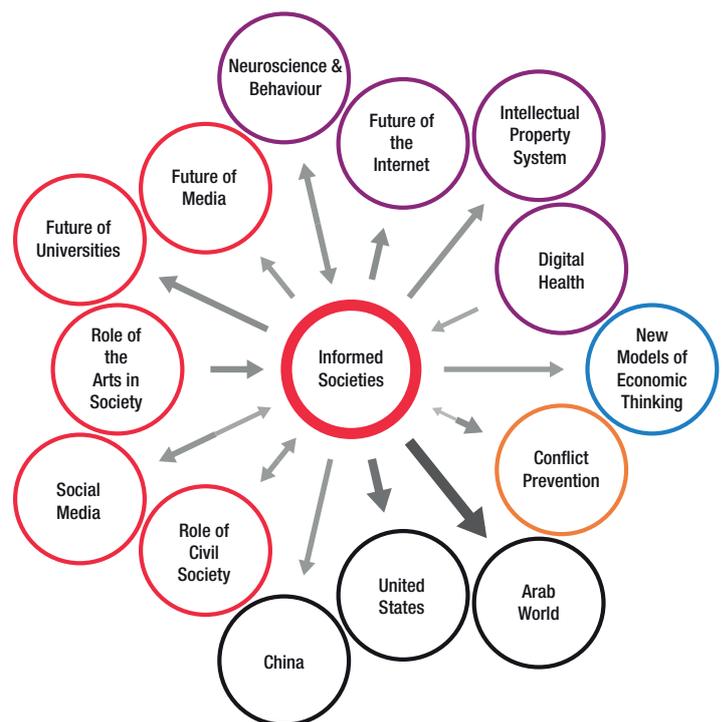
*Mohamed Nanabhay, Founder, Signalnoi.se, Qatar

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The overall vision of the Global Agenda Council on Informed Societies is to identify and raise awareness of how different stakeholders can ensure that all citizens have access to reliable information to make informed decisions, whether they concern politics, economics, sustainable choices, and so on. In particular, the Council has two key areas of focus, which are heavily interlinked: first, to develop a Code of Conduct for Government Leaders, and, second, to produce an Index on Informed Societies.

The Code is intended as a model for states that are trying to identify how citizens can gain access to reliable information in order to make informed decisions. The Council has developed key analytical criteria and will design the Code as an objective guide for government leaders. The four components of the Code are: transparency, media literacy, privacy and empowerment of citizens. The Index will use these criteria to rank countries according to their current status in achieving fully informed societies. Although it will be regularly updated, part of its purpose will also be to act as a reference point for pressure groups to encourage their governments to make progress towards an informed society. Going beyond these two focus areas, the Council will also encourage governments to adopt the Code as a step towards the advancement of informed societies, both domestically and internationally.



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Issue Overview

Infrastructure refers to the basic physical structures needed for a society to operate and the services and facilities that are essential for the functioning of an economy. Infrastructure consists of transport facilities, utilities, catastrophic risk management and telecommunication networks, which are all key elements of economic growth. The availability and the quality of the infrastructure landscape in a given country or region impacts the success of its manufacturing and agricultural activities. By reducing logistical costs and increasing productivity, it is a key pillar of international competitiveness. Investments in infrastructure, particularly in water, sanitation, energy, housing and transport, contribute to poverty reduction and improved quality of life. Recent advances in information and communication technology infrastructure, for example, have been recognized as a way to help alleviate poverty and improve livelihoods, advance the provision of health services electronically, expand the reach of education, and support social and cultural progress.

In almost all parts of the world, the need for new infrastructure assets, or to modernize existing assets, is stark, and investment is urgently required. Indeed, the combination of economic and demographic growth with severe underinvestment in infrastructure has created a deficit that some estimates suggest would require an annual worldwide investment of more than US\$ 2 trillion over the next 20 years.¹

Given the ongoing pressure on government budgets, increased private-sector contributions in infrastructure will be essential in the future. Public-private partnerships (PPPs) in infrastructure have been identified as a successful way to combine the skills and resources of the public and private sectors to enable the sharing of risks and responsibilities. Such collaborations enable governments to benefit from the expertise of the private sector by delegating day-to-day operations while focusing, instead, on policy, planning and regulation.



Did You Know?

- Across the world, more than 1 billion people lack access to roads, 1.2 billion do not have safe drinking water, 2.3 billion have no reliable source of energy, 2.4 billion lack sanitation facilities and 4 billion are without modern communication services.²
- The rapid industrialization of emerging Asia and the integration of Sub-Saharan Africa into the world economy create ample demand for infrastructure investment in the developing world. The World Bank estimates that the core needs of developing countries amount to 7-9% of their annual GDP, or approximately US\$ 400 billion.³
- In the Asia-Pacific, the infrastructure financing gap is around US\$ 180 billion every year. In Latin America, 3% of GDP (about US\$ 71 billion) would need to be invested in infrastructure to satisfy demand. In Africa, to reach the 7% annual growth calculated to be required to meet the Millennium Development Goals by 2015, infrastructure investments of about 15% of GDP (US\$ 93 billion a year) would be needed.⁴

Further Resources

"Positive Infrastructure: A Framework for Revitalizing the Global Economy". World Economic Forum: <https://members.weforum.org/pdf/ip/ec/Positive-Infrastructure-Report.pdf>, 2010

"Paving the Way: Maximizing the Value of Private Finance in Infrastructure". World Economic Forum: <http://www.weforum.org/reports/paving-way-maximizing-value-private-finance-infrastructure>, 2010

"Strategic Transport Infrastructure Needs to 2030". OECD: <http://www.oecd.org/futures/infrastructureto2030/49094448.pdf>, 2011

¹ "Positive Infrastructure: A Framework for Revitalizing the Global Economy". World Economic Forum, <https://members.weforum.org/pdf/ip/ec/Positive-Infrastructure-Report.pdf>, 2010.

² "Promoting Pro-Poor Growth: Infrastructure". OECD, <http://www.oecd.org/development/povertyreduction/36301078.pdf>, 2006.

³ "Paving the Way: Maximizing the Value of Private Finance in Infrastructure". World Economic Forum, <http://www.weforum.org/reports/paving-way-maximizing-value-private-finance-infrastructure>, 2010.

⁴ Kingombe, Christian K.M. "Mapping the new infrastructure financing landscape". Overseas Development Institute, <http://www.odi.org.uk/resources/docs/6311.pdf>, April 2011.

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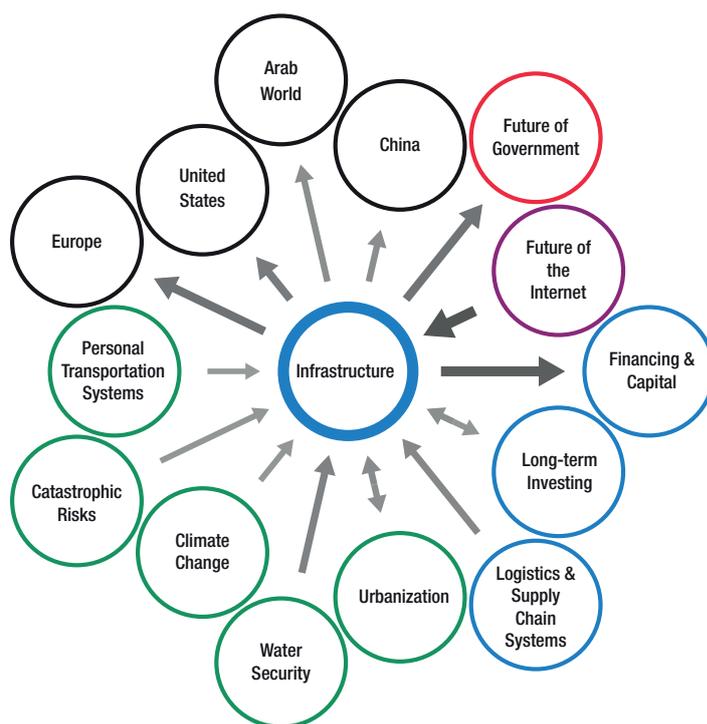
Council Insights

The Global Agenda Council on Infrastructure strives to raise awareness about the importance of infrastructure for development and economic growth. The Council aims to promote the development of public-private partnership approaches and to identify specific mechanisms that would make such partnerships successful. Moreover, the group will explore new ways of fostering private financing solutions for infrastructure.

Recognizing that private-sector participation in the delivery of infrastructure services in emerging markets is a critical factor for improving outcomes, the Council aims to promote the development of a framework involving both governments and private companies in a way that each stakeholder's resources can be used in an efficient and complementary way. Looking beyond traditional forms of PPPs, the Council believes that to build infrastructure, governments in emerging markets could substantially improve efficiency by outsourcing certain activities like the design, construction, operation and maintenance of large infrastructure projects to the private sector on a much larger scale.

The group intends to help create such frameworks, primarily focusing on the issue of how to make these outsourcing settlements as transparent, time-efficient and cost-effective as possible. The Council will work on helping emerging markets' governments develop systems that meet international standards. It will also help them put in place processes, criteria and templates for evaluating, selecting and overseeing private infrastructure companies.

Further, the Council considers exploring how more sophisticated financial markets and entrepreneurial talent could attract private financing solutions to the poorest as well as in middle-income countries. Building upon the recommendations of the G20 High-Level Panel on Infrastructure, the group will examine how multilateral and bilateral agencies act as meaningful catalysts for mobilizing private financing, without necessarily deploying much of their own capital.



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Global Agenda Council on Institutional Governance Systems



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Issue Overview

The rise in emerging economies is creating a need for stronger global rules and cooperation. These new global players are spreading their production, trade and demand for raw materials across all continents. They are becoming dependent on global rules that ensure secure access to markets. Yet, existing mechanisms of global governance are not entirely fit for purpose. The poorest countries in the world, further impoverished by the 2008 financial crisis, need more robust global governance to ensure that the benefits of globalization are distributed more widely and equitably. In all regions of the world, countries are weighing up the benefits and relying more on alternative national and regional strategies. One consequence is de-globalization in several sectors. According to a recent article in *The Financial Times*, "it's clear that the gears of globalization are going into reverse". The consequences for stakeholders vary. De-globalization may harshly affect those without the resources or political organization to use alternative national, bilateral or regional means of protection. Conversely, for some emerging economies, in the short term at least, de-globalization may seem an attractive alternative to multilateralism. It may give them more freedom and control in their relations with other countries, pursued bilaterally and in new regional forums. For global businesses, however, de-globalization creates barriers that are costly and an impediment to production and delivery on a global scale.



Pascal Lamy,
Director-
General, World
Trade
Organization,
Geneva; Chair,
Global Agenda
Council on
Institutional
Governance
Systems



Shared values, multilateralism, subsidiarity, coherence, enforceability, legitimacy: our task in the years to come is to reinvent a system of global governance founded on these elements.⁴



Did You Know?

- Belgium is the most globalized country in the world, according to the KOF Index of Globalization, which takes into account economic, political and social globalization.¹
- Between late 2008 and early 2009, global trade collapsed by 20% in volume.²
- Strong growth in domestic demand in developing countries has made outsized contributions to world gross product growth in recent years, highlighting the shifting balance in the world economy that has been accelerated by the global crisis.³

Further Resources

Institutional Governance Systems Annual Report, 2011:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/institutional-governance-systems/>

Democratic Governance, United National Development Programme: <http://www.undp.org/content/undp/en/home/ourwork/democraticgovernance/overview.html>

Public Sector and Governance, the World Bank:
<http://go.worldbank.org/SGO4LFRSS0>

Calendar

5-6 November 2012, 9th Asia-Europe Meeting Summit of Heads of State (ASEM), Vientiane, Laos

9-14 October 2012, Annual Meeting of the International Monetary Fund and the World Bank Group, Tokyo, Japan

September 2013, G20 Summit, Saint Petersburg, Russian Federation



Ngaire Woods,
Dean, Blavatnik
School of
Government,
University of
Oxford, United
Kingdom;
Vice-Chair,
Global Agenda
Council on
Institutional
Governance
Systems



Governments cannot be buffeted by the tremendous winds of globalization that we have set up. Globalization means we need smarter, more effective and more responsive governments and we should hold each of our own governments to account.⁵



¹ Dreher, Axel (2006), Does Globalization Affect Growth? Evidence from a new Index of Globalization, *Applied Economics* 38, 10: 1091-1110.

² United Nations Conference on Trade and Development, *Development and Globalization: Facts & Figures 2012*, <http://dgff.unctad.org/chapter1/1.1.html>.

³ United Nations Conference on Trade and Development, *Development and Globalization: Facts & Figures 2012*, <http://dgff.unctad.org/chapter2/2.7.html>.

⁴ Pascal Lamy, Speech at the Singapore Global Dialogue, Rajaratnam School of International Studies, 21 September 2012, http://www.wto.org/english/news_e/sppl_e/sppl248_e.htm.

⁵ Ngaire Woods speaking at the Guardian Open Weekend, 13 April 2012, <http://www.guardian.co.uk/politics/video/2012/apr/13/ngaire-woods-democracy-globalisation-video>.

Global Agenda Council on the Institutional Governance Systems



COMMITTED TO
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OF THE WORLD

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*Jan Sturesson, Global Leader, Government and Public Services and Partner, PwC, Sweden

*Ngaire Woods, Dean, Blavatnik School of Government, University of Oxford, United Kingdom

*Lin Jianhai, Secretary, International Monetary Fund (IMF), USA

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*Qu Bo, Associate Professor, China Foreign Affairs University, People's Republic of China
Gabriela I. Ramos Patiño, Chief-of-Staff, OECD and G20 Sherpa, Organisation for Economic Co-operation and Development (OECD), France

*Yu Keping, Director and Professor, China Center for Global Governance and Development (CCGGD), People's Republic of China

Caroline Anstey, Managing Director, The World Bank, USA
Cyrus Ardalan, Vice-Chairman and Head, UK and EU Public Policy and Government Relations, Barclays, United Kingdom

*Robert C. Orr, Assistant Secretary-General for Strategic Planning, United Nations, USA

*Arunma Otey, Director-General, Securities and Exchange Commission (SEC), Nigeria

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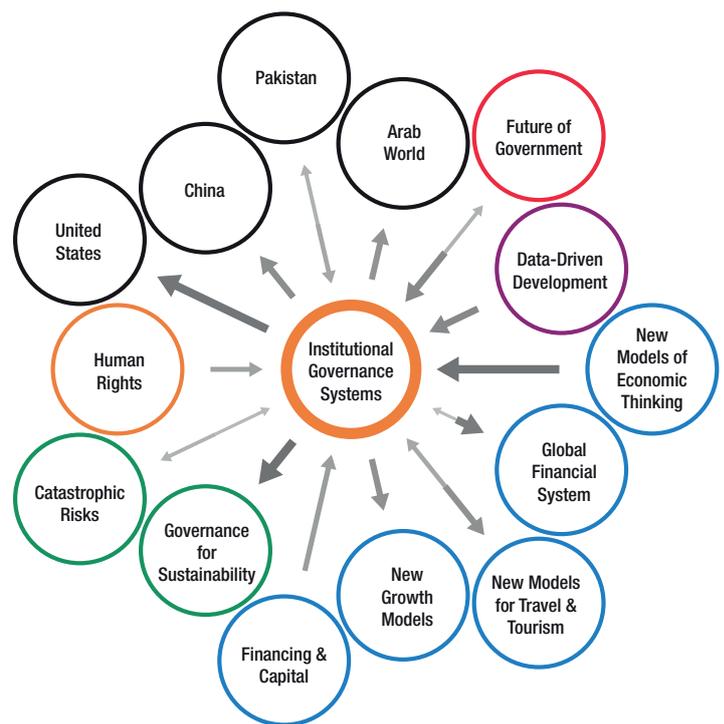
Council Insights

The Global Agenda Council on Institutional Governance Systems will focus on three main issues in this term.

It plans to conduct a study and produce a report on de-globalization. To date, globalization has been driven by a combination of government (and intergovernmental) policy, the entrepreneurial ambition of companies and civil society organizations, and technological innovation. The result has been internationalization (increases in cross-border transactions), de-territorialization (the diminishing relevance of geography to social organizations or to the production of goods and services), and westernization (and its rejection). Through this activity, the Council hopes to assess whether these forces are diminishing and, if so, what the consequences are for globalization. It will also investigate whether the 21st century is really witnessing de-globalization and who is benefitting, and also whether de-globalization is an attractive alternative to multilateralism. Finally, the Council will assess whether de-globalization permits more freedom and control over relations with other countries, pursued bilaterally and in new regional forums.

The Council plans to initiate a strategic dialogue on how global institutions could be redesigned if they had to be conceptualized in today's world. The Council will encourage its Members and other key Members of the Council Network to engage in a "start from scratch" thought experiment.

Finally, the Council recognizes the need for evaluation of some of the world's biggest decision- and policy-makers. The Council plans to develop a metric for measuring the performance of heads of international organizations – a Performance Index for Heads of Organizations – which will be constructed and applied by a network comprising Members of the Council, other World Economic Forum stakeholders and the evaluation units of the organizations.



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Global Agenda Council on the Intellectual Property System



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Issue Overview

Intellectual property (IP) is about promoting progress and innovation. The global IP system should be seen as a tool to regulate and facilitate trade, information and knowledge in innovative and creative goods and services.

While intellectual property may seem like a foreign concept to many, the fruits of IP are everywhere; consider mobile phones, cars, music, medicine and products bought in a supermarket. The knowledge and human creativity embodied by the IP in these products makes the modern world possible.

IP rights do not simply benefit creators, but rather society as a whole. In today's interconnected knowledge-centric society, the economic stakes of an appropriate IP framework are high. Intellectual property enables greater investment in products and services to improve society, including life-saving vaccines and medicines, or high-yield, drought-resistant crops that increase the world's food supply. By leveraging the IP system for social and economic growth, society will benefit from a wider base of knowledge, increased investment in research and development (R&D), broader support of creative arts, greater access to open markets, better consumer protection and greater accessibility to IP benefits.

However, the IP system does not always function smoothly; it is not a single global system, but rather a patchwork of systems created within each country. This creates many challenges, including high costs, uncertainty in legal rights, inconsistencies between systems, unfair competition, enforcement challenges across borders and the lack of access to IP protection.

Given the disorder in the global economy, the IP system is more important than ever in providing the framework to foster new products and cultivate new inventions that are instrumental in creating the next generation of jobs, investments and growth.



Francis Gurry,
Director-
General, World
Intellectual
Property
Organization
(WIPO),
Geneva,
Switzerland



Think of intellectual property as a balancing mechanism for all of the often competing rights and equities that occur in and around the act of creation or innovation. That, I think, is the mission in life of intellectual property.



Did You Know?

- The three main types of IP are patents, trademarks and copyrights: patents cover new inventions and technology; trademarks protect brand names and symbols used in commerce; copyrights cover creative works like books, music and movies.
- International patent filings under the World Intellectual Property Organization (WIPO)-administered Patent Cooperation Treaty (PCT) set a record in 2011 with 181,900 patent applications, a 10.7% increase from 2010 and the fastest growth since 2005. China, Japan and the United States accounted for 82% of total growth.
- An ongoing geographic shift exists in the use of the PCT system, from North America and Europe towards Asia. Applications from Asia accounted for 38.8% of total applications in 2011, while those originating from Europe and North America accounted for 30.9% and 28.3% respectively. China experienced the fastest-growing rise of patent applications, with a 33% increase in 2011.

Further Resources

Vision 2030: http://www3.weforum.org/docs/WEF_GAC_IntellectualPropertyVision2030_2012.pdf

Vision 2030: Creating the World's IP System of the Future:
<http://www.weforum.org/videos/vision-2030-creating-worlds-ip-system-future>

World Intellectual Property Organisation
Resources:
<http://www.wipo.int/resource/en/>

Blog of David Kappos, Director of US Patent and Trademarks Office: <http://www.uspto.gov/blog/>

Calendar

1-9 October 2012, World Intellectual Property Organization General Assembly, Geneva, Switzerland

20-22 January 2013, Licensing Executives Society International (LES) Global Technology Impact Forum & Invent for Humanity, Geneva, Switzerland



David Kappos,
Undersecretary
of Commerce
for Intellectual
Property;
Director, United
States Patent
and Trademark
Office (USPTO),
USA



The power to innovate is the power to lead; by design and by solution. IP rights empower us to continuously build upon human knowledge, raising the collective prospects for all corners of the world.



Global Agenda Council on the Intellectual Property System



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Members

*David Kappos, Under Secretary of Commerce for Intellectual Property and Director, United States Patent and Trademark Office (USPTO), USA

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*Jorge Avila, President, Brazilian National Intellectual Property Office (INPI), Brazil

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*Sara Boettiger, President, GATD Foundation, USA

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*Kerstin Jorna, Head Industrial Property Unit, IP directorate, European Commission, Belgium

Li Yuguang, Deputy Commissioner, State Intellectual Property Office of the People's Republic of China (SIPO), People's Republic of China

*Steven Liew, Chief Government Relations Officer, Asia Pacific, eBay Singapore, Singapore

*Catharina Maracke, Associate Professor, Keio University, Japan

*Sean P. Murphy, Vice-President and Legal Counsel, International Government Affairs, Qualcomm, USA

*Theodore Shapiro, Senior Vice-President, General Counsel and Deputy Managing Director, Motion Picture Association, Belgium

*Antony Taubman, Director, Intellectual Property Division, World Trade Organization (WTO), Switzerland

*John Villasenor, Non-Resident Senior Fellow, Governance Studies and the Center for Technology Innovation, The Brookings Institution, USA

*Geoffrey Yu, Senior Adviser and Chairman, Chinese Studies Programme, and Adjunct Professor, Lee Kuan Yew School of Public Policy, National University of Singapore, Singapore

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

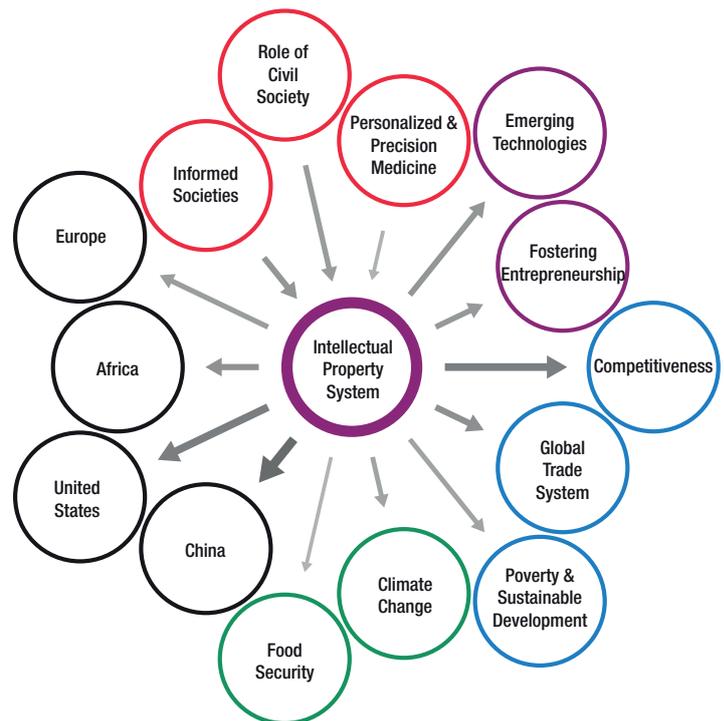
To ensure that the intellectual property system achieves its full potential in promoting progress and innovation, the Council on the Intellectual Property System developed two main initiatives during the course of the 2011-12 term.

To understand what the intellectual property system will look like in 2030, the Council developed both a report and a video with its vision for the future of the IP system, explaining what IP is, why it matters, the challenges and benefits, and finally what an ideal IP system would look like.

While it is obvious how the IP system can benefit businesses and governments, the Council believes that the IP system can also benefit the poor and marginalized. To promote this issue, the Council commissioned a survey of potential mechanisms that offer incentives to IP rights holders to address humanitarian problems.

This term, the Council will focus on:

- Vision 2030: The Council will continue to promote the vision of long-term system IP solutions. It will develop two initiatives, focusing on Cross Border Friction & Policy Responses and IP Fundamentals.
- IP and the Creative Economy: The Council will develop a high level statement of principles exposing what the creative economy should ideally look like. The Council also plans to develop an initiative on Global Creative Rights Management.
- IP for the Poor and Marginalized: The Council plans to finalize, launch and promote its survey on IP for the poor and marginalized. It will launch a pilot pro-bono assistance programme in an appropriate country. Finally, the Council will undertake research on the informal economy to determine whether there is scope for a larger project within the two-year term.



Contact Information

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Forum Lead: Martina Gmur, Senior Director, Head, Global Agenda Councils, martina.gmur@weforum.org

Issue Overview

In the years preceding the Great Depression, an initiative to stabilize international capital flows led the United States to adopt a loose monetary policy. An unintended consequence was the creation of a speculative bubble in asset prices. The subsequent bursting of this bubble led to a contraction of money supply in the United States, setting off a deflationary spiral which eventually enveloped economies across the globe. Coordinated efforts by the global central banks of the day could probably have stemmed the decline in global growth, but such cooperation proved elusive. As a result, trade flows declined precipitously, speculative attacks were launched on European currencies, banks failed across the United States and sovereign defaults occurred across Europe, setting the stage for the Great Depression. How different is the current scenario?

In an increasingly multipolar world, global cooperation is essential for an orderly flow of money. If cross-border capital flows are disrupted or there is uncertainty within the system, the global economy can experience bouts of volatility leading to imbalances that are unsustainable. Crises have been episodic in the post-Bretton Woods era, but over the past half-decade the vulnerabilities of the international monetary system (IMS) have again become apparent. Recent years have seen a bifurcation of the world economy into one group of countries with freely floating currencies, and another practising greater supervision over exchange rates and cross-border capital flows.

The integration of trade and capital flows has created the need for a system that can adequately respond to shocks. The current IMS needs to adjust to an evolving world, where the current dollar-based system is likely to be replaced with a multipolar currency system. How this new system will play out is uncertain, but cooperation across countries and governing institutions will be absolutely critical to maintaining stability.

Did You Know?

- Global currencies are moving closer to fair value. According to a recent study on fundamental equilibrium exchange rates, the average global misalignment, as measured by the weighted size of an economy, is closer to face value than at any time during the global financial crisis.¹
- Global use of the yuan to settle cross-border trades is on the increase, having grown from virtually zero in 2009 to over 265 billion yuan in the first 10 months of 2011.²
- Global capital flows are increasing at a greater pace than trade flows. World trade almost tripled from 1990 to 2010, while international capital flows increased almost fivefold over the same period.³

Further Resources

"The International Monetary System after the Financial Crisis". European Commercial Bank, <http://www.ecb.europa.eu/pub/pdf/scpops/ecbocp123.pdf>, February 2011

"Reform of the International Monetary and Financial System". Bank of England, http://www.bankofengland.co.uk/publications/Documents/fsr/fs_paper13.pdf, December 2011

"Euro, Dollar, Yuan Uncertainties: Scenarios on the Future of the International Monetary System". World Economic Forum, http://www3.weforum.org/docs/WEF_FS_EuroDollarYuanUncertainties_Report_2012.pdf, June 2012

Reforming the International Monetary System. September, 2011. London: Centre for Economic Policy Research. http://www.cepr.org/pubs/books/cepr/Reforming_the_International_Monetary_System.pdf

Calendar

3-4 November 2012, G20 Meetings of Finance Ministers and Central Bank Governors, Mexico City, Mexico

19 November 2012, Inaugural Forum for Economic Dialogue: Future of the International Financial System, Zurich, Switzerland

19-21 April 2013, Spring Meetings of the World Bank Group and the International Monetary Fund, Washington DC, USA



Guillermo Ortiz,
Chairman of the
Board of
Directors,
Banorte, Mexico

“

With international imbalances, such as asymmetric growth in different regions of the world, likely to persist for much longer, there is an acute need to be able to adjust international imbalances without causing a collapse of global demand. However, no such adjustment process exists today.

”



John Lipsky,
Distinguished
Visiting Scholar,
The Paul H. Nitze
School of
Advanced
International
Studies (SAIS),
USA

“

What concerns me is failure here could undermine the international economic and financial integration, and the move towards more open global markets that has underscored the progress that we've made over the past 60 years in the post-World War II era, that for all its problems has represented the period of most rapid sustained economic growth and the most significant reduction in poverty worldwide that we have ever known.

”

¹ Cline, William R. and Williamson, John. "Estimates of Fundamental Exchange Rates, May 2012". Peterson Institute for International Economics, <http://www.piie.com/publications/pb/pb12-14.pdf>, May 2012.

² Ministry of Commerce, China, 2011.

³ OECD, 2011.

Global Agenda Council on the International Monetary System



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OF THE WORLD

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*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on the International Monetary System aims to discuss the current state of the system, identify shortcomings against the backdrop of events emanating from the global financial crisis, and develop a set of recommendations for reforming the system. The Council will focus on both addressing short-term issues and devising a set of long-term recommendations.

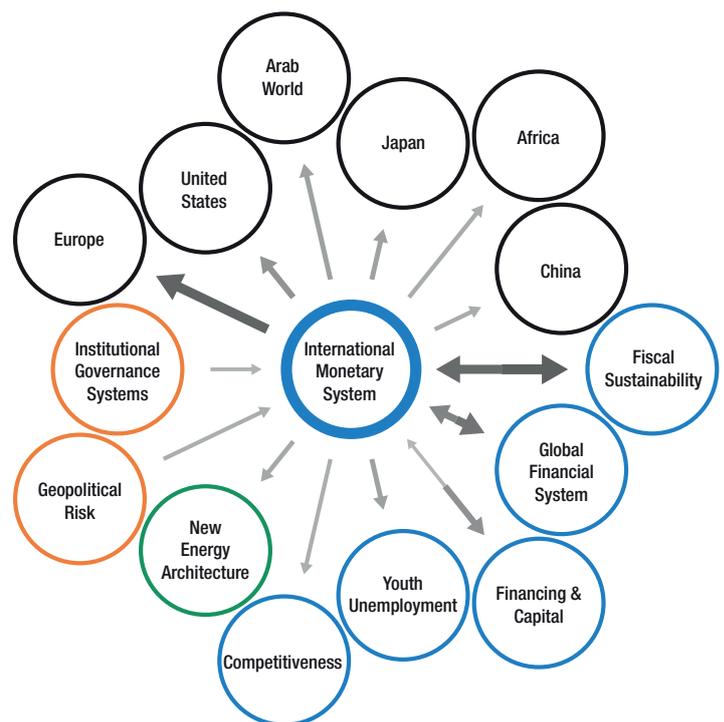
During the 2011-2012 term, the Council focused on what Members determined were the most urgent issues facing the system. Working across the network to develop multistakeholder solutions, Council Members engaged in an analysis of the G20 policy-making process, the rise of regionalism and its implications for the IMS, as well as the role of international organizations in strengthening the system. Several scenarios on the future of the IMS were developed.

For the 2012-2014 term, the Council aims to continue to focus on short-term risks to the system. Current imbalances being observed in different regions of the world are likely to persist. Instead of an adjustment to a multi-currency system, there is a risk of a return to the dollar as a safe haven, which will only delay the adjustments necessary in today's world where the growth axis is shifting. The Council will examine these issues and offer possible solutions.

The Council will also study myriad medium-term issues: managing global liquidity, exchange rate volatility, the disciplinary forces at play during the adjustment process, and issues of decision-making and operations within the IMS. The Council will investigate the opportunities and challenges presented by regional arrangements and the importance of regional and international institutions.

In particular, the Council will focus on:

- Global liquidity management
- A possible return to regionalism
- Movement towards multipolarity



Contact Information

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Forum Lead: Michael Drexler, Senior Director, Head of Investors Industries, michael.drexler@weforum.org

Issue Overview

The world's third largest economy, Japan, is currently facing its worst crises since World War II. In addition to unprecedented challenges brought by the 2011 Great East Japan Earthquake, including reconstruction efforts, the nuclear power plant accident and energy shortages, the nation also has to deal with what has been termed the «lost two decades». Japan is one of the world's largest mature economies. During the last two decades, however, it delayed the transformation of its industrial and governmental structures to address other challenges. Now, the country needs to restore its economic base by implementing policies aimed at achieving growth, improving fiscal balance and providing stable government for a rapidly ageing society.

Japan needs to solve a range of problems and urgently transform its social structures if it is to maintain its competitive position and continue to be one of the world's leading economies. Japan is not alone in this, many of these challenges, including ageing populations, energy shortages, a focus on the domestic situation, fiscal deficits, unstable government and disaster preparedness, are also found in other parts of the world in one form or another. If Japan can successfully solve its problems using new and innovative thinking rather than conventional methods, the rest of the world could learn and benefit significantly.

Japan plays a crucial role in the global and regional economy. Its relations with its neighbours have a direct impact on the stability and welfare of the whole region. It is therefore vital that the country forge solid and trusted economic, social, cultural and political relations with other Asian countries to build a sustainable and prosperous future.



Kiyoshi Kurokawa,
Professor,
National
Graduate
Institute for
Policy Studies,
Japan

“

Its [the Fukushima disaster] fundamental causes are to be found in the ingrained conventions of Japanese culture: our reflexive obedience; our reluctance to question authority; our devotion to 'sticking with the programme'; our groupism; and our insularity. What must be admitted – very painfully – is that this was a disaster 'Made in Japan'. Had other Japanese been in the shoes of those who bear responsibility for this accident, the result may well have been the same.

”

Did You Know?

- At the moment of the Great East Japan Earthquake, 27 Shinkansen (bullet trains) were in operation in north-eastern Japan, all were able to stop without derailing. This positive outcome was the result of Japanese disaster prevention technology. Japan Railways has installed seismographs along Shinkansen tracks to enable trains to stop before major earthquakes strike.¹
- Tokyo hosts more Global Fortune 500 Companies than any other city, with 47 companies.²
- Japan slipped from 80th position in the World Economic Forum Gender Gap Report rankings in 2006 to 96th position in 2011. Japan is one of the lowest-ranking OECD countries. Closing the gap between male and female employment could boost Japanese GDP by as much as 16%.³

Further Resources

Global Agenda Council on Japan, Annual Report 2011-2012:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/japan/>

Complexity and Crisis: The Case of Japan – Session Summary:
<http://www.weforum.org/sessions/summary/complexity-and-crisis-case-japan>

Calendar

10 October 2012, Meet with the Leaders Global Agenda Council Breakfast, Tokyo, Japan

13 October 2012, Japan Global Advisory Meeting, Tokyo, Japan

20-21 November 2012, Japan Gender Parity Taskforce, Tokyo, Japan

4 December 2012, GULF Senior Administrators Workshop, Tokyo, Japan

14 December 2012, GGC China-Japan Workshop, Tokyo, Japan



Sadako Ogata,
Chairperson,
World
Economic
Forum Japan

“

The Great East Japan Earthquake helped us understand that international aid is about interdependence. Until then, aid had just travelled one way from Japan, but the idea sprouted in developing countries that Japan is also a country in need of assistance, and this caused them to try and lend a hand this time.

”

¹ NHK <http://nipon.paparaka.com/?p=169>

² Global Fortune 500; table from Wikipedia: http://en.wikipedia.org/wiki/Fortune_Global_500#cite_note-8, facts checked on Global Fortune 500 website

³ The Global Gender Gap Report 2011.

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*Glen Fukushima, President and
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*Kumi Fujisawa Tsunoda, Co-
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Heizo Takenaka, Director, Global
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(Japan Broadcasting Corporation),
Japan

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International Cooperation Agency
(JICA), Japan

*Victor L. L. Chu, Chairman and
Chief Executive Officer, First Eastern
Investment Group, Hong Kong SAR

*Motohisa Furukawa, Minister for
National Policy, Economic and Fiscal
Policy, Science and Technology
Policy of Japan

Charles D. Lake, Chairman and
Representative, Aflac Japan, Japan

*Hiroshi Tasaka, President, Japan
Social Entrepreneur Forum, Japan

Gerald Curtis, Professor, Political
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Japan

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Group, Japan

*Sir David Wright, Vice-Chairman,
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Hiromasa Yonekura, Chairman,
Sumitomo Chemical Co. Ltd, Japan

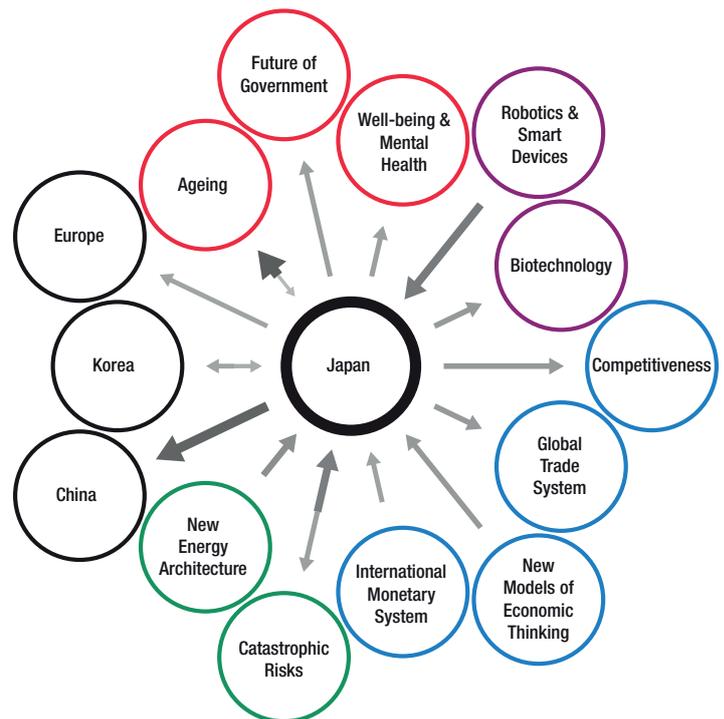
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Japan seeks to effect the country's national transformation. It acts as a focal point connecting Japan to the activities and networks of the World Economic Forum. During the 2011-12 term, Council Members acted as catalysts for Japan's review and reform agendas. Council Members were appointed to and served as core members of Japan's key strategic review and implementation processes – such as the National Strategy Council of the Government of Japan – and commissions on post-earthquake disaster reviews. Using the World Economic Forum as a platform to transform Japan into a global problem-solving nation will enable the country to take a lead in solving important global issues, for the benefit of Japan and the world.

During the new term the Council will:

- Continue to set up global advisory boards for Japanese leaders, with the help of the World Economic Forum and other parties
- Set up clusters of networks among parties with an interest in Japan throughout the world
- Map gaps in Japan's contribution to the global agenda to better match needs
- Set clear milestones for important policy execution, reviews of policy by third parties, and actively use the Internet and social media to exercise healthy pressure on Japan and its governing entities
- Examine key milestones and achievements of the Council itself to monitor progress
- Continue to promote and invite key Japanese leaders to join global platforms like the World Economic Forum to better integrate Japan in global problem-solving processes
- Establish a regional dialogue series



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Issue Overview

South Korea, the Korean Peninsula and North-East Asia have undergone dramatic changes over the past few decades, including imperialism, conflict, industrialization and democratization. These changes, along with the uncertainty and complexity of the region's issues, have important implications and a strong bearing on today's interlinked, globalized world.

Referred to as an "Asian economic miracle", South Korea has experienced great growth in past decades and has become one of the most vibrant, dynamic and developed countries in the world. South Korea is now seeking to achieve another economic take-off thanks to innovation and talent in IT technologies and the cultural industry. However, the country still faces important challenges and finds itself at a critical juncture. The World Economic Forum's *Global Competitiveness Report 2011-2012* ranked South Korea in 24th place, and noted ongoing weaknesses in its institutions, labour market efficiency and financial market development. In addition, the state of North Korea, and the recent transfer of power, has serious implications for global security, economic development and foreign relations that remain as yet unknown.

Of all the critical issues affecting regional stability in North-East Asia, those surrounding the Democratic People's Republic of Korea (DPRK) are arguably the most serious and immediate, with implications not only for the Asian region but also for the wider global community.



Chung-In Moon,
Professor of
Political
Science,
Yonsei
University,
Republic of
Korea

“

If we can create some sort of multilateral security cooperation regime, and if this multilateral cooperation regime can mitigate bilateral tensions by acting as a mediator, then overt tension in the region can be effectively contained and we can provide ourselves a real shot at comprehensive security in the region.

”

Did You Know?

- South Korean society is one of the most homogenous in the world, with most of the population sharing the same culture, language and traditions.¹
- South Korea is one of Asia's liveliest democracies and the world's 15th largest economy.²
- South Korea is the most wired country on Earth.³

Further Resources

A "new model" for engaging North Korea, Spencer H. Kim, Forum: Blog, 24 January, 2012: <http://forumblog.org/2012/01/a-new-model-for-engaging-north-korea/>

The Politics and International Relations of Modern Korea: Understanding the Politics and Economics of the Republic of Korea and the Democratic Peoples' Republic of Korea, John Swenson-Wright, Taylor & Francis, 5 July, 2010

Asia in the Age of the Pivot: Understanding Asia in the 21st Century, interview with Chung-In Moon, June, 2012: <http://sinok.files.wordpress.com/2012/06/asia-in-the-age-of-the-pivot-interview-moon.pdf>

Blog posts by Ruediger Frank, 38 North, 2010-2012: <http://38north.org/tag/rudiger-frank/>

Articles and interviews about South Korean politics and culture particularly from the perspective of the new younger generation on the website of Geun Lee's Private Think Tank "Miraee", in Korean: <http://www.miraee.com>

Calendar

3-5 June 2013, World Economic Forum on East Asia, Myanmar⁴

¹ <http://www.buzzle.com/articles/facts-about-south-korea.html>.

² <http://www.heritage.org/index/country/southkorea>.

³ http://www.pbs.org/frontlineworld/stories/south_korea802/.

⁴ http://www3.weforum.org/docs/WEF_RegionalAgendaBrochure.pdf.

Members

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*Spencer Kim, Chairman, CBOL Corporation, USA

*Yang Xiyu, Senior Fellow, China Institute of International Studies, People's Republic of China

*Ruediger Frank, Professor of East Asian Economy and Society, University of Vienna, Austria

*Huh Yong-Soo, Executive Director, GS Holdings, Republic of Korea

*Kang Hyun-Jung, Chief Executive Officer, Ultra Construction & Engineering Co. Ltd, Republic of Korea

*Kim Hana, Reverend, Myungsung Presbyterian Church, Republic of Korea

*J. Joseph Kim, President and Chief Executive Officer, Inovio Pharmaceuticals Inc., USA

*Lee Jaeyoung, Member of the National Assembly of the Republic of Korea

*Moon Chung-In, Professor of Political Science, Yonsei University, Republic of Korea

*Oh Joon, Ambassador of the Republic of Korea, Singapore

*John Swenson-Wright, Associate Fellow, Asia Programme, Chatham House, United Kingdom

Sunny Yi, Managing Partner, Bain & Company Korea Inc., Republic of Korea

*Yim Sungbin, Secretary to the President for Climate and Environment, Republic of Korea

Yoon Song-Yee, Chief Strategy Officer, NCSOFT, Republic of Korea

Yun Young-Gak, Chairman and Group Chief Executive Officer, Samjong KPMG ERI Inc., Republic of Korea

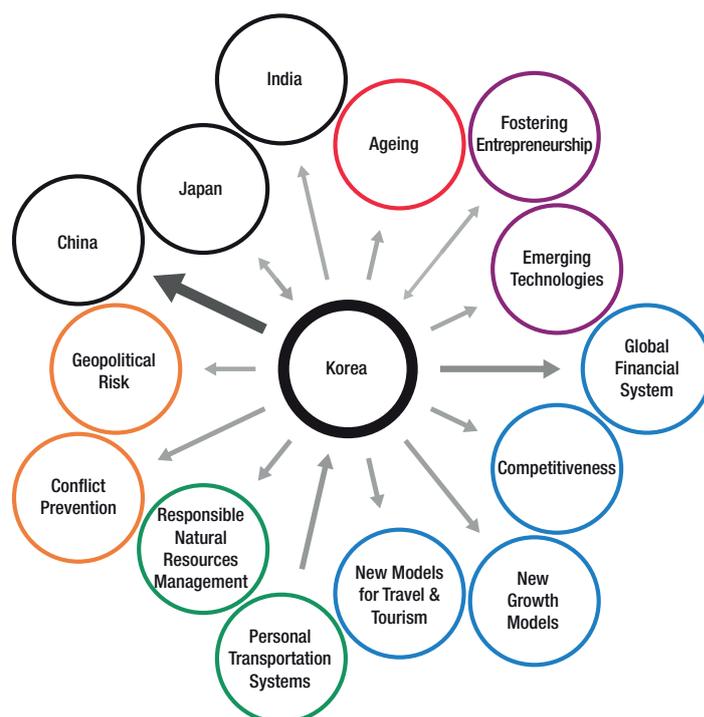
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

Membership of the Global Agenda Council on Korea includes leading thinkers drawn from a diversity of expertise and backgrounds. The Council seeks to explore the unique economic and geopolitical challenges facing South Korea today. It will focus on current issues and engage with other Councils to develop viable roadmaps and tangible outcomes.

The main focus of the Council's work will include:

- Developing a strategy for strong and sustainable economic growth in South Korea over the next decade
- Conducting a management and risk analysis of the challenges associated with North Korea
- Investigating economic democracy and corporate resilience in South Korea
- Harnessing South Korea's new talents and new sectors, such as the cultural industry
- Establishing global connections to tackle national and global agendas



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 Forum Lead: Sushant Palakurthi Rao, Senior Director, Head of Asia, sushant.palakurthirao@weforum.org

Issue Overview

Latin America's solid economic performance for the past decade has created the opportunity for countries in the region to lead structural transformation and respond to long-term sustainable, inclusive and qualitative growth. Nevertheless, Latin America still faces significant challenges. The global context has become increasingly complex and the centre of gravity in the global economy is shifting from developed countries hurt by the crisis to China, India and other fast-growing economies. Thus, Latin America must pursue and intensify its efforts in several areas, including strengthening the rule of law, improving access to and quality of education and healthcare, addressing the infrastructure deficit and narrowing income gaps. While Latin America is still growing, mainly through commodity exports, the region must transform itself and move beyond this dependence to spread prosperity throughout its population. Government policies on infrastructure, education and urban development can stimulate business and civil society to collaborate in increasing living standards, reducing inequality and stimulating sustainable development.

Mexico's presidency of the G20 in 2012 has highlighted Latin America's capacity for effective global leadership. And Brazil, as part of the BRICS (Brazil, Russia, India, China and South Africa) group of emerging markets and host of the Rio+20 United Nations Conference on Sustainable Development, is widely recognized as an increasingly important player on the international stage, capable of leading the world towards a balanced and sustainable global economy.

Did You Know?

- About 80% of Latin Americans live in cities, making it the most urbanized region in the world. In five decades, the number of cities has increased sixfold.¹
- Latin American countries invest 1-2% of its gross domestic product (GDP) in infrastructure; Chile is the only outlier, investing 3-5%. Investment levels should be in the 5-7% range.²
- In transport infrastructure, the entire region presents significant deficits, which could affect economic growth by hindering development and preventing access to the benefits of economies of scale and specialization at the national and sub-national level. In telecommunications, countries like Brazil, Costa Rica, Jamaica, Panama and Uruguay have reasonable levels of infrastructure considering their income levels, but have serious problems in terms of equality of access.³

Further Resources

"From Borges to Paz", Viswanathan, R., World Economic Forum:
<http://forumblog.org/2012/04/from-borges-to-paz/>, 2012.

"Shaping the Future of the Asia-Latin America and the Caribbean Relationship", Moreno L. A., Inter-American Development Bank, 2012; and "The Decade of Latin America and the Caribbean: A Real Opportunity", 2011.

"Latin American Economic Outlook 2012: Transforming the State for Development," Organisation for Economic Co-operation and Development (OECD) and ECLAC, 2012.

"Cambio estructural para la igualdad. Una visión integrada del desarrollo, 2012, and Eslabones de la desigualdad. Heterogeneidad estructural, empleo y protección social", Comisión Económica para América Latina (CEPAL), 2012.

Calendar

16 November 2012, 22nd Ibero-American Summit 2012, Cadiz, Spain

25-27 March 2013, BRICS Meeting, Durban, South Africa

23-25 April 2013, World Economic Forum on Latin America, Lima, Peru



Enrique García Rodríguez,
President and
Chief Executive
Officer, CAF
Development
Bank of Latin
America,
Venezuela

“

We need to look at how Latin America can get faster, higher growth, sustainable equity.

”



Alicia Barcena Ibarra,
Executive
Secretary,
United Nations
Economic
Commission
for Latin
America and
the Caribbean
(ECLAC),
Santiago, Chile

“

Structural change means conducting qualitative transformations in the productive structure of the countries in the region, in order to strengthen knowledge-intensive sectors and the rapidly growing domestic and foreign demand, resulting in more and better jobs, and driven by new technological paradigms.

”

¹ UNHabitat, State of Latin American and Caribbean cities, 2012.

² World Economic Forum, "Positive Infrastructure: a Framework for Revitalizing the Global Economy", 2010.

³ Perrotti, D. and Sánchez, R. (2011), "La brecha de infraestructura en América Latina y el Caribe", Recursos Naturales e Infraestructura, No. 153, ECLAC (CEPAL), Santiago, Chile.

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Salvador Biguria, Head of New
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Holdings, Guatemala

*Lourdes Casanova, Affiliate
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INSEAD, France

Akio Hosono, Director, Research
Institute, Japan International
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*Confirmed participation in the Summit on the Global Agenda 2012

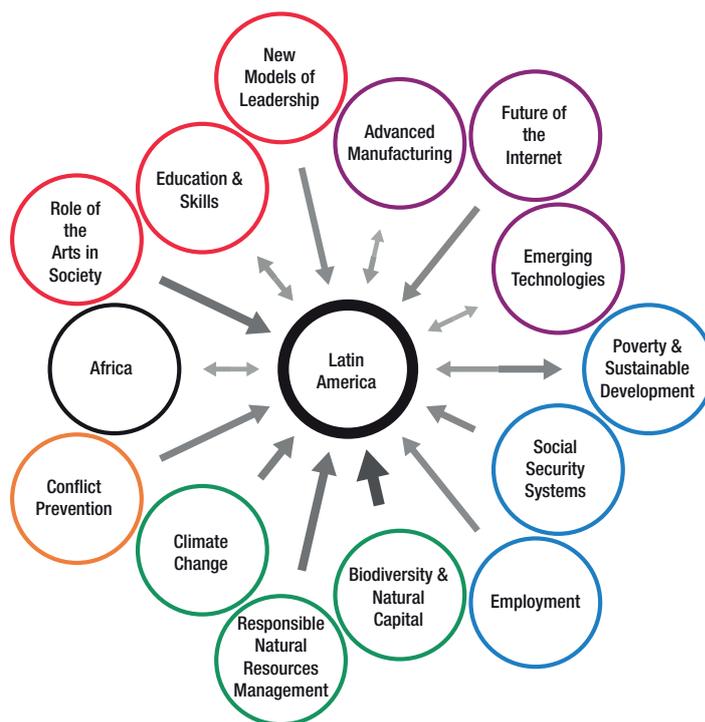
Council Insights

During the 2011-12 term, the Council focused on the economic and political fronts of Latin America's interregional relationship with Asia. The group concluded that the region must develop a strategic relationship with its trading partners, particularly China and India, which require separate approaches. Exports need to be diversified, extending beyond raw materials, through the production chain to add value and create employment at home.

In the next term the Council will work on growth strategies for Latin American countries, highlighting the role of innovative public-private partnerships in the region. Specifically, the Council will determine how these partnerships can have an accelerating effect on regional growth, while ensuring economic, social and environmental sustainability. The Council believes that inclusive, qualitative and sustainable growth can be supported by progress in the following areas:

- Investing in physical infrastructure. Latin America lags behind other developed or emerging economies in investments in physical infrastructure, including large-scale projects, urban development and housing. Investments should increase considerably, combined with an improved framework of planning and management, from government vision and strategy to the regulatory framework, to project execution and delivery.
- Improving social infrastructure, like health, education, social protection and security, should also become a priority, with a particular focus on broadening the coverage and quality of the education system.
- Driving and enabling the transformation and diversification of the region's productive structures, through sound industrial policy and innovation, would allow Latin America to look beyond commodities and enhance its position in offering and exporting higher-standing products and services.

In all these elements, innovative public-private partnerships can positively contribute to the modernization and strengthening of the Latin American economies, so the region can better respond to its looming slowdown and instability.



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Global Agenda Council on Logistics & Supply Chain Systems



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Issue Overview

Supply chains today are extensively globalized thanks to the increasing efficiency of transport and logistics, the globalization of manufacturing and consumption as well as large investments in new infrastructure in emerging markets. Forecasts indicate that global trade will continue to increase and, as a result, gateway regions will increase in number and size. While trade is high on the global agenda, the logistics industry, which is critical to the expansion of global trade, has largely been overlooked.

For most people, logistics is an invisible service taken for granted. Consider all the products available in any supermarket: thousands of separate supply chains converge to give consumers the level of product availability they have come to expect.

Logistics and supply chains are essential to any company's competitive strategy and indeed its very survival. In the 21st century, logistics touches every aspect of every organization's daily operations.

With trade facilitation, risk management, sustainability and job creation on top of the global agenda, logistics and supply chain can play a key role in economic growth, particularly for developing nations.

Yet, for now, logistics gets news coverage only when supply chain networks are disrupted by bad weather, industrial disputes, pirates, earthquakes, terrorism or even volcanoes. Journalists often speak of "logistical nightmares", instilling a negative perception of the industry in the public mind.

The logistics and supply chain industry is trying to change this perception and raise the public profile of the industry to make people realize just how vital it is to modern life.



Bernard Hoekman,
Director,
International
Trade
Department,
World Bank



While International cooperation to improve the operation of supply chains matters, there is much that national governments can and should do to improve the logistics environment in their countries.



Did You Know?

- From 2002 to 2008, global trade grew at a roughly linear rate of US\$ 1 trillion annually.
- Wireless adoption is growing by 30% every year among supply chain businesses worldwide.
- 90% of global trade flows through 39 bottleneck regions.

Further Resources

"Outlook on the Logistics & Supply Chain Industry 2012". World Economic Forum, http://www3.weforum.org/docs/WEF_SCT_GAC_OutlookLogisticsSupplyChainIndustry_IndustryAgenda_2012.pdf, June 2012

"Logistics and Supply Chain Industry Agenda Council, Final Report, 2010-2011". World Economic Forum, http://www3.weforum.org/docs/WEF_GAC_LogisticsSupplyChain_Report_2010-11.pdf, 2011

"The Global Enabling Trade Report 2012". World Economic Forum, http://www3.weforum.org/docs/GETR/2012/GlobalEnablingTrade_Report.pdf, 2012

Calendar

30 September – 3 October 2012, Council of Supply Chain Management Professionals Annual Global Conference, Atlanta, USA

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland



John Manners-Bell,
Editor and
Chief Executive
Officer,
Transport
Intelligence



The logistics and supply chain sector underpins the entire global economy.



Daniel J. Brutto,
President, UPS
International



Free trade makes an economy better, makes it stronger, and educates its people. It also allows goods to transfer around the world.



Global Agenda Council on Logistics & Supply Chain Systems



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Council Insights

Since its inception in 2010, the Council on Logistics & Supply Chain Systems has focused its efforts on trade facilitation, the management of supply chain risks, supply chain decarbonization and bridging the skills gap in the logistics and supply chain industry.

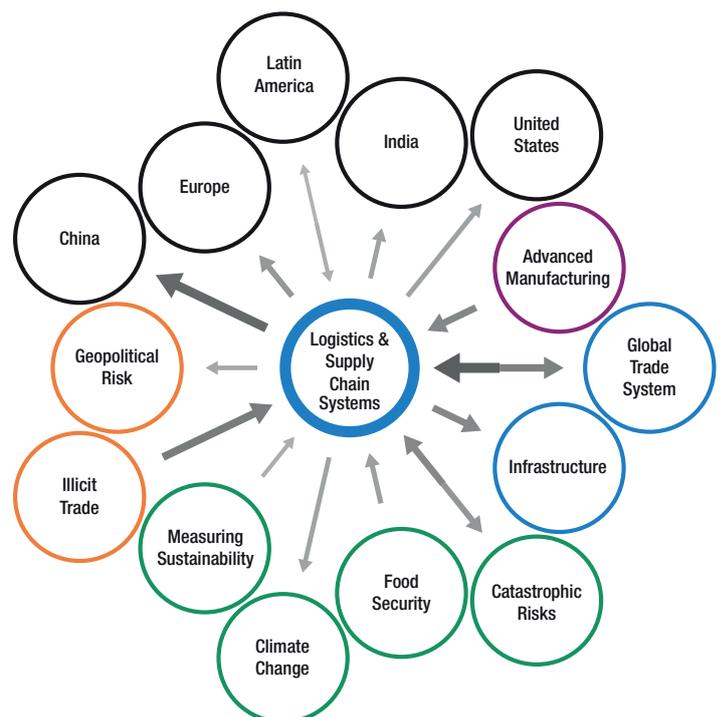
During each term, the Council has taken a deep dive into one of the above-mentioned issues. In 2010-11, the Council focused its efforts on supply chain risk, leading to the creation of the World Economic Forum's Supply Chain and Transport Risk Initiative. This initiative resulted in a useful collaboration with the Forum's Catastrophic Risk and Disaster Management Councils, its Risk Response Network and Accenture. During the 2011-12 term, the Council prioritized the role of logistics in trade facilitation.

Over the past term, the Council has delivered significant results by introducing important supply chain issues such as risk onto the global agenda. It has developed an action-oriented initiative called «Enabling Trade – Valuing Growth Opportunities». In addition to publishing articles in trade journals, the Forum blog and elsewhere, the Council has provided insights to the Forum's Logistics & Transport Industry Partners, with the Council Chair presenting its insights and recommendations to chief executives at the Governors Meeting for the industry at the World Economic Forum Annual Meeting in Davos-Klosters.

This term, the Council will take forward its work on enabling trade and examine larger multistakeholder issues. The Council is considering developments likely to have a long-term impact, such as 3D printing, as well as near-term trade inefficiencies.

The Council will continue to focus on issues including:

- “farm-to-fork” supply chains
- climate change adaptation
- logistics for megacities of the future
- big data
- practical advice to a developing country on how to best improve its logistics performance



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Issue Overview

The World Economic Forum defines long-term investing as “investing with the expectation of holding an asset for an indefinite period of time by an investor with the capability to do so”. Long-term investors are less concerned about interim changes in asset prices, but rather focus on long-term income growth and/or long-term capital appreciation both in the initial evaluation and continued assessment of their investments. In essence, it is investment carried out over years, and sometimes decades or generations, by institutions such as endowments and foundations, family offices, insurance companies, pension funds and sovereign wealth funds.

Long-term investing has attracted renewed attention in recent years in light of the global economic crisis. Discussion has focused on the potential of long-term investors to help stabilize financial markets, influence corporate managers and fund important long-term projects such as infrastructure. Yet, the capacity of long-term investors and their ability to play these critical economic roles has diminished.

The global financial crisis has prompted most long-term investors to rethink how much capital they can devote to long-term investing. While the crisis has not generally undermined their belief in the benefits of long-term investing, it has led many long-term investors to reassess the impact of their liability profile, risk appetite and decision-making process on their ability to invest long-term. Moreover, since the crisis, long-term investors have increasingly had to address the regulatory environment in which they operate and the impact this has on their decisions.

Did You Know?

- Just under half of the world’s professionally managed assets – about US\$ 27 trillion out of US\$ 65 trillion – are owned by long-term institutional asset holders. Of these, US\$ 15 trillion are short-term assets. Additional constraints mean that only US\$ 6.5 trillion are available as long-term capital.
- The global infrastructure gap (the difference between investment needs and actual spending) is estimated at about US\$ 1 trillion (1.25% of global GDP).¹

Further Resources

The Future of Long-term Investing:
<http://www.weforum.org/reports/future-long-term-investing-1>

Measurement, Governance and Long-term Investing:
<http://www.weforum.org/reports/measurement-governance-and-long-term-investing>

SWFs: Myths and Realities, David Murray:
<http://www.ifswf.org/pst/london11.pdf>



Mark Wiseman,
Executive
Vice-President,
Investments,
Canada
Pension Plan
Investment
Board

“

Having a long horizon accentuates the importance of governance models, and long-term investors can play a critical role in fostering leading governance practices, both within their own institutions and for the companies that they invest in.

”

¹ Strategic Infrastructure: http://www3.weforum.org/docs/IP/2012/IU/WEF_IU_Strategic_Infrastructure_Phase1.pdf.

Members

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*Scott E. Kalb, Adviser, Korea Investment Corporation (KIC), Republic of Korea

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Jean-Paul Villain, Director, Strategy Unit, Abu Dhabi Investment Authority, United Arab Emirates

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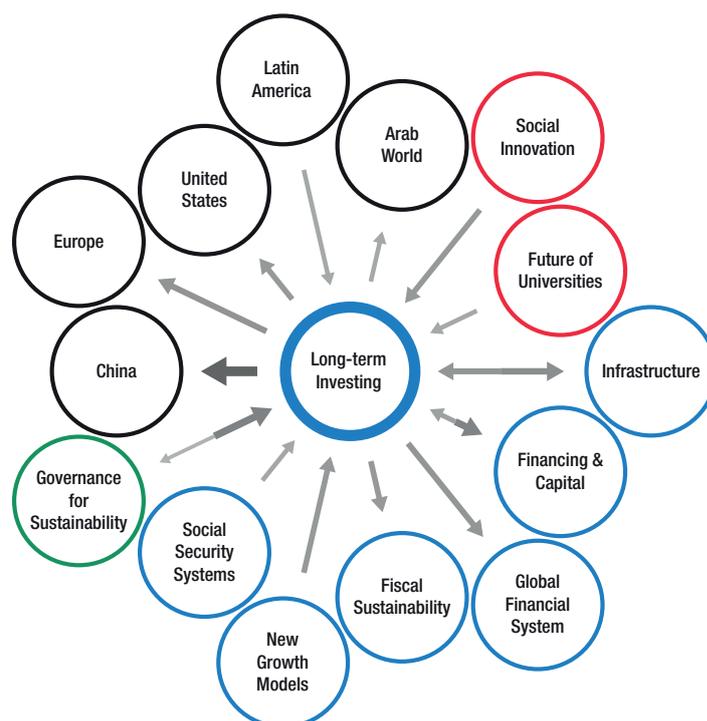
*Bernard Yeung, Stephen Riady Distinguished Professor and Dean, NUS Business School, National University of Singapore, Singapore

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

During the forthcoming term, the Council plans to focus on measures to overcome governance- and policy-related constraints facing long-term investors. In particular, it will look at shortfalls between supply of long-term capital and demand. Additional areas of work will include an examination of how long-term investors could engage more successfully with governments and corporations; sustainable investment; and how to match availability and demand for capital, particularly in the area of infrastructure, for example.

The Council believes that there is real potential for long-term investors to work more closely with governments to create enabling mechanisms that would allow both parties to collaborate more effectively in the future. Areas for joint action could include, for example, finding ways to reconcile government needs to achieve public policy imperatives with the needs of investors to maximize risk-adjusted returns.



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Issue Overview

Since the 1970s, complexity and uncertainty surrounding the global environment have increased manifold in light of resource scarcity, significant environmental degradation, and the growing impact and frequency of climate extremes. This is making policy choices, investment and management decisions very difficult to develop in a rational and integrated manner. Climate extremes, exposure and vulnerability materially affect both the demand and supply side of resource systems like water, food and energy. In some places, these resources are competing against regional and local constraints, creating increased uncertainty surrounding how best to deal with trade-offs and risks across different resource classes.

Against this backdrop, risk management capabilities and spatial characterization of the risks associated with energy systems and water, as well as logistics and supply chain infrastructure, are critical for public authorities, businesses and communities alike. To act, decision-makers require access to quality, verifiable and readily available context-specific knowledge and information.

A more effective, participatory and open system than that which presently exists could potentially transform international agreements through the inclusion of a mechanism for reviewing and reporting on their implementation; provide national governments with accurate assessments of the status of their resources and the environment; offer communities secure pathways for sustained development; and enable the private sector to accurately grasp the state of world resources, plan and execute its investments, and understand and manage business risks. Although most of the data needed to manage this complexity and associated risks already exist, they are not in a readily available or usable format. The data are largely in silos, distributed across a range of public, private and academic institutions around the world. Making this data readily available in a format that is usable is essential to better manage global environmental issues and sustain productivity and growth in the face of environmental risks.

Did You Know?

Twenty-five years ago, the 1987 World Commission on Environment and Development had already raised concern about the absence of comprehensive data on sustainable development to guide decision-making. Since then, various approaches have been proposed; examples include:

- The Environmental Performance Index (EPI) tracks performance and progress on environmental health and ecosystem vitality.
- UNDP's Human Development Report Office developed the Human Development Index (HDI), a composite measure of health, education and income for assessing countries' progress.
- The UN Statistical Office's System of Environmental-Economic Accounting, the World Bank's partnership for Wealth Accounting for Valuation of Ecosystem Services, and the Inclusive Wealth Index, newly released by the United Nations Environment Programme and the United Nations University are among other recent multilateral initiatives incorporating environmental factors into economic assessments of national and global progress.

Currently, however, there is no coherent set of quantified indicators that unfold and measure progress toward environmental sustainability in general.¹

Further Resources

Climate Disclosure Standards Board, Climate Change Reporting Framework, Edition 1.0

European Environment Agency, *Environmental Indicator Report 2012: Ecosystem resilience and resource efficiency in a green economy*

Aqueduct, a software tool to measure and map indicators of water risk:

<http://insights.wri.org/aqueduct/welcome>

Miradi, a software tool designed by Benetech specifically for the management of complex environmental projects: <http://www.benetech.org/environment/miradi.shtml>

Calendar

6 December 2012, Sustainable Innovation Forum (alongside UNFCCC COP 18), Doha, Qatar

22-24 May 2012, Global Conference on Sustainability and Reporting, hosted by the Global Reporting Initiative, Amsterdam, Netherlands

22-27 September 2013, UNESCO sponsored conference: 8th Conference on Sustainable Development of Energy, Water and Environment Systems, Dubrovnik, Croatia



Juan-Carlos Castilla Rubio,
Chief Executive Officer,
Planetary Skin Institute, Brazil

“Over time, the complexity to address interlocking resource-related constraints and associated risks has increased manifold around the world making policy choices, investment and management decisions very difficult to develop in an integrated way to enable collective problem-solving and action at scale. There is an urgent need for decision-makers to have access to open, good quality, integrated and verifiable biophysical, economic and social data to develop the local knowledge required to unlock sustainable pathways.”



James Cameron,
Chairman,
Climate Change Capital, United Kingdom

“If successful, it will increase the odds that society will find attractive outcomes to systemic risk posed by environmental harms. We all know more than we think we do. If we can pool this information, encourage radical cooperation and accelerate the learning process, the effect will be extraordinary. It's an exciting prospect and work has begun.”

¹ <http://www.unep.org> and <http://hdr.undp.org>

Global Agenda Council on Measuring Sustainability



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*Juan Carlos Castilla-Rubio, Chief Executive Officer, Planetary Skin Institute, Brazil

*James Cameron, Chairman, Climate Change Capital, United Kingdom

*Nelmara Arbex, Deputy Chief Executive, Global Reporting Initiative (GRI), Netherlands

Ian Cheshire, Group Chief Executive, Kingfisher Plc, United Kingdom

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*Jacqueline McGlade, Executive Director, European Environment Agency, Copenhagen

*Carlos Afonso Nobre, National Secretary of Research and Development Policies of Brazil, Brazil

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*Paul Simpson, Chief Executive Officer, Carbon Disclosure Project, United Kingdom

Karma Tshiteem, Secretary, Gross National Happiness Commission, Bhutan

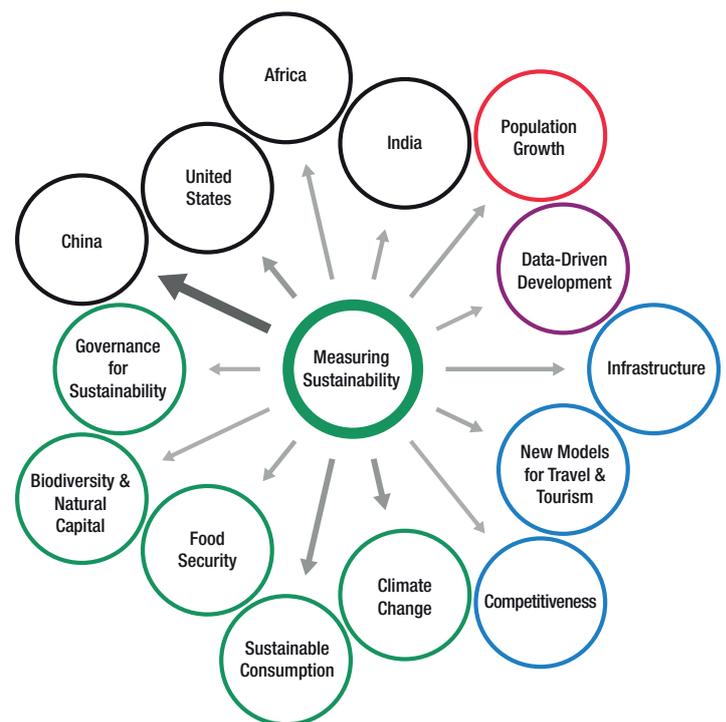
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

During its last term, the Global Agenda Council on Climate Change concluded that to achieve risk-resilient and resource-efficient economic growth, the world requires new decision-support capabilities for mapping geospatial risk and integrated resource management at several spatial scales (local, regional, national and global), as a global public good. Accordingly, the Council mobilized stakeholders from government, science, business and civil society in an initiative aimed at co-developing such capabilities and bundling them into a new open platform. The result has been the creation of the Global Agenda Council on Measuring Sustainability and its Environment Big Open Data Initiative (EBODI).

The EBODI programme plans to put together a network of stakeholders to gather context-specific data and information necessary for decision-making and risk assessment. This information will be integrated and made available on an open access platform. It will then be made available to governments, business and civil society, including communities, who will be able to use it to improve risk management in the environmental field. For example, the data could be used to develop early warning systems for natural disasters.

The EBODI programme will be hosted by the World Economic Forum under the umbrella of the Network of Global Agenda Councils. It will be led by the new Global Agenda Council on Measuring Sustainability. Starting in 2014, the plan is for the programme to be devolved from the Forum as an independent entity. Global expert organizations and individuals will then be invited to join the Environment Big Open Data Initiative programme.



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Issue Overview

In an era of globalized financial flows, manufacturing and trade, migration remains the unfinished business of globalization. Worldwide, three of every 100 people are migrants, the vast majority of whom work and reside legally in their host countries. With over US\$ 400 billion in remittances sent home, new start-ups and the daily transfer of human capital, migrants are poised to make unique contributions to the development of both their countries of origin and hosts.¹

Strong signals of profound migration transformation patterns have emerged in the aftermath of the global financial crisis. First, new economic opportunities in emerging economies are driving a greater flow of job seekers from the south to the south. Despite lingering high levels of unemployment in many markets, organizations around the world report they cannot find the talent they need, when they need it. As ageing and population shrinking reduce the number of workers in the industrialized north, mobile labour (migrants) take on an important new role in economic recovery and global competitiveness.

In this context, the dynamics of migration policy-making may alter, as most nations face the challenges of being both an origin and host country, grappling with the global competition for talent and the complexities of integration. Meanwhile, the issues of illegal migration and failed integration fuel anxieties and political polarization in national dialogues on migration policy. The focus of most policy coordination efforts continues to be on control and limits, rather than on mobility and competitiveness. The tragic events in Norway in the summer of 2011 underscored the risk of extremist narratives capitalizing on the issue of migrant integration.

Faced with such fragmentation, more stakeholders (business, political parties, international organizations, academia and civil society) are advocating for new policies that shape orderly, safe and legal migration.



Ola Henrikson,
Swedish
Ministry of
Justice; Chair of
the Global
Agenda Council
on Migration

“
Political leaders need to show the public the advantages of labour immigration and provide a counterpoint to populist xenophobic views and fears of increased unemployment and social dumping. There are big risks to leaving such views unchallenged. For example, why would highly skilled immigrants needed in EU member states move to a country where they do not feel welcome?
”

Did You Know?

- 16 United Nation agencies are mandated to address migration, and the term “migrant” has about 192 definitions – one for each nation.
- A 2010 study conducted at Duke University revealed that up to 23% of new technology and engineering companies in the USA, founded between 1995 and 2005, had at least one immigrant founder. Immigrant start-ups were responsible for creating US\$ 52 billion in sales and 450,000 jobs in that time period.²
- In the second quarter of 2012, over 50% of Indian employers expressed their intention to hire more employees, compared with slightly less than 10% of their German counterparts.³

Further Resources

The Impact of Twin Crises on Migration:
http://www3.weforum.org/docs/WEF_Annex3TwinCrisesNewRealitiesMigrationWorld_2012.pdf

The Nexus Between Business and Migration:
http://www3.weforum.org/docs/WEF_GAC_Annex4CaseStudiesBusinessMigration_2011-12.pdf

World Migration Report 2011 – Communicating Effectively about Migrants:
http://publications.iom.int/bookstore/index.php?main_page=product_info&cPath=37&products_id=752&zenid=28dc4dd435ba7a8d5126dee1ad273f79

Univision’s dedicated platform for its immigrant audience:
http://noticias.univision.com/inmigracion/?origRef=http%3A%2F%2Fbuscar.univision.com%2Fbuscar%2Fresultados.do%3Fsearch_type%3Dbuscar%26query%3Dmigrantes%26ocale%3D0%26type%3Dbasic%26base%3D0%26pgsz%3D10%26chid%3D1%26schid%3D12%26secid%3D0%26referring_channel%3D%26referring_subchannel%3D%26fromNav%3Dtrue%26is_clicked_link%3D

Calendar

19-22 November 2012, 6th Global Forum on Migration and Development, Port Louis, Mauritius

3-4 December 2012, Experts Meeting of the KnoMad – World Bank, Geneva, Switzerland

4 June 2013, 11th Club of the Hague Meeting, the Netherlands

July 2013, 3rd Global Diaspora Forum, USA

September 2013, 2nd High-Level Dialogue on Migration, United Nations, New York, USA



Göran Hultin,
Chief Executive
Officer, Caden
Corporation;
Vice-Chair of
the Global
Agenda Council
on Migration

“
Which countries will benefit from changing demographics? Those countries that have systems in place to deliver mobile labour and skills.
”



Sergio Marchi,
Special Adviser,
Pace Global
Advantage

“
On international migration, no one is in charge.
”

¹ World Bank, Migration and Remittances Factbook 2011. <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROSPECTS/0,,contentMDK:21352016~pagePK:64165401~piPK:64165026~theSitePK:476883,00.html>.

² Wadhwa, Vivek, Saxenian, AnnaLee, Rissing, Ben A. and Gereffi, Gary, New Immigrant Entrepreneurs: Part I (4 January, 2007). Duke Science, Technology & Innovation Paper No. 23. <http://ssrn.com/abstract=990152> or <http://dx.doi.org/10.2139/ssrn.990152>.

³ Data from the Talent Shortage Survey 2012, Caden Corporation.

Global Agenda Council on Migration



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Shahidul Haque, Senior Official, Ministry of Foreign Affairs, Bangladesh

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Randel Johnson, Senior Vice-President of Labor, Immigration and Employee Benefits, US Chamber of Commerce, USA

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*Sergio Marchi, Director, Global Migration Solutions, Jeeves Group, Switzerland

*Dilip Ratha, Lead Economist, Development Prospects Group and Director, Global Knowledge Partnership on Migration and Development, World Bank, USA

*Esther Santos, President, PLDT-Smart Foundation, Inc., Philippines

*Saskia Sassen, Professor of Sociology, Columbia University, USA

Marc Scheuer, Director, United Nations Alliance of Civilizations, USA

*Didar Singh, Secretary, Ministry of Overseas Indian Affairs of India (2009-2012), India

*Barbara Span, Vice-President, Global Public Affairs, The Western Union Company, USA

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*Confirmed participation in the Summit on the Global Agenda 2012

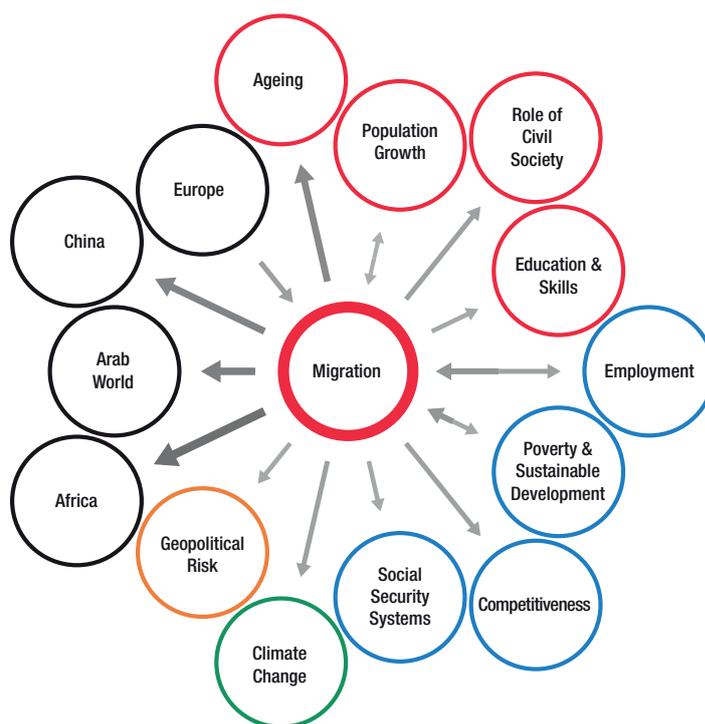
Council Insights

The Council is committed to improving the benefits of migration to development, innovation, employment and social cohesion across industrialized and emerging economies. Bringing together businesses, academics, and practitioners, it promotes the re-ignition of global and regional discussions on migration policy.

In 2011-12, the Council examined the relationship between the private sector and migration, and the impact companies and migrants have on each other. The Council concluded that the private sector has much to contribute, but is sorely missing from migration policy-making channels. Thus, the Council will build on its efforts to bring the business perspective into migration policy-making through greater interaction with business associations. The Council will enhance its collection of 2011-12 case studies, which illustrate the productive interactions between businesses and migrants.

Given the uncertain economic and political contexts faced by many nations in 2011, the Council also monitored the impact of immigration crises on migration flows and policy-making around the world. Vignettes provided by Council Members from the USA, Europe, Africa and India revealed that the crises had very uneven impacts on the patterns of migrants. The Council's research should be published in the first half of the 2012-14 term.

As nations prepare for the 2nd High-Level Dialogue on Migration to be held in the margins of the United Nations' General Assembly 2013, the Council will advise on the meeting agenda. The Council will advocate for a more reasoned, balanced approach to policy-making based on the 10 Principles for Migration Policy-making developed in 2010. The Council will collaborate to increase the presence and contribution of business in this dialogue. The Council will also continue advising the Talent Mobility Initiative supported by the World Economic Forum.



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Forum Lead: Martina Gmür, Senior Director, Global Agenda Councils, Martina.gmur@weforum.org

Issue Overview

Neuroscience and behaviour is an interdisciplinary field incorporating a range of research programmes on how humans process input and how this processing is underpinned by neural structures and factors. A variety of findings provide a rich picture of the complexities of human cognition and its contingency upon a wide range of internal and external factors that shape both action and reaction.

Significant interest is growing in applied cognitive science across a wide range of domains. Many governments have become interested in behavioural economics, perceiving an attractive combination of free markets with some directional control. Private-sector companies engaged in product development, marketing and retail have long used cognitive techniques to drive consumption and, while this work has largely been empirical, it has undoubtedly been effective and commercially rigorous (if not always scientific). Better understanding of human performance, personality and learning is an important field in fully leveraging human resources and helping improve individual and collective decision-making.

There is great potential in understanding the antecedents of decisions and behaviours that emerge in individuals and groups, as well as their consequences, and adapting our approaches to the human element so that we achieve the response our interventions are aiming for.



Sendhil
Mullainathan,
Professor of
Economics,
Harvard
University, USA

“

We tend to think that the problem is solved when we solve the technology problem, but the human problem still remains, and that's a great frontier that we have left.

”

Did You Know?

- When you watch the snap of your fingers your auditory system processes information about 30 milliseconds faster than your visual system, yet the sight of your fingers and the sound seem simultaneous.
- In economics and decision theory, loss aversion refers to people's tendency to strongly prefer avoiding losses to acquiring gains. Some studies suggest that losses are twice as powerful, psychologically, as gains.¹
- A mirror neuron is a neuron that fires both when an animal acts and when the animal observes the same action performed by another. Such neurons have been directly observed in primate and other species including birds.
-

Further Resources

"The Tell-Tale Brain: A Neuroscientist's Quest for What Makes Us Human", Ramachandran, V.S.

"The Paradox of Choice, Why More is Less", Schwarz, B.

"Incognito: The Secret Lives of the Brain", Eagleman, D.

"Reality is Broken: Why Games Make us Better and How They can Change the World", McGonigal, J.

<http://oullier.free.fr/>

<http://web.mit.edu/horvitz/www/publinks/>

Calendar

13-17 October 2012, Society for Neuroscience Annual Meeting, New Orleans, LA, USA

5-9 November 2012, Cold Spring Harbor Asia Conference: Neural Circuit Basis of Behavior and its Disorders, Suzhou Dushu, People's Republic of China

9-13 April 2013, 15th International Neuroscience Winter Conference, Sölden, Austria



Olivier Oullier,
Professor of
Behavioural
and Brain
Sciences,
Aix-Marseille
University,
France

“

Although neuro-imaging could help us to understand how people make decisions, it should not be sold as something that can predict or judge human behaviour. A brain on its own tells us nothing.

”

¹ Nudge: Improving Decisions about Health, Wealth, and Happiness, Richard Thaler, Cass R. Sunstein.

Global Agenda Council on Neuroscience & Behaviour

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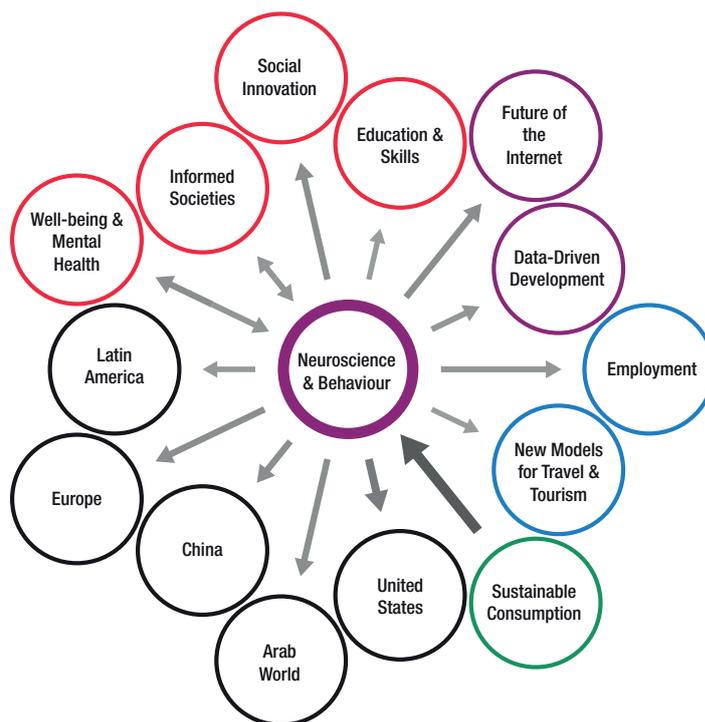
*Lisa Witter, Partner, Chief Change Officer, Fenton, USA

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council aims to unify various strands of research on the foundation of rigorous science, and offer the potential for effective and responsible application of cognitive science to drive positive outcomes across Forum communities. Moreover, the Council will strive to raise awareness of how the latest research challenges must put the human element at the centre of decisions about policy, economics, social change, risk and institutional reform. The Council seeks to:

- Increase awareness of the human element across sectors and policies: neuroscience and behaviour offer a set of insights and warnings that seek to recentre the human element in many of these fields, offering both a challenge and an opportunity.
- Be a source of best practices for behaviour change and policy implementation: there is significant demand from other Global Agenda Councils and Forum initiatives for insights on facilitating behaviour change and transformation.
- Present a venue for shaping the future of applied cognitive science: as an emerging direction, these activities would benefit from increased sharing and cross-pollination of ideas and learning, to shape a rigorous toolbox of effective strategies and promising research topics.



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Global Agenda Council on New Energy Architecture



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Issue Overview

The world is on the verge of great change: the needs of emerging markets, rising populations and environmental pressures make the transition to a new low-carbon and leaner energy infrastructure an absolute necessity. A world of 7 billion people – in which 1.3 billion do not have access to electricity – cannot continue to generate, consume and waste energy as the developed world has done until now. In less than 40 years the population will rise to 9 billion and, in the future, secure universal access to energy will need to be balanced with environmentally sustainable economic growth.

The focus on energy is increasingly characterized as a “triangle” of imperatives involving supporting the economy, achieving environmental sustainability and providing universal access to secure energy. To be effective, energy architecture needs to be designed with these imperatives in mind; this is the *raison d’être* of energy. Energy architecture refers to the integrated system of energy generation, transmission and markets, shaped by government, business and civil society. In other words, the energy architecture concept represents a holistic energy system approach.

Current examples of the significant transformation taking place in global energy include but are not limited to the growth of renewable energies, the boom in unconventional gas and liquefied natural gas, volatile oil markets, and the shift in growth of demand from OECD to emerging economies. All have knock-on effects throughout the energy architecture. Countries and stakeholders are responding by rethinking energy strategies and investments.



Leena Srivastava,
Executive Director, The Energy and Resources Institute (TERI)

“
Demand should be reduced across all countries, so that the pressure on supply reduces, and costs go down as well.

”

Did You Know?

- The International Energy Agency’s (IEA) most ambitious scenario for carbon abatement shows a reduction in hydrocarbon usage from 81% in 2009, to 62% in 2035.¹
- The global investment in energy supply infrastructure needed is estimated at US\$ 38 trillion annually by the IEA.²

Further Resources

New Energy Architecture Global Agenda Council Report, 2011-2012:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/the-new-energy-architecture>

New Energy Architecture: Enabling an effective transition:
http://www3.weforum.org/docs/WEF_NewEnergyArchitecture_IndustryAgenda.pdf

Calendar

22-24 October 2012, World Energy Forum 2012, Dubai, United Arab Emirates

12 November 2012, Launch of World Energy Outlook 2012, organized by the International Energy Agency



Bob G. Elton,
Adjunct Professor,
University of British Columbia,
Canada

“
To shape the future of energy, better than it has been, it needs really critical thinking by policy-makers, by companies, by experts in the area. Energy is complex because the investments are large and they’re long term.

”

¹ World Energy Outlook, International Energy Agency, 2011.

² World Energy Outlook, Estimated annual investment needs 2011-2035. International Energy Agency, 2011.

Global Agenda Council on New Energy Architecture

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*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

As the energy sector goes through significant change, the Council is exploring ways to maximize the efficiency of the transition to create a "New Energy Architecture". It works from the premise that although nations are different, overall they share similar energy-related goals: to support economic growth and development, deliver energy security, ensure access to energy and meet sustainability goals.

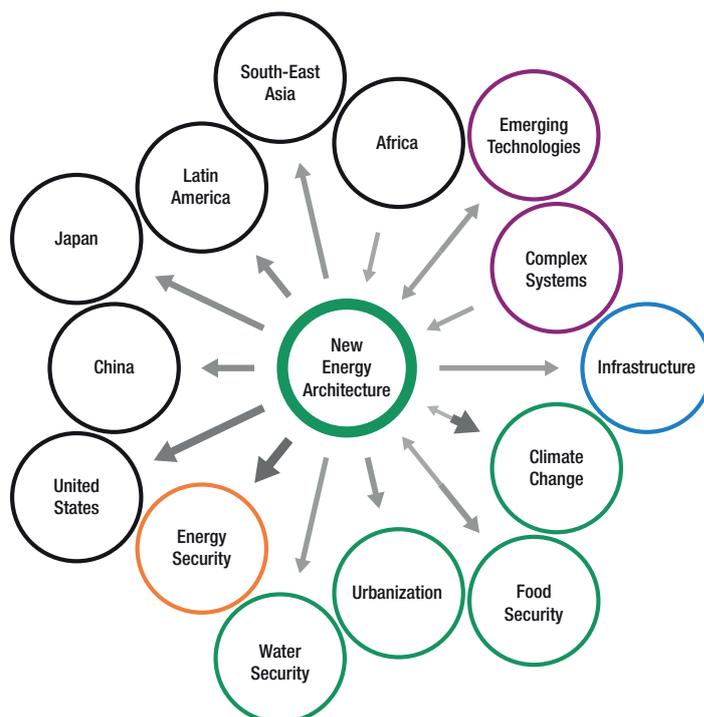
Fairly broad consensus supports the notion that energy architecture should be designed so that it can deliver sustainable development. Most stakeholders also agree that current progress is slow and the speed of change needs to increase. Changing energy systems takes time, given the capital intensity and lifecycle of infrastructure, however with the right policies, investments, innovation and collaboration, the potential exists to speed up the process.

The Council seeks to offer practical insights and recommendations to policy-makers, industry and others on:

- Why progress is slow – e.g. who is slow? Is it governments, industry, other stakeholders?
- Actions that need to happen over the next five years and how
- Where capital might be invested for the greatest return
- Existing implementable solutions or new solutions for development

During its last term, the Council prepared a policy paper which it submitted to the Governors Meeting for Energy in January 2012. It also initiated a study through which it sought to visualize what the world will look like in 2050 and how energy will play its part. This work is still ongoing. Finally, the Council provided input and guidance to a separate World Economic Forum project on New Energy Architecture, undertook country studies on Japan and India, and contributed opinion pieces in the media.

Over the forthcoming term the Council plans to focus on pathways to achieve faster positive change in the energy architecture over the next five years.



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Issue Overview

Today, emerging and advanced economies are facing the same challenge: growth. But the underpinnings of this challenge differ greatly for both.

In Asia, and particularly in China and India, awareness is mounting that historical growth paths will not meet their needs because they do not scale up in a world economy triple its current size, as it is projected to be by 2050. These growing economies will need to invent new growth patterns to reach advanced-country levels of development at a time when incentives related to sustainability are becoming internalized in national priorities.

Perceptions are rapidly falling in line with the reality that sustainability must become a central ingredient for growth as the old model simply will not suffice. This is not just a global issue, but a national challenge to long-term growth. "The emergence of sustainability as a critical element in growth strategies in the world's future largest economies is an extraordinarily positive development, because national needs, goals and priorities remain much more powerful incentives than international agreements."¹

With regard to the advanced economies, the vision of sustainable growth includes lessons from past mistakes. The International Monetary Fund (IMF) stated in its World Economic Outlook, released ahead of its twice-yearly meeting to be held in Tokyo in October 2012, that global growth in advanced economies is too weak and that the global economic slowdown is worsening. The IMF warned European and US policy-makers that failure to address their economic challenges could prolong the slump.

This new reality compels public policy-makers, businesses and experts to better understand the implication of economic growth for their societies and for the ecology. They must now search for new, sustainable models of growth that take into account ecological footprints and societal fairness.



A. Michael Spence,
Senior Fellow of
the Hoover
Institution,
Stanford
University, USA

“

Over the next few decades, almost all of the world's growth in energy consumption, urbanization, automobile usage, airline travel and carbon emissions will come from emerging economies. By mid-century, the number of people living in what will be (by then) high-income economies will rise to 4.5 billion, from one billion today. Global GDP, which currently stands at about US\$ 60 trillion, will at least triple in the next 30 years.

”



“

I don't think there's doom and gloom completely, in the world, at all. The world is recovering. If you look at total retail sales overall, I think you're seeing growth... the issue is it's uneven.

”

Did You Know?

- In its recently published World Economic Outlook, the IMF downgraded the global growth forecast for 2013. It believes that economic output will expand by 3.6% in 2013, down from its July estimate of 3.9%.²
- Global GDP, currently standing at about US\$ 60 trillion, will grow to at least US\$ 180 trillion by 2050.³
- Leading financial institutions have underestimated the impact austerity has on growth. Global policy-makers are worried about the United States: if all projected tax raises and spending cuts take effect, the United States economy could “take a hit equal to 4% of GDP, enough to seriously harm the world economy”.⁴

Further Resources

Spence, A.M. "Asia's New Growth Model". In *Project Syndicate*: <http://www.project-syndicate.org/commentary/asia-s-new-growth-model>, 1 June 2011

"The Growth Report: Strategies for Sustained Growth and Inclusive Development". PREM Network: <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/EXTPREMNET/0,,contentMDK:23225680~pagePK:64159605~piPK:64157667~theSitePK:489961,00.html>

Yongding, Yu. "China's Rebalancing Act". In *Project Syndicate*: <http://www.project-syndicate.org/commentary/five-year-plan-imf-chinese-exports-by-yu-yongding>, 26 September 2012

Skidelsky, Robert and Skidelsky, Edward. *How Much Is Enough?*. New York: Other Press, 2012

¹ Spence, A.M. "Asia's New Growth Model". In *Project Syndicate*, <http://www.project-syndicate.org/commentary/asia-s-new-growth-model>, 1 June 2011.

² "World Economic Outlook: Coping with High Debt and Sluggish Growth". International Monetary Fund, <http://www.imf.org/external/pubs/ft/weo/2012/02/index.htm>, October 2012.

³ Spence, A.M. 2011.

⁴ "A global slowdown". In *The Economist*, <http://www.economist.com/blogs/freexchange/2012/07/world-economy>, 16 July 2012.

Global Agenda Council on New Growth Models



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Members

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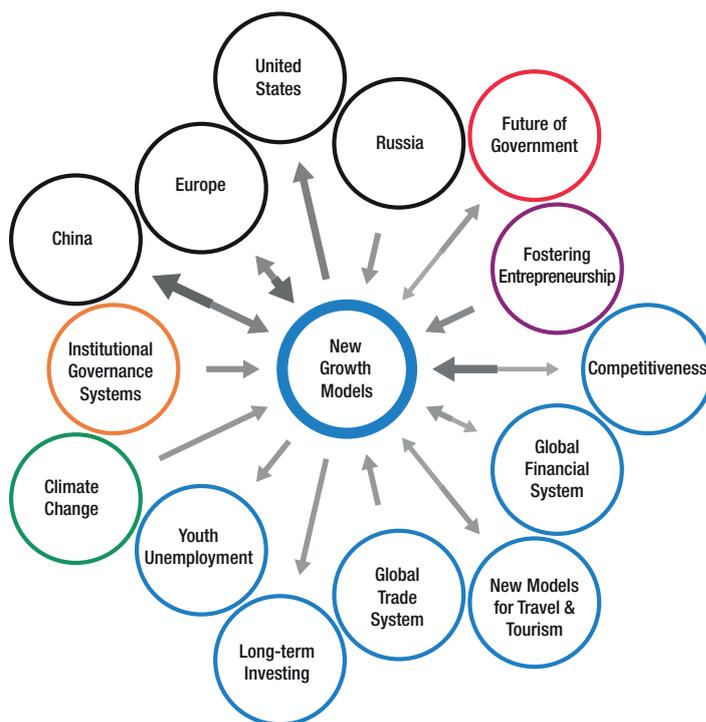
Council Insights

Holistic growth encompasses the economic, social, environmental and ethical dimensions. Historically, the economies of Europe and the United States thrived through innovation. Today, the advanced economies need to continue to focus on innovation, and on entrepreneurship and creativity to improve their ability to compete with emerging economies. They need serious investment in human capital through education and jobs retraining, as well as in infrastructure. Facing the combined weight of high debt, low growth, unemployment and inequality, the high-income countries will need to search for new policy responses and new models of growth.

By 2025, Brazil, China, India, Indonesia, South Korea and the Russian Federation will account for more than 50% of the world's growth. Population expansion and fast growth in emerging economies will drive increasing demand for the basic resources of water, energy and food. Moreover, the rise of emerging markets is reinforcing expectations and aspirations for a better life among the world's newest consumers. By 2050, India and China alone will account for 2.5 billion people with incomes matching those in advanced economies. Alternative approaches to growth will be essential to face the emerging markets' growth dilemma: raising people out of poverty without further endangering the planet.

Taking the above into account, the Global Agenda Council on New Growth Models aims to:

- develop new sustainable models of growth
- deepen current understanding of the role of emerging markets in redefining existing growth models
- look into innovative approaches to growth for Europe and the United States.



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Global Agenda Council on New Models of Economic Thinking



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Issue Overview

Economics is not a complete science, although it is described with elegant formulas and closed models. The reality of an economy is complex, with dynamic feedback loops. Yet policy-makers often make decisions and design interventions as though in a deterministic vacuum. Capital markets are far from stable and predictable. The recent financial crises have revealed how little is understood about how markets and economic systems work.

New schools of economic thinking, such as neuroeconomics, bounded rationality, behavioural finance and experimental economics, challenge the fundamental assumptions of neoclassical economic approaches. They go beyond the standard policy tools typically employed to analyse, discover, understand, describe and forecast economic issues and systems.

The field of economics is evolving to incorporate the cognitive and psychological influences of individuals in the economy, the impact of sociopolitical decision-making of institutions in interlinked economies as well as the role of complex and dynamic feedback loops in market economies.

The economists of the 21st century should be more engaged in solving the challenges of the real world, focusing on sustainable solutions for a growing number of economic and political challenges. The Global Agenda Council on New Models of Economic Thinking will explore the changing role of economics in creating a world that enables more robust market economies and



Coen Teulings,
Director, CPB
Netherlands
Bureau for
Economic Policy
Analysis,
Netherlands

“
Having a banking sector is a long-term implicit liability... We need to include implicit liabilities of nations into the government budgets and to have fiscal watchdogs both to help get the policies best for society implemented and to hold politicians accountable to goals and risks.

Did You Know?

- In 2007, Goldman Sachs's chief financial officer stated: “We were seeing things that were 25-standard-deviation moves, several days in a row.”¹ The likelihood of only one such daily event is less than once in a billion years – showing how inadequate economic models assuming normal distributions are in highly volatile markets.
- A Berkeley academic and industry veteran, David Leinweber, has created an economic model that predicts the S&P500 to 99% accuracy, with the sole predictors being butter production in Bangladesh, cheese production in the United States and the number of sheep in both Bangladesh and the United States.²
- Based on historical data, it was assumed impossible that house prices would fall simultaneously across all of the United States before the financial crisis. This faulty assumption underpinned most credit models and caused significant mispricing of risk in the run-up to the crisis.³

Further Resources

“Reform of the International Monetary and Financial System”. Bank of England, http://www.bankofengland.co.uk/publications/Documents/fsr/fs_paper13.pdf, December 2011

“Euro, Dollar, Yuan Uncertainties: Scenarios on the Future of the International Monetary System”. World Economic Forum, http://www3.weforum.org/docs/WEF_FS_EuroDollarYuanUncertainties_Report_2012.pdf, June 2012

Calendar

3-4 November 2012, G20 Meetings of Finance Ministers and Central Bank Governors, Mexico City, Mexico

19 November 2012, Inaugural Forum for Economic Dialogue: Future of the International Financial System, Zurich, Switzerland

4-7 April 2013, Institute for New Economic Thinking Plenary Conference, Hong Kong SAR



Ernst Fehr,
Professor of
Microeconomics
and Experimental
Economics,
University of
Zurich,
Switzerland

”
“
The lack of good motivational and self-regulation skills (goal persistence, self-discipline, achievement motivation, ability to delay gratification) is an important source of major social problems. It is, therefore, key for a flourishing society to ensure that our children learn these skills at an early age because later remedies are less effective and more costly.

¹ Kay, John. “Don’t blame luck when your models misfire”. <http://www.johnkay.com/2011/03/03/don%E2%80%99t-blame-luck-when-your-models-misfire>, 3 March 2011.

² “Stock Market Nirvana: Butter in Bangladesh”. *Investing Caffeine*, <http://investingcaffeine.com/2009/08/11/stock-market-nirvana-butter-in-bangladesh/>, 11 August, 2009.

³ Jorion, Philippe. “Risk Management Lessons from the Credit Crisis”. *European Financial Management*, 2009. <http://merage.uci.edu/~jorion/papers%5CRiskMgtCreditCrisis.pdf>.

Global Agenda Council on New Models of Economic Thinking

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*James Mwangi, Group Chief Executive Officer and Managing Director, Equity Bank Ltd (Kenya), Kenya

*Sandeep A. Naik, Co-Head, Apax Partners India Advisers Pvt. Ltd, India

Suzanne Nora Johnson, Vice-Chairman, The Brookings Institution, USA

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Council Insights

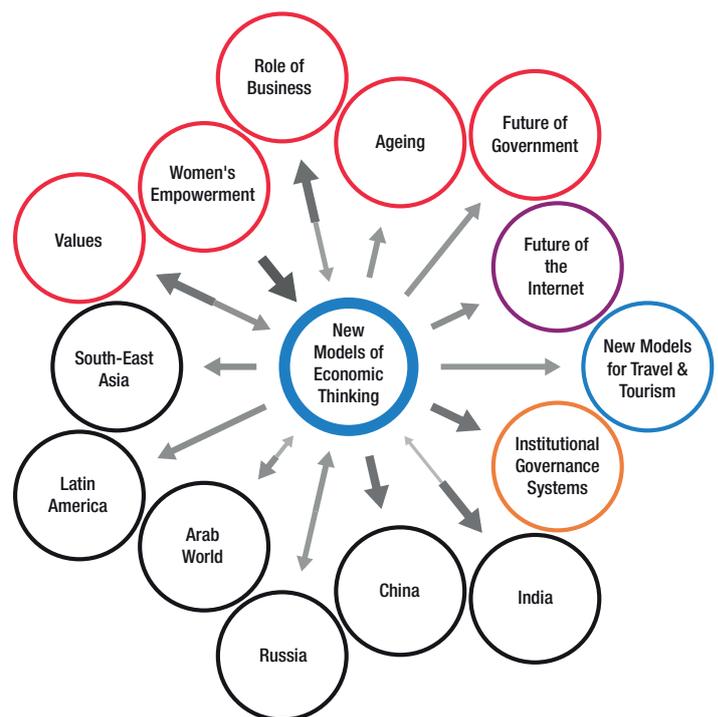
The Global Agenda Council on New Models of Economic Thinking brings together leading thinkers across the public and private sectors and academia to address pressing challenges facing individuals and societies in market economies around the world.

To better influence economic policy, it is necessary both to disseminate the new ideas already developed and to create new thinking by identifying the knowledge gaps and influencing the research agendas.

The Council focuses on improving economic policy and enhancing the stability of financial markets. It seeks answers to pressing questions pertaining to the use of economic policy to address the threats posed by rising income inequality, unemployment and other challenges. It explores questions such as whether wide income inequality is a valuable metric for societies' health and, if so, what causes it. At the same time, it aims to map the dynamic complexity of financial markets by factoring in human behaviour, government interventions and actions of investors.

Some of the questions the Council will take up are:

- How can economic policy be improved to address the threats posed by rising income inequality, unemployment and other challenges?
- How can “nudge” policies be used so citizens make better household financial decisions?
- How should the challenge of unemployment be addressed by combining the policies focusing on business ecosystems and social security?
- How can the level of human capital be improved? What role do factors such as non-cognitive skills (patience, workplace readiness) play? How should public policy reflect and incorporate that?
- Why is the financial system an engine of bubbles and not serving financial systems?
- How can the risk the public sector bears for the responsibility of financial systems be reflected?
- How should monetary policy and financial sector regulation be designed in an environment filled with uncertainty?



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Global Agenda Council on New Models of Leadership



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Issue Overview

Society in general is experiencing a change in leadership dynamics and redefining what it takes to flourish as a leader. Significant demographic and societal changes, fundamental technological advances and continuous globalization, as well as complex multistakeholder issues and resource scarcity define this emerging context. Leaders who want their organizations to survive and thrive must adjust their thinking and behaviour.

These changes are opening up a new area of leadership framed by tensions and balances. This space can be defined by a leader's main sense of purpose, which can be described in three ways: through the emotional capacity of the leader (values, courage, self-awareness, authenticity); by intellectual and cognitive development (creativity, innovation, world view, systems thinking); and by the extent and depth of social relationships and networks (community building, alliances, collaboration, virtual worlds).

Leaders need to productively develop a combination of these skills and qualities to be successful. In doing so, many will have to abandon previous behaviours and ways of thinking, since strategies that previously proved successful may no longer be effectual in the future. Unless organizations actively modernize their leadership style, they could fall behind in areas requiring innovation, effective globalization and the ongoing search for talent. This scenario would result in organizations being unsustainable and unequipped to face future challenges.



Otto Scharmer,
Senior Lecturer,
Organization
Studies, MIT
– Sloan School
of Management,
USA

“

The essence of leading profound change is about shifting the inner place from which a system operates: the source and structure of the social field — that is, the source from which our actions come into being.

”

Did You Know?

The following shifts will have huge implications for leaders:¹

- The global balance of power
- Cognitive skills to understand two escalating problems: climate change and resource scarcity
- Struggles to find talent
- The pursuit of space for individualization
- The use of technology to innovate and push boundaries

Further Resources

Interactive report by the Council, World Economic Forum, 2012:
<http://reports.weforum.org/global-agenda-council-on-new-models-of-leadership/>

“*The Shift*”, Lynda Gratton, Harper Collins, 2011:
<http://www.lyndagrattton.com/books/97/116/The-Shift.html>

Video clip on leadership with Gianopero Petriglieri,
22 August 2012: <http://www.youtube.com/watch?v=BwChVmUMIjE>

Calendar

21-23 October 2012, Forbes Global CEO Conference, Dubai, UAE²

7-8 February 2013, International Conference on Management, Leadership and Governance, Bangkok, Thailand³

20 May 2013, Global Leadership Summit, London, United Kingdom

¹ http://www.haygroup.com/Leadership2030/downloads/Hay_Group_Leadership_2030_whitepaper.pdf.

² <http://www.forbes.com/conferences/2012/ceo-2012.html>.

³ <http://academic-conferences.org/icmlg/icmlg2013/icmlg13-home.htm>.

Global Agenda Council on New Models of Leadership

Members

*Gianpiero Petriglieri, Associate Professor of Organizational Behaviour, INSEAD, France

*Lynda Gratton, Professor of Management Practice, London Business School, United Kingdom

C. Otto Scharmer, Senior Lecturer, Organization Studies, MIT - Sloan School of Management, USA

Ben Bryant, Professor of Leadership and Organization, IMD International, Switzerland

William W. George, Professor of Management Practice, Harvard Business School, USA

Daniel Goleman, Co-Director, Consortium for Research on Emotional Intelligence in Organizations, Rutgers University, USA

Guo Ping, Deputy Chairman of the Board, Huawei Technologies Co. Ltd, People's Republic of China

*Nandita Mohan Gurjar, Global Head, Human Resources, Infosys Ltd, India

*Yoshito Hori, President, GLOBIS University; Managing Partner, GLOBIS Capital Partners; Chairman and Chief Executive Officer, GLOBIS Corporation, Japan

*Karen Hughes, Global Vice-Chairman, Burson-Marsteller, USA

Ralph Krueger, Head Coach, Edmonton Oilers, Canada

Charlene Li, Author and Founding Partner, Altimeter Group, USA

*John Maeda, President, Rhode Island School of Design, USA

Ndidi O. Nwuneli, Founder and Director, Leadership Effectiveness Accountability and Professionalism (LEAP) Africa, Nigeria

Platon, Photographer, Platon, USA

*Santiago Siri, Founder and Chief Innovator, Grupo 42 Argentina, Argentina

*Mara Swan, Executive Vice-President, Global Strategy and Talent, ManpowerGroup, USA

Nick Udall, Chief Executive Officer, nowhere group, United Kingdom

Jasmine Whitbread, Chief Executive Officer, Save the Children International, United Kingdom

*Yi Mei, President, AIESEC International, Netherlands

Chris Zook, Partner, Director and Co-Head, Global Strategy Practice, Bain & Company Inc., Netherlands

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

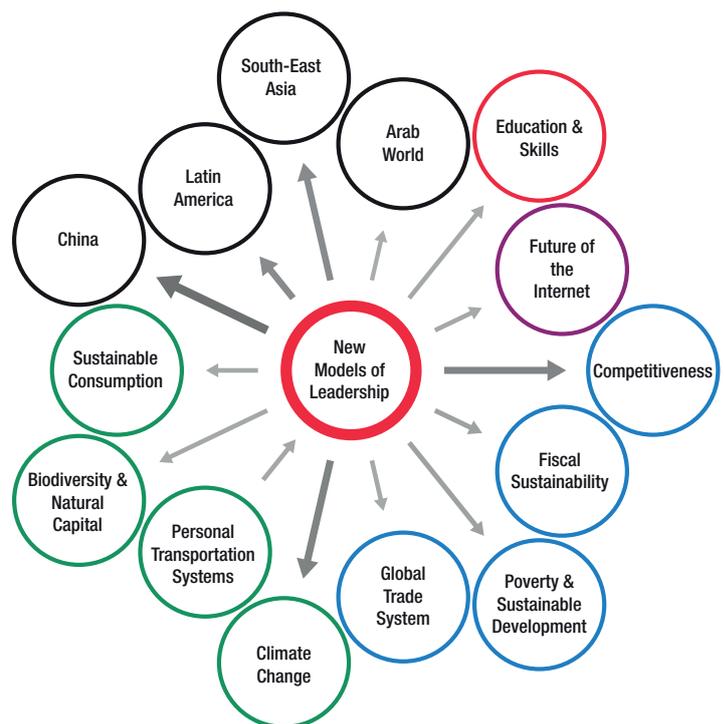
The Global Agenda Council on New Models of Leadership aims to explore the elements required to lead organizations and develop viable leadership practices for the future. The Council will examine the nature of relationships, processes, values and behaviours in the new organizational context.

This year's main Council objective is to move towards a model entitled «Leadership Development that Matters: Education, Corporations and Other Stakeholders». This will be done by:

- Exploring and testing the above model, which outlines the new leadership context, in organizations such as Save the Children
- Exploring and testing the model at the International Human Resources Community that will gather in Geneva, as well as ideas discussed in the Council's framework

The Council's efforts will focus upon refining and strengthening the model through consultation with the Global Shaper and other Forum communities. It will also seek effective methods to implement the model by influencing and acting on the following fronts:

- Education: by engaging with business schools and proposing targeted changes to their curricula
- Corporations, public and civil society organizations: by engaging with human resource departments and making concrete proposals in the recruitment and evaluation processes
- Collaboration: with the Councils on Education & Skills, Informed Societies, Social Media and the Role of Business, and with the Forum communities of Global Shapers and Young Global Leaders



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Global Agenda Council on New Models of Travel and Tourism



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Issue Overview

At a time when job creation and economic growth are at the top of the global agenda, the travel and tourism industry can play a critical role in creating employment opportunities worldwide while raising nations' incomes, balance of payments and economic growth rates. It is an important driver of growth and prosperity, and can play a key role in poverty reduction, particularly in developing nations.

At US\$ 6.3 trillion in 2011, or 9.3% of total global GDP, the impact of the travel and tourism sector is larger than that of some of the largest manufacturing sectors, such as automotives, chemicals and manufacturing. Currently, the industry directly employs 98 million people, amounting to 9% of global employment. For every 36 new tourists in a given destination, one new job is created.

A number of current trends have the potential to transform the sector. Travellers today have come to expect speed, transparency and efficiency, creating the need for new technologies to meet their growing demands. Cloud solutions are transforming how and where data can be processed to optimize travellers' experiences. This will have implications for pricing, customer profiling, and privacy and security protection.

As the number of travellers continues to grow as a result of both population growth and ageing, it is critical to develop adequate infrastructure and modes of transportation, while paying due attention to environmental concerns. Research reveals that by enacting visa facilitation processes, G20 countries have the potential to attract between 20 million and 112 million additional international tourists by 2015.

Yet, the travel and tourism industry faces a number of challenges, including the shift to green and sustainable travel, regulation as well as issues pertaining to multilateral and bilateral arrangements.



Mari Elka
Pangestu,
Minister of Tourism
and Creative
Economy of
Indonesia

“

We are not the ones building the roads. We are not the ones to police border restrictions. It has to be a whole football team approach, including private-sector cooperation.

”



Elizabeth Buse,
Group President,
Asia-Pacific,
Central Europe,
Middle East and
Africa, Visa,
Singapore

“

The benefits tourism brings to economic growth and development are well understood, but levels of understanding differ about how to optimize these benefits. Building a vibrant, competitive and sustainable tourism industry requires private and public organizations to work together and to pursue a collective agenda.

”



Taleb Rifai,
Secretary-
General, United
Nations World
Tourism
Organization

“

The capacity of tourism to drive growth and create jobs needs to be accompanied by strong supportive public policies.

”

Did You Know?

- Aviation is projected to grow 5% annually until 2030, implying a rise in passenger numbers to 5.9 billion.
- The goods value transported by air is estimated at US\$ 5.3 trillion, or 35% of the value of all goods traded internationally.
- Tourism has grown from 25 million international arrivals in the 1950s to 1 billion in 2012.

Further Resources

“Travel, Trade and Tourism Summit Report”. World Economic Forum, http://www3.weforum.org/docs/EA12/WEF_EA12_TravelTradeTourism_Report.pdf, 30 May 2012

“Freedom to Travel: Jobs and Economic Growth through Visa Facilitation and Introduction of e-Visas”. World Economic Forum, http://www3.weforum.org/docs/EA12/WEF_EA12_FreedomTravel_Overview.pdf

“The Impact of Visa Facilitation on Job Creation in the G20 Economies”. World Travel and Tourism Council, http://www.wttc.org/site_media/uploads/downloads/Visa_facilitation.pdf, May 2012

Calendar

5-8 November 2012, World Travel Market, London, United Kingdom

13-15 November 2012, PhoCusWright Conference, Arizona, USA

6-10 March 2013, ITB Berlin, Germany

2-4 June 2013, IATA Annual General Meeting & Air Transport Summit, Cape Town, South Africa

Global Agenda Council on New Models of Travel and Tourism

Members

*Mari Elka Pangestu, Minister of Tourism and Creative Economy of Indonesia, Indonesia

*Kathleen Matthews, Executive Vice-President and Chief Global Communications and Public Affairs Officer, Marriott International Inc., USA

Giovanni Bisignani, Director-General Emeritus, International Air Transport Association (IATA), United Kingdom

*Elizabeth Buse, Group President, Asia-Pacific, Central Europe, Middle East and Africa, Visa Inc., Singapore

Marilyn Carlson Nelson, Chairman, Carlson, USA

*Brian F. Havel, Professor of Law, De Paul University, USA

*Htay Aung, Minister of Hotels and Tourism of Myanmar, Myanmar

*Tom King, Head of Government Affairs, British Airways Plc, United Kingdom

*Gerald Lawless, President and Group Chief Executive Officer, Jumeirah Group, United Arab Emirates

*Geoffrey Lipman, President, International Council of Tourism Partners, Belgium

*Jonas Neihardt, Senior Vice-President, Government Affairs, Hilton Worldwide, USA

*Richard Prosser, Chairman, CarTrawler, Ireland

*Alexander Rayner, Special Adviser, Mekong Tourism Coordinating Office, Thailand

Taleb Rifai, Secretary-General, World Tourism Organization (UNWTO), Spain

Jackson Schneider, Executive Vice-President, People, Institutional Relations and Sustainability, EMBRAER SA, Brazil

David Scowsill, President and Chief Executive Officer, World Travel & Tourism Council (WTTC), United Kingdom

*Jose Luis Silva Martinot, Minister of Foreign Trade and Tourism of Peru, Peru

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

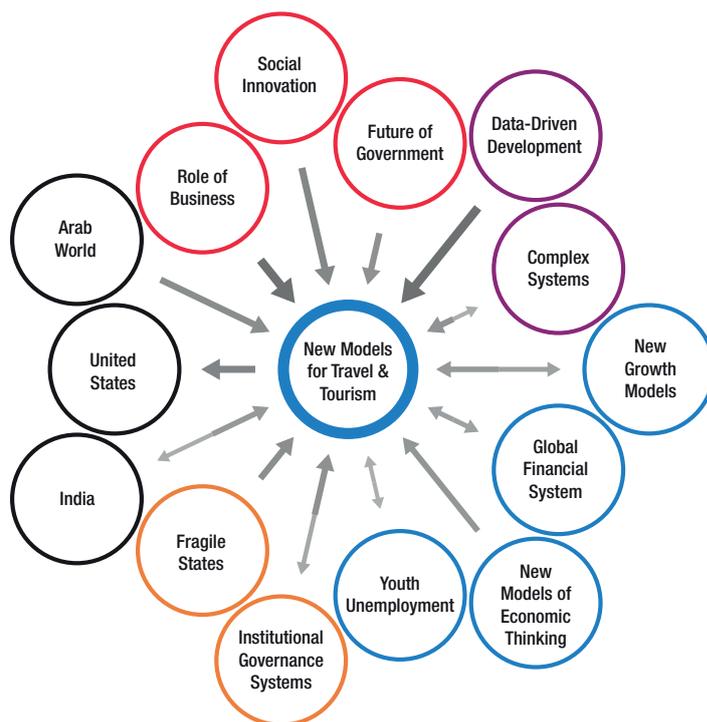
During the 2011-12 term, the Council worked on developing a proposal to facilitate national visa acquisition procedures and the introduction of an e-visa system. A fully implemented e-visa system would allow, for instance, a Kenyan touring France on a Schengen visa to add Ireland to the itinerary mid-visit simply by using a smartphone to apply for and receive the necessary visa as soon as the plane ticket to Dublin is purchased. It is this level of convenience that will be expected by present and future travellers.

The Council developed a "Call to Action" that proposes countries explore the development of an e-visa framework to maximize the growth potential of the international travel market. It pointed out that while some states currently utilize e-visa systems and others employ admirable open-border policies, both are done on too limited a basis. The result is that travellers from the largest growing markets, such as Brazil, India and China, are ignored.

By enacting visa facilitation opportunities, G20 countries have the potential to gain between 20 and 112 million additional international tourists by 2015. These tourists would in turn generate between US\$ 38-206 billion additional tourism receipts by 2015.

This term, the Council will take its work on travel facilitation forward and focus on:

- creating a blueprint for travel facilitation and e-visa. It will study what needs to be done to implement and facilitate travel procedures and to make a transition to e-visa.
- developing an index to forecast the economic impact of the travel and tourism industry at the country level, with special emphasis on the impact on job creation.
- ensuring that the Council's issues stay at the forefront of the global agenda, via two one-day meetings organized in Peru on 25 April 2013 and in Myanmar on 5 June 2013.



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Global Agenda Council on Nuclear, Biological & Chemical Weapons

Issue Overview

Nuclear, chemical and biological weapons pose grave threats to human life, the environment and the global economy. The fact that weapons of mass destruction (WMD) have not been used over the past 20 years reflects, in part, strong international norms embodied in a range of legal restrictions. Yet not all nations have ratified or adhere to the major treaties against WMD, nor are states the only actors interested in acquiring weapons technology. Concerns about secret nuclear weapon development in Iran and North Korea and attempts by terrorist groups to obtain weapons technology continue to raise questions about whether non-proliferation norms can hold.

Accelerating scientific advances and rapid technology transfer are opening up new avenues of proliferation for nations, terrorist groups and even “lone wolf” actors. Research in the life sciences, for example, has recreated devastating diseases that mankind fought to eradicate for hundreds of years. Meanwhile, poorly monitored nuclear materials, biotech sites, chemical stockpiles and global supply chains have improved access to weapons materials for groups and individuals with terrorist objectives.

The link between disaster mitigation and WMD safety and security was made apparent during the 2003 SARS outbreak, and again by the crisis surrounding Japan’s Fukushima plant. State and international emergency responses were tested to their limits, prompting reactive measures and stop-gap coordination among actors. They highlighted the absence of universal international cooperation on disaster management and non-proliferation. Cold War-era nuclear and chemical stockpiles have not yet been destroyed. International standards for oversight of research, security and safety are applied only erratically.

The Council has flagged industry-led initiatives, such as the Australia Group, which could be strengthened for furthering non-proliferation, particularly with regard to securing dual-use technology, research and materials in global supply chains. Arrangements must also be made for international cooperation to respond to a WMD disaster.



Tibor Toth,
Executive
Secretary of the
Preparatory
Commission for
the
Comprehensive
Test-Ban Treaty
Organization,
Vienna

“

Let us take all the steps that are needed, not just doing the doable based on the so-called realities of the day. Let us take all the steps that are needed to prevent the preventable. Let us take all the steps that are needed to prevent future tragedies, be it from nuclear weapons or from the unsafe, unsecure or unsafeguarded use of nuclear energy.

”

Did You Know?

- 21,900 nuclear warheads are accounted for worldwide. The amount of declared chemical weapons awaiting destruction is 27,063 metric tons plus 4,720,000 weapons and containers.¹
- Weaponized diseases include smallpox, anthrax and plague.
- According to the European Commission, “practically all” of Europe’s 130 active nuclear reactors require safety improvements, repairs or upgrades.²

Further Resources

“Global Agenda Council on Nuclear, Biological & Chemical Weapons 2011-2012”. World Economic Forum,
http://www3.weforum.org/docs/WEF_GAC_NuclearBiologicalChemicalWeapons_2011-12.pdf, 2012

“Why does the WMD Threat Matter?” World Economic Forum,
http://www3.weforum.org/docs/WEF_GAC_NuclearBiologicalChemicalWeapons_Overview_2011-12.pdf

CTBTO Preparatory Commission,
<http://www.ctbto.org/verification-regime/the-11-march-japan-disaster/>

Calendar

17-21 September 2012, 56th IAEA General Conference

December 2012, tentative deadline for the Conference on a Nuclear Free Zone in the Middle East

15-17 December 2012, Fukushima Ministerial Conference on Nuclear Safety

17-21 June 2013, CTBT Science and Technology Conference



Graham Allison,
Director,
Kennedy School
Belfer Center for
Science and
International
Affairs, Harvard
University, USA

“

The relentless advance of science and technology is making it possible for smaller and smaller groups to kill larger and larger numbers of people.

”

¹ International Atomic Energy Agency, Arms Control Association, Textbook of Military Medicine.

² Kanter, James. “Europe’s Nuclear Reactors Need Repair or Upgrades”. In The New York Times, <http://www.nytimes.com/2012/10/04/world/europe/safety-review-says-europes-nuclear-reactors-need-repair.html?ref=global-home>, 3 October 2012.

Global Agenda Council on Nuclear, Biological & Chemical Weapons

Members

*Tibor Toth, Executive Secretary, Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization, Austria

Vice-Chair: *Angela Kane, High Representative for Disarmament Affairs, United Nations, USA

Vice-Chair: *Amy Smithson, Senior Fellow, James Martin Center for Nonproliferation Studies, USA

*Graham Allison, Director, Belfer Center for Science and International Affairs, Harvard Kennedy School, USA

*Stephen W. Bosworth, Dean, The Fletcher School of Law and Diplomacy, USA

Gary Burns, Manager, Global Biosafety and Biosecurity, AstraZeneca Plc, United Kingdom

*Gareth Evans, Chancellor, Australian National University, Australia

*Nabil Fahmy, Dean, School of Global Affairs and Public Policy, American University in Cairo, Egypt

*Mark Fitzpatrick, Director, Non-Proliferation and Disarmament Programme, The International Institute for Strategic Studies (IISS), United Kingdom

*Jeanne Guillemin, Researcher, Harvard Sussex Program on Chemical and Biological Weapons, University of Sussex, United Kingdom

*Alan S. Hanson, Executive Director, International Nuclear Leadership Education Programme, Massachusetts Institute of Technology (MIT), USA

Jennie Hunter-Cevera, Consultant, USA

*Jo L. Husbands, Senior Project Director, The National Academy of Sciences, USA

Muhammad Iqbal Choudhary, Director, International Center for Chemical and Biological Sciences, University of Karachi, Pakistan

*Kim Sung-han, Vice-Minister of Foreign Affairs and Trade of the Republic of Korea, Korea

*Patricia Lewis, Research Director, International Security, Chatham House, United Kingdom

*Rogelio Pfirter, Ambassador, Ministry of Foreign Affairs and Worship of Argentina, Argentina

*R Rajaraman, Co-Chairman, International Panel on Fissile Materials, India

Shen Dingli, Professor and Executive Dean, Institute of International Studies, Fudan University, People's Republic of China

*Confirmed participation in the Summit on the Global Agenda 2012

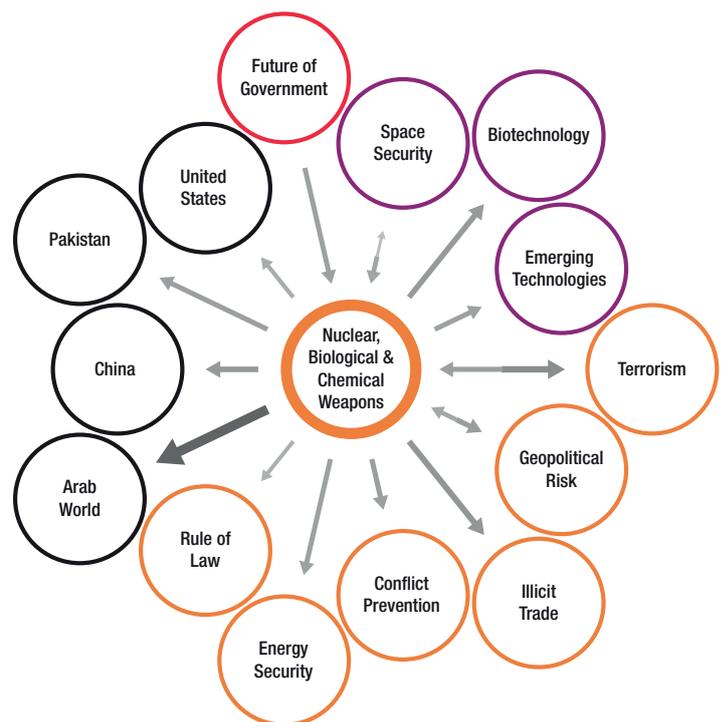
Council Insights

The Council brings together a global group of practitioners and researchers who collaborate to further the objective of non-proliferation. It has made some crucial recommendations in this regard, foremost of which is education of the public and key stakeholders on WMD. Such education should be cross-cutting and accessible, providing a balanced perspective on the opportunities and risks associated with WMD as well as disarmament. New media should be employed for this.

In addition, policy-makers should pay greater attention to the impact of new sciences and technology on WMD, staying ahead of the curve to the extent possible. For example, space technology and new chemicals are not considered by treaty schedules, an anomaly that must be corrected.

For the coming term, the Council has identified the following priority areas for their work:

- Education: Public misinformation, misconceptions and insufficient understanding among key stakeholders, even within WMD contact points and national organizations, is a major weakness of international systems for non-proliferation and disarmament.
- Science and Technology: The ease of dissemination of existing technologies fosters new risks for non-proliferation regimes, while entirely unknown technologies, such as new genetic techniques or new chemicals, threaten the effectiveness of existing systems for non-proliferation. Looking ahead, the international community must address the impact of future technologies like synthetic biology and space technology on WMD.
- Industry engagement: Important inputs and efforts from industry support peaceable norms against WMD proliferation. Now, more participation is urgently needed to fortify what policy-makers call the “web of prevention” to increase the guarantees for a safer world. Through monitoring of global supply chains, collaboration on inspections, training of personnel and information exchange, industry can play a greater role.



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Forum Lead: Martina Gmür, Senior Director, Global Agenda Councils. Martina.gmür@weforum.org

Issue Overview

Oceans represent a key asset of the global economy. Cumulatively, such services provided by the oceans as the provision of food, oxygen, water and climate regulation have been valued at over US\$ 21 trillion, while maritime transport supports 90% of global trade volume. The fisheries sector alone creates jobs for an estimated 180 million people and provides a primary source of protein to more than 1 billion.

However, the importance of oceans to our economic, social and environmental well-being remains under-appreciated, with nearly 95% of the marine world still barely explored. More urgently, marine ecosystems are facing unprecedented perils that can reduce current productivity and seriously threaten the oceanic future. Climate change, acidification, pollution, over-fishing and the degradation of coastal zones are only some of the issues that must be confronted if the value of the oceans is to be maintained.

The need, and opportunity, for innovative public and private investment in ocean conservation and the responsible husbandry of marine resources is pressing. A landmark study, brought forward by the World Bank and the United Nations Food and Agriculture Organization, documented at least US\$ 50 billion in lost benefits that could be realized annually from better organization and management of marine fishing. Aquaculture, which has provided nearly all of the growth in global fish production in recent decades, will continue to expand to provide a critical source of future food security, if it can avoid driving a massive crisis of coastal and marine degradation. Coastal tourism is also rapidly growing, but while it provides new potential livelihoods in some of the world's most disadvantaged places, it also presents the potential for destroying the natural beauty sought by tourists. Additionally, a new frontier of mineral and energy extraction must be approached with appropriate international regulation and sustainable commercial practices.

Did You Know?

- The total direct, indirect and induced global economic effects arising from marine fish populations amounts to US\$ 235 billion.¹
- The Ocean Health Index rates the world's ocean health at 60 out of 100, based on measures of ecological health and human benefits;² the UNEP estimated that in 2006, every square mile of ocean contained 46,000 pieces of floating plastic.³
- In 2006, 32% of global fisheries were developing, 27% fully exploited, 25% over-exploited and 16% collapsed or closed.⁴

Further Resources

Ocean Health Index:
<http://www.oceanhealthindex.org/>

Global Agenda Council on Oceans Annual Report:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/oceans/>

Deep-sea Discovery, World Economic Forum Annual Meeting session summary: <http://www.weforum.org/sessions/summary/deep-sea-discovery>

The Ocean Solution, World Economic Forum Annual Meeting session summary: <http://www.weforum.org/sessions/summary/ocean-solution>

Blog by Greg Stone, Executive Vice-President and Chief Scientist for Oceans, Global Marine, Conservation International, The Guardian:
<http://www.guardian.co.uk/environment/blog/2012/sep/26/measure-ocean-health>

Blog by Masanori Miyahara, Deputy Director-General, Fisheries Agency, Japan:
<http://forumblog.org/2012/06/seafood-supply-chains-no-more-fishy-business/>

Blog by Chris Knight, Assistant Director, Sustainability and Climate Change, PwC, and Nathalie Chalmers, Programme Manager, Sustainability and Environment, Programme Team, World Economic Forum: <http://forumblog.org/2012/06/can-capitalism-save-ocean-conservation/>



Tony Haymet,
Director, Scripps
Institution of
Oceanography,
University of
California at San
Diego, USA

“

The ocean is large and opaque. It is an act of irresponsible faith to think that this impenetrable blue mass is big enough to absorb all our sins without consequence. We need to finish the work of realistically assessing the ocean's value, and cherish it accordingly.

”



Greg Stone,
Senior
Vice-President
and Chief
Scientist for
Oceans,
Conservation
International,
USA

“

Beyond the dependence on seafood as nourishment, the global seafood industry generates more than US\$ 190 billion annually and creates more than 350 million jobs. These goods and services which support our livelihoods, health, food security and cultural heritage represent our 'natural capital' – a critical, but as of yet, economically invisible pillar of sustainable development. The management of natural capital must be better accounted, valued and incorporated into decision-making as nations and businesses collaborate to build healthy green and blue economies that will continue to thrive well into the future.

”

¹ UNEP, Fisheries: Investing in Natural Capital, 2011.

² Ocean Health Index 2012, <http://www.oceanhealthindex.org/>

³ UNESCO, 2012 http://www.unesco.org/new/en/rio-20/single-view/news/toxic_tides/

⁴ Sean C. Anderson, et al., "Assessing global marine fishery status with a revised dynamic catch-based method and stock-assessment reference points," ICES Journal of Marine Science, 2012.

Members

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*Greg Stone, Executive Vice-President and Chief Scientist for Oceans, Global Marine, Conservation International, USA

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*Céline Cousteau, Founder and Chief Executive Officer, CauseCentric Productions Inc., USA

*Maria Damanaki, Commissioner, Maritime Affairs and Fisheries, European Commission, Brussels

*Nishan Degnarain, Senior Economic Adviser, Ministry of Finance and Economic Development of Mauritius, Mauritius

Stephen J. Hall, Director-General, World Fish Center, Malaysia

Rupert Howes, Chief Executive Officer, Marine Stewardship Council, United Kingdom

Chris Knight, Assistant Director, Sustainability and Climate Change, PwC, United Kingdom

Liu Xiaobing, Director, International Cooperation, Bureau of Fisheries, Ministry of Agriculture, People's Republic of China

*Michael Lodge, Deputy Secretary-General, International Seabed Authority, Jamaica

*Kenneth MacLeod, Chairman, Stena Line UK Limited, United Kingdom

*Hans-Juergen Matern, Vice-President, Head of Strategic Quality Management, METRO AG, Germany

Masanori Miyahara, Deputy Director-General, Fisheries Agency, Japan

*Pawan Patil, Senior Economist, World Bank, Washington DC, USA

*David Schorr, Senior Fellow, WWF - World Wide Fund for Nature - USA

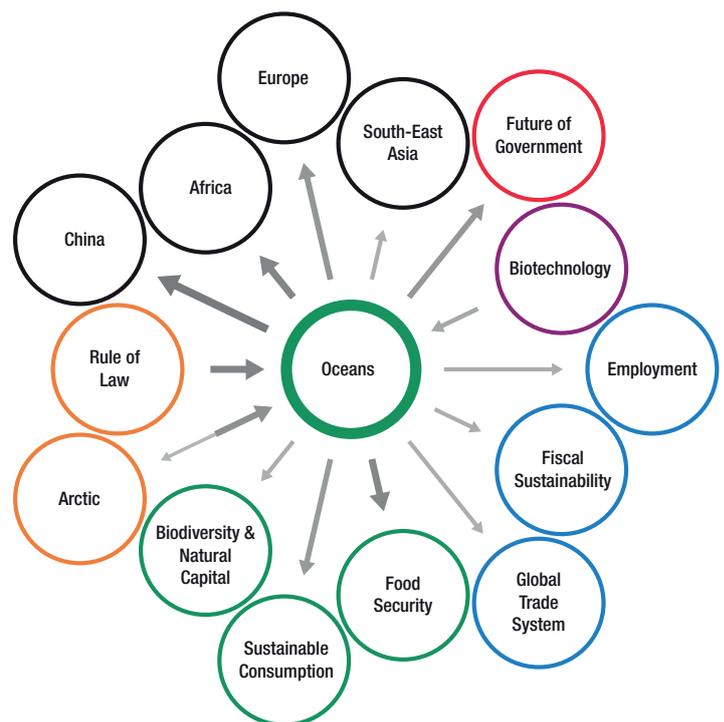
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

Oceans are the primary life support system of the planet, and humanity is dependent on their sustainable use. Multistakeholder engagement is essential to ensure that the relationship between industrial activity and the oceans is sustainable; solutions must align science, policy and business. The Council is bringing policy-makers and business leaders together around critical themes affecting ocean-based economic activity, by developing and promoting better management tools. The Ocean Health Index (OHI), a project endorsed by the Council in 2009 and launched mid-2012, can help guide how the Earth's largest resource, the oceans, is managed. The OHI is the first global standard that is scientifically grounded and transparent. Based on 50+ biophysical and socio-economic indicators, it assesses the oceans' capacity to provide long-term benefits for human well-being. The OHI provides each coastal country with its own score and a global ranking, and is designed to help leaders, businesses and the public make decisions that will improve ocean health.

As one priority, the Council is currently focusing on improving the transparency and tracking of seafood supply chains. Presently, consumers, distributors and many seafood processors lack basic information on the sources from which seafood products originate. Generally, they cannot know whether fisheries are over fished or properly managed, or if the fish were even caught legally. This is a major concern since evidence suggests illegal fishing provides between 12-29% of the wild-caught seafood in global markets.

Today an important impediment to business efforts to take action is the plethora of organizations, NGOs, academic groups and others working towards ocean conservation. This creates redundancies, and the necessity to create more interlinkages between initiatives is clear. The Council recently decided to collect such efforts in a repository of relevant activities and content, as a guide for decision-makers across different sectors.



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 Forum Lead: Dominic Waughray, Senior Director, Head of Environmental Initiative, dominc.waughray@weforum.org

Issue Overview

Organized crime threatens human security and hinders economic and political stability at an enormous cost to development. Fuelled by the same forces of globalization that expand trade, communications and information, criminal syndicates have unprecedented reach into the lives and affairs of ordinary people, multinational companies and governments. The cross-border flow of global proceeds from criminal activities, corruption and tax evasion is estimated at over US\$ 1 trillion, with illegal drugs and counterfeit goods each accounting for 8% of world trade.

Research has revealed intricate cooperation between the licit and illicit economies. Enablers of organized crime that are legitimate elements of the official economy include professional service providers, loosely monitored online data storage systems and complex supply chains. Law enforcement has only recently given greater attention to such activities. Another consideration is how organized crime negatively impacts conditions for business, and thus the competitiveness of entire countries.

The nexus between illicit drugs and organized crime is increasingly apparent, as the violence associated with drug trafficking wreaks havoc in fragile states and corrodes institutions in “consumer” countries. This violence calls into question the effectiveness of the “war on drugs” policies that target the supply, rather than the demand for illicit drugs. The shift in production locations closer to target markets (particularly of illicit synthetic drugs), suggests that crime organizations are extremely adaptable in profit-maximization strategies.

Further, interlinkages between organized crime, drug trafficking and terrorism are surfacing in Afghanistan, Pakistan, Africa and Latin America. Incidents of criminal organizations using terrorist tactics for their profit-seeking ends have forced authorities to reconsider their approaches to combating such organizations. Meanwhile, the growth of human trafficking or illicit trade in environmental resources is linked to the diversification of drug organizations that capitalize on the low risk and high profit of resource exploitation.



Ernesto Savona,
Director,
Transcrime;
Vice-Chair of
the Global
Agenda
Council on
Organized
Crime

“

Public attention to organized crime is mostly limited to homicides and headline arrests of kingpins. Online, however, silent organized crime has infiltrated legitimate economies without the violent muscling that the media would cover. The global annual cost of cybercrime is estimated at US\$ 388 billion.

”

Did You Know?

- The Mariposa Botnet infected more than 12.7 million personal computers in 190 countries, and more than 3,000 smartphones before they were shipped from the factory.¹
- Latin America, the hub of global cocaine production and trafficking, accounts for 6% of the world’s population and 27% of the world’s homicides.
- A Russian businessman named Viktor Bout used dozens of shell companies registered in Delaware (USA) to finance his global arms trafficking business.²

Further Resources

Organized Crime Enablers:
http://www3.weforum.org/docs/WEF_GAC_OrganizedCrimeEnablers_Report_2012.pdf

UNODC World Drug Report:
<http://www.unodc.org/unodc/en/data-and-analysis/WDR.html>

Norton Security Center for Cybercrime:
<http://us.norton.com/cybercrime>

Calendar

15-19 October 2012, 6th Conference of the Parties to the Convention on Transnational Organized Crime, Vienna, Austria



Rob Wainwright,
Director,
Europol; Chair
of the Global
Agenda
Council on
Organized
Crime

“

Legislation should be harmonized to make cross-border investigation easier. Companies and members of the public should know where and how to report crime online. We need to build on individual success stories to develop closer cooperation between industry and law enforcement. In particular, collaboration via trust platforms would speed up the collective response to online threats.

”

¹ 2011 Norton Cybercrime Report.

² *The New York Times*, 4 November 2009: <http://www.nytimes.com/2009/11/05/business/05tax.html?scp=11&sq=beneficial%20owners%20laundering&st=cse>.

Members

*Rob Wainwright, Director, Europol (European Police), The Hague

*Ernesto U. Savona, Director, Transcrime, Vice-Chair, Italy

*Adam Blackwell, Secretary of Multidimensional Security, Organization of American States (OAS), Washington DC

*Luis Fernando Carrera Castro, Secretary of Planning and Programming - Segeplan, Guatemala

*Nelson Cheng, Deputy District Commander of the Eastern District, Hong Kong Police Force, Hong Kong SAR

*Stephen C. Donehoo, Managing Director, McLarty Associates, USA

Wolfgang Goetz, Director, European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), Portugal

*David E. Kaplan, Manager, Global Investigative Journalism Network, USA

Michael Levi, Professor of Criminology, Cardiff University, United Kingdom

*Liu Jianhong, Professor of Criminology, University of Macau, Macao SAR

*David M. Luna, Director, Anticrime Programs (Transnational Threats and Illicit Networks), US Department of State, USA

Oscar Onyema, Chief Executive Officer, The Nigerian Stock Exchange (NSE), Nigeria

Juan Carlos Pinzón Bueno, Minister of National Defence of Colombia, Colombia

*John Sandage, Director, Division for Treaty Affairs, United Nations Office on Drugs and Crime (UNODC), Austria

*Louise Shelley, Professor, School of Public Policy, George Mason University, USA

Francisco Thoumi, Member, United Nations International Narcotics Control Board (INCB), USA

*Confirmed participation in the Summit on the Global Agenda 2012

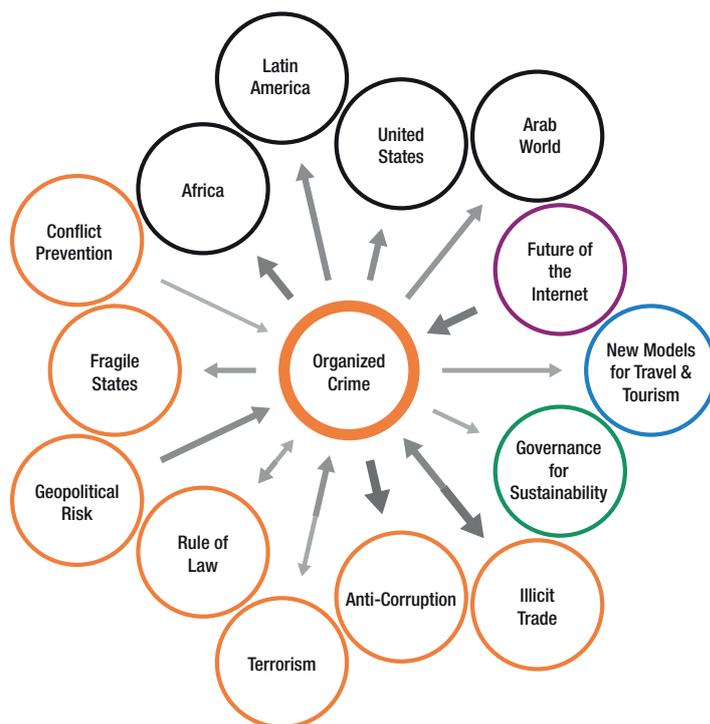
Council Insights

In 2011-12, the Global Agenda Council on Organized Crime produced research and recommendations on the enablers of organized crime. This broad concept includes individuals, mechanisms and situations that play an important role in supporting organized crime activities, whether intentionally or inadvertently, and that increase its benefits and scale while reducing its risks. The Council closely examined the impact of enablers in three critical areas: cybercrime, money laundering and Free Trade Zones (FTZs).

To deepen the impact of this research, the Council sees a need to raise awareness of the role of the private sector in combating organized crime. Estimating the costs of organized crime to businesses would further interest in the topic among mainstream companies. Likewise, exploring the negative impact of organized crime on incentives for investment, economic growth and competitiveness could elevate this issue into a macro-level concern.

The Council is also concerned about new activities undertaken by organized crime, that is, the diversification of activities that are common among highly sophisticated criminal organizations. Whether human trafficking or illegal logging, the siphoning of energy assets and other such activities drain precious potential away from communities.

The Council will also consider the issue of illicit drugs and the role drug trafficking can take in the destabilization of fragile states. Likewise, the deeper nexus between terrorism organizations and organized crime, which may include funding, strategy and support, demands the Council's attention.



Contact Information

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Issue Overview

With over 170 million people, a burgeoning and educated middle class, and an economy that has shown resilience despite instability in recent decades, Pakistan is a key actor in the South Asian region, both economically and politically. However, Pakistan faces significant issues, including domestic challenges such as education, employment and corruption, for example, and regional challenges. Limited collaboration and trade with neighbouring countries, in particular with India, compromises the country's economic development potential.

Looking more specifically at human capital development in Pakistan, statistics indicate that as many as 40% of Pakistani children are not in primary school, while the dropout rate among those who do attend is very high. The consequences of this are potentially devastating in terms of youth unemployment, a widening income gap and, more generally, for economic growth. According to regional cooperation statistics, trade between South Asian countries represents 5% of total trade in the region, making it one of the least economically integrated regions in the world. The potential gains for Pakistan from increased collaboration are estimated to be high both for the economy (trade could increase between 5- and 10-fold) and the acceleration of human capital development, for instance by joining efforts with India to address similar problems in the field of education. In September 2012, Pakistan and India signed three trade agreements that are expected to significantly accelerate commercial exchanges between the two countries over the next three to five years.

Did You Know?

- In 2010, the overall net primary school enrolment rate in Pakistan was 74.1%, while the overall rate for South Asia was 88.1%.¹
- On average, gender parity is not met in primary and secondary education: the Gender Parity Index in 2010 was 79.6.²
- Although cooperation with neighbouring countries, in particular with India, could potentially accelerate economic and human capital development, South Asia remains one of the least integrated regions in the world.³

Further Resources

Education, Employment and Economic Development in Pakistan, Dr Ishrat Husain, 2010:
http://ishrathusain.iba.edu.pk/speeches/humanDevelopment/Edu_Emp_Dev_Apr_15.pdf

Promoting Regional Trade to Foster Inclusive Growth in Pakistan, Global Agenda Council on Pakistan, 2012:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/pakistan/>



Dr Ishrat Husain,
Dean and Director,
Institute of
Business
Administration
(IBA), Pakistan

“

There is a serious mismatch between the jobs demanded by the emerging needs of the economy and the supply of skills and trained manpower in the country. While the economy is moving towards sophisticated sectors such as telecommunications, information technology, oil and gas, financial services, engineering goods, the universities and colleges are turning out hundreds of thousands of graduates in Arts, Humanities and languages.

”



Mehnaz Aziz,
Chief Executive
Officer, Children's
Global Network
Pakistan, Pakistan

“

Better qualified and trained human capital, especially in the education sector, is the need of the hour and perhaps it is the private sector which needs to be supported by all stakeholders of education.⁴

”



Hussain Dawood,
Chairman,
Dawood Hercules
Corporation,
Pakistan

“

We need two kinds of educational institutions: formal and vocational. The government can't do it. Civil society has to step forward.⁵

”

¹ World Bank Data: <http://data.worldbank.org/indicator/SE.PRM.NENR/countries/PK-8S-XN?display=graph> .

² Ibid.

³ Global Agenda Council on Pakistan Report 2012.

⁴ Private sector – the other side of the jigsaw puzzle, July 2012: <http://dawn.com/2012/07/08/private-sector-the-other-side-of-the-jigsaw-puzzle/>.

⁵ Aid is not the answer: UK trade minister: <http://tribune.com.pk/story/320597/aid-is-not-the-answer-uk-trade-minister/>.

Members

*Ishrat Husain, Dean and Director, The Institute of Business Administration (IBA), Pakistan

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*Zakir Mahmood, President and Chief Executive Officer, Habib Bank Ltd (HBL), Pakistan

*Mehnaz Aziz, Chief Executive Officer, Children's Global Network Pakistan, Pakistan

*Shamila Chaudhary, Analyst, Eurasia Group, USA

*Hussain Dawood, Chairman, Dawood Hercules Corporation Limited, Pakistan

*Ali Dayan Hasan, Director, Pakistan, Human Rights Watch, USA

*Attiya Inayatullah, Member of Parliament, Pakistan

Tom Kessinger, General Manager, Aga Khan Foundation, Switzerland

*Sadia Khan, Chief Executive Officer, Selar Enterprises, Pakistan

Asim Khwaja, Sumitomo-FASID Professor of International Finance and Development, Harvard Kennedy School, USA

*Cameron Munter, US Ambassador to Pakistan (2010-2012), USA

*Dietrich Reetz, Senior Research Fellow and Senior Lecturer in Political Science, South Asia, Zentrum Moderner Orient, Germany

*Umar Saif, Founder, Saif Center of Innovation (SCI), Pakistan

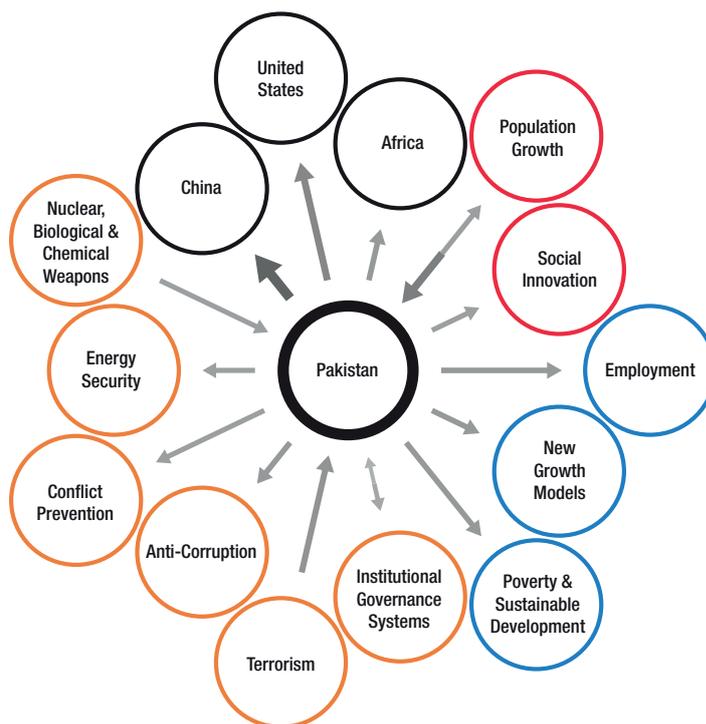
Rebecca Winthrop, Director, Center for Universal Education, The Brookings Institution, USA

*Roshaneh Zafar, Founder and President, Kashf Foundation, Pakistan

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

In light of the multiple challenges Pakistan faces, the Global Agenda Council will focus on one national and one regional issue. First, the council will examine how human capital development can be prioritized, with a particular focus on the education system. Delivering quality primary education for all children – and ensuring that both girls and boys alike benefit from it – will be a key indicator of a more inclusive society. Second, the Council will continue its work with the Global Agenda Council on India on enhanced trade relations between the two countries and extend the focus from merely goods and services to also include increased human-to-human exchanges through, for example, student exchanges and internship programmes. While acknowledging recent efforts to remove trade barriers and move towards most favoured nation status, the Councils on India and Pakistan plan to encourage the Indian and Pakistani Member companies of the World Economic Forum to offer students from both countries the opportunity to do internships in their respective organizations.



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Global Agenda Council on Personal Transportation Systems



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Issue Overview

Personal Transportation Systems is concerned with new models of individual travel, the interdependency of personal and mass transportation, and the environment necessary for these new models. Today, personal transportation implies the use of cars. However, increased congestion, limited space in urban areas, changing consumer behaviour and growing environmental limitations require a rethink of the current system and the development of new solutions.

If the increase in the use of cars for personal transportation maintains its historical correlation with increases in personal wealth, the global fleet will grow to almost 1.7 billion light vehicles by 2030 – or twice as many vehicles than on today's roads. Even if fuel efficiency doubles, as called for in Europe by 2020 and in the US by 2025, CO₂ emissions will still be some 2.5 times higher than the level agreed at the United Nations "Bali" conference, which called for a 50% reduction in CO₂ from the transport fleet.

Similar developments will be visible in megacities and urban areas, where congestion has already led to access limitations and even complete vehicle bans. Further, limited infrastructure investments will not be able to respond to growing demand and the current system will come to a halt. This scenario would likely result in increased regulation, with undesirable consequences for both society in general and the personal transportation sector in particular.

For personal transportation systems to sustain quality growth, systemic imbalances will have to be eliminated and business models updated. The focus must be on both business performance and broader societal impacts, delivering marketable performance and wider societal benefits, and meeting the changing expectations of all stakeholders. The future system needs to offer low-energy consumption, low emissions, and safe, modern personal transportation that co-exists with other forms of individual and collective transportation.



Chetan Maini,
Founder and Chief
of Technology and
Strategy, Mahindra
Reva, India

“

There is a real chance of a climate change shock event within the next five years and transport is the only sector around the world which is not showing reductions in carbon emissions, so we have a big responsibility to act quickly.

”

Did You Know?

- In the Western world, a 20-year old car costs approximately the same as a new computer or television set.¹
- According to World Bank statistics, in China in 2009 there were around 62.7 million cars, compared to 19.3 million in 2003.
- Following the introduction of new fines, the average speed in Moscow's centre rose to 25.3 km/h in July 2012, from 20.4 km/h in June, improving traffic flow. In July 2011 it was 22.8 km/h.²

Further Resources

Coughlin, J.F., Reimer, B. & Mehler, B. "Monitoring, managing, and motivating driver safety and wellbeing". *IEEE Pervasive Computing*, 10(3), 2011, 14-21

Schafer, A., Heywood, John B., Jacoby, Henry D., Waitz, Ian A. *Transportation in a Climate-Constrained World*. MIT Press, 2009.

Deakin, Elizabeth, Nuworsoo Cornelius and Golub, Aaron. Analyzing the Equity Impacts of Transit Fare Changes: A Case Study of AC Transit, forthcoming, *Transportation Research Record*, 2006:
<http://www.vda.de/en/publikationen/index.html>

Calendar

14-27 January 2013, North American International Auto Show, Detroit, USA

15-17 January 2013, Automotive News World Congress, Detroit, USA

20-29 April 2013, Auto Shanghai, Shanghai, People's Republic of China

22-24 May 2013, International Transportation Forum, Leipzig, Germany

12-22 September 2013, International Motor Show, Frankfurt, Germany



John Casesa,
Senior Managing
Director,
Investment
Banking,
Guggenheim
Partners LLC,
USA

“

Because of the financial pressure on the auto companies, they will continue to outsource to these big suppliers that now have the people and the technology to be the best in making all of these systems in a car. [...] It's quite conceivable that, 10 or 15 years from now, a lot of engines will be made by outside companies that have technology and scale.

”

¹ In Search of the Global Middle Class: A New Index, Carnegie Endowment for International Peace.

² <http://themoscownews.com/local/20120808/190059185.html>.

Global Agenda Council on Personal Transportation Systems



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Members

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*Thomas Besson, Division General Manager, Corporate Planning and Business Development, Nissan Motor Co. Limited, Japan

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*Rainer Feurer, Senior Vice-President, Corporate Strategy and Planning, Environment, BMW Bayerische Motoren Werke AG, Germany

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*Gerhard Mennecke, Head, Corporate Strategic Planning, Volkswagen AG, Germany

*Patrick Oliva, Senior Vice-President, Michelin, France

*Andreas Schafer, Director, Martin Centre for Architectural and Urban Studies, and Co-Director, Institute for Aviation and the Environment, University of Cambridge, United Kingdom

*Chris Urmson, Engineering Lead, Self-driving Car Project, Google Inc., USA

*Marc Winterhoff, Lead Partner, Roland Berger Strategy Consultants LLC, USA

*Zhang Yi, Vice-Provost, International Affairs, Tsinghua University, People's Republic of China

*Confirmed participation in the Summit on the Global Agenda 2012

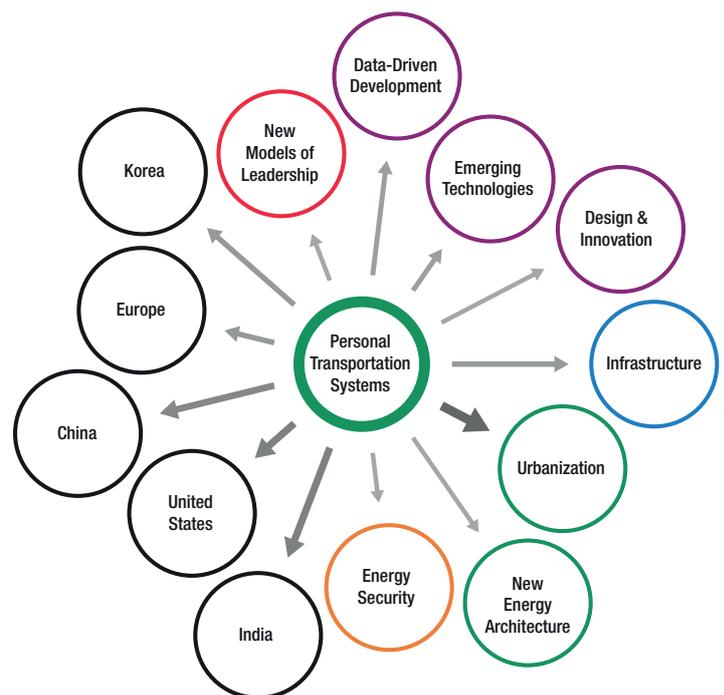
Council Insights

The Global Agenda Council on the Automotive Industry (predecessor to the Council on Personal Transportation Systems) developed a roadmap for a tailored, multistakeholder approach to sustainable personal transportation in 2050. The goal of this roadmap is to achieve stakeholder alignment. The roadmap urges collaborative efforts to identify the most appropriate forms of urban mobility and related technologies essential to sustainable transport, new business models, infrastructure, and market incentives to progressively enable acceptably low emissions, safer vehicles and connected multimodal transport.

To promote the outcomes of this work and increase their impact, the Council presented its recommendations to the chief executive officers of the automotive community in Davos in January 2012 and urged action. The outcome was a mandate to develop a project that holistically analyses the impact of connectivity and consumer behavioural changes on the transportation system and to derive indications of how this could transform the industry. Further, the Council has sent a letter to the Transatlantic Economic Council, the organization that initiated efforts to standardize technology between the US and Europe, urging it to intensify these efforts and widen them to include the Pacific regions (especially Japan and China).

Finally, the Council initiated the *Connected World: Transforming Travel, Transportation and Supply Chains* project which feeds into the Hyperconnectivity initiative of the World Economic Forum.

It develops scenarios to provide an industry perspective on how the travel and transportation system might be transformed under the influence of changes in the macro-environment, by changing customer needs, to establish new mobility frontiers and technological developments by 2025 and beyond.



Contact Information

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Global Agenda Council on Personalized & Precision Medicine



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Issue Overview

Personalized medicine involves combining established clinical parameters with emerging molecular information to create preventative, diagnostic and therapeutic solutions that are individually tailored to each patient's requirements. Personalized approaches will facilitate more precise healthcare delivery based on individual-specific molecular data (i.e. precision medicine).

Precision medicine has the potential to deliver some of the most significant changes on the healthcare horizon: improving diagnosis, treatment and patient prognosis. The arrival of precision medicine is imminent: what was once considered a "blip on the horizon" is now just around the corner. Ensuring its successful and appropriate adoption will be vital.

Precision medicine has the ability to drive deep structural changes in healthcare delivery. As well as improved outcomes for patients, it also has the potential to bring significant efficiency savings, transforming health and saving lives and money.

Recent biotechnological advances have led to a proliferation of disease-relevant molecular information that has brought the promise of personalized medicine within reach. While this is expected to deliver significant healthcare benefits at each step of the patient care continuum, it will also bring a new set of challenges. Ensuring a smooth transition will require frameworks for regulating, compiling and interpreting the influx of information that can keep pace with rapid scientific developments.



Victor Dzau,
President and
Chief Executive
Officer, Duke
University
Medical Center
and Health
System, Duke
University,
USA; Chair,
Global Agenda
Council on
Personalized &
Precision
Medicine

“
I see personalized
medicine as very
broad. Not just
genomic medicine, not
just bio-markers, but to
take care of the whole
patient, in a
personalized,
individualized way.”⁴

Did You Know?

- Instead of basing a pharmacotherapeutic dose solely on characteristics like weight and age, doctors will be able to use a patient's genetic profile to determine the best drug and the optimal dose.¹
- Currently, genetic testing is available for approximately 2,000 clinical conditions; the number of available diagnostic tests is increasing exponentially.²
- The cost of obtaining a single human-genome sequence has decreased from US\$ 95 million in 2001 to almost US\$ 21,000 in January 2011 and is projected to further decrease to US\$ 1,000 in a few years.³

Further Resources

Healthcare Annual Report, 2011:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/healthcare/>

Genetics Annual Report, 2011:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/genetics/>

Preparing for Precision Medicine:
<http://www.nejm.org/doi/full/10.1056/NEJMp1114866>

Calendar

28-29 November 2012, 8th Annual Personalized Medicine Conference, Harvard Medical School, Boston, MA, USA

28-29 January 2013, Personalized Medicine World Conference, Mountain View, CA, USA

5-7 August 2013, International Conference and Exhibition on Personalized Medicine & Molecular Diagnostics, Las Vegas, NV, USA



Jonathan
Rothberg,
Founder,
President, Ion
Torrent by Life
Technologies,
Life
Technologies,
USA; Member,
Global Agenda
Council on
Personalized &
Precision
Medicine

“
This is absolutely the
turning point. Patients
will be just as likely to
have their genomes
sequenced as they will
be to get MRIs or CT
scans. And sequencing
doesn't just tell you
where you are; it can
tell you the future. You
can see whether you
are predisposed to
disease.”⁵

¹ National Institute of General Medical Sciences, National Institutes of Health, "Personalized Medicine Fact Sheet", <http://www.nigms.nih.gov/Research/FeaturedPrograms/PGRN/Background/FactSheet.htm>.

² Reza Mirnezami, M.R.C.S., Jeremy Nicholson, Ph.D., and Ara Darzi, M.D., *N Engl J Med* 2012; 366:489-491.

³ National Research Council. *Toward Precision Medicine: Building a Knowledge Network for Biomedical Research and a New Taxonomy of Disease*. Washington, DC: The National Academies Press, 2011.

⁴ Aspen Ideas Festival, "Personalized Medicine: Myth vs. Reality", <http://www.aspenideas.org/session/personalized-medicine-myth-vs-reality>.

⁵ <http://www.technologyreview.com/qa/422869/jonathan-rothberg/>.

Global Agenda Council on Personalized & Precision Medicine



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Members

*Victor J. Dzau, President and Chief Executive Officer, Duke University Medical Center and Health System, USA

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*Peer M. Schatz, Chief Executive Officer, QIAGEN GmbH, Germany

*Anu Acharya, Founder and Chief Executive Officer, Ocimum Biosolutions Ltd, India

*David B. Agus, Professor of Medicine and Engineering, University of Southern California (USC), USA

*Raymond J. Baxter, President, Kaiser Permanente International and Senior Vice-President, Community Benefit, Research and Health Policy, Kaiser Permanente, USA

Francis S. Collins, Director, National Institutes of Health, USA

*Jeffrey M. Drazen, Editor-in-Chief, The New England Journal of Medicine, USA

*Geoffrey Ginsburg, Executive Director, Center for Personalized Medicine, Duke University Medical Center and Health System, USA

Dana P. Goldman, Director, Leonard D. Schaeffer Center for Health Economics, University of Southern California (USC), USA

Margaret A. Hamburg, Commissioner, US Food and Drug Administration, USA

*Petra Laux, Head, Global Public and Government Affairs, Novartis International AG, Switzerland

Jonathan M. Rothberg, Founder, President Ion Torrent by Life Technologies, Life Technologies Corp., USA

*Pardis Sabeti, Associate Professor, Harvard FAS Center for Systems Biology, USA

*Charles Sawyers, Chairman, Human Oncology and Pathogenesis Program (HOPP), Memorial Sloan-Kettering Cancer Center, USA

*Roger Y. Tsien, Professor, University of California, San Diego (UCSD), USA

*John Wong, Vice-Provost, Academic Medicine, National University of Singapore, Singapore

Tadataka Yamada, Chief Medical and Scientific Officer, Executive Vice-President and Board Member, Takeda Pharmaceuticals International Inc., USA

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council has identified six areas for further development. Collaborative efforts will be needed to address these at the national and international levels to ensure the success of precision medicine.

- More incentives for innovation: The challenges, costs and risks associated with modern product development and lengthy approval processes are well established. Appropriate financial incentives and reimbursement schemes are needed to stimulate innovation.
- New disease classification systems that incorporate emerging molecular data: A deeper understanding of the molecular mechanisms that underpin health and disease calls for new models that include this emerging knowledge. Precision medicine will require a new disease classification system.
- More streamlined clinical trial regulation frameworks: Recently published figures show that approval times for clinical trials and financial costs are increasing. These procedures should be more streamlined by taking into account previous experience with the agent being investigated and/or the study population.
- Effective data interpretation and clinical decision support (CDS): The success of precision medicine will require the handling of multi-parametric data and basic proficiency with “-omics” data interpretation and bioinformatics platforms. The development of appropriate health IT systems that incorporate CDS tools presents a significant logistical and financial challenge and warrants urgent attention.
- Stimulation of consumer interest and active participation: Significant public uncertainty on the legal, ethical and privacy issues surrounding open-access data is expected. These will require careful regulation as will the security architecture of future health IT systems. A cultural shift will also be needed to ensure successful public engagement.
- A rational approach to Health Authority regulatory oversight of precision medicine: The global regulatory oversight of precision medicine, which includes both the therapeutic and associated companion diagnostic, must provide an appropriate mechanism to ensure safety and efficacy (effectiveness) as well as timely premarket review and approval.



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Issue Overview

The world population took more than 50,000 years to reach 1 billion, yet it surpassed 7 billion in 2011. Although the speed of population growth peaked in the late 1960s and has been declining since, the accumulating numbers indicate each additional billion has been added more rapidly than at any time in history; the last two took 12 and 13 years, respectively. Even if global fertility and population growth rates continue to decline, the United Nations (UN) projects world population could reach 9.3 billion by 2050 and 10+ billion by the end of the century.¹ If fertility rates climb higher than projected, the population could surpass 10 billion by 2050 and be several billion higher by 2100. Therefore, the future size of the world population hinges on the path that fertility takes in the future.²

Rapid population growth can magnify every problem that is scaled by population numbers, and justifies a strong international focus on population growth and its consequences. Small differences in future average fertility can have dramatic effects on population numbers over time.

Governments can influence future population growth through policies that increase human well-being and ensure that people can exercise their reproductive rights, thus expanding individual choices and opportunities. Government interventions to reduce child mortality and to increase levels of education, both worthwhile goals in themselves, can also influence parental decisions on family size. Moreover, implementing poverty reduction strategies that increase income-earning opportunities, especially for poor women, can empower poor people to exercise their rights and improve the life chances of their children.

Did You Know?

- By 2050, the UN projects 1.0-3.5 billion additional people on the planet. Nearly all of that growth will take place in the socially, politically, economically and ecologically fragile countries in the world, mainly in Sub-Saharan Africa and parts of South Asia.³
- In 1950, statistically the average woman in the world had 5.0 children during her childbearing years; today that figure is 2.5 children.⁴
- 200+ million women in the developing world have no access to modern contraception. This is the number of women who are in sexual relationships and say they want to prevent or delay pregnancy, but are not using any means of modern contraception.⁵

Further Resources

"Seven Billion and Growing: A 21st Century Perspective on Population":
http://www3.weforum.org/docs/WEF_GAC_SevenBillionGrowing_Report_2012.pdf

"The missing link in sustainable development: A call to integrate population in the water, food, energy nexus":
http://www3.weforum.org/docs/WEF_GAC_MissingLinkSustainableDevelopment_GlobalAgenda_Overview_2012.pdf

"Delivering Results: 2011 Annual Report in a World of 7 Billion":
http://www.unfpa.org/webdav/site/global/shared/documents/publications/2012/16434%20UNFPA%20AR_FINAL_Ev11.pdf

Calendar

For a full list of meetings see:
<http://www.un.org/esa/population/meetings.htm>

27-28 June 2013, ICPD 2013 International Conference on Population and Development, Paris, France

26-31 August 2013, 27th International Union for the Scientific Study of Population (IUSSP) International Population Conference, Busan, Republic of Korea



Nkosana Moyo,
Founder and
Executive Chair,
Mandela Institute
for Development
Studies, South
Africa

“
When you discuss population issues, it depends on what part of the world you come from as to whether it is positive or negative. For us as Africans, there has always been an element in the discussion that a large population is a source of labour. This is an underlying philosophy behind large families in agrarian communities.”⁶



Emmanuel Jimenez,
Director, Public
Sector
Evaluations at the
Independent
Evaluation
Group, World
Bank,
Washington DC,
USA

”
“
Better access to good education and health services, especially by young mothers, can also help to mitigate population growth.”⁷



Muhammad Ali Pate,
Hon. Minister of
State for Health
of Nigeria

”
“
This is not about religion. You can look at predominantly Muslim countries like Bangladesh, which have done tremendously well with managing the fertility rate among their women. This is about access to services and the empowerment and role of women, not just in society but also in their households.”⁸

¹ United Nations, Department of Economic and Social Affairs, Population Division (2011). World Population Prospects: The 2010 Revision, <http://esa.un.org/unpd/wpp/index.htm>.

² For a review of the demographic upheaval the world has seen, the salutary economic effect of changes in age structure, and the potential repercussions of demographic change for human well-being, see David E. Bloom, "7 Billion and Counting", *Science*, 333, 562-569 (2011). DOI: 10.1126/science.1209290.

³ United Nations Department of Economic and Social Affairs, Population Division (2011). World Population Prospects: The 2010 Revision, <http://esa.un.org/unpd/wpp/index.htm>.

⁴ Ibid.

⁵ <http://www.unfpa.org/rh/planning.htm>.

⁶ Private Event on the Youth Bulge, World Economic Forum on Africa 2012, Addis Ababa.

⁷ Outlook on the Global Agenda 2011, <http://reports.weforum.org/outlook-2011/#>.

⁸ <http://www.bbc.co.uk/news/health-18763614>.

Global Agenda Council on Population Growth



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*Emmanuel Jimenez, Director of Public Sector Evaluations at the Independent Evaluation Group, The World Bank, USA

*Muhammad Ali Pate, Minister of State for Health of Nigeria, Nigeria

Gary Darmstadt, Director, Family Health, Bill & Melinda Gates Foundation, USA

*Chinwe A. Effiong, President, Junior Achievement of Africa, Kenya

*Hans Groth, Chairman of the Board, World Demographic & Ageing Forum, Switzerland

*Jose Miguel Guzman Molina, Chief, Population and Development Branch, United Nations Population Fund (UNFPA), USA

*Karl Hofmann, President and Chief Executive Officer, Population Services International (PSI), USA

*Dana Hovig, Chief Executive Officer, Marie Stopes International, United Kingdom

*Razia Khan, Regional Head of Research for Africa, Standard Chartered, United Kingdom

*Joel Lamstein, President and Founder, John Snow Incorporated, USA

*Li Ling, Professor, China Center for Economic Research (CCER), People's Republic of China

Purnima Mane, President and Chief Executive Officer, Pathfinder International, USA

*Precious Moloi-Motsepe, Chairperson, African Fashion International, South Africa

*Rainer Münz, Head, Group Basic Research, Erste Group Bank AG, Austria

Sheela Patel, Director, Society for the Promotion of Area Resource Centres (SPARC), India

*John Rwangombwa, Minister of Finance and Economic Planning of Rwanda

*Zeba Sathar, Country Director and Senior Associate, Poverty, Gender and Youth Program, Population Council Pakistan, Pakistan

*Confirmed participation in the Summit on the Global Agenda 2012

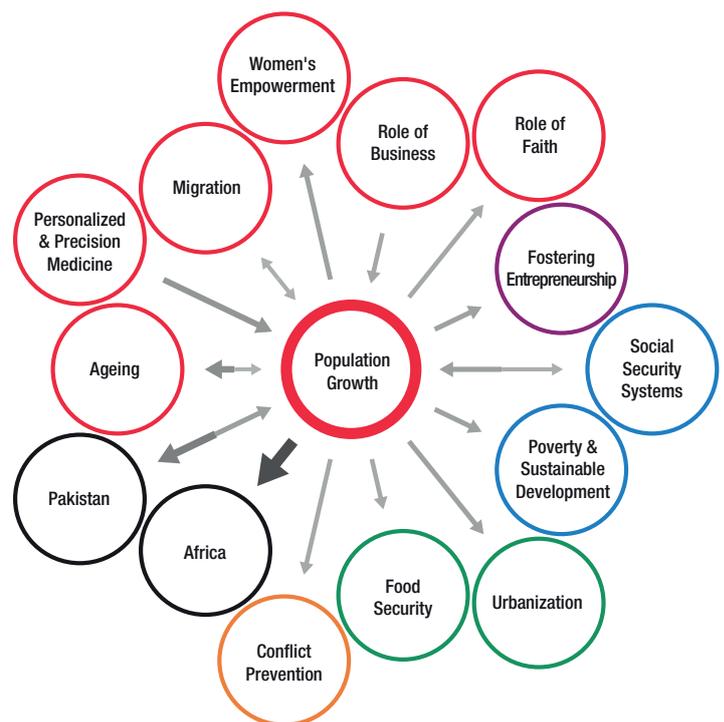
Council Insights

On 11 and 12 January 2012, the World Economic Forum and the United Nations Population Fund (UNFPA) convened a group of leading experts and practitioners representing the private sector, international organizations, civil society and academia to explore the linkages between water, energy, food security and population. The group called for effectively integrating population and demographics in international policies for sustainable development. The insights from this event were integrated into the work of the World Economic Forum for Rio+20.⁹

Since 2010, the Council has been consulting and working with the Executive Director of UNFPA and certain key governments (Nigeria, Ethiopia) on the best way to tackle the sensitive issue of population growth.

Going forward the Council will take a country-specific approach to the issues related to population growth, based on the understanding that different countries have different problems, and therefore require tailored solutions. The Council recognizes that the causes of high national fertility rates are many, and often associated with cultural and religious considerations, women's empowerment and education. To address these issues, the Council will focus on countries with an elevated risk of high population growth.

After raising awareness of this issue, the Council will showcase best practices and implementations that countries can apply to reduce fertility rates. The Council will continue supporting the right of women and girls to decide freely as individuals whether, when and how many children they have, by following up on the commitments made during this summit by political leaders. It will do so by highlighting this fact in World Economic Forum events and elsewhere, and by collaborating with the government officials.



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⁹ http://www3.weforum.org/docs/WEF_GAC_MissingLinkSustainableDevelopment_GlobalAgenda_Overview_2012.pdf.

Issue Overview

The Millennium Development Goals (MDGs) have been the central reference point for global development efforts since they were established as international targets in the year 2000. As the first global policy vision based on mutual accountability between developing and developed countries, the MDGs set a compelling agenda to cut many forms of extreme poverty in half by 2015.¹ Over time, the MDGs have gained traction far beyond the walls of government. Bill Gates has called them “the best idea for focusing the world on fighting global poverty that [he has] ever seen”. But the MDGs will expire in 2015 and they only mark a halfway point. The world must begin to prepare now for the post-2015 era.

The coming three years until 2015 will amount to a crossroads on the path of long-term global cooperation. They will contend with the principal needs of humanity, affecting billions among the least-advantaged people on the planet. Foremost among the challenges is the fight to end extreme poverty in its many forms. While poverty eradication is likely to remain the overarching goal, many argue for environmental and social sustainability targets to be included under a broader framework. There exist strident dissensions about the scope of the new framework and the level of the new targets. These disputes can be resolved only through proactive efforts spanning countries, organizations and citizens. This is a unique opportunity to define a vision and to put in place an actionable development and sustainability framework.

Did You Know?

- Extreme poverty, i.e. the share of people living on less than US\$ 1.25 a day (in purchasing power parity terms), has fallen globally from 43% in 1990 to 22% in 2008. It is projected to fall to 14% by 2015. The MDG target of halving extreme poverty between 1990 and 2015 is therefore likely to be met.²
- “The share of women employed outside of agriculture remains as low as 20% in Southern Asia, Western Asia and Northern Africa.”³
- “Some 1.7 billion people have gained access to safe drinking water since 1990. Yet 884 million people worldwide still do not have access to safe drinking water and 2.6 billion people lack access to basic sanitation services, such as toilets or latrines.”⁴

Further Resources

“Getting to Zero: Finishing the Job the MDGs Started”. Global Agenda Council on Benchmarking Progress Annual Report 2011-2012, World Economic Forum:
http://www3.weforum.org/docs/WEF_GAC_GettingZero_Report_2012.pdf

“Millennium Development Goals and post-2015 Development Agenda”. ECOSOC:
<http://www.un.org/en/ecosoc/about/mdg.shtml>

“Monitoring the Millennium Development Goals”. World Bank:
<http://go.worldbank.org/AECE2VJFU0>

Gateway to the UN System’s work on the MDGs:
<http://www.un.org/millenniumgoals/>

Calendar

9-14 October 2012, Annual Meetings of the World Bank and the International Monetary Fund, Tokyo, Japan

24-28 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

1 February 2013, Launch of the Report of the High-Level Panel on Post-2015 Development Agenda, New York, USA

23 September 2013, General Assembly High-Level Meeting on MDGs, New York, USA



John McArthur,
Senior Fellow,
United Nations
Foundation,
Washington DC,
USA

“
Rio+20 came at a time when the world needs to find both its motivating long-term vision and its near-term actions that kick-start the way forward. Governments and private actors alike, we all need to start firming up our next wave of goals to sustainably end poverty.”



Lord Mark Malloch-Brown,
Chairperson,
Europe, Middle East and Africa,
FTI Consulting,
Florida, USA

”
“
We have to convey that the Millennium Development Goals have had a revolutionary impact, contributing to improving lives at a rate never equalled in human history, but now we have to signal we can do even better.”



Amina Mohammed,
Special Adviser on Post-2015 Development Planning, United Nations

”
“
When we talk about the poverty goal: it’s really about the economy, and the economy is much about the private sector. Without the private sector being the engine of growth, we are not going to get anywhere, but we have to have growth with equity, we have to have growth that means something to the poor man.”

¹ The eight goals are to: eradicate extreme poverty and hunger; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria and other diseases; ensure environmental sustainability; and develop a Global Partnership for Development.

² World Monitoring Report 2011”. The World Bank, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPR/SPECTS/0,,contentMDK:22876426~menuPK:7859331~pagePK:64165401~piPK:64165026~theSitePK:476883,00.html,2011>.

³ MDG 3 Fact Sheet, UN, http://www.un.org/millenniumgoals/pdf/MDG_FS_3_EN.pdf.

⁴ MDG 7 Fact Sheet, UN, http://www.un.org/millenniumgoals/pdf/MDG_FS_7_EN.pdf.

Global Agenda Council on Poverty & Sustainable Development



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Members

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*John McArthur, Senior Fellow, United Nations Foundation, USA

*Amina Mohammed Az-Zubair, Special Adviser on Post-2015 Development Planning, United Nations, USA

Salim Amin, Chairman, A24 Media/ Camerapix, Kenya

*Hirotō Arakawa, Vice-President, Japan International Cooperation Agency (JICA), Japan

Otaviano Canuto, Vice-President and Head, Poverty Reduction and Economic Management (PREM) Network, The World Bank, USA

Martin Dahinden, Director-General, Swiss Agency for Development and Cooperation (SDC), Switzerland

*Helene D. Gayle, President and Chief Executive Officer, CARE USA, USA

*Rebeca Grynspan, UN Undersecretary-General; Associate Administrator, United Nations Development Programme (UNDP), USA

*Torgny Holmgren, Executive Director, Stockholm International Water Institute (SIWI), Sweden

*Charles Kenny, Senior Fellow, Center for Global Development, USA

Lord Malloch-Brown, Chairman, Europe, Middle East and Africa, FTI Consulting, United Kingdom

*Simon Maxwell, Senior Research Associate, Overseas Development Institute, United Kingdom

Mthuli Ncube, Chief Economist and Vice-President, African Development Bank (AfDB), Tunis

*Zainab Salbi, Founder, Women for Women International, USA

Dame Barbara Stocking, Chief Executive, Oxfam GB, United Kingdom

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*Virgílio Maurício Viana, General Director, Fundação Amazonas Sustentável, Brazil

*Confirmed participation in the Summit on the Global Agenda 2012

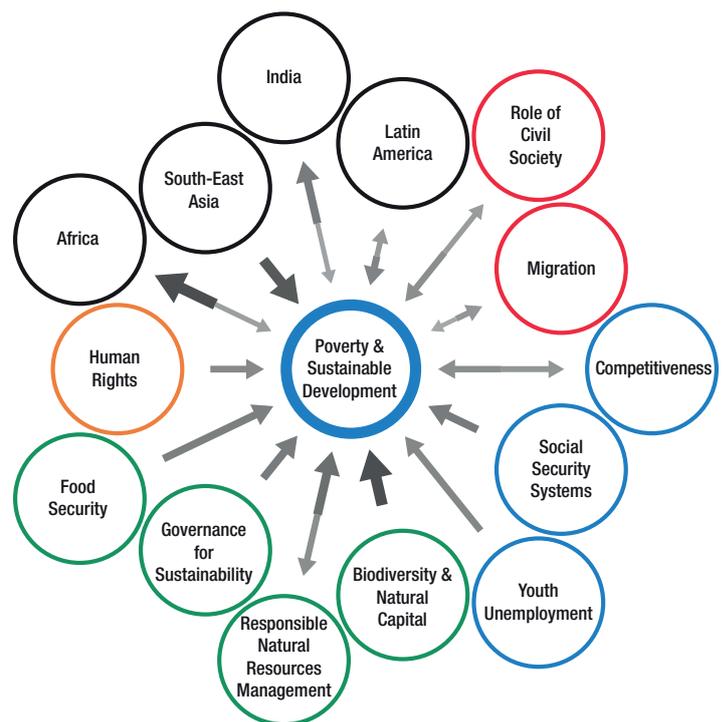
Council Insights

The newly-created Global Agenda Council on Poverty & Sustainable Development is a merger of the Council on Benchmarking Progress, which worked in 2011-12 on the "Getting to Zero" project, and the Council on Poverty & Economic Development. This merger will take advantage of the synergies and complementarities between the two Councils.

The Global Agenda Council on Poverty & Sustainable Development aims to formulate policy recommendations on how best to transition from the MDGs to beyond the 2015 targets for poverty eradication and sustainable development. This work will inform the UN-led process from which the new generation of goals will emerge, especially the works of the Secretary-General's High-Level Panel on the Post-2015 Development Agenda. In particular, the Council will work on defining a vision for post-2015.

The Council will focus on:

- Making suggestions on how to conciliate extreme poverty eradication with environmental protection
- Putting together recommendations about the process of setting the new goals to ensure wide public acceptance
- Suggesting specific targets and indicators
- Proposing methods of measurement and combating data paucity
- Devising the means for realizing the vision



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Global Agenda Council on Responsible Natural Resources Management



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Issue Overview

The development of mineral resources is an important catalyst for global economic growth. It has the potential to transform economies and societies, including some of the world's poorest nations, but the extent to which it has fulfilled this potential varies. Using these resources effectively offers an excellent opportunity for social and economic transformation.

Mineral development can drive socio-economic development in ways that integrate with local and national priorities. In particular, it contributes to a country's development by generating foreign direct investment, export earnings, government revenues (through royalties, taxes, licences and fees), gross domestic product (GDP) growth and employment. Given the complexity of the extractive industry and the wide variations in its political, economic, regulatory, physical and cultural environments, however, no solution is universally applicable.

In some countries the risks of investment for mining companies can outweigh potential benefits. Investment is vulnerable if there are unexpected changes to the law that undermine the original terms of agreement, since these terms underpin its economic viability and make the original investment feasible. Companies feel threatened by rising resource nationalism and the associated possibility of unexpected change. Governments may suspect that they are not receiving an appropriate share of benefits from a project. Sometimes this occurs if agreements made under previous administrations were marred by corruption or an imbalance in negotiating capacity. Civil society can feel that communities are suffering damage to their health and environment while missing out on social and economic benefits. All of this may be compounded by poor communication and a lack of transparency, leading to misunderstanding and distrust.

It is therefore crucial that stakeholders in those societies have confidence that the economic and social benefits from mining will be distributed equitably, while respecting their culture, environment and future economic stability.



Huguette Labelle,
Chair,
Transparency
International,
Germany



Transparency is essential to ensure prosperity for resource-rich countries, building the trust necessary for effective collaboration among stakeholders.



Did You Know?

- The development of mineral resources, a key driver of global economic growth, has the potential to transform economies and societies, including some of the world's poorest nations.¹
- The World Bank estimates that currently 15 to 20 million artisans and small-scale miners are operating in 30 countries with 80-100 million people depending on such mining for their livelihood.²
- The global mining and metals industry makes up around 2% of global greenhouse gas emissions.³

Further Resources

"Responsible Mineral Development Initiative 2011": http://www3.weforum.org/docs/WEF_MM_Report_2011.pdf

"Mining & Metals Scenarios to 2030": http://www3.weforum.org/docs/WEF_Scenario_MM2030_2010.pdf

"The Rise of Resource Nationalism: A Resurgence of State Control in an Era of Free Markets Or the Legitimate Search for a New Equilibrium?": <http://www.saimm.co.za/Conferences/ResourceNationalism/ResourceNationalism-20120601.pdf>

Calendar

29-31 October 2012, Asian Mining Indaba, Singapore

4-7 February 2013, African Mining Indaba, Cape Town, South Africa

3-6 March 2012, Prospectors & Developers Association of Canada (PDAC) 2013, Toronto, Canada

8-13 April 2013, El Centro de Estudios del Cobre y la Minería (CESCO) Week, Santiago, Chile

¹ Responsible Mineral Development Initiative (RMDI) 2011.

² International Council on Mining and Metals (ICMM) contribution to sustainable development – an overview 2012.

³ ICMM, The role of minerals and metals in a low carbon economy 2012.

Global Agenda Council on Responsible Natural Resources Management



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*Edwin Basson, Director-General,
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*Henry Medina, Vice-Minister of
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Council Insights

The Global Agenda Council on Responsible Natural Resources Management strives to develop a more responsible, sustainable approach to mineral development and resource management.

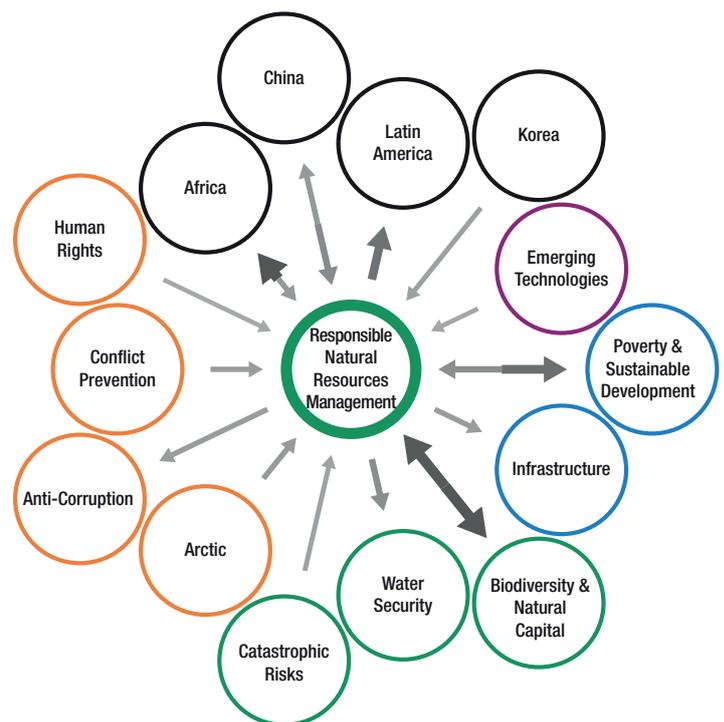
During 2011, in an effort to provide a framework of practical solutions to the challenges of responsible mineral development, the Council played a leading role in the second phase of the World Economic Forum's Responsible Mineral Development Initiative (RMDI).

The research revealed that a fundamental, underlying challenge is an insufficient level of trust among governments, civil society and mining companies, which gives rise to many related problems. The second phase of the RMDI project, conducted throughout 2011, focused on identifying solutions to these problems.

During the 2012-14 term, the Council will continue to focus on the RMDI and support the Forum in achieving these key objectives and deliverables set for the third phase of the initiative: 1) use the "Advancing Responsible Mining" framework to facilitate country deep dives; 2) disseminate and share the framework with the different stakeholders; and 3) continue alignment with all the relevant stakeholders involved in mineral development.

The world's mineral resources are increasingly being sourced from developing countries where issues around water, energy and food are already significant. Integrated land use planning and resource management approaches will be fundamental to addressing these complex resource challenges in a systematic and predictive way. To foster its impact on these issues, the Council aims to collaborate in various ways with other Members of the Network of Global Agenda Councils.

By employing the inherent strengths, resources and influence of the Forum, the Council is committed to providing direction and momentum towards responsible, sustainable mineral development, and to help realize the potential this industry has to offer for the benefit of societies in developing countries.



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Issue Overview

Robotics is the branch of technology that deals with the design, construction, operation, structural disposition, manufacture and application of mechanical or virtually-intelligent agents. A robot is broadly defined as any human-made device or system capable of carrying out a task that specifically requires actuation. Use of robots in factories, military drones, deep-sea and outer-space exploratory vehicles, minimally invasive surgical systems, autonomous cars, automated vacuum cleaners and exoskeletal artificial limbs shows the wide range of fields where robots already play a significant role.

Smart devices, on the other hand, are electronic devices with embedded computing capabilities. These are becoming ubiquitous. The 4 billion mobile phones and the many more sensor and other computing devices that already populate the planet today showcase the increasing importance of smart devices.

During the past year, very real successes in robot technologies have meant that robotics can now move past an exclusive focus on technical innovation and applications towards a focus on integration with other devices, with humans, and with society.

Robots and smart devices have traditionally been developed as tools that people control. Progress has generally been driven by technical innovation and applications in manufacturing, search and rescue, exploration, health, the military and the entertainment industry. These applications are either enabled or rendered more productive by these tools.

However, among the many practical and important applications of robotics, unintended social consequences have also arisen. For example, in some economies, productivity improvements due to robots have inspired fear in workers of losing their jobs. Autonomous robots like military drones heighten the risks of war when machines that cannot think or feel like humans take over the tasks of highly-trained, ethically-grounded human beings. The discussion on the opportunities that robots and smart devices offer and the risks they pose is highly relevant and timely.

Did You Know?

- Total smartphone shipment volumes reached 491.4 million units in 2011, up a strong 61.3% from 304.7 million units in 2010.¹
- North American robotics companies sold more robots in 2011 than ever before, with a total of 19,337 robots valued at US\$ 1.17 billion sold to companies within North America.²
- In March 2012, Amazon acquired all outstanding shares of Kiva Systems, a robotics material handling company, for approximately US\$ 775 million.

Further Resources

Rader, E., Echelbarger, M. Cassell, J. "Brick by Brick: Iterating Interventions to Bridge the Achievement Gap with Virtual Peers". In *Proceedings of the CHI'11 Conference*, Vancouver, British Columbia, 9-12 May 2011

Chua, Kee Chaing, Gurusamy, Mohan and Liu, Yong. *Quality of Service in Optical Burst Switched Networks*. Springer, 2006

Oung, R. and D'Andrea, R. The Distributed Flight Array. *Mechatronics*, 2011, Volume 21: Pages 908-917

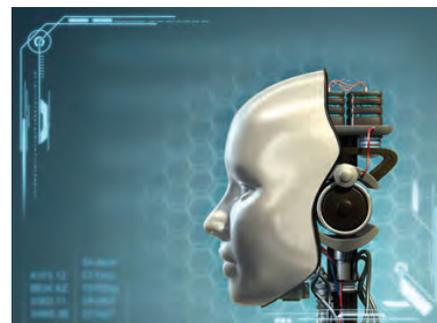
Calendar

26-28 November 2012, 9th International Conference on Ubiquitous Robots and Ambient Intelligence, Daejeon, Republic of Korea

29 November-1 December 2012, 12th IEEE-RAS International Conference on Humanoid Robots, Osaka, Japan

5-7 December 2012, International Conference on Control Automation Robotics & Vision, Guangzhou, China

6-10 May 2013, IEEE International Conference on Robotics and Automation, Karlsruhe, Germany



Justine Cassell,
Charles M. Geschke
Director,
Human
Computer
Interaction
Institute,
Carnegie
Mellon
University

“
Human-centred design is all about allying design to behavioural sciences and cutting-edge technologies to come up with solutions that really work for real people. That means that, in addition to focusing on the most innovative technological solutions, it is also about designing solutions to key problems by accounting for how humans work, think, perceive, and interact.
”



Raffaello
D'Andrea,
Professor, ETH
Zurich,
Switzerland

“
We are at the cusp of a revolution: we can now create machines that adapt their behaviour based on their environment and the results of their actions. The enablers for this revolution are sensing, communication, and computation technologies, and the feedback control algorithms that rule the machines. These creations will have unprecedented effects on our lives – some welcome, others not.
”

¹ Smartphone Market Hits All-Time Quarterly High Due To Seasonal Strength and Wider Variety of Offerings, According to IDC". International Data Corporation, <http://www.idc.com/about/about.jsp?t=1350184111428>, 6 Feb 2012.

² "2011 is Record-Breaking Year for North American Robotics Industry". Robotics Online, http://www.robotics.org/content-detail.cfm/Industrial-Robotics-News/2011-is-Record-Breaking-Year-for-North-American-Robotics-Industry/content_id/3240, 2 February 2012.

Global Agenda Council on Robotics & Smart Devices



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Members

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*Imad Elhaji, Associate Professor, American University of Beirut, Lebanon

*Deborah Estrin, Professor, Computer Science, CornellNYC Tech, USA

*Dario Floreano, Director, Laboratory of Intelligent Systems, Ecole Polytechnique Fédérale de Lausanne (EPFL), Switzerland

*Daniel R. Fung, Senior Counsel, Des Voeux Chambers, Hong Kong SAR

*Wendy Hall, Dean, Faculty of Physical and Applied Sciences, University of Southampton, United Kingdom

*Sami Issa, Executive Director and Head of Abu Dhabi Ecosystem Development, Advanced Technology Investment Company (ATIC), United Arab Emirates

*Corinna E. Lathan, Board Chair and Chief Executive Officer, AnthroTronix Inc., USA

*David Peters, Chief Executive Officer, Universal Robotics, USA

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Shi Zhongzhi, Professor, Chinese Academy of Sciences, People's Republic of China

Leila Takayama, Research Scientist and Manager, Willow Garage, Inc., USA

*Confirmed participation in the Summit on the Global Agenda 2012

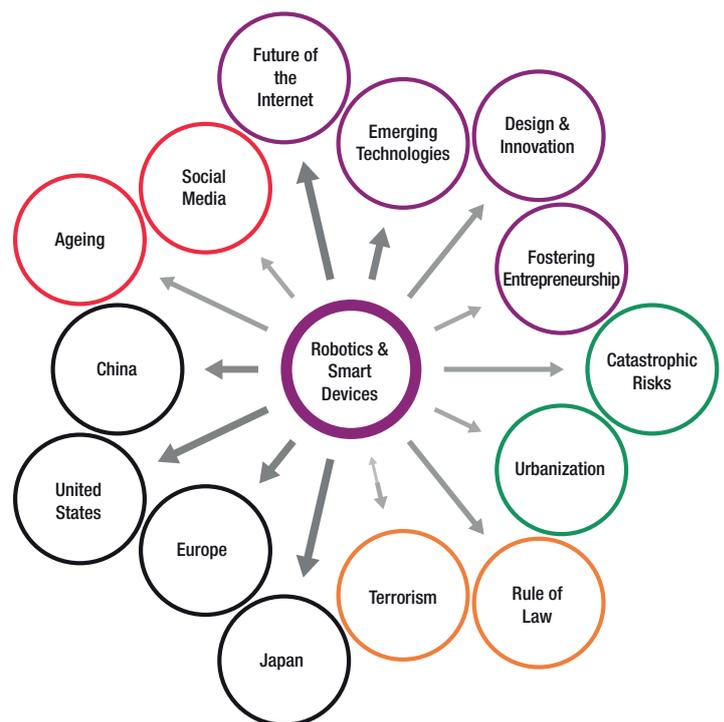
Council Insights

The Council on Robotics & Smart Devices is aiming at an international action plan on global activities to integrate robotics and smart devices into society, complete with all of their technical, economic and social dimensions. With accelerated development and deployment, robotics and smart devices have the potential to significantly benefit global society.

The Council has therefore proposed a new model to drive the global transformation of the role of robotics and smart devices. The model highlights both risks and opportunities, appeals to and involves multiple stakeholders, and depends on an intrinsically multidisciplinary approach towards robotics and smart devices.

The dimensions of the model will be:

- Social: a psychological and sociological understanding of people's needs, desires, capabilities and traits, and a cognitive understanding of the physical and behavioural dimensions of "humanness".
- Technical: developing and deploying actuated, sensor and communication devices as a function of the social dimension.
- Economic: developing an entrepreneurial culture and supporting entrepreneurs who can succeed at companies that follow this model.
- Legal: developing regulatory structures around robots in society.
- Cultural: ensuring that this model functions globally and in all cultural contexts.



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Global Agenda Council on the Role of the Arts in Society



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Issue Overview

From visual arts to literature and music to dramatic performance, the arts exert a powerful influence on societal development. Artists often challenge commonly held perspectives with innovative thinking. They raise awareness about social issues, break down barriers to cross-cultural understanding and global dialogue, and inspire creative ideas.

Artists worldwide are important agents of change. Numerous examples demonstrate this fact, such as musical collaboration between opposing sides in conflict zones, therapeutic art to relieve psychological trauma and theatrical productions to promote community regeneration.

In times of financial and political instability, often the arts and culture domains are the first to suffer. Not only does a funding issue impact these institutions, but also the artists themselves have to turn to other occupations to survive. Without them, society loses an important element of its social capital, as well as a part of its history and future.

The endangered nature of the arts and the importance of keeping cultural values at the centre of our economies and societies are gaining recognition. However, the potential of the arts to succeed where traditional policies have failed warrants further examination and support.

Some of the priorities to be addressed include:

- Integrating artists into multistakeholder discussions to find creative solutions to global challenges
- Supporting public art projects to enhance community engagement
- Building cross-cultural dialogue through the arts
- Protecting world heritage for future generations



Mallika Sarabhai,
Dancer and
Director,
Darpana
Academy of
Performing Arts,
India

“
Arts are not the icing on the cake, but much more the yeast, and such a significant language for change.

Did You Know?

- In the USA, non-profit arts organizations generate US\$ 135 billion in economic activity annually, supporting 4.1 million jobs and generating US\$ 22.3 billion in government revenue.¹
- In 1995, Taiwan launched the Community Construction Movement, a long-term programme to revitalize local communities. Since then, 25 museums devoted to Taiwan's indigenous groups have been established and now play a crucial role in the creation of a collective memory.²
- University of Pennsylvania researchers have demonstrated that a high concentration of the arts in a city leads to higher civic engagement, more social cohesion, higher child welfare and lower poverty rates.³
- Numerous studies affirm that students who receive music education in school improve their SAT and ACT scores in math, foreign language and creative writing.⁴

Further Resources

“Making the case for the arts in society”, Mallika Sarabhai: http://www.youtube.com/watch?v=3LzX36s_hcs

“Living as Form: Socially Engaged Art from 1991-2011”, Ed. Nato Thompson, Creative Time Books, 2012

Annual Meeting of the New Champions, Closing Plenary: <http://www.weforum.org/videos/video-future-now> (go to time 38'45")

“Wasteland”, a documentary film by Lucy Walker, 2010: <http://youtu.be/sNlwh8vT2NU>

“A Motherland Tour: A Journey of African Women with Yvonne Chaka Chaka”, a documentary film by Susan Koch, 2010: http://www.snagfilms.com/films/title/motherland_tour

Calendar

30 January 2013, Festival of Non-Violence through the Arts, Ahmedabad, India

1 June – 24 November 2013, 55th International Art Exhibition, Venice Biennale, Italy

13-16 June 2013, Art Basel, Basel, Switzerland

24-26 June 2013, 8th International Conference on the Arts in Society, Budapest, Hungary



Yvonne Chaka Chaka,
Singer and
President,
Princess of
Africa
Foundation,
South Africa

“
I go to the ordinary people to hear their voices and to hear their plight. And through my music and the arts and the platform that I have, I am able to disseminate this information to the powers that be.



Senam Okudzeto,
Artist, Founder
and Director, Art
in Social
Structures,
Ghana

“
Art has always been a mirror of society. Art reflects society, art criticizes it, and art always offers solutions to problems in society.

¹ Randy Cohen, “10 Reasons to Support the Arts”, Arts Watch, 10 April 2011, Ed. Americans for the Arts http://www.artsusa.org/pdf/get_involved/advocacy/research/2012/10reasons.pdf.

² Marzia Varytti, Post-doctoral research fellow, University of Leicester UK, *ICOM news* N°3, 2011.

³ Randy Cohen, “10 Reasons to Support the Arts”, Arts Watch, Ed. Americans for the Arts.

⁴ <http://www.dosomething.org/tipsandtools/11-facts-about-arts-education>.

Global Agenda Council on the Role of the Arts in Society



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Members

*Caroline Watson, Director and Founder, Hua Dan, France

Marc Spiegler, Director, Art Basel, Switzerland

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Ronit Avni, Founder and Executive Director, Just Vision, USA

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*Ozwald Boateng, Founder, Bespoke Couture Ltd, United Kingdom

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*Zachary Lieberman, Media Artist, thesystemis, USA

Vik Muniz, Artist, Vik Muniz Studio, USA

*Senam Okudzeto, Artist, Switzerland

*Nigel Osborne, Professor, Reid School of Music, Edinburgh College of Art, The University of Edinburgh, United Kingdom

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Peter Sellars, Artistic Director, USA

Elif Shafak, Writer, Turkey

Sheila Sri Prakash, Chief Architect and Founder, Shilpa Architects Planners Designers Pvt. Ltd, India

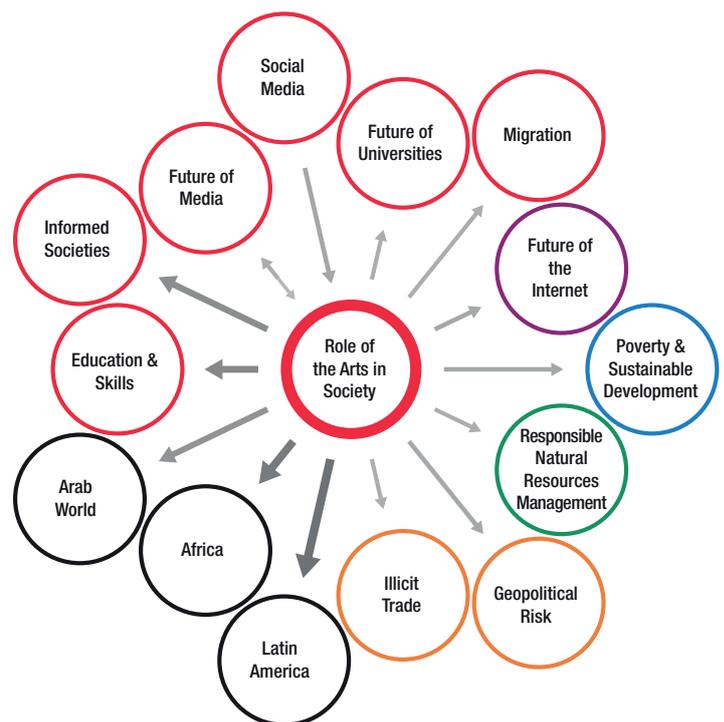
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council aims to accelerate and innovate ways the arts can be harnessed as a force for societal change.

The 2012-14 term will focus on three strategic areas:

- Documenting and disseminating best practice case studies (through an interactive Web portal) of using the arts for global change, by interacting with business, government and civil society
The Council views the arts as an underutilized force of transformation; through best practice examples, non-artists can better integrate these into their objectives. In the business sector, the portal can highlight examples of using the arts for human resource development, education, training, innovation and a platform for engaging with society.
- Integrating the arts into programming at Forum events, to demonstrate the transformative effect of art in considering challenges and opportunities on the global stage
Subsequent to the Council's belief that the arts are underutilized, the Forum provides a platform for government, business and civil society leaders to experience first-hand the transformative power of the arts. The Forum is also well positioned to be an example of how the arts are critical in the development of empathy, self-actualization and a coherent vision for the future in countries around the world. Artists will also benefit personally, by being part of the Forum programming, giving their work a wider audience and contributing to the debates on the future state of the world.
- Working in partnership with other Global Agenda Councils to shift consciousness on the power of arts for social change across issues and geographical lines
The Council recognizes the opportunity to integrate the arts into other critical issues; by collaborating with other Councils, this Network can be leveraged to develop groundbreaking partnerships not often available.



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Issue Overview

The context of business has changed dramatically in recent decades: just as the impact of companies on society and on the planet has increased, so too have companies' responsibilities. Business leaders, investors, civil society and a range of stakeholders have recognized the global demand for new business models. However, mechanisms for creating and sustaining these new models have not succeeded in meeting expectations.

At a time when the world is experiencing momentous changes, Members of the Global Agenda Council on the Role of Business believe that there is an urgent need for business to rethink how it interacts with society and that there is an enormous opportunity for it to play an active leadership role in building a better world. In today's resource-constrained environments, the challenge of providing prosperity to over 7 billion people can only be accomplished if business aids in the creation of new models for sustainable growth. By broadening its approach to value creation in a way that serves society and bottom lines, business can demonstrate its commitment to responsible global citizenship.

The turmoil in today's world has generated greater scrutiny of business and sometimes even scepticism about whether companies benefit society. That is why the behaviour of business, including its potential to lead in tackling some of the world's toughest problems, must be grounded in a redefined role with clear responsibilities.



Feike Sijbesma,
Chief Executive
Officer, Royal
DSM,
Netherlands

“

It is my belief that business – including the financial sector – needs to address how they serve society, rather than the other way around. Especially since: ‘You cannot be successful, nor even call yourself successful, in a society that fails.’ What this basically means is that business needs to take a long-term view and focus on sustainability in the broad sense of the word.

Did You Know?

- 73% of consumers would switch brands if a different brand of similar quality supported a good cause.¹
- 1,861 chief executive officers (CEOs) committed their companies to the Global Compact in 2011, with the number of new companies joining increasing by 54% from 2010. 70% of CEOs and 49% of Boards are engaged in corporate sustainability strategies.²

Further Resources

Schwab, Klaus, *Global Corporate Citizenship*. In *Foreign Affairs*, 2008, Volume 87, No.1

Allaire, Yvan and Firsirotu, Mihaela. *A Capitalism of Owners*. Institute for Governance, 2012

“Emerging Best Practices of China Globalizers: The Corporate Global Citizenship Challenge”. World Economic Forum, <http://www.weforum.org/reports/emerging-best-practices-chinese-globalizers-corporate-global-citizenship-challenge>, 2012

“The Future of Long-term Investing”. World Economic Forum <http://www.weforum.org/reports/future-long-term-investing-1>, 2011

“Redefining the Future of Growth: New Sustainability Champions”. World Economic Forum, <http://reports.weforum.org/new-sustainability-champions/>

Calendar

4-5 December 2012, UN Annual Forum on Business and Human Rights, Geneva, Switzerland

7 November 2012, 10th Annual CCSR Summit on CSR, Toronto, Canada

22-24 May 2013, Global Conference on Sustainability and Reporting: Information, Integration, Innovation, Amsterdam, Netherlands

5-8 November 2013, Business for Social Responsibility Conference, San Francisco, USA



Georg Kell,
Executive
Director, Global
Compact
Office, United
Nations, New
York

”

“

CEOs understand more and more the importance of integrating non-traditional financial issues into strategy and operations, and corporate policies have changed accordingly. However, there are significant gaps between policy statements and actual implementation, including in areas such as subsidiary engagement, supply-chain management, human rights, anti-corruption and government relations. I think the journey has just started. There is certainly much left to be done.

”

¹ Baylis, Daniel. “Good business: why just being good is not enough”. In *The Guardian*, <http://www.guardian.co.uk/sustainable-business/good-business-being-good-not-enough>, 7 September 2012.

² “As Sustainability Commitments and Policies Gain Ground, Corporate Practice Still Lags Behind”. United Nations Global Compact, <http://www.unglobalcompact.org/news/221-06-04-2012>, 4 June 2012.

Global Agenda Council on the Role of Business



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Members

*Takeshi Niinami, President and Chief Executive Officer, Lawson Inc., Japan

Feike Sijbesma, Chief Executive Officer and Chairman of the Managing Board, Royal DSM NV, Netherlands

Yvan Allaire, Chair of the Board of Directors, Institute for Governance of Public and Private Organizations (IGOPP), Canada

*Matthew Bishop, Bureau Chief, New York and Editor, American Business, The Economist, USA

Pierre Gentin, Managing Director and Global Head, Litigation, Regulatory, Employment, Credit Suisse, USA

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Tony Hyams, Chairman, Commonwealth Superannuation Corporation, Australia

Georg Kell, Executive Director, Global Compact Office, United Nations, USA

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*Lu Xiongwen, Dean, School of Management, Fudan University, People's Republic of China

Roger Martin, Dean, Rotman School of Management, University of Toronto, Canada

*Bruce McNamer, President and Chief Executive Officer, TechnoServe Inc., USA

*Sheikh Khaled Bin Zayed Al Nahayan, Chairman, Bin Zayed Group, United Arab Emirates

Nitin Nohria, Dean, Harvard Business School, USA

Diana Robertson, Joseph Kolodny Professor of Social Responsibility in Business, The Wharton School, University of Pennsylvania, USA

*Harold Robinson, Representative to Brazil, UNFPA, Brasilia

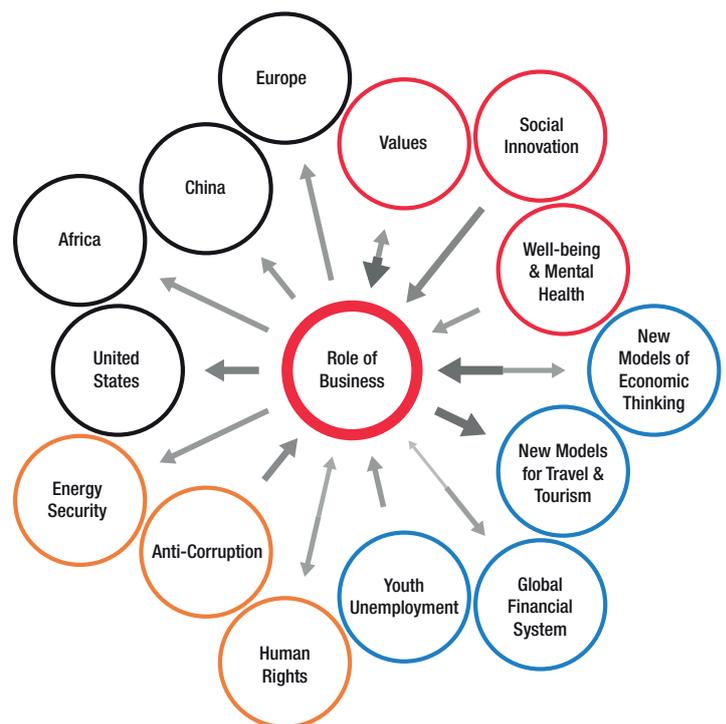
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council on the Role of Business seeks to define the new covenant of business in today's world and offers a range of concrete actions that can renew business's license to operate. Members of the Council collaborate with other thought leaders and executives on developing the main principles that should guide businesses towards playing a greater role in building a sustainable future.

The Council on the Role of Business began its work two years ago by mapping the new environment for business and assessing the threats to business's license to operate. This work culminated in the publication of a white paper that presented this conceptual overview and outlined a range of suggested action areas: *Final Report of the Global Agenda Council on the Role of Business 2011*. The Council built on this foundation by creating a succinct call-to-action for business leaders and other stakeholders. The report, *Defining the New Business Covenant*,³ presents a compelling case as to why business can and should be part of the solution to the challenges facing today's world. It identifies strategic priorities for business leaders to raise these issues with their boards, employees, investors and other stakeholders.

While several vanguard companies have embraced the principles outlined in the Council's report for many years, no single entity acting in isolation can achieve the scale of change required. Given the need for multistakeholder action, the Council has identified key groups whose influence has a dramatic effect on the environment for business: investors and shareholders, governments and internal business leadership structures such as corporate boards and non-executive chairpersons. Changing perspectives within these groups can make great strides toward realizing a better role for business in today's world. In the upcoming term, the Council will work to improve partnerships with these groups, engage businesses seeking to embrace corporate citizenship and promote these issues across a wide range of platforms.



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³ See <http://reports.weforum.org/global-agenda-council-2012/councils/the-role-of-business/>.

Global Agenda Council on the Role of Civil Society



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Issue Overview

Civil society, along with the state and business, is a key pillar of national, regional and global governance systems. It is defined by a broad ecosystem of civic interaction, ranging from social movements and grassroots associations to faith groups, labour and non-governmental organizations.

Today the global landscape is evolving in ways that create challenges and opportunities for this civil society ecosystem, as well as the ways citizens, businesses and governments engage to address issues of common interest. These evolutions include the rise of social networking, geopolitical shifts and emerging economy growth, adaptation to a new funding environment and the increasing involvement of the private sector in addressing global development challenges.

These trends have wide implications for both the civil society ecosystem and the interrelationships between civil society, business, government and international organizations. Such trends may threaten some existing models, but they also create significant opportunities for innovation and the promise of new forms of engagement and collaboration.



“

I see civil society as the rich array of modes through which citizens organize themselves to negotiate with the state and the market.

Salil Shetty,
Secretary-
General,
Amnesty
International,
United
Kingdom. Civil
Society Shows
Its Muscle,
2009

”

Did You Know?

- More than 40,000 people (including parliamentarians, mayors, United Nations (UN) officials, chief executive officers and civil society leaders) attended the 2012 UN Conference on Sustainable Development, Rio+20; an estimated 18,000 were from civil society.¹
- Research has shown that the non-profit sector is a significant economic force around the world.²
- In the United Kingdom, it is estimated that the voluntary sector contributes £11.7 billion to the gross value added (GVA), equivalent to 0.8% of the whole of its GVA,³ while in the USA the non-profit sector is estimated to have generated US\$ 1.3 trillion in 2009, and in Brazil approximately BRC 34.2 billion (US\$ 26.4 billion).

Further Resources

State of Civil Society 2011, Civicus: World Alliance for Citizen Participation, 2011

Center for Civil Society Studies at the John Hopkins Institute for Policy Studies:
<http://ccss.jhu.edu/the-center/about-the-center>

The Oxford Handbook of Civil Society, Edited by Michael Edwards

“Global Corporate Citizenship: Working with Governments and Civil Society”, Professor Klaus Schwab, Founder and Executive Chairman, World Economic Forum, Foreign Affairs, January 2008:
http://www3.weforum.org/docs/WEF_GCC_GovernmentsCivilSociety_Article_2008.pdf

“Sharing Global Governance: The Role of Civil Society Organizations”:
http://www.bertelsmann-stiftung.de/bst/en/media/xcms_bst_dms_33090_33091_2.pdf

“The Role of Civil Society in a New Egypt”:
<http://www.brookings.edu/events/2011/03/24-egypt-civil-society>

“Scenarios for Civil Society”, The Carnegie Trust:
<http://www.carnegieuktrust.org.uk/getattachment/06ab0cc6-0b71-404c-b73e-b994dbaef6f9/Scenarios-for-Civil-Society.aspx>

Calendar

25-26 October 2012, XII Inter-American Development Bank Civil Society Meeting, San Salvador, El Salvador

21 November 2012, Organisation for Economic Co-operation and Development (OECD) Global Forum on Public Governance, Paris, France

23 September 2013, UN General Assembly High-Level Meeting on Millennium Development Goals (MDGs) and post 2015, New York, USA



Sir Fazle Hasan
Abed,
Founder and
Chairperson,
BRAC,
Bangladesh.
Founder and
Chairperson’s
Speech at the
Bangladesh
Rural
Advancement
Committee
(BRAC) 40th
Anniversary
Gala

“

Over the course of my work, it has become increasingly clear to me that communities and nations develop only when everyone does their part. Particularly in a poor country like ours, we cannot always wait for the government to provide all the essential services or for the private sector to create all the jobs. At the same time, development can never be achieved by the citizen sector alone in the absence of good governance and a robust private sector. Real, sustainable development is achieved only when the public, private and citizen sectors collaborate together and work in cohort.

”

¹ <http://www.uncsd2012.org/index.php?page=view&nr=1308&type=230&menu=38> and <http://www.ituc-csi.org/rio-20-in-numbers.html>.

² <http://ccss.jhu.edu/wp-content/uploads/downloads/2011/08/Global-Civil-Society-I.pdf>.

³ <http://data.ncvo-vol.org.uk/almanac/voluntary-sector/finance-the-big-picture/how-big-is-the-voluntary-sector-compared-to-the-rest-of-the-economy/>.

Global Agenda Council on the Role of Civil Society



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Members

*Rachel Kyte, Vice-President, Sustainable Development, World Bank, Washington DC

*Lord Hastings of Scarisbrick, Global Head, Citizenship and Diversity, KPMG International, United Kingdom

*Salil Shetty, Secretary-General, Amnesty International, United Kingdom

Fazle H. Abed, Founder and Chairperson, BRAC (Bangladesh Rural Advancement Committee), Bangladesh

*Ahmad Aiyad, Founder and Managing Director, Tycho, Egypt

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*Aron Cramer, President and Chief Executive Officer, Business for Social Responsibility (BSR), USA

*Steve Davis, President and Chief Executive Officer, PATH (Programme for Appropriate Technology in Health), USA

*Michael Edwards, Distinguished Senior Fellow, Demos, United Kingdom

Archon Fung, Ford Foundation Professor of Democracy and Citizenship, John F. Kennedy School of Government, Harvard University, USA

*Burkhard Gnärig, Executive Director, Berlin Civil Society Center, Germany

Hannah Jones, Vice-President, Sustainable Business and Innovation, Nike Inc., USA

*Sze Ping Lo, Chief Executive Officer, Greenovation Hub, Hong Kong SAR

Thabo Cecil Makgoba, Archbishop and Metropolitan, Anglican Church of Southern Africa, South Africa

*Ana Toni, Chair, Greenpeace International, Netherlands

Dhananjayan Srisankarajah, Director, The Royal Commonwealth Society (RCS), United Kingdom

Luis Ubiñas, President, Ford Foundation, USA

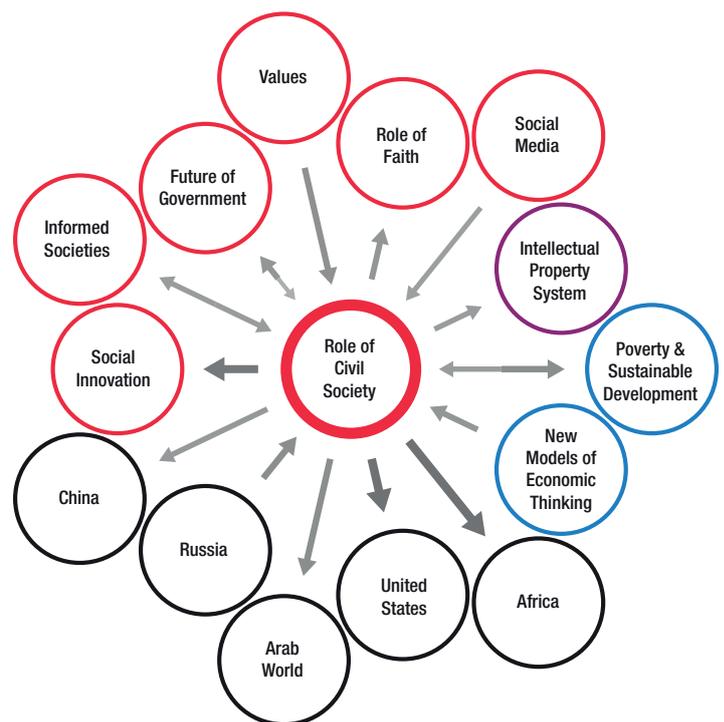
*Gihad E. Y. Yagoub Abunafeesa, Training Manager, Mother Nile Project, Frontline Maternal and Child Health Empowerment Project, Sudan

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on the Role of Civil Society brings a broad range of global and regional civil society leaders together, as well as experts representing business, government and international organizations. It seeks to identify and understand the main political, economic, social and technological trends shaping the contextual environment for civil society. The Council will explore the implications of this changing environment on roles, responsibilities and interrelationships across civil society, business and government.

In 2012-13, the specific goals and work plan for the Council will include an advisory role to provide direction and expert input to a new World Economic Forum project on the Future Role of Civil Society. The project activities include a series of expert interviews and multistakeholder workshops from August through December 2012, culminating in the launch of a report at the World Economic Forum Annual Meeting 2013 in Davos-Klosters in January.



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Issue Overview

In the search for solutions to issues that transcend national boundaries – climate change, trade, marine conservation, illicit trade and human rights – decision-makers encounter an ever-growing variety of initiatives. These often involve diverse actors and constituencies working on such issues in place of, or in conjunction with, governments. The Global Agenda Council on the Rule of Law refers to such initiatives as “coordinated governance”, as distinct from “coordinated government”, which occurs purely between states and state regulatory bodies.

It is important that coordinated governance take place through a process that operates in accordance with established guiding principles and fundamental norms, to ensure that the resulting governance is broadly regarded as legitimate. The Council has adopted the four defining rule of law principles developed by the World Justice Project:¹

- The government and its officials and agents are accountable under the law.
- The laws are clear, publicized, stable and fair, and protect fundamental rights, including the security of persons and property.
- The process by which the laws are enacted, administered and enforced is accessible, fair and efficient.
- Access to justice is provided by competent, independent and ethical adjudicators, attorneys or representatives and judicial officers who are sufficient in number, have adequate resources and reflect the makeup of the communities they serve.

Individual principles of the rule of law (for example, transparency) have played a significant role in cases where international problem-solving and reform have been discussed. Paradoxically, the perceived inadequacies of multilateralism and international rule-making have fostered efforts to tackle issues such as climate change through less formal and more ad hoc means, such as coordinated governance initiatives.

Did You Know?

- Austria ranks among the top 10 in all eight dimensions of the rule of law.²
- More than 1.5 billion people live in countries affected by violence and insecurity. Conflict and violence are major symptoms of the breakdown of the rule of law.³
- South Africa has the best rule of law outcomes in Sub-Saharan Africa. The country ranks well in most dimensions, including government accountability, effective regulatory enforcement and access to justice, particularly when compared with countries at similar stages of economic development.⁴

Further Resources

“Global Agenda Council on the Rule of Law Annual Report”. World Economic Forum: <http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/the-rule-of-law/>, 2012

World Justice Project: <http://worldjusticeproject.org/>

“United Nations and the Rule of Law”. United Nations: <http://www.un.org/en/ruleoflaw/index.shtml>

Calendar

1-2 November 2012, Hague Institute for International Law, Annual Law of the Future Forum, The Hague, Netherlands

23-25 May 2013, University of Southern California Global Conference, Seoul, Republic of Korea

8-11 July 2013, World Justice Forum, The Hague, Netherlands



Sam Muller,
Director, Hague
Institute for the
International-
ization of Law,
Netherlands

“

We live in a fast-paced world, but very often even law can't keep up with what's happening.⁵

”



Irene Khan,
Director-
General,
International
Development
Law
Organization,
Italy

“

Law does not equal red tape; it need not be an obstacle to investment. Quite the opposite: in the green economy, law is an economic enabler and multiplier of success.⁶

”

¹ Agrast, Mark David, Botero, Juan Carlos and Ponce, Alejandro. “The World Justice Project Rule of Law Index© 2011”. The World Justice Project, <http://worldjusticeproject.org/rule-of-law-index/>, 2011.

² Ibid.

³ “Rule of Law: Building Peace through Justice and Security, Fast Facts”. UNDP, http://www.undp.org/content/dam/undp/library/corporate/fast-facts/english/FF_Rule%20of%20Law_BCPR_2012.pdf, February 2012.

⁴ Agrast, Mark David, Botero, Juan Carlos and Ponce, Alejandro. “The World Justice Project Rule of Law Index© 2011”. The World Justice Project.

⁵ Muller, Sam. “On Signposting the legal space of the future”. Law of the Future, <http://www.lawofthefuture.org/233/outreach/>.

⁶ Khan, Irene. “Laws for the Planet: Using Law to Deliver Sustainability and Green Growth”. *The Huffington Post*, http://www.huffingtonpost.com/irene-khan/laws-for-the-planet-using_b_1600360.html, 15 June 2012.

Members

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*David D. Caron, C. William Maxeiner Distinguished Professor of Law, University of California, Berkeley, USA

Irene Khan, Director-General, International Development Law Organization (IDLO), Italy

Fatou Bensouda, Chief Prosecutor, ICC-International Criminal Court, Netherlands

*Juan Carlos Botero, Executive Director, The World Justice Project, USA

*Hassane Cisse, Deputy General Counsel, Knowledge and Research, World Bank, Washington DC

*Michael Hwang, Chief Justice, Dubai International Financial Centre Courts, United Arab Emirates

*Gregory Kehoe, Partner, Greenberg Traurig LLP, USA

*Karimulla Akbar Khan, Director, Legal and Constitutional Affairs Division, The Commonwealth, London

Rachel Nicolson, Senior Associate, Allens (AAR), Australia

*Natalie Rea, Founder and Executive Director, International Legal Foundation, USA

*Alfredo Romero, Partner, Rosich Himiob Romero Law Firm, Venezuela

Philippe Sands, Professor of Law, University College London, United Kingdom

*Thomas B. Siebens, Partner, Milbank Tweed Hadley & McCloy, United Kingdom

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

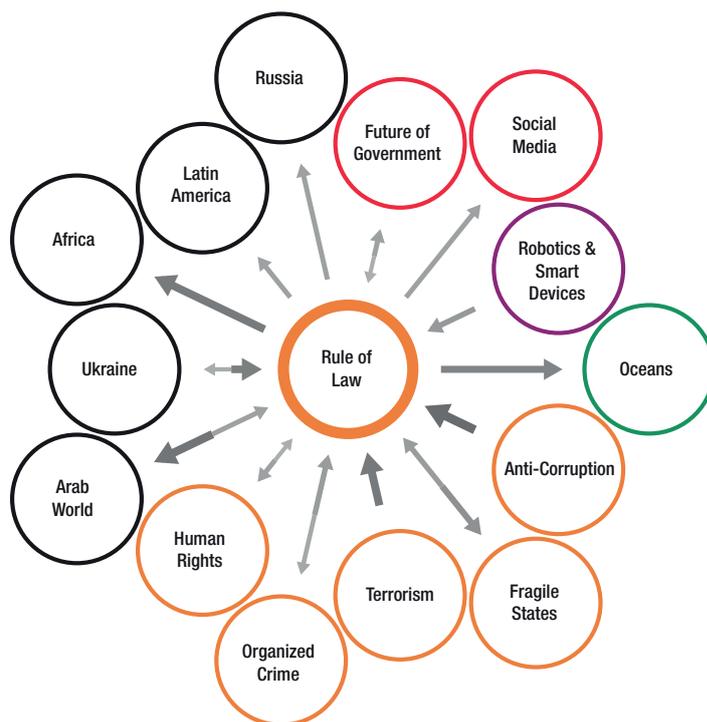
In November 2011, the Council set itself the goal of developing a framework for analysing forms of coordinated governance, their interplay with the rule of law, and the possible guidance such a framework could provide in addressing the basic issues around these initiatives. In the process, the Council plans to identify areas and patterns of success or failure in coordinated governance and the function of the rule of law in contributing to more positive outcomes. A body of learning along these lines could help decision-makers and reformers develop creative solutions to global problems through coordinated governance informed by a rule of law ethic.

In anticipation of discussions at the World Economic Forum Annual Meeting in Davos-Klosters, a paper was developed: "Coordinated Governance as a New Model: The Concept, Its Value, Its Relationship to Rule of Law and Global Problem Solving, and the Global Agenda Council Work Plan". This paper, in addition to expanding on the definition of "coordinated governance" noted above, distinguishes the coordinated governance approach from two related areas: "promotion of the rule of law" and "global problem-solving".

The impact that the Council has had within the Network of Global Agenda Councils is encouraging. Questions on governance and elements of the rule of law were welcomed in the discussions with other Councils at the 2011 Summit on the Global Agenda in Abu Dhabi; a range of specific reform policies and initiatives involving state and non-state actors was discussed. The Council's perspective has also influenced the creation of a rule of law working group within the Professional Services Network (PSN) of the Forum.

Going forward, the Council will continue to focus on two specific projects:

- a book with the working title of *Coordinated Governance and the Rule of Law: Designing Creative Solutions in a Complicated World*
- a joint project with the PSN that attempts to link corporate sponsorship with specific projects aimed at improving the rule of law machinery



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Issue Overview

In 2012 the Russian Federation saw a change of leadership and restated its position as a global player. It recently joined the World Trade Organization (WTO) and will assume the presidency of the G20 in December 2012. In 2014, Russia will host the Winter Olympic Games and chair the G8.

The Russian economy has recovered from the 2008 crisis, with the country's GDP growing by more than 4.3% in early 2012. However, the Russian Federation's continued dependence on natural resources and the volatility of commodity prices hinder its competitiveness and sustainable economic development. The country needs new drivers of growth and economic prosperity to address its demographic and social challenges and to gain competitive edge along with other BRIC countries. Having acceded to the WTO in August 2012, the challenge for the Russian Federation is to use its newfound membership to increase its share of FDI and encourage the growth of small and medium enterprises that would lessen the country's economic dependency on its hydrocarbon sector.

The Russian Federation continues to modernize and implement economic and social reforms. Heavy bureaucratic structures, however, limit opportunities for exploring new growth models and innovative approaches to addressing demographic challenges, income inequalities and other social issues, such as pension reform. Corruption at all levels of Russian society continues to hamper the country's economic development as well as its modernization efforts. Furthermore, economic disparities between its main urban centres of Moscow and St Petersburg and the different regions from Kaliningrad to Kamchatka need to be addressed. The wide range of complex and interconnected challenges will require a holistic approach in the search for solutions.

Did You Know?

- The Russian Federation recently surpassed Saudi Arabia as the number one oil producing country in the world, providing 12% of the world's oil production.
- Foreign investors have rated investment in the Russian Federation as "attractive" by an impressive 75% due to the growth of the Russian domestic market.
- Russia's public debt to GDP ratio equals about 10% of GDP. However, if anything happened to drive down the price of oil, Russia's debt to GDP ratio could zoom up to more than 60%.
- Russia is the world's fifth nation in number of users of broadband Internet connection. There are currently 22.83 million broadband users in the country, which is slightly more than in France (<http://therunet.com/en/news/>)

Further Resources

The Russia Competitiveness Report 2011, World Economic Forum:
<http://www.weforum.org/reports/russia-competitiveness-report-2011>

Scenarios for the Russian Federation, January 2013. Upcoming publications of the World Economic Forum

Calendar

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

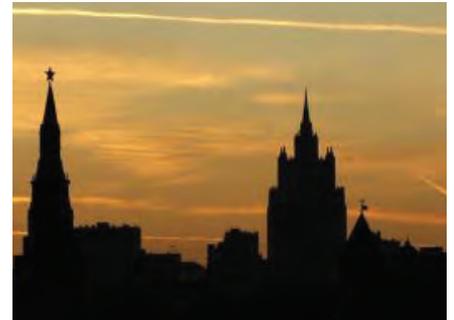
30 March 2013, 5th BRICS Summit, South Africa

19-21 June 2013, St Petersburg Economic Forum (SPIEF), St Petersburg, Russian Federation

5-6 September 2013, G20 Summit, St Petersburg, Russian Federation

20-22 September 2013, The Sochi 2013 International Investment Forum, Sochi, Imereti Lowland, Russian Federation

25 November 2013, APEC Summit, Jakarta, Indonesia



Alexey Kudrin,
Professor;
Dean, Faculty
of Liberal Arts
and Sciences,
Saint
Petersburg
State
University,
Russian
Federation

“

Russia faces complex and interrelated challenges. Responsibly taking global leadership and advancing its economic and social agenda will require an integrated approach to reform in all sectors. The first step is to recognize that a change of direction is necessary.

”



Josef
Ackerman,
Vice-Chairman
of the
Foundation
Board of the
World
Economic
Forum

“

Russia is a world power and has the motivation and talent to excel. It must now establish the method by which it can realize the opportunities of the future. To succeed, we need a pragmatic, consistent and coherent approach.

”

Members

*Alexey Kudrin, Professor, Dean of the Faculty of Liberal Arts and Sciences, Saint Petersburg State University, Russian Federation

*Konstantin Sonin, Vice-Rector and Professor of Economics, New Economic School (NES), Russian Federation

Josef Ackermann, Vice-Chairman of the Foundation Board of the World Economic Forum

*Hannes Shariputra Chopra, Entrepreneur and Consultant,, Russian Federation

Timothy J. Colton, Chair, Department of Government, Harvard University, USA

*Sergey Drobyshevsky, Head, Center for Macroeconomics and Finance, Gaidar Institute, Russian Federation

*Andrei Elinson, Deputy Chief Executive Officer, Basic Element, Russian Federation

*Evgeny Gavrilin, Chief Economist, Sberbank, Russian Federation

Svetlana Mirnyuk, Editor-in-Chief, RIA Novosti, Russian Federation

*Alexei Vladimirovich Moiseev, Deputy Minister of Finance of the Russian Federation,,

Denis Morozov, Board Member and Executive Director, European Bank for Reconstruction and Development (EBRD), London

Aleh Tsyvinski, Professor of Economics, Yale University, USA

*Yan E. Yanovskiy, Founder and Managing Partner, First Nation Société Bancaire, Russian Federation

Igor Y. Yurgens, Chairman of the Management Board, Institute of Contemporary Development, Russian Federation

*Zhao Huasheng, Professor and Director, Center for Russia and Central Asia Studies, Fudan University, People's Republic of China

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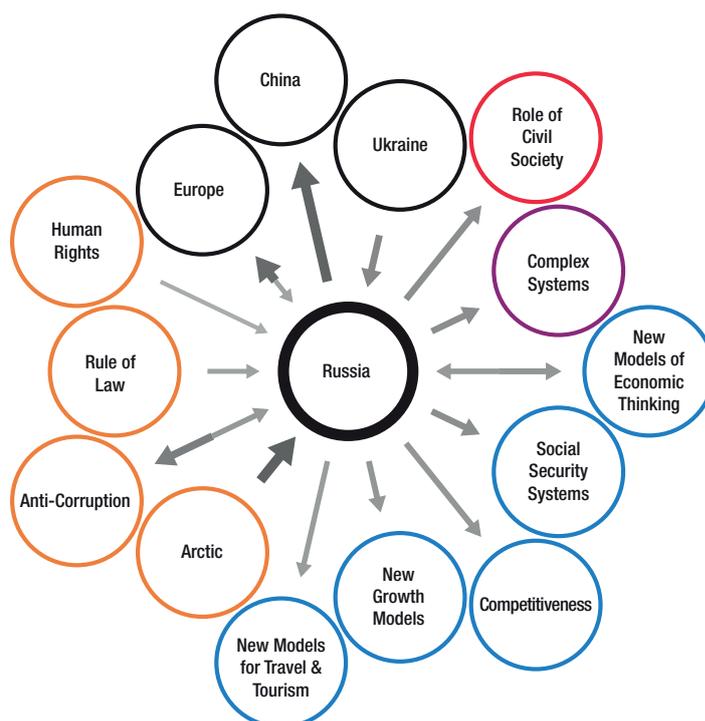
Council Insights

The Council on Russia seeks to define priorities for sustainable economic and social development and make recommendations for improving the Russian Federation's global competitiveness.

Collaboration and cooperation will help Russia to become a constructive and responsible global leader as it takes the helm of the G20 and G8. Russia must undergo institutional reforms that will require strong political leadership.

During its forthcoming term, the Council plans to focus on a range of issues including:

- The Russian Federation has shown a strong commitment to diversify away from the unsustainable "resource curse" growth model, and is committed to balancing both quantitative and qualitative growth incorporating sustainability and regional diversity. How can economic policy incentivize and foster innovation and development of small and medium businesses to capitalize on recent WTO accession?
- Human capital remains one of the key comparative advantages of the Russian Federation; however the challenge is to ensure that educational institutions are able to compete in the current knowledge-based economy. How can Russia ensure more active business engagement in fostering human capital?
- To ensure stable and consistent economic growth, the Russian Federation will need to address a wide array of social challenges, including resolving the effects of demographic change and questions surrounding the current state of its health and pension system.



Contact Information

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Issue Overview

Social innovation refers to the application of innovative, practical, sustainable, market-based approaches that achieve transformative social and/or environmental change, with an emphasis on under-served populations. Social innovation is becoming a priority for decision-makers at the most senior levels. In this new age of austerity, as governments search for guidance and inspiration on scaling cost-effective solutions to social problems, social entrepreneurship has taken centre stage. Social enterprises balance a social mission with financial viability and sustainability, existing between the public sector and private markets in both the developed and developing world.



Did You Know?

- In the past three years, governments in the US, Europe and Australia have made available over US\$ 5 billion specifically for impact investment,¹ almost half of which was announced in 2011 alone.
- In 2010 the National Innovation Council in India was formed to develop a national strategy on innovation. As a first step it created a base of the pyramid fund with the ultimate goal of raising US\$ 1 billion (20% from the government and the rest from the private sector).
- In November 2011 the European Union launched the Social Business Initiative, which aims to improve the environment for social business in Europe.²
- In April 2012, US Secretary of State Hillary Clinton made the “global impact economy” a pillar of America’s foreign policy, recognizing that with “convergence on the part of government, the private sector and civil society, we can be much more effective working together than working at cross-purposes.”³

Further Resources

“Investing for Impact: How Social Entrepreneurship Is Redefining the Meaning of Return”, Schwab Foundation for Social Entrepreneurship and Credit Suisse

“From Blueprint to Scale: The Case for Philanthropy in Impact Investing”, Acumen Fund and the Monitor Institute

“Impact at Scale: Policy Innovation for Institutional Investment with Social and Environmental Benefit”, InSight at Pacific Community Ventures and the Initiative for Responsible Investing at Harvard University

“Counter(impact)ing austerity: the global trend of government support for impact investment”, JP Morgan

Calendar

4-5 December 2012, Social Innovation Summit, Silicon Valley, USA

23- 27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

April, 2013 (exact date tbc), Mumbai Social Enterprise Journey & Sankalp Summit, Mumbai, India

23-25 April 2013, World Economic Forum on Latin America, Lima, Peru

5-7 June 2013, World Economic Forum on East Asia, Myanmar



Asher Hasan,
Founder, Naya
Jeevan,
Pakistan;
Schwab
Foundation
Social
Entrepreneur

“

We need to create a better understanding of social innovation by bringing public and private sector entities together with philanthropists to think about the types of tools and incentives needed to put an ecosystem in place.

”



Iftekhar
Enayetullah,
Co-Founder
and Director,
Waste
Concern,
Bangladesh

“

One of the major barriers to scaling social innovations is inadequate policy support from governments, including tax policies and financial incentives. In Bangladesh, as in many Asian countries, social entrepreneurs are subject to pay tax, value added tax and import duty for machineries, whereas there is no import duty or value added tax for export-oriented for-profit companies and 7-10 years of corporate tax holiday is permitted. There is a need to incentivize the sector through this type of policy support, including tax policies.

”

¹ Impact investing refers to investments made based on the practice of assessing not only the financial return on investment but also the social and environmental impacts of the investment that happen in the course of the operations of the business and the consumption of the product or service which the business creates. http://en.wikipedia.org/wiki/Impact_investing.

² http://ec.europa.eu/internal_market/social_business/index_en.htm.

³ <http://www.state.gov/secretary/rm/2012/04/188548.htm>.

Members

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*Johanna Mair, Professor, Stanford University, USA

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*Bruce Mac Master, Director, Department for Social Prosperity, Colombia

*Carolina Trivelli Avila, Minister of Social Inclusion and Development of Peru

*Nicholas O'Donohoe, Chief Executive Officer, Big Society Capital, United Kingdom

*Asher Hasan, Founder and Chief Executive Officer, Naya Jeevan, Pakistan

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*Adrian Walker, Global Head, Infrastructure, Public and Project Finance, Hogan Lovells International LLP, United Kingdom

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Julie T. Katzman, Executive Vice-President, The Inter-American Development Bank, USA

Alvaro Rodriguez Arregui, Co-Founder and Managing Partner, Ignia Partners LLC, Mexico

*Ding Li, Vice-President, Non-Profit Incubator, People's Republic of China

*Giles B. Keating, Head of Research, Private Banking and Asset Management, Credit Suisse AG, Switzerland

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Council Insights

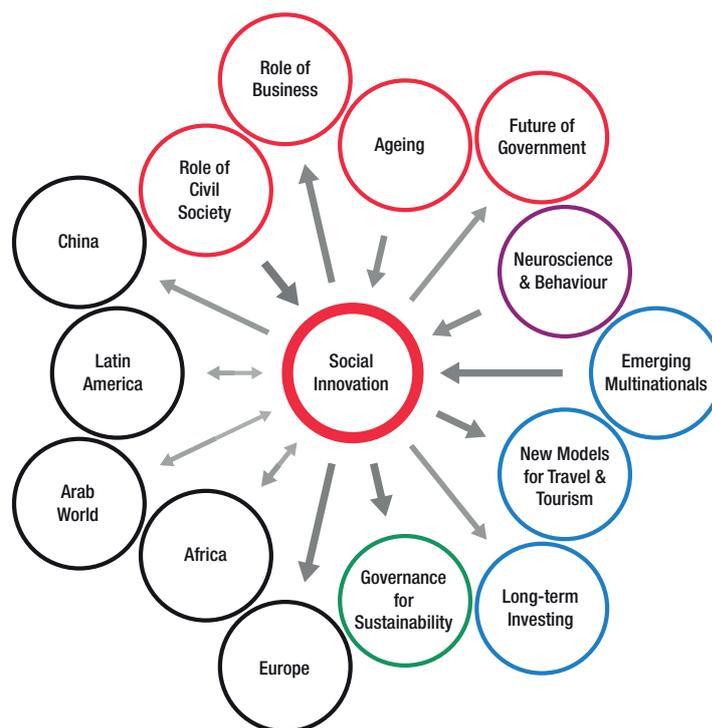
The Council is continuing its 2011-12 work to develop guidance for policy-makers and engage governments wanting to stimulate social innovation, by helping them develop a policy agenda that supports it.

The Council is developing a guide to global best practices that foster social innovation, including tax policies, technical assistance and enabling regulation. The Schwab Foundation and World Economic Forum directly support this research effort, in collaboration with InSight at Pacific Community Ventures and the Initiative for Responsible Investing at Harvard University. It will culminate in a "policy guide to scale social innovation" to be launched at the World Economic Forum's regional meeting in Latin America in 2013.

The Council will engage capital providers, due to the belief that a critical lack of early stage financing is holding back investment in many potentially successful cases. Thus, in the coming term the Council will be engaging philanthropists and other providers of soft capital in a structured conversation around the following questions:

- How can foundations use their endowments to make social investments? What, if any, regulatory or tax issues hinder that practice?
- How can foundations use their grant-making capabilities to provide guarantees, first-loss, or grant layers into investments in social ventures?

During their first virtual meeting, the Council Members concluded that more discussion is required to clarify what possible opportunity exists for a potential work stream on the topic of promoting data transparency. Rather than exploring how to improve impact measurement, this proposed theme focuses more on releasing data that already exists, especially in a machine-readable format, so that "innovators can pick up on that data and provide it to the public in ways that help advance and shape social innovation."



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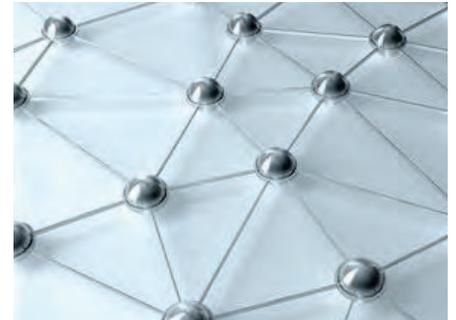
Issue Overview

The digital media landscape has changed tremendously in recent years. The proliferation of social networking websites, combined with a massive increase in the number of mobile devices, has fundamentally altered the way people communicate and work with each other. In particular, traditional hierarchical relationships have been redefined, while access to and dissemination of information has changed dramatically. Social media has been a major factor in these changes, by providing a platform on which communication is instant, decentralized and truly global. Beyond communication, social media remains important on the international scene as an effective means of organization by civil society groups, which often work across borders.

It is clear that major transformations in social media concern communication methods. Yet, at the same time, social media has provided an immense opening for businesses as new communication tools promote greater interaction with customers, as well as the opportunity to use innovative marketing techniques that are better targeted and more effective than traditional media advertising.

On the political level, social media presents great prospects and challenges: social media platforms allow elected officials to engage directly with their constituents in a more personal and informal way. However, politicians are just as susceptible to gaffes and mistakes as before and, with the public watching, even the smallest mistakes can become hugely visible.

Social network sites have given individuals new opportunities to connect at a rate not known before. However, the new digital landscape and culture have introduced new challenges, trade-offs and contested values. Anonymity, freedom of expression, transparency, privacy and regulation are a few of the main concerns associated with social media platforms.



Erica Williams,
Chief Executive
Officer, Foolish
Life Ventures,
USA

“

We need to look at where social media fits, how it fits in social change; what are its limitations, but also what are its possibilities?

”

Did You Know?

- Social media practices reflect some interesting trends: the most actively engaged region is Latin America; the least is the Asia Pacific. Women are also seen to spend more time using social media than men.¹
- According to the OpenNet Initiative, Facebook is fully or partially blocked in 17 countries across the world.² Twitter is less widely censored, with 10 nations establishing full or partial blocking of the microblogging website.³
- In China, 84% of Internet users contribute at least once a month to at least one social network, blog, microblog, video- or photo-sharing website or online forum. This places them in the top spot among the users of social media worldwide.⁴

Further Resources

“It’s a Social World: Top 10 Need-to-Knows about Social Networking and Where It’s Headed”. comScore: http://www.comscore.com/Press_Events/Presentations_Whitepapers/2011/it_is_a_social_world_top_10_need-to-knows_about_social_networking, 21 December 2012

“Social Media Filtering Map”. OpenNet Initiative: <http://opennet.net/research/map/socialmedia>

“The Future of Content 2011”. World Economic Forum and Bain & Co.: <http://reports.weforum.org/future-of-content-2011/>, 2011

Calendar

16-18 January 2013, Social Media Conference, Las Vegas, USA

5-7 February 2013, Social Media Strategies Summit, Las Vegas, USA

18-19 March 2013, Social Media World Forum, London, United Kingdom

2013 June, Corporate Social Media Summit, New York, USA



Gary
Vaynerchuk,
Co-Founder,
Vaynermedia,
USA

“

I don’t think people have recognized the kind of stories that can be told through social media platforms. In a Facebook and Twitter world, things have become so one-dimensional, with people just redistributing content. I think this is no different from the way that 99% of people are treating social media: people want to talk and not listen; people don’t care as much as they say they do. We’re now seeing that reflect in the actions of other parties.

”

¹ “It’s a Social World: Top 10 Need-to-Knows About Social Networking and Where It’s Headed”. comScore, 21 December 2011, http://www.comscore.com/Press_Events/Presentations_Whitepapers/2011/it_is_a_social_world_top_10_need-to-knows_about_social_networking.

² “Social Media Filtering Map”. OpenNet Initiative, <http://opennet.net/research/map/socialmedia>.

³ Ibid.

⁴ “100 More Social Media Statistics for 2012”. Agent Media, <http://www.agentmedia.co.uk/social-media/100-more-social-media-statistics-for-2012/>.

Members

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*Josh Spear, Founding Partner and Chairman, Undercurrent, USA

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*Danah Boyd, Senior Researcher, Microsoft Research, USA

*Noah Brier, Chief Executive Officer, Percolate, USA

*Soumitra Dutta, Anne and Elmer Lindseth Dean and Professor of Management, Samuel Curtis Johnson Graduate School of Management, Cornell University, USA

*Garth C. Japhet, Founder and Chief Executive Officer, Heartlines, South Africa

Loïc Le Meur, Founder and Chief Executive Officer, Seismic, USA

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*Takeshi Natsuno, Professor, Keio University, Japan

*Naveen Selvadurai, Founder, foursquare, USA

*James She, Director and Assistant Professor, NIE Social Media Lab, The Hong Kong University of Science and Technology, Hong Kong SAR

*Osman Sultan, Chief Executive Officer, du Telecom, United Arab Emirates

Gary Vaynerchuk, Co-Founder, VaynerMedia, USA

*Erica Williams, Chief Executive Officer, Foolish Life Ventures, USA

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

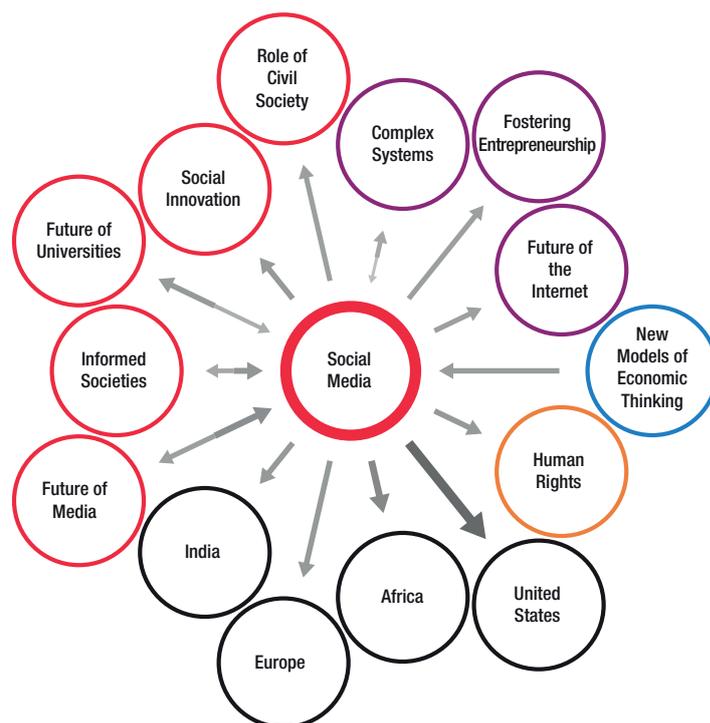
The Global Agenda Council on Social Media is in a different position than other Councils, because the topic of social media spreads across several different subjects. Social media can be applied to business, politics, industries, regions and issues. The group is thus truly a multistakeholder Council. With this in mind, the Council on Social Media intends to act as a public resource for all who are interested in the theme and will build upon the “need to know” points about social media that were developed last year.

In particular, the long-term focus of the Council is to make all of its output available to the public. Formats under consideration include podcasts, videos, blog posts and white papers. Key dissemination platforms will naturally include the social media, including Twitter; the Council has set up the hashtag #WEFSocialFuture for this purpose.

Some of the key dimensions the Council will address are:

- curation
- acceleration
- the social and political implications of social media
- privacy

Early discussions have led the Council to consider questions on the role of social media in social change, most notably concerning how citizens can build influence and impact societies and communities using social media. The aim is that lessons drawn from the Council’s virtual meetings be used by a mass audience, including researchers, business people and the general public. The Council is also positioned as an advisory board for other Councils looking to incorporate social media in their work.



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Issue Overview

Many developed and developing nations currently face the challenge of providing financial security to their population, including retirement security for the ageing and economic opportunity for the young. As life expectancy increases, new approaches are required to support ageing populations, especially in a post-financial crisis environment. Many retirement and social protection programmes are unsustainable; while costs rapidly increase, governments continue to limit their exposure. With the decline of social protection programmes and defined employer benefit systems, the role of individual responsibility has assumed critical importance. Yet many individuals have limited experience in making intelligent financial decisions.

This dilemma raises important questions about the role of government, the private system and individuals in ensuring long-term personal financial security, including:

- What is the role of government when public benefit levels reach unsustainable levels, and how can destabilization, resulting from social dislocation, be minimized?
- What is the role of the private system in a post-defined benefits world in a heightened global talent war?
- What role and preparation is required of the individual?

To answer these questions, leading scholars from government, the private sector and academia must jointly consider the experiences of different nations and assets. The magnitude of these issues, possible societal changes, levers available, issues raised, and the feasibility and impact of different models is significant. Potential approaches include identifying proven and novel ways to encourage financial literacy; leveraging intellectual capital to support a dialogue on next-generation solutions and products; redefining the concepts of work and retirement to reflect the reality of increased lifetimes; improving current social protection programmes and creating incentives for redefined work planning strategies.



Richard Blewitt,
Chief
Executive,
HelpAge
International,
United
Kingdom



We need to enable older adults to break out of their models of dependency and disability, to one of economic development and social value creation.



Did You Know?

- The number of people aged 60 and older reached 740 million in 2010 and will rise to 2 billion in 2050.¹
- The average support ratio, that is the number of people of working age (20-64) relative to the number of people having reached retirement age (65+) in OECD countries has decreased from 7.2% in 1950 to 4.1% in 2010, and is projected to fall close to 2.0% in 2050.²
- South Africa and Brazil provide extensive, near-universal social protection. Cash transfers, including Old Age grants and child support grants, benefit about 25% of the populations.³
- Unfunded liabilities of USA pension funds are now over US\$ 2 trillion.⁴

Further Resources

"The Case for an Integrated Model of Growth, Employment and Social Protection":
http://www3.weforum.org/docs/WEF_GAC_CaseIntegratedModelGrowthEmploymentSocialProtection_Report_2012.pdf

"Transforming Pensions and Healthcare in a Rapidly Ageing World":
<http://www.weforum.org/reports/transforming-pensions-and-healthcare-rapidly-ageing-world-opportunities-and-collaborative--0>

"OECD Pension Markets in Focus":
<http://www.oecd.org/daf/financialmarketsinsuranceandpensions/privatepensions/pensionmarketsinfocus.htm>

"World Bank Support for Pensions and Social Security", World Bank

"Ageing in the 21st Century: A Celebration and a Challenge", United Nations Population Fund (UNFPA)

Calendar

7 October 2012, 5th World Day for Decent Work – Jobs for Young People

10-11 October 2012, International Association of Insurance Supervisors, Annual Conference, Washington DC, USA

3-14 December 2012, World Bank Core Course on Safety Nets, Washington DC, USA



Michele Burns,
Executive
Director and
Chief Executive
Officer,
Retirement
Policy Center,
Marsh &
McLennan
Companies,
USA



In 2050, the number of people aged 60 and older in developed countries will increase from 21% of the population today to 31%.⁵



¹ ISSA (2010). Social Policy Highlight: Pensions and Demographic Change.

² OECD 2011 report.

³ Data from National Budget 2011, Treasury of South Africa: <http://www.treasury.gov.za/documents/national%20budget/2011/review/>.

⁴ OECD Pensions at a Glance 2011: <http://www.oecd.org/els/pensionsystems/pensionsataglance2011retirement-incomesystemsinoecdandg20countries.htm>.

⁵ Innovation Conversation: The Future of Retirement (April 2011).

Global Agenda Council on Social Security Systems



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*Evgeny Gontmakher, Deputy Director, Institute of World Economy and International Relations (IMEMO), Russian Federation

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*Hans-Horst Konkolewsky, Secretary-General, International Social Security Association (ISSA), Switzerland

*Robert Palacios, Senior Pension Economist and Director, Social Protection Department, The World Bank, USA

*Shamsuddeen Usman, Minister for National Planning of Nigeria, Nigeria

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Council Insights

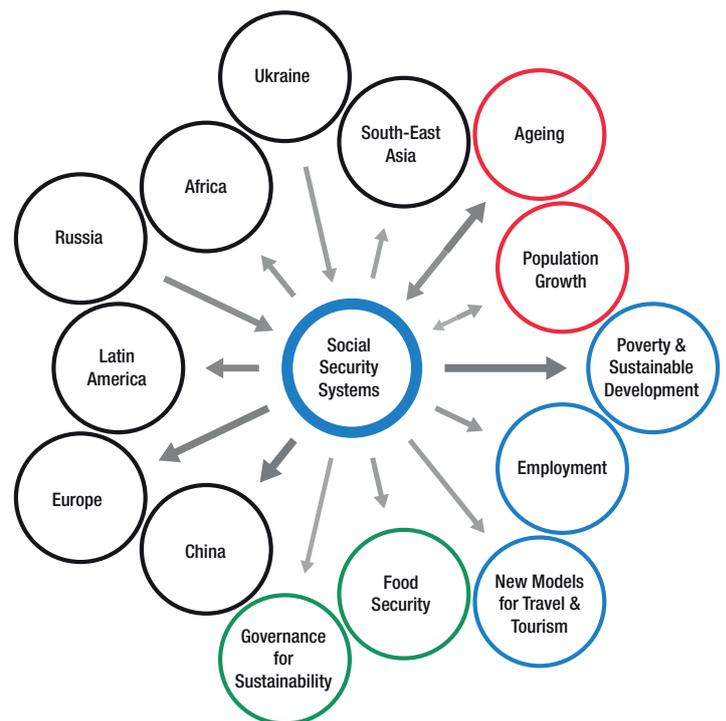
The Council believes that to address the issue of the sustainability of current social security systems, individuals, employers, the financial industry and governments must each take responsibility for specific elements of a new, holistic approach to lifetime financial security.

Current retirement and social protection programmes are unsustainable: costs are increasing significantly while governments continue to limit their exposure. Governments must improve current programmes by developing a supportive regulatory framework for new solutions, creating incentives for redefined work planning strategies.

With the decline of social protection programmes and employer-provided defined benefit systems, individuals increasingly need access to new solutions to enhance their financial security. Individuals' ability to make intelligent financial decisions is more critical than ever to their personal security and will also impact broader economic stability.

The Council will build upon the reports *Transforming Pensions & Healthcare in a Rapidly Ageing World* (2009) and the call to action *The Case for an Integrated Model of Growth, Employment and Social Protection* (2012). It will broaden the discussion to a holistic view of formal retirement systems and beyond, assessing the issues, levers available and implications in a post-crisis world. To that end, the Council proposes to bring together leading thinkers from government, the private sector and academia to discuss the experiences of nations (including Australia, Chile, India, the United Kingdom and the United States). Such analysis will assess the magnitude of these issues and the societal change they imply, the levers available, the issues they raise, and the feasibility and impact of different approaches.

The findings of these consultations will be synthesized to inform the broader policy dialogue globally.



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Issue Overview

South-East Asia has demonstrated remarkable resilience and staged robust economic recovery after the global crisis of 2008-2009. With a total population of 570 million and a combined GDP of US\$ 1.7 trillion, South-East Asia may well be a force to reckon with if its countries can cooperate more fully. Key leaders in the region must understand the unique position South-East Asia occupies vis-à-vis global economic growth and future outlook. Before the region can achieve its potential international prominence, all stakeholders must make a firm commitment towards integration.

The Association of South-East Asian Nations (ASEAN) has set 2015 as the target to realize an ASEAN Economic Community (AEC) characterized by a single market and production base. While progress has been made in terms of reduction in tariff rates, realization of free trade agreements and mutual recognition arrangements, long-term management of the economic integration process is necessary to achieve planned targets. This requires strong political will and commitment from all the leaders in the region.

In navigating the journey towards integration, there are key issues that South-East Asian nations need to address collectively. Foremost among them are education and human capital development, which are integral in shaping the future of the region. South-East Asian nations must also step up to the "soft" growth issues such as health standards, literacy, environmental protection and sustainable development in order to complement economic progress.

Another pertinent issue of the day is Myanmar's transition, which presents both challenges and opportunities for the region. Myanmar's progress is important to ASEAN, and strengthened ties with ASEAN will bring in much needed trade and cross-border investment to Myanmar. The region offers many lessons of successful economic growth and development which Myanmar can emulate to achieve strong and inclusive growth while avoiding social instability and ensuring environmental sustainability.



Chung Hae-Moon,
Secretary-
General,
ASEAN-Korea
Centre, Seoul,
Republic of
Korea

“

If you look at the flow of people-to-people exchanges between Korea and ASEAN, people understood gradually how important South-East Asia is to Korea and the Korean people.⁴

”

Did You Know?

- GDP growth in the ASEAN six (Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam) in 2010 was 7.6% and is expected to reach an average of 5.6% in 2012-2016.¹
- In 2009, ASEAN's trade with China reached US\$ 178 billion, a ninefold increase compared to the 1998 figure of US\$ 20 billion.²
- ASEAN countries attracted over US\$ 74 billion as foreign direct investment in 2010.³

Further Resources

"Roadmap for an ASEAN Community 2009-2015". ASEAN Secretariat: <http://www.aseansec.org/publications/RoadmapASEANCommunity.pdf>, April 2009

Beeson, Mark. Contemporary Southeast Asia, London: Palgrave Macmillan, 2009

Severino, Rodolfo C. Southeast Asia in Search of an ASEAN Community: Insights from the Former ASEAN Secretary-General. Singapore: ISEAS Publishing, 2009

Calendar

5-6 November 2012, 9th Asia-Europe Meeting Summit of Heads of State and Government (ASEM 9), Vientiane, Laos

18-20 November 2012, 21st ASEAN Summit and 7th East Asia Summit, Phnom Penh, Cambodia

20-21 December 2012, ASEAN-India Commemorative Summit, New Delhi, India

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland

5-7 June 2013, World Economic Forum on East Asia, Myanmar



Stephen P.
Groff, Vice-
President,
Operations 2,
Asian
Development
Bank, Manila

“

...Myanmar is uniquely positioned to tap into Asia's growing economic strength and prosperity. Better connectivity with other South and South-East Asian nations will also unleash incredible opportunities for trade and commerce.⁵

”

¹ Active with Southeast Asia: Special Focus on Indonesia, 2011. Paris: OECD.

² "ASEAN Community in Figures 2010". ASEAN, <http://www.aseansec.org/publications/ACIF2010.pdf>, October 2010

³ "ASEAN Statistics Leaflet: Selected Key Indicators 2011". ASEAN Secretariat, <http://www.aseansec.org/publications/ASEAN-Statistics-Leaflet-SKI2011.pdf>, 2011.

⁴ Iglauer, Philip. 'Human touch' key for ASEAN-Korea's future. In The Korea Times, <http://www.koreatimes.co.kr/www/news/include/print.asp?newsidx=107653>, 25 March 2012.

⁵ Groff, Stephen P. Myanmar has the potential to become Asia's rising star. In The Nation, <http://www.nationmultimedia.com/opinion/Myanmar-has-the-potential-to-become-Asias-rising-s-30188761.html>, 22 August 2012.

Global Agenda Council on South-East Asia



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Stephen P. Groff, Vice-President, Operations 2, Asian Development Bank, Manila, Philippines

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Karim Raslan, Group Chief Executive Officer, KRA Group, Malaysia

*Kiat Sittheeamorn, Member of the House of Representatives, Democratic Party of Thailand, Thailand

*Thant Myint-U, Chairman, Yangon Heritage Trust, Myanmar

*Shinta Widjaja Kamdani, Managing Director, Sintesa Group (PT Widjajatunggal Sejahtera), Indonesia

*Yang Yuelin, Managing Director, Transport Logistics, IMC Industrial Group, Singapore

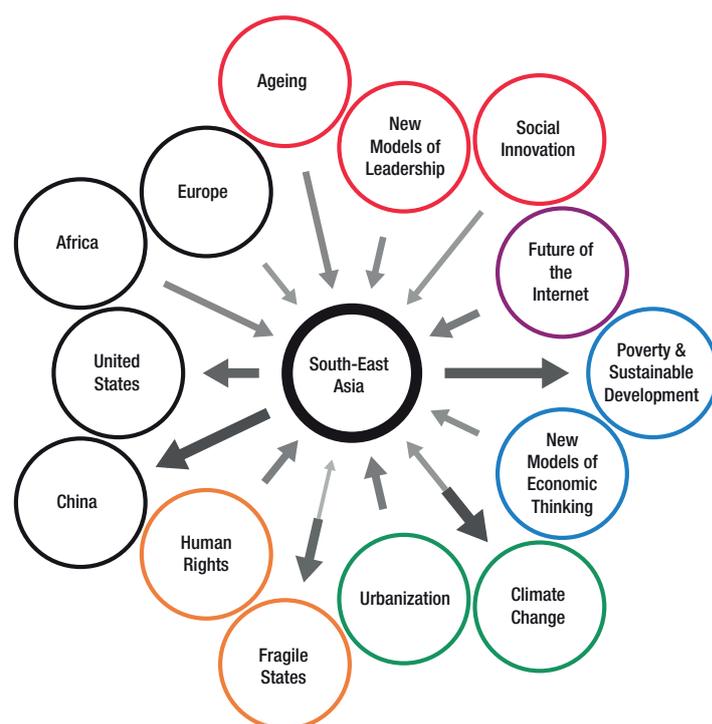
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Council aims to strengthen the integration agenda for South-East Asia by prioritizing improvements in education and human capital development. The region is characterized by socio-economic disparities, ranging from more-developed states not having enough highly skilled labour to less-advanced states where the education system suffers from a lack of effective infrastructure and qualified teachers. By addressing education systems and other means of human capital development, South-East Asia will add value to its economies and contribute to sustainable, long-term development to complement fast economic growth.

Regional growth is another important element of ASEAN integration that the Council will concentrate on during the 2012-2014 term. The Council on South-East Asia believes it is crucial for ASEAN governments to put in place a framework that promotes investment inflow and private-sector growth. By encouraging the sustainable growth of the private sector, the government can make it the driving force of the domestic economy, thereby creating new jobs and improving people's livelihood.

ASEAN is seen to be playing a crucial role in Myanmar's transition and the Council aims to propel discussion in the right direction to enable ASEAN to do so. It is essential for ASEAN to strengthen Myanmar's integration into the association and to enhance the country's communications and economic connectivity with other member countries. The Council believes that it is critical to ensure that Myanmar is able to learn from ASEAN members' successes and pitfalls on the road to economic and social development. It is imperative to help Myanmar achieve inclusive and equitable growth with particular focus on capacity building, health and education, and the promotion of the private sector.



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Issue Overview

Societies rely on the creation and transmission of information and space-based platforms can collect and broadcast large amounts of information, almost instantly, worldwide. They are a critical and irreplaceable part of communication, imaging, positioning and navigation services. Satellites gather a wide range of data on our planet and its components over long periods of time, providing comparisons and construction models of complex issues like climate change. They also allow the global community to address challenges in resource management, access to energy resources, food security, and disaster prediction and management.

Moreover, space capabilities can help build confidence between states and contribute to international peace and security. Observations from space can uncover acts of genocide involving civilian populations.

Space assets are indispensable to the functioning of national and global economies and societies, making their continuous development a necessity to avoid disruption or decline. A typical example is the reliance of societies on the global positioning system (GPS) network of satellites. Beyond guiding cars, aircraft and ships, the GPS timing signal synchronizes digitized transmissions within and between networks, including power grids, financial and trade transactions, transport and manufacturing. Satellites also provide critical links and services to remote communities in areas where ground-based infrastructure is impractical. Even temporary outages may cause substantial problems for such communities.

In the long term, space can help solve many global challenges faced by society and the planet, such as shortages of energy, water and resources. Space-based services monitor natural resources like fresh water and crops, and enable their more efficient management. In the energy sector, space can be a source of technological innovation for energy creation and storage, helping maximize the output of renewable energy sources by providing information on the most efficient location and deployment of wind and solar installations.



Brian Weeden,
Technical
Adviser, Secure
World
Foundation

“

Despite early recognition of the problem, these efforts to regulate space debris as an environmental pollutant have not gained significant traction and are currently absent from any of the serious national or international policy discussions. At the core of this failure are two root causes: the true nature of the most commonly used regions of outer space and the lack of private actors using these regions that would be responsive to market incentives.

”



Michel de
Rosen, Chief
Executive
Officer, Eutelsat

“

Satellites bring a universal solution to allow for the equality of territories by fighting the digital divide and the dictatorship of distance. We should not forget that a great proportion of the population does not have access to high-speed connectivity.

”

Did You Know?

- Currently 1,016 operating satellites orbit the earth; 443 of them are from the United States.¹
- 59% of satellite use is for communication, 8% for navigation and 7% for military surveillance.
- Approximately 21,000 pieces of debris larger than 10 centimetres, and 500,000 pieces down to about 1 centimetre, that could significantly damage or destroy a satellite, are orbiting at speeds of up to 25,000 kilometres/hour.

Further Resources

National Regulation of Space Activities (Space Regulations Library), Ram S. Jakhu, 2 October 2010

“International Safeguards and Satellite Imagery”, B. Jasani, I. Niemeyer, S. Nussbaum, B. Richter and G. Stein, published by Springer, May 2009

“Globalization to Kokumin Kokka (Globalization and Nation States)”, Kazuto Suzuki with Fukuji Taguchi, 2002

Calendar

22 November 2012, Institution of Engineering and Technology (IET) Satellite Communications and the Cloud, London, United Kingdom

28-30 November 2012, National Aeronautics and Space Administration (NASA) Technology Days, Cleveland, OH, USA

7-10 January 2013, 51st American Institute of Aeronautics and Astronautics (AIAA) Aerospace Sciences Meeting Including the New Horizons Forum and Aerospace Exposition, Dallas-Fort Worth Region, TX, USA

23-27 September 2013, International Astronautical Congress (IAC) 2013, Beijing, People's Republic of China

¹ http://www.ucsusa.org/nuclear_weapons_and_global_security/space_weapons/technical_issues/ucs-satellite-database.html.

Members

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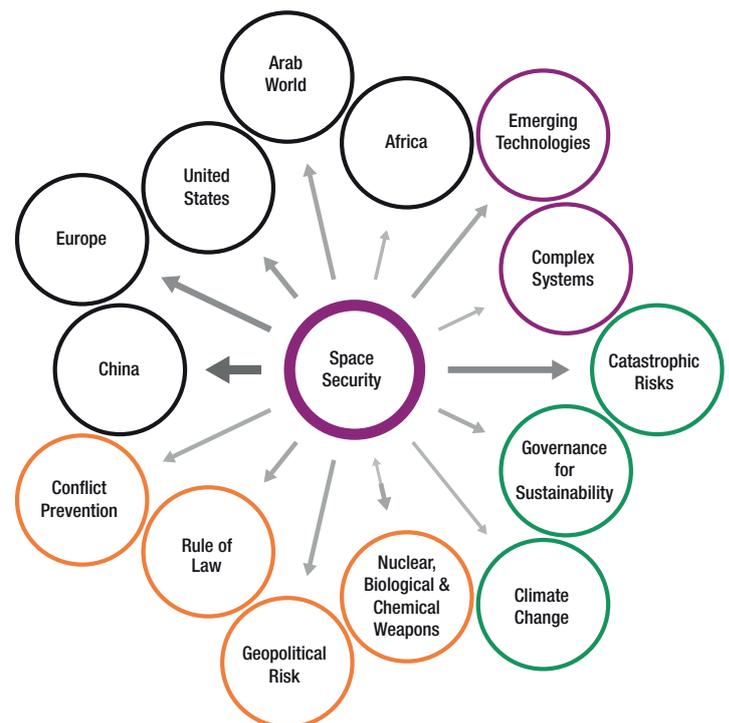
*George Whitesides, Chief
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*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

During the 2012-14 term, the Global Agenda Council on Space Security will focus its work on better defining the contribution of space industries and technologies to the global economy, and the improvement of the state of the world through the promotion of resilient dynamism. The Council will partner with experts and institutions from within the Network of Global Agenda Councils to advance projects that:

- Promote work that quantifies the contribution of space to the global economy
- Demonstrate the power and potential of space-based capabilities and satellite applications, to address the most pressing environmental and societal challenges of humanity
- Develop complementary efforts to existing space sustainability initiatives



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Issue Overview

Mainstreaming the idea of sustainable lifestyles is a critical priority for the consumer, media and communications industries. Across six Asian countries, 79-94% of consumers believe that business should place at least as much weight on society's interest as on business interest, yet as few as 25% of consumers from this sample actually believe businesses are performing well at addressing societal issues.¹ Despite commendable progress over past decades on environmental issues, the sustainability agenda is not yet in the mainstream. Progress on climate change, water security, renewable energy and food security is hindered by underpriced resources, impatient investors and confused citizens. People do not instinctively think in terms of carbon footprints, embedded water or food miles. Creating behavioural change towards sustainable consumption requires a deep understanding of personal and contextual elements, as well as linking those elements with effective triggers to simulate action.

To transform demand through interactions with the consumer, businesses must:

- Reshape demand by making sustainable consumption more personal and relevant to consumers, leveraging the power of technology to drive engagement and transparency
- Redesign products and services to deliver increased value with fewer resources, thus making the sustainable choice the default choice

Thus, two key priorities on sustainable consumption require increased attention from business. First, the concept of the "Circular Economy" in which resources and products are conceived of in entire life cycles, rather than as separate parts of a value chain. Better design allows the economically-viable recovery and reuse of resources. The concept is maturing, but needs real implementation. Second, the trend towards sustainable lifestyles, rather than just sustainable consumption, must be promoted.

Did You Know?

- 72% of consumers surveyed around the world say they are willing to buy green products, but only 17% actually do.
- Millennials, those born in the 1980s and later, are projected to spend more than US\$ 2.4 trillion dollars annually by 2015.
- Over 80% of urban millennials surveyed in Asia believe it is their duty to change the world and also believe they have the power to do so.²

Further Resources

"Sustainable Consumption". World Economic Forum:
<http://www.weforum.org/issues/sustainable-consumption>

"Sustainability for Tomorrow's Consumer". World Economic Forum: <http://www.weforum.org/reports/sustainability-tomorrow%E2%80%99s-consumer>

"Engaging Tomorrow's Consumer". World Economic Forum: http://www3.weforum.org/docs/WEF_RC_EngagingTomorrowsConsumer_Overview_2012.pdf

Calendar

28 November 2012, International Conference on Sustainable Business and Consumption, Bonn, Germany

13-15 March 2013, Sustainability in Packaging, Orlando, FL, USA

1-2 May 2013, Ceres Conference, San Francisco, CA, USA

5 June 2013, World Environment Day



Peggy Liu,
Chairperson,
Joint US-China
Collaboration
on Clean
Energy,
Shanghai,
People's
Republic of
China

“

To change people's behaviour towards sustainable living, we must change habits. To do this we must change social norms. Individual action-oriented projects such as changing light bulbs or planting trees are not going to do this. We must tap into a deeper sense of belonging to change the psyche of people. We must aim higher – and re-imagine prosperity as part of our communal identity in order to reshape consumerism



Diana Verde
Nieto, Founder
and Chief
Executive
Officer,
Positeluxury.
com, United
Kingdom

”

“

There is enough evidence that indicates that consumers fundamentally don't want to change but they do want to do the right thing and spend their money on brands that are good quality, good for people and good for the planet. If we make consumption sustainable by indicating in a clear and accessible way, at a glance, which brands are cutting it in terms of social and environmental practices, consumers will then be able to vote with their money and back the brands that are responsible. By creating a 'consumer spring', positive brands will be rewarded for future-proofing their businesses.

”

¹ Data supplied by Accenture, with sources from BCG, Visa and Edelman to Euro RSCG Worldwide, socialmediainfluence.com; United States Census Bureau, International Database; Deutsche Bank.

² Data supplied by Accenture.

Global Agenda Council on Sustainable Consumption



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

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*Peggy Liu, Chairperson, JUCCCE, People's Republic of China

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Adam Werbach, Chief Sustainability Officer, Saatchi and Saatchi, USA

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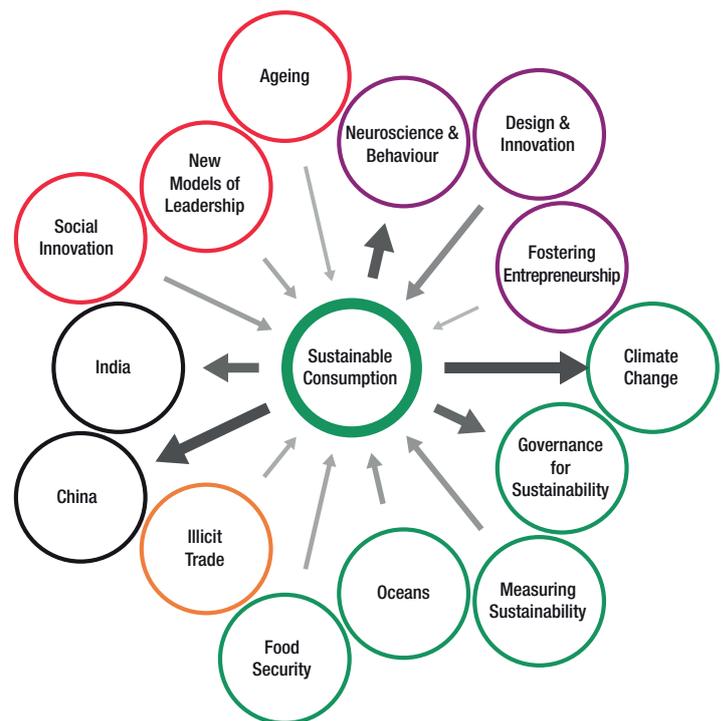
Council Insights

The Council will work to decipher how best to engage new and existing consumers in ways that help them understand, contextualize and alter their consumption. Furthermore, the Council recognizes that it is important to encourage corporations and regulatory agencies to address sustainable consumption by redefining their business models, policies and regulation.

Central to these approaches is the need for a good understanding of people's needs in terms of sustainable consumption. With this in mind, the Council will look at the demand side of consumption, rather than traditional approaches, which have concentrated on the supply side. The Council plans to split into two work streams, one to focus on the developed world and the other on the developing world. Within these separate task forces, Council Members will examine the discourse on sustainability to encourage positive change among consumers. The Council will:

- Aim to understand people's needs with regard to sustainable consumption
- Design opportunities to address those needs
- Build ways to express and act on those opportunities

The work of the Council on Sustainable Consumption is heavily linked to the Forum's "Engaging Tomorrow's Consumer" project. This initiative seeks to understand how to transform demand to enable sustainable lifestyles among consumers, in particular, what messages can be used to engage the consumers of the future and trigger simple shifts in their behaviour to enable more sustainable lifestyles while creating business value. The Council will contribute to the project in several ways: by adding to and consolidating the existing data that the project has gathered; by providing regional expertise to guarantee the relevance of the project globally; by integrating the work of individual Council Members, as well as that of their organizations, into the project; and by conducting ethnographic research to help understand consumers and how they think.



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Issue Overview

A decade after 9/11, terrorism continues to endanger peace and security, threaten trade and challenge the values of freedom and democracy. Over 10 thousand victims and billions of dollars in costs are attributed to terrorist violence globally in 2012, from Afghanistan to Iraq, from Somalia to Yemen.

The face of terrorism has altered due to counter-terrorism efforts and adaptation to changing realities by terrorist organizations. Although al-Qaeda has suffered severe setbacks like the killing of Osama bin Laden, regional affiliates seem to operate more independently. New shadow groups have emerged, about which little is known, such as the Haqqani Network and Boko Haram. Likewise, groups like Al Shabaab in Somalia demonstrate how easily terrorism morphs into insurgency, resulting in great costs to area communities.

Additionally, new challenges have forced authorities to refocus their attention on threats from within. "Lone wolf" attacks by individuals, exploiting vulnerabilities in modern society, produce atrocities such as the Merah case in France and the Brevik killings in Norway. Hyperconnectivity in the networked world has heightened the risk of cyberterrorism and cyberwarfare. The connections between terrorism, drug trafficking, maritime piracy and other forms of organized crime are exacting huge tolls on many fragile states, and threaten transnational repercussions.

To more effectively combat terrorism, information sharing and analysis between governments and third parties must improve. Counter-terrorism strategies must focus on prevention and countering radicalization in fragile states through targeted interventions. Likewise, the nexus between security and development can be strengthened in international aid programmes in more fragile regions.

The effectiveness of counter-terrorism strategies brings about additional challenges. The technical means used to identify and eliminate terrorists, such as armed drones, can blur the boundaries between policing and warfare, eroding the ability of international humanitarian law (IHL) to provide a moral framework of conflict.



Maleeha Lodhi,
Special
Adviser, Jang
Group of
Newspapers;
Chair, Global
Agenda
Council on
Terrorism

“
Our collective experience of counter terrorism efforts urges the need for nations to have a more diverse policy toolkit of hard and soft power to deal with a multifaceted and changing threat. This should include non-coercive means to address the conditions that give rise to extremist violence and terrorism.
”

Did You Know?

- Al-Qaeda spent US\$ 500,000 to attack the World Trade Center. Conversely, the costs of 9/11 to the United States are estimated at US\$ 3.3 billion, nearly seven times the investment by Al-Qaeda.¹
- Just 900 ml of the chemical nerve agent sarin was used by the Aum Shinrikyo cult to attack Tokyo subways in 1995, yet 5,000 people were injured and eight died.²
- In 2011 the European Union (EU) opened 27 terrorism cases, and 153 court proceedings across the EU involved terrorist charges.³

Further Resources

“The Implications of Terrorism for the Rule of Law”:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/terrorism/>

“Threats Within by the NATO Review”:
<http://www.nato.int/docu/review/2012/Threads-Within/Homegrown-terrorism-EU/EN/index.htm>

“The Global Counter-Terrorism Forum”:
<http://www.thegctf.org/web/guest;jsessionid=E7E234CBF16D6D5213BF6AD6EF3D50C7.w142>

Calendar

June 2012, 4th Review of the UN Global Strategy on Counter-Terrorism

4-5 October 2012, Budapest Conference on Cyberspace

1 November 2012, Release of Global Terrorism Database results at the National Consortium for the Study of Terrorism and Responses to Terrorism (START)



Hans-Joachim
Giessmann,
Executive
Director,
Berghof
Foundation;
Vice-Chair,
Global Agenda
Council on
Terrorism

“
The dilemma of a counter-terrorism policy is that one can never be sure if the policy is successful, not successful or just irrelevant, until either a terrorist plot is successfully prevented or an attack has taken place.
”

¹ As reported by The New York Times: <http://www.nytimes.com/interactive/2011/09/08/us/sept-11-reckoning/cost-graphic.html>.

² A Brief History of Chemical Warfare, Historical Cases of CW Terrorism, Aum Shinrikyo, 2004.

³ European Coordinator for Counter-Terrorism, European Council: <http://register.consilium.europa.eu/pdf/en/12/st09/st09990.en12.pdf>.

Members

*Maleeha Lodhi, Special Adviser, Jang Group of Newspapers, Pakistan

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*Andrea Bianchi, Professor of International Law, The Graduate Institute of International and Development Studies, Switzerland

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*Gary LaFree, Director START and Professor of Criminology and Criminal Justice, College of Behavioral and Social Sciences, University of Maryland, USA

*Richard Lennane, Head, Implementation Support Unit of the Biological Weapons Convention, United Nations Institute for Disarmament Affairs (UNODA), Geneva

*Magnus Ranstorp, Research Director, Centre for Asymmetric Threat Studies, Swedish National Defence College, Sweden

*Thomas Rid, Reader in War Studies and Fellow of the Center for Transatlantic Relations, King's College London, United Kingdom

*Ikram ul-Majeed Sehgal, Chairman, Pathfinder Group, Pakistan

Jamie Shea, Deputy Assistant Secretary-General, Emerging Security Challenges Division, North Atlantic Treaty Organization (NATO), Brussels

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Council Insights

To stay one step ahead of terrorist intentions, the international community must respond with intense cooperation at both the state level and within societies.

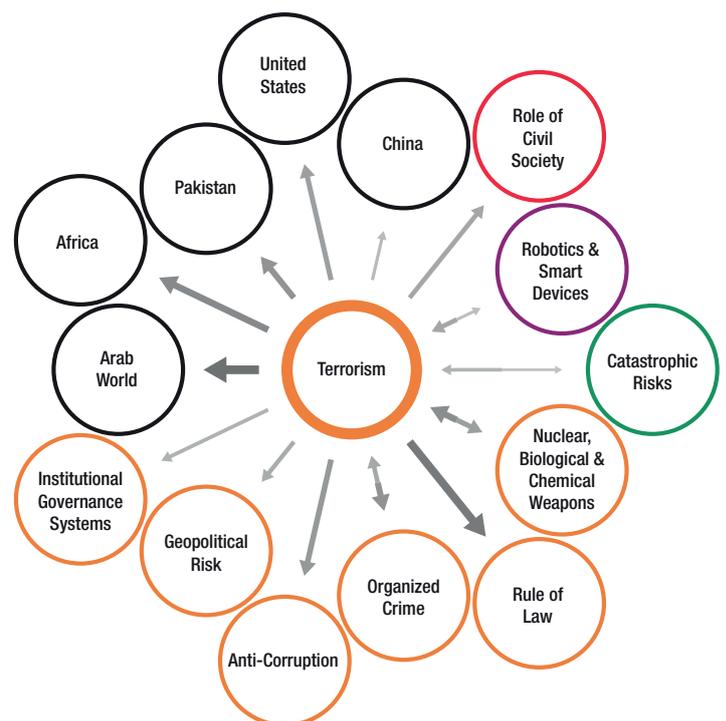
Technological innovation will soon prompt the need for the laws of war to adjust to such new realities. Society must grapple with the unanswered legal, moral and strategic questions of robotic counter-terrorism operations, while technology enables small groups with limited resources to effect greater damage than ever before. This evolution of terrorism – once conducted by large, organized, overseas groups and now by small, fragmented, local actors – raises important questions for liberal societies that should be met with balanced approaches.

Mitigating the risks of radicalization and polarization can benefit from a systems approach. Counter-terrorism today rests on successful strategies for conflict resolution and the stabilization of fragile states. This in turn builds on initiatives to combat poverty and promote economic development. Likewise, population dynamics and youth unemployment are important elements affecting the conditions for the recruitment of terrorists.

Non-governmental organizations and industry also have an important role to play in counter-terrorism. Civil society can conduct education and deradicalization efforts in communities that are beyond the reach of governments. While governments may lag behind in ensuring regulation, research centres and industry can police themselves, through codes of conduct or ethics boards that ensure materials, research and technology do not fall into the wrong hands.

The Global Agenda Council on Terrorism will prioritize the following issue areas for the 2012-14 term:

- The impact of technology on counter-terrorism
- The interconnections between new terrorists
- The enemy: «lone wolves» within
- The role of civil society in counter-terrorism
- The nexus between terrorism and criminal activity



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Issue Overview

Ukraine enjoys a strategic geopolitical location between the European Union and Eurasia. Its wealth lies in natural resources, an educated labour force and significant agricultural and industrial potential.

However, after 20 years of independence, Ukraine's national income remains below its 1989 level. The gross domestic product (GDP) per capita is lower than that of its neighbours, whose economies developed more dynamically in the last 20 years; Ukraine also suffered severely in the recent economic crisis. In 2009, GDP shrank by 14.5%, resulting in one of the biggest contractions globally. In 2011, Ukraine's trade deficit doubled to US\$ 6.7 billion, as the world's 10th largest steel producer¹ saw global demand weaken for its key exports of metals and machinery.

Recently, the country experienced an impasse in implementing structural reforms, resulting in setbacks to both its democratic transformation and a decline in appeal to foreign investment. Ukraine needs to further reform its public governance and judicial systems, rebuild trust between the government and civil society, modernize its economy and infrastructure, and create favourable conditions for the development of business. Further, it needs to transform its social protection, healthcare and education systems.



“

The international climate that Ukraine faces is antagonistic, to say the least. Western institutions are deeply concerned about the political situation in the country. It is a major obstacle for business and for normal international relations. It is critically important that the Ukrainian government deal with the problem as quickly as possible.

Ambassador William Green Miller, Senior Policy Scholar, Woodrow Wilson International Center for Scholars, USA; Chair, Global Agenda Council on Ukraine

”

Did You Know?

- Ukraine is a large emerging market with a population of 45.6 million (2012), and the largest territory in Europe after Russia.
- Ukraine has a highly skilled and well-educated labour force: the literacy rate is 99.7%,² and 28% of the population has a higher education level.³
- Ukraine possesses 28 billion tonnes (17% of the world's supply) of iron ore reserves, and 42.9 million hectares of agricultural land (71.2% of the total land area), representing about 25-30% of the world's black soil.⁴

Further Resources

“Proposals for Ukraine: 2010 - Time For Reforms”, 2010: <http://www.iie.com/publications/papers/aslund0210.pdf>

“Beyond Colours: Assets and Liabilities of ‘Post-Orange’ Ukraine”, International Renaissance Foundation and the Stefan Batory Foundation, 2010: <http://www.irf.ua/files/ukr/beyond%20colours.pdf>

“Making Ukraine Stronger Post-Crisis”, World Bank, 2010: <http://siteresources.worldbank.org/INTUKRAINE/News%20and%20Events/22497867/PolicyNotesENG.pdf>

“The New Wave of Reform: On Track to Succeed”, The Blue Ribbon Commission, 2005: <http://www.un.org.ua/brc/brci/docs/BRC2Final190705Eng.pdf?id=1123140007&cm=doc&fn=brc2final190705eng.pdf&l=e>

“Ukraine's Future: A plan for the President”, International Centre for Policy Studies, Policy Studies, November 1999: http://www.icps.kiev.ua/files/articles/32/35/ps_eng_199911_09.pdf

Calendar

28 October 2012, Ukrainian Parliamentary Elections

Early 2013, EU-Ukraine Summit

2013: Ukraine Chairmanship of the Organization for Security and Co-operation in Europe (OSCE)



“

The perception of the business community of doing business in Ukraine is far from ideal. The key problems seen by the business community in Ukraine are corruption, lack of rule of law and the lack of process to deregulate the business environment.

Anna Derevyanko, Executive Director, European Business Association (EBA), Ukraine

”

¹ World Steel Association, August 2012, <http://www.worldsteel.org/dms/internetDocumentList/steel-stats/2012/2012-08-attachment/document/2012-08-attachment.pdf>.

² Human Development Report 2011.

³ 2001 All-Ukrainian Population Census, <http://2001.ukrcensus.gov.ua/eng/results/general/education/>.

⁴ World Bank 2009, <http://data.worldbank.org/indicator/AG.LND.AGRI.ZS/countries>; Ministry of Agriculture of Ukraine.

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*Oleksandr Todiichuk, President, Kyiv International Energy Club -- Q-Club, Ukraine

*Lord Risby, Chairman, British Ukrainian Society, United Kingdom

*Zev Furst, Chairman and Chief Executive Officer, First International Resources LLC, USA

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Oleg Ustenko, Executive Director, The Bleyzer Foundation, Ukraine

*Pavlo Sheremeta, Chairman and Chief Executive Officer, Blue Ocean Strategy Regional Institute, Ukraine

*Gennady Gazin, Chairman of the Board, EastOne Group, United Kingdom

*Alexander Pivovarsky, Head of Eastern Europe and Caucasus, European Bank for Reconstruction and Development (EBRD), London

*Evgeni Utkin, Chairman and Chief Executive Officer, KM Core, Ukraine

Edward Chow, Senior Fellow, Energy and National Security Program, Center for Strategic and International Studies (CSIS), USA

*Natalia Izosimova, Managing Director, Foundation for Effective Governance, Ukraine

*Oksana Prodan, Head, Ukrainian Association for Small and Medium Business, Ukraine

*Andrew Wilson, Senior Policy Fellow, European Council on Foreign Relations (ECFR), United Kingdom

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*Robert Shetler-Jones, Member of the Supervisory Board, Group DF, Ukraine

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Council Insights

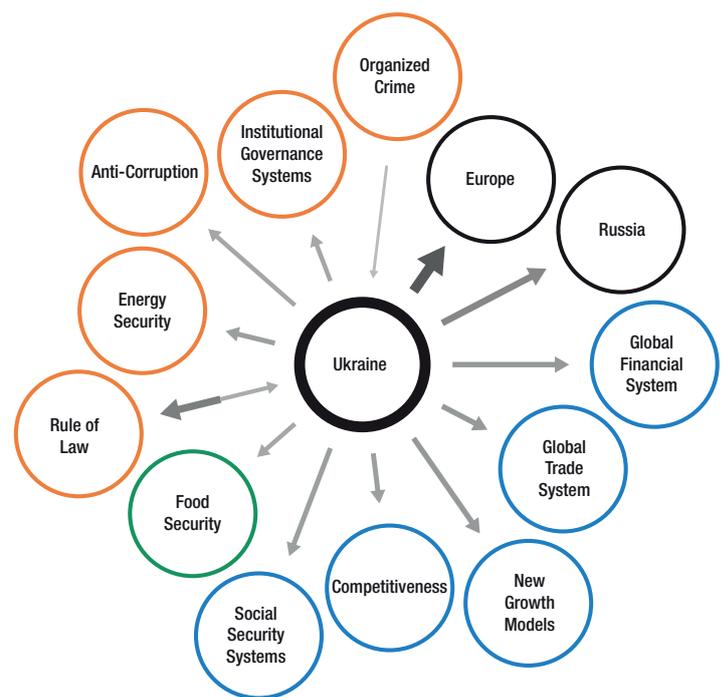
The Global Agenda Council on Ukraine aims to develop a set of concrete strategic priorities to facilitate the country's efforts to build upon its advantages and become more competitive.

In the short term, the Council will use the opportunities presented by the October elections in Ukraine to push for reforms. In the long term, the Council will focus on the following priority issues:

- National and regional competitiveness, including foreign direct investment strategies
- EU-Ukraine stalemate on the association and free trade agreements
- Improvement of the international image of Ukraine
- Energy security and energy sector reform
- Improvement of the business environment
- Institutional capability to implement reforms
- Judicial reform and the rule of law
- Civil society, education and skills development

Action steps

- Pressure the government to move forward with the reforms agenda
- Encourage more innovative approaches to development in Ukraine, i.e. promoting entrepreneurship among young people
- Leverage the organizations represented on the Council in a creative way to achieve impact



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Issue Overview

In the second half of the 20th century, the United States and its allies sought to uphold global order, provide strategic political leadership and military strength, and underwrite stability through assistance for reconstruction and development. Although at times more successful than others, the United States has arguably made itself synonymous with vision and responsibility for maintaining order and a stable balance of power, and it has carried this charge perhaps more than any other nation in the modern era. However, America's natural leadership has been challenged, and the first decade of the 21st century has presented unparalleled obstacles to the United States' dominant position in the economic and geopolitical spheres.

Domestically, the recession affecting much of the western world has had a strong impact on America. It now faces its deepest economic recession in 70 years, while extreme partisanship characterizes the political landscape. In this presidential election year, questions have been raised about the current administration's ability to stimulate growth and job creation during such difficult economic times. Globally, the USA remains the world's foremost military power, yet a shift appears to be taking place in geopolitical spheres, including threats from terrorism and opposition to liberal democratic ideals, compounded by an economic shift from developed to developing economies, global warming and resource scarcity. Within this increasingly complex and evolving global landscape, the purpose and effectiveness of America's traditional leadership role now faces new questions.

Did You Know?

- In 2011, military spending declined by almost US\$ 9 billion, the first time this sector of government spending has decreased since 1998; even with the decline, military spending accounted for 42% of global expenditure on defence.
- US public debt in 2011 equalled 67.7% of gross domestic product (GDP), placing the country 35th in global rankings.
- Since 1975, almost all gains in USA household incomes have gone to the richest 20% of households.

Further Resources

CIA World Factbook on the United States:
<https://www.cia.gov/library/publications/the-world-factbook/geos/us.html>

The Council on Foreign Relations:
<http://www.cfr.org/>

"Not Fade Away: The Myth of American Decline",
Robert Kagan: <http://www.tnr.com/article/politics/magazine/99521/america-world-power-declanism#>

Calendar

15 November and 20 December 2012, Public Meetings of the US Federal Election Commission, Washington DC, USA

29 November 2012, US 3-Month and 6-Month Bill Announcements; US Jobless Claims Announcement

29 January 2013, State of the Union Address, Washington DC, USA



Bob Kagan,
Senior Fellow,
The Brookings
Institution

“
The present world order – characterized by an unprecedented number of democratic nations, greater global prosperity, even with the current crisis, than the world has ever known, and a long peace among great powers – reflects American principles and preferences, and was built and preserved by American power in all its political, economic and military dimensions. If American power declines, this world order will decline with it.



Richard
Fontaine,
President,
Centre for a
New American
Security

”
“
With economic challenges, a changing external environment, political difficulties at home and a presidential election, the United States is at a strategic inflection point. There is widespread concurrence that the United States should lead in the world, but little agreement about precisely what form that leadership should take. The [Global Agenda Council] on the United States will debate American power and purpose in the world, and examine the kind of leadership the world seeks from America.

¹ <http://www.cfr.org/geoeconomics/trends-us-military-spending/p28855>.

² Ibid.

³ <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2186rank.html?countryName=United%20States&countryCode=us®ionCode=noa&rank=35#us>.

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*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

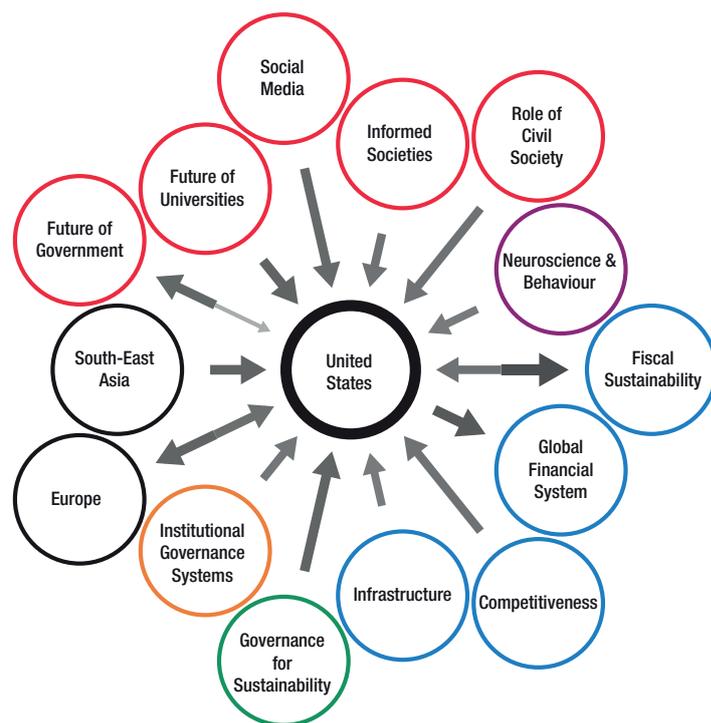
The Council will stimulate a series of discussions around how the USA can effectively provide strategic leadership in the current global context. These discussions will be framed around two pillars: leadership intention, or «American Purpose», and leadership capability, or «American Power».

American identity is based on shared cultural values, championing principles of individual opportunity and open societies; in the international context these values generate the American Purpose. The Council will consider various dimensions of American Purpose, including diplomacy, development assistance and education, with a focus on the following questions:

- What should the appropriate nature and form of American leadership be in the world?
- What does the international community want from the USA?
- What are the implications of greater USA isolationism or disengagement from the world?
- How will America maintain its military and development commitments in the face of fiscal challenges and the emergence of new international actors in the realm of development?
- What form of global order does the USA seek in the future?

Additionally, the Council will look at USA strength, which is derived not only from its GDP and military size, but also the effectiveness of its institutions, the cooperation of public and private sectors, and a population with an adequate skills base. Thus, the focus areas will be military leadership, economic strength, soft power and influence, with these considerations:

- In what key areas does the USA need to lead the international community?
- What kind of military will America be able to maintain given current commitments and declining defence budgets?
- How does the USA account for the enhanced role of other countries in the evolving global order?
- How can the USA continue to lead globally when there is increased inequality, unemployment and slow domestic growth?



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Issue Overview

The world is currently witnessing an unprecedented spurt of urbanization: while the period between 1950 and 1975 saw population growth evenly divided between the urban and rural areas, the balance has tipped dramatically towards urban growth in subsequent decades. Today, 50% of the world's population lives in cities, and it is anticipated that 70% will by 2050.¹

While urbanization is occurring worldwide, the trend is most significant in places that are the least equipped to cope. While many megacities will emerge, the bulk of new urban growth will occur in smaller settlements that lack the institutional, legal and financial frameworks to pay for infrastructure. They will consequently have less capability to be resilient in the face of natural disasters.

As a result, innovative governance and financing structures are needed to catalyse more efficient infrastructure and housing development and to improve resilience. To accommodate demand, researchers anticipate that the built environment of today will need to expand by a city equivalent to the size of Greater London every month for 40 years.²

Yet providing infrastructure is only part of the solution. How the new urban fabric is laid out has a lock-in effect that shapes resource consumption patterns as well as health and economic dynamics for generations. Thus, institutionalizing sustainable urban development models and land-use policies are equally essential steps for managing urbanization.

In the midst of urbanization, the field of "smart cities" is emerging. It is drawing new sectors to the urban sphere and offers promise in generating solutions to urban challenges through information and communications technology applications. Thus far smart cities projects have focused predominantly on developed cities; it remains to be seen how smart city concepts can be scaled up in fast-urbanizing regions.



Abha Joshi-Ghani, Director, Thematic Knowledge and Learning, World Bank, Washington DC

“

The current design and planning practices for cities are rooted in the 19th century. Hugely successful in their time, these 19th-century models are no longer the best solution, and in fact have become part of the problem. The world is now a lot more crowded and complex and requires more efficient, longer-term solutions for servicing urban areas.

”

Did You Know?

- China estimates that 400 million additional people will move to its cities in the next 30 years.³
- It took India nearly 40 years to add 230 million urban residents, but it will take only half that time to add another 250 million.⁴
- Fewer than 35% of the cities in developing countries treat wastewater, and half of all solid waste within most cities in low- and middle-income countries is not collected. Most of this deprivation is concentrated in urban slums.⁵

Further Resources

"Urban Anthologies: Learning from Our Cities".
World Economic Forum:
<http://senseable.mit.edu/wef/>, 2012

Urbanization Knowledge Partnership, World Bank:
<http://www.urbanknowledge.org/>

Calendar

1 October 2012, World Habitat Day

6-9 October 2012, Meeting of the Minds, San Francisco, USA

8-10 October 2012, 6th Urban Research and Knowledge Symposium, Barcelona, Spain

March 2013, China Centre for Urban Development & World Economic Forum Urban Development Meeting, Shanghai, People's Republic of China

¹ "Global Report on Human Settlements 2009: Planning Sustainable Cities". UN-HABITAT, <http://www.unhabitat.org/pmss/listItemDetails.aspx?publicationID=2831>, 2009.

² "Urban Planning for City Leaders". UN-HABITAT, <http://www.unhabitat.org/pmss/listItemDetails.aspx?publicationID=2831><http://www.unhabitat.org/pmss/listItemDetails.aspx?publicationID=3385>, 2012.

³ Riggs, Trisha. "Finding Certainty in Uncertain Times: ULI Senior Resident Fellows Look Ahead". Urbanland, <http://urbanland.uli.org/Articles/2010/Fall10/Certainty>, 12 October 2010.

⁴ "India's Urban Awakening: Building inclusive cities, sustaining economic growth". McKinsey Global Institute, http://www.mckinsey.com/insights/mgi/research/urbanization/urban_awakening_in_india, April 2010.

⁵ "Global Report on Human Settlements 2009: Planning Sustainable Cities". UN-HABITAT, <http://www.unhabitat.org/pmss/listItemDetails.aspx?publicationID=2831>, 2009.

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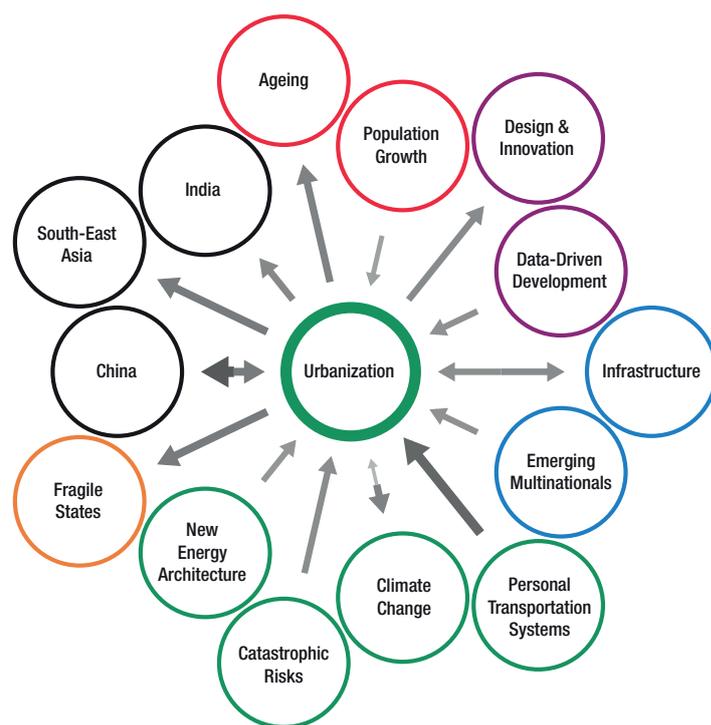
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Urbanization aims to advance the international dialogue on urbanization by placing a lens on four issues: removal of disparity between urban citizens; discovery of the best practices being followed to proactively address the concerns of ageing populations in cities; creation of “innovation infrastructure” to support entrepreneurship and job creation; and the harnessing of informality for greater prosperity.

The relevant projects include:

- The “Future of Urban Development Initiative”, which provides a neutral, third-party setting for ministers, mayors, the private sector and experts to jointly think through the major urban challenges of the 21st century and accelerate the transition to innovative urban development models. The core activity of the initiative is for the multistakeholder Steering and Advisory Boards to work hand-in-hand with select Partner Cities around the world to build strategies to meet specific urban challenges in those cities, and catalyse collaborative action.
- “Connected World: Transforming Travel, Transportation and Supply Chains”, which seeks to develop scenarios to provide an industry perspective on how the travel and transportation ecosystem may transform under the influence of changes in the macro-environment (changing customer needs, new mobility frontiers, technological developments and so on) by 2025 and beyond. It also looks at the implications of change for industry players and policy-makers.
- The “Strategic Infrastructure Initiative”, which aims to accelerate the implementation of critical economic infrastructure projects in countries worldwide. The initiative provides insights to national-level governments on two fundamental questions: how they should prioritize projects to create the greatest impact in terms of economic growth, social uplift and sustainability; and once the projects are selected, how they should prepare, procure and deliver assets most efficiently and effectively. The initiative has worked with the governments of Panama, Colombia and Ethiopia, among others.



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Issue Overview

The collapse of financial systems and resulting economic crisis generated a growing disbelief and a fundamental distrust in the ways things operate and how decisions are made. Old social contracts have unravelled, while former assumptions and shared concepts about fairness, agreements, reciprocity, mutual benefits, social values and expected futures have all but disappeared.

The historic social contract between business, government and society seems to be broken, and the legitimacy of corporations has reached a new low point, with business running the risk of losing its license to operate. Movements such as Occupy Wall Street and the recent uprisings in the Arab world express growing public indignation at the perceived disconnect between perks for a few and the rights of many. Citizens are demanding more collaborative, sustainable and inclusive methods of value(s) co-creation.

Clearly effective leadership must incorporate a values dimension. However, as leaders espouse principles like transparency, integrity and the common good, actual practice often lags far behind. Due to growing interdependencies and interconnectivity, this gap between values and behaviour is increasingly subject to public scrutiny and systemic effects. It appears that even well-articulated and generally supported principles are difficult to translate into everyday decision-making, and into the behaviours observed by suppliers, dealers, customers and employees, sometimes with diverse and conflicting value systems.

Meanwhile, public scrutiny and social accountability of companies, institutions and governments is growing. On Internet blogs, micro-blogs and social networks, organizations and governments are facing a «24/7» public that quickly exposes controversial or unethical behaviours. Empowered by this «radical transparency», consumers increasingly expect companies to make positive social impact their core mission. Citizens in the USA, Europe and elsewhere demand new, more transparent, collaborative and inclusive models of value creation that produce well-being, happiness and meaning, as much as profits.

Did You Know?

- In a national USA survey conducted for 18-24 year-olds, 63% identified one of the biggest problems in the country to be the fact that everyone does not have an equal chance in life.¹
- In 134 out of 183 countries in a 2011 survey, people expressed the belief they lived in a country that was significantly corrupt; 72 of them were ranked as very corrupt.²
- According to the 2011 National Business Ethics Survey, the share of companies with weak ethical cultures also climbed to near record levels of 42%, up from 35% in 2009.

Further Resources

“The Honor Code: How Moral Revolutions Happen”, Kwame Anthony Appiah, New York, W.W. Norton, 2010

“An Aesthetic Education in the Era of Globalization”, Gayatri Chakravorty, Harvard University Press, 2012:
<http://forumblog.org/2011/11/bridging-the-values-gap/>

Calendar

23-25 January 2013, 2013 European Business Ethics Forum, Amsterdam, Netherlands

March 2013, 1st Bahrain International Corporate Social Responsibility Conference and Exhibition 2013, Bahrain

28-31 March 2013, ACERP 2013 Third Asian Conference on Ethics, Religion and Philosophy, Osaka, Japan



Michael Gerson, Senior Adviser, The ONE Campaign

“

Working markets do not exist in a social vacuum. They depend on working public systems of justice and education. In the absence of the rule of law, markets can become predatory. Accumulated economic power can undermine genuinely free exchange.

”



Daniel Shapiro, Founder and Director, Harvard International Negotiation Program, Harvard Law School

“

Values are really underlying many of the world's most intractable conflicts. And values also seem to be the answer to dealing with many of the world's most intractable conflicts.

”

¹ A Generation in Transition: Religion, Values and Politics among College-age Millennials. 2012.

² Transparency International, Corruption Perceptions Index 2011.

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*Confirmed participation in the Summit on the Global Agenda 2012

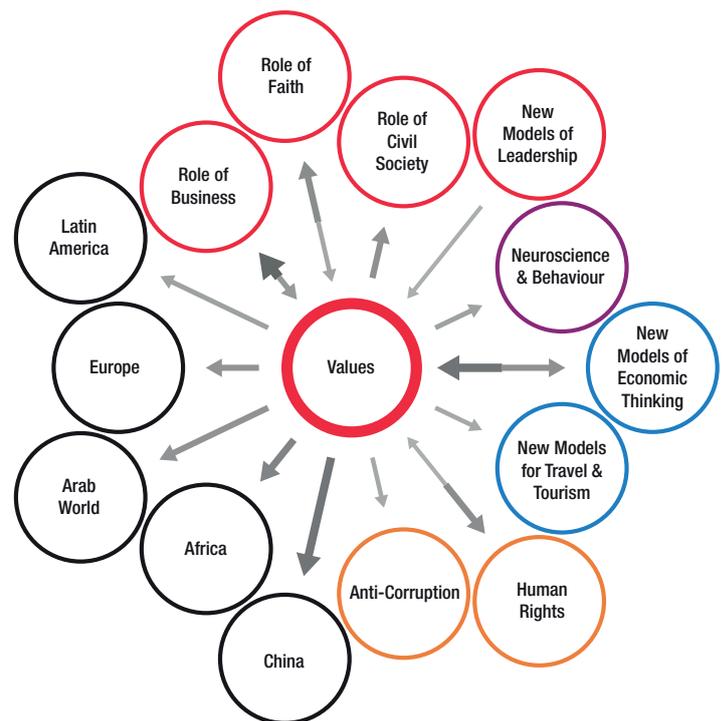
Council Insights

The Council believes a new social covenant between citizens, businesses and government is urgently needed. This should be a covenant not a contract, as values and trust are more imperative in a covenant. The engagement and collaboration of all stakeholders is required – governments, businesses, civil society, faith groups and others. While covenants will differ nationally, universal values like fairness and respect for human dignity should feature in all.

Given the importance of business, social covenants should be between citizens, businesses and governments, and take into account the changed nature of today's world.

To build this covenant, the Council suggests these actions:

- Agreeing on basic, universal ethical values
- Reflecting values in all legislation adopted and regulations promulgated, by individual countries and in international economic agreements that define countries' duties to each other
- Opening education systems to everyone, fostering equality of opportunity
- Guaranteeing quality jobs; this requires a greater focus on worthwhile jobs for non-graduates, technical educational opportunities, apprentice schemes, a proactive tax and incentive system, and a 21st-century industrial strategy
- Fairly rewarding hard work and contributions to society
- Providing adequate security for savings and assets
- Reducing inequality and keeping income/rewards within fair limits throughout the scale
- Assuring environmental stewardship and preservation of natural capital for the benefit of future generations
- Utilizing only financial sectors recognized as stable, socially beneficial and accountable
- Strengthening opportunities and social mobility
- Promoting societal goals like well-being, happiness and equality of freedom to live a valued life
- Adapting new systems to measure progress at both the national and company levels
- Moving from a shareholder model of companies and a client model of other institutions (schools, universities) to a stakeholder model



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Issue Overview

A wealthier, more populated and climate-variable world is rapidly becoming a more «water insecure» world. The world's demand for fresh water is growing so fast that by 2030, agriculture, industry and rapidly expanding cities will face scarce supplies, thereby jeopardizing economic development while threatening political stability and public health. Impacts of climate change are becoming more visible in the water cycle, in the form of extreme events like drought and flooding. This is in addition to the widely accepted tragedy that more than 750 million people lack adequate access to safe drinking water.¹ As water has consistently been underpriced in many places around the world, it has been wasted and overused.

The world's capacity to respond to water security risks is in doubt, as existing institutions and policies at most levels are struggling to accommodate informed debates on water. As economies grow, rapidly accelerating demand for food and energy continuously intensifies pressure on water resources, raising cross-border water management issues. In turn, the local nature of water resources further strains institutional capacity; the world faces not one global water challenge, but many local ones with potential widespread consequences. Insufficient information and expertise make it even more difficult for governments to assess and appropriately manage water resources. Companies increasingly consider water as not just an environmental issue, but also as a complex issue representing serious risk to their business.

In this complex landscape, effective and comprehensive policy frameworks must be developed with relevant stakeholders, to enable the necessary political commitment to undertake reforms and drive progress into the coming decades.



J. Carl Ganter,
Managing
Director, Circle
of Blue, USA

“

The global water crisis is universally threatening and immensely complex. The causes are many – climate change, population growth, over-use – and the ramifications are felt in all areas from environment to security to economic development. Fortunately, innovative models and inclusive decision-making are offering new hope for how the world can respond to one of its most critical challenges.

”

Did You Know?

- According to the Millennium Development Goals Report 2012, 783 million people, or 11% of the global population, remain without access to an improved source of drinking water. At the current pace, 605 million people will still lack coverage in 2015. Over 40% of all people without improved drinking water live in Sub-Saharan Africa.
- The World Bank estimates that 1.7 million people die annually due to unsafe water, lack of sanitation and unhygienic practices; 90% of those deaths are children under age five. The daily per capita drinking water requirement is 2-4 litres, and it takes 2,000-5,000 litres to produce one person's daily food.²
- Agriculture is by far the biggest user of water, accounting for almost 70% of withdrawals, and up to 95% in developing countries.³

Further Resources

Water Security: The Water-Food-Energy-Climate Nexus:
<http://www.weforum.org/reports/water-security-water-energy-food-climate-nexus>

<http://www.water-energy-food.org/>

UN-Water Annual Report 2011: http://www.unwater.org/downloads/annualreport_2011.pdf

World Bank Water Website: <http://water.worldbank.org/>

Calendar

28-30 November 2012, 6th Session, Meeting of the Parties to the Water Convention, Rome, Italy

15-17 January 2013, International Water Summit and the World Future Energy Summit, Abu Dhabi, United Arab Emirates

22 March 2013, World Water Day

1-6 September 2013, World Water Week, Stockholm, Sweden



Jeff Seabright,
Vice-President,
Environment
and Water
Resources,
The Coca-Cola
Company, USA

“

Water is a vital enabler of sustainable development and a resource under growing stress. Taking action to improve water security will yield multiple development benefits, including food security, energy security and public health. It's the most powerful investment of time and energy we can make.

”

¹ The Rio+20 Multistakeholder Dialogues: First Reactions from World Economic Forum Global Agenda Council Experts – An Informal Discussion Paper.

² Ibid.

³ Food and Agriculture Organization of the United Nations (FAO).

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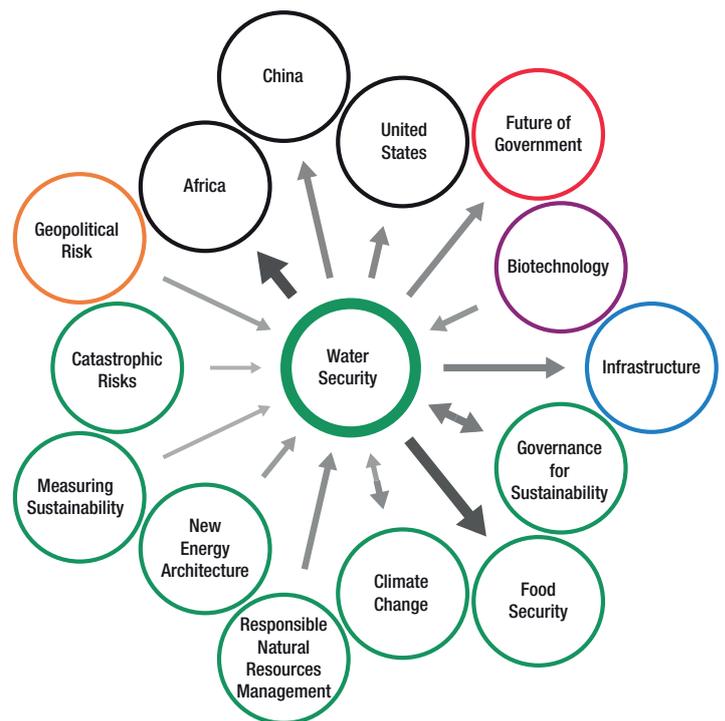
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

Since its inception, the Global Agenda Council on Water Security has established itself as a pioneer group to advance the water agenda and to demonstrate practical impact. In 2011, the Council was the first to publish its own book, *Water Security: The Water-Food-Energy-Climate Nexus*, thereby promoting systemic thinking around the nexus and seeding the concept among policy-makers and leaders worldwide. Accordingly, the nexus has emerged as a key topic of focus for a number of international conferences, including the Bonn Water-Energy-Food Conference in 2011. The Council also played an influential role through the preparation, in a collaborative effort, for the Rio+20 Summit. Last, the Council helped catalyse a major initiative in the alignment of the Forum's Water Initiative and the Water Resources Group.

The Global Agenda Council on Water Security is convinced that the case for action to address water security is more urgent than ever. In particular and for the term ahead, the Council will focus its attention on the role of governments in sustainable water resource management by asking: What does society need governments to do to avoid escalating water crises, and how can this Council help them to do it?

A second, related area the Council will focus on is developing and communicating a better understanding of the values and costs of water, and how these are reflected in water resource management. Understanding how social, cultural, environmental and economic values can be reflected in water management arrangements will help identify where instruments such as pricing will be most effective, and where other instruments and institutions are needed. This will point to ways in which high value economic users can best contribute to sustaining water resources.



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Global Agenda Council on Well-being & Mental Health



COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Issue Overview

Lack of human well-being is a global syndrome of the 21st century, and the result of the way economies, lifestyles and development trends have evolved over time. It is extraordinarily costly for governments and the private sector alike, crowding out essential monies for much-needed government services and reducing profits. For example, the costs associated with mental illness and non-communicable diseases amount to 5% of global GDP annually, with most costs related to absenteeism and the inability to work due to poor health.

On the other hand, positive mental health and well-being underscore how well an individual is able to contribute effectively and productively to society as well as experience a high personal quality of life, intrinsic to supporting sustainable development.

This invisible epidemic is an underappreciated cause of poverty and hinders the economic development of many countries. Lack of well-being is not an issue for the health sector alone; an interdisciplinary public-private sector approach is required to effectively respond to and tackle this burden.

As the world is moving towards the post-Millennium Development Goal agenda, the health and well-being of people will increasingly be a shared responsibility of governments and all other partners, as already clearly stated in the discussions around Sustainable Development Goals (SDGs).



Lord Gus O'Donnell,
Cabinet
Secretary and
Head, Home
Civil Service
(2005-2011),
United
Kingdom

“
Happiness and well-being should be reflected in the Sustainable Development Goals. Happier people are more productive and it is important to highlight that well-being and development go hand-in-hand.

Did You Know?

- Less than 30% of European workers are satisfied with their work-life balance. The time crunch is particularly strong for working mothers and the well-being of children is strongly affected by parents' capacity to both work and spend adequate amounts of time with them.¹
- Depression is the leading cause of disability worldwide.²
- In a three-month period, patients with depression miss an average of 4.8 work days and suffer 11.5 days of reduced productivity.³

Further Resources

“Health & Well-Being Annual Report”. World Economic Forum:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/health-well-being/>, 2011

World Health Organization:
http://www.who.int/topics/mental_health/en/

“Better Life Initiative: Well-being and Progress”. Organization for Economic Cooperation and Development: <http://www.oecd.org/statistics/betterlifeinitiative/measure-well-being-and-progress.htm>

Calendar

16-18 October 2012, 4th OECD World Forum: Measuring Well-Being for Development and Policy Making, New Delhi, India

23-27 January, World Economic Forum Annual Meeting 2013, Davos-Klosters, Switzerland



Lord Richard Layard,
Director,
Well-being
Programme,
Centre for
Economic
Performance,
London School
of Economics
and Political
Science,
United
Kingdom

”
Mental health lies at the root of so many of our social problems and yet it is shockingly neglected by our policy-makers. This will only change if there is a minister for mental health within the cabinet.

¹ “How's Life”. Organization for Economic Cooperation and Development, <http://www.oecd.org/newsroom/ocedlaunchesnewreportonmeasuringwell-being.htm>, 2011.

² “10 Facts on Mental Health”. World Health Organization, http://www.who.int/features/factfiles/mental_health/mental_health_facts/en/index1.html.

³ Valenstein, M., Vijan, S., Zeber, J.E., Boehm, K. and Buttar, A. “The cost-utility of screening for depression in primary care”. In *Ann Intern Med*, 2001, 134: 345-360.

⁴ Address by Lord O'Donnell at the High-Level Meeting on Well-being and Happiness at the United Nations, UN Council for Sustainable Development, http://www.uncsd2012.org/content/documents/519BhutanReport_WEB_F.pdf, April 2012.

⁵ “Britain Needs a Cabinet Minister for Mental Health”. Address by Lord Layard at the Centre for Economic Performance, London School of Economics, <http://www.actionforhappiness.org/news/britain-needs-a-cabinet-minister-for-mental-health>, March 2012.

Global Agenda Council on Well-being & Mental Health



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Members

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Steven E. Hyman, Distinguished Service Professor, Harvard University, USA

*Peter Anderson, Professor, Substance Use, Policy and Practice, Institute of Health and Society, University of Newcastle, United Kingdom

*Gustavo Averbu, Chief Executive Officer, Ketchum, Argentina
Philip Campbell, Editor-in-Chief, Nature, United Kingdom

*Cary Cooper, Distinguished Professor of Organizational Psychology and Health, Lancaster University Management School (LUMS), United Kingdom

Martine Durand, Director and Chief Statistician, Statistics Directorate, Organisation for Economic Co-operation and Development (OECD), France

*Paul Litchfield, Chief Medical Officer and Director, Health, Safety and Wellbeing, BT Group Plc, United Kingdom

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Vikram Patel, Founder and Member of the Managing Committee, Sangath, India

*Scott Ratzan, Vice-President, Global Health, Government Affairs and Policy, Johnson & Johnson, USA

*Joanna Rubinstein, Assistant Director, International Programs, The Earth Institute at Columbia University, USA

*Shekhar Saxena, Director, Department of Mental Health and Substance Abuse, World Health Organization (WHO), Switzerland

*Derek Yach, Senior Vice-President, The Vitality Group, USA

*Confirmed participation in the Summit on the Global Agenda 2012

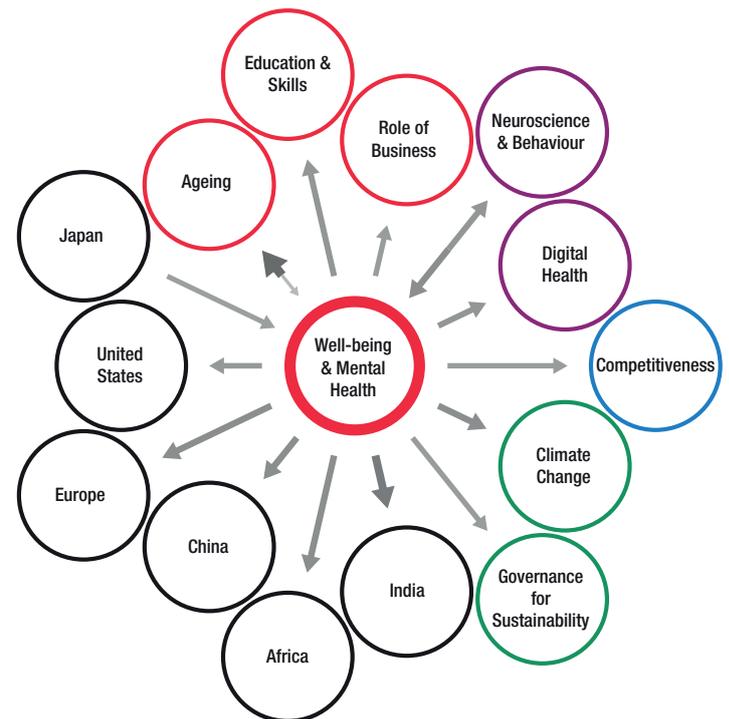
Council Insights

Building on last year's report and ongoing work, the Council aims to address several new angles of relevance to support the arguments for resilience, positive mental health and well-being as intrinsic to the discussions on SDGs.

During the forthcoming term, the Council will:

- Underline the role of incentives to create resilience and improve well-being and mental health at individual, organizational and societal levels. This will include the identification of simple measures, such as physical activity, which can be a lever for positive mental health, well-being and productivity.
- Highlight the role of employers in creating system-level change towards increased mental health and well-being, at work and in the extended community. This includes offering support to identify existing tools and guidelines for "how-to" engagement in this area, providing metrics that are comparable and building the economic rationale for investment.
- Make the case for leadership from the business community in the well-being space, including providing support to innovation and offering new approaches to support the SDGs from a multistakeholder perspective.

The Global Agenda Council on Well-being & Mental Health will interact with other Councils in the Network of Global Agenda Councils to strengthen their focus areas and use their feedback to develop deliverables. Some of the Councils that this group aims to interact with are those on Ageing, Education & Skills, Neuroscience & Behaviour, the Role of Business, and Competitiveness. The Councils on Robotics & Smart Devices, Personalized & Precision Medicine, Population Growth and Digital Health have expressed interest in working with this group and will be involved in discussions at the next Summit on the Global Agenda.



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Forum Lead: Olivier Raynaud, Senior Director, Head of Global Health and Healthcare Industries, Olivier.Raynaud@weforum.org

Issue Overview

Gender gaps in economic participation, political opportunity, education and health are well documented. No country has yet been able to close all the gaps, which vary in size substantially according to country and region. Equity and efficiency arguments exist for closing the gaps and tapping into the female half of human capital that is currently underused, and doing so is both good practice and good business. Long-term progress is difficult if half of a population is not fully engaged in the development process. As consumers, workers, entrepreneurs and caregivers, women are central to solving today's most pressing global challenges.

In a world moving from capitalism to "talentism", gender parity can no longer be treated as superfluous. Women make up one half of the human capital available in any economy and businesses and governments may reap a rich diversity dividend from investments in gender parity.

Did You Know?

- Iceland ranks first in the world on gender equality, according to the World Economic Forum's Gender Gap Report 2011.¹
- In the United States of America, women make up only 2% of chief executive officers in Fortune 500 companies.²
- Girls outnumber boys in secondary schools in 45 developing countries.³

Further Resources

Global Agenda Council on Women's Empowerment Annual Report, 2011:
<http://reports.weforum.org/global-agenda-council-2012/#view/global-agenda-council-2012/councils/womens-empowerment/>

Closing the Gender Gap: A Repository of Successful Practices: <http://www.weforum.org/gender-parity/closing-gender-gap>

"Measuring the Success of Gender Equality", Blog by Beth Brooke:
<http://forumblog.org/2012/03/repository-of-successful-practices-in-advancing-women/>

"Closing the Gender Gap Case by Case", Blog by Saadia Zahidi:
<http://forumblog.org/2012/03/closing-the-gender-gap-case-by-case/>

Calendar

8 September 2012, International Literacy Day

11 October 2012, International Day of the Girl Child

8 March 2013, International Women's Day



Laura D'Andrea Tyson, S. K. and Angela Chan Professor of Global Management, Haas School of Business, University of California, Berkeley, USA; Chair, Global Agenda Council on Women's Empowerment

“

Half the world's population, half the world's talent pool, half the world's consumers, half the world's innovators: women. And we need to find ways to give them opportunity to achieve their potential.

”



Laura Liswood, Secretary-General, Council of Women World Leaders, USA; Member, Global Agenda Council on Women's Empowerment

“

The most under-appreciated risk is that organizations, corporations, countries and their governments are too slow to realize that women have to be included in the decision-making on issues that impact us all.⁴

”

¹ Global Gender Gap Report, 2011, World Economic Forum, <http://www.weforum.org/reports/global-gender-gap-report-2011>.

² 2009 World Survey on the Role of Women in Development, United Nations Women, <http://www.un.org/womenwatch/daw/public/WorldSurvey2009.pdf>.

³ 2012 World Development Report on Gender Equality and Development, <http://go.worldbank.org/CQCTMSFI40>.

⁴ What-If Interviews conducted by the World Economic Forum's Risk Response Network - "What if women made up half of the world's decision makers?", <http://forumblog.org/2012/06/what-if-women-made-up-half-of-the-worlds-decision-makers/>.

Global Agenda Council on Women's Empowerment



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*Laura D'Andrea Tyson, S. K. and Angela Chan Professor of Global Management, Haas School of Business, USA

Carlos Danel, Executive Vice-President and Co-Founder, Compartamos, Mexico

*Fatima Obaid Al Jaber, Chief Operating Officer, Al Jaber Group, United Arab Emirates

Martina Viarengo, Assistant Professor, International Economics, The Graduate Institute of International and Development Studies, Switzerland

*Laura Liswood, Secretary-General, Council of Women World Leaders, USA, Vice-Chair

*Ana Duarte-McCarthy, Chief Diversity Officer, Citi, USA

*Ilene H. Lang, President and Chief Executive Officer, Catalyst Inc., USA

*Askin Asan, Deputy Minister of Family and Social Policies of Turkey

Angelica Fuentes, Chief Executive Officer, Omnilife-Chivas Group, Mexico

*Monika Queisser, Head of Social Policy Division, Directorate of Employment, Labour and Social Affairs, Organisation for Economic Co-operation and Development (OECD), Paris

Iris Bohnet, Academic Dean, Harvard Kennedy School, USA

Herminia Ibarra, The Cora Chaired Professor of Leadership and Learning and Professor of Organizational Behaviour, INSEAD, France

Yukako Uchinaga, Director and Executive Vice-President, Benesse Holdings Inc., Japan

Beth A. Brooke, Global Vice-Chair, Public Policy, Ernst & Young, USA

*Demet Ikiler, Chief Executive Officer, GroupM, Turkey

*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

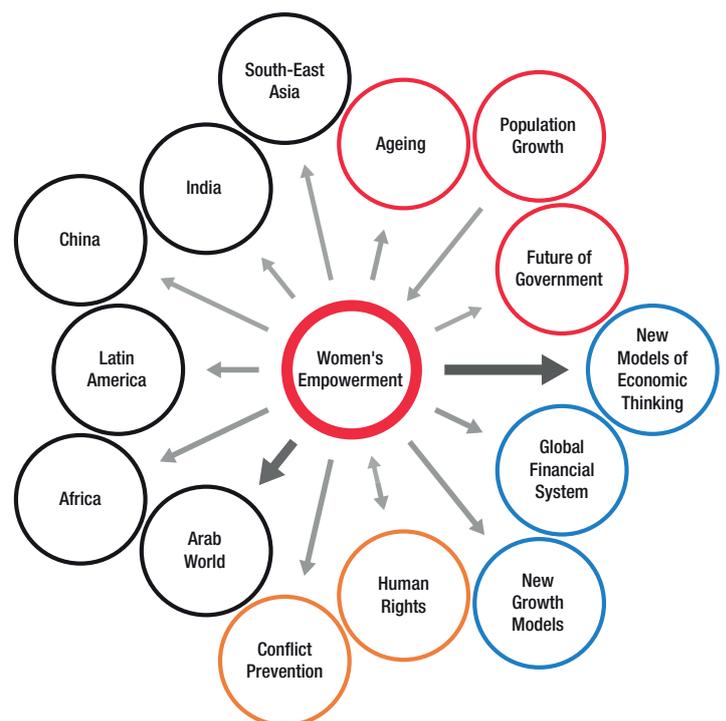
The Council serves as a key pillar of the Forum's Women Leaders and Gender Parity Programme, providing new insights and synthesizing existing knowledge to develop innovative solutions for closing the economic gender gap globally.

In the previous terms, the Council has worked to maximize the messaging on gender issues, from taking a targeted issue-specific approach with traditional groups to mainstreaming the issue across non-traditional groups. The Council helped to conceive the idea of a repository of successful interventions in gender parity, a project that was subsequently developed and launched by the World Economic Forum.

During 2011-12, the Council has developed a compendium outlining how the advancement of women might impact and provide solutions for addressing five global challenges.

In the upcoming term the Council will focus its efforts on country-based gender gaps by addressing the challenges of gender disparity through a data-driven and systemic approach. This will be based on the specific country-level situation in three pilot countries, Mexico, Turkey and Japan.

The Council will enable collaborative interaction among a multistakeholder community of selected organizations such as the Organization for Economic Co-operation and Development (OECD), and influential leaders (particularly business leaders and policy-makers) to close gender gaps. It will constitute a platform to share and exchange tested successful interventions that have effectively closed the economic gender gap, through private sector or public sector initiatives. Finally, it will develop a clear action plan of focused, country-based solutions for integrating more women in the economy.



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 Council Manager: Jessica Dyllick, Senior Programme Manager, jessica.dyllick@weforum.org
 Forum Lead: Saadia Zahidi, Senior Director, Head of Constituents, saadia.zahidi@weforum.org

Issue Overview

Of the world's population, 50% is under 27 years of age today. According to the International Labour Organization, young people comprise 40% of the 200 million unemployed worldwide. Realizing their untapped potential is critical for ageing countries, in which the next generation will bear an ever larger share of the social costs. It is equally critical for those countries in which the lack of opportunity fosters social unrest, as was the case in parts of the Middle East during the last two years and is now the situation in Southern Europe, where severe austerity measures and slow economic growth are fomenting unrest. It is important that the role that young people can play – as agents of change, and precious resources and innovators in the business sector – be recognized. Such recognition can encourage sustainable development, economic growth and poverty alleviation.

At the same time, youth unemployment threatens societies in developed economies too. The financial crisis has become a socio-economic crisis impacting the young by increasing the burden of debt, creating a lack of job opportunities, causing resource degradation and decreasing the overall quality of life. The result is increasing resentment and a widening level of mistrust. The next generation is rapidly developing a new set of values, perspectives and skills capable of outmanoeuvring the economic and social levers that drive existing institutions, corporations and governments.

It is now crucial to bring youth unemployment to the top of the agenda and find sustainable solutions to avoid disastrous short- and long-term consequences for societies around the world.



Majid Jafar,
Chief Executive
Officer,
Crescent
Petroleum,
United Arab
Emirates

“

For those playing a part in the transition of the [Arab] region, the lessons are clear: it is not wise to separate political rights from economic rights.⁴

”

Did You Know?

- “More than 6 million young people around the world have given up looking for a job altogether.”¹
- Before the crisis, the annual increase in the number of unemployed youths was 100,000; now it is over 4 million.²
- The Middle East and North Africa (MENA) region has the highest youth unemployment rate, with approximately one in four young people without a job.³

Further Resources

“World Development Report on Jobs”. World Bank: <http://econ.worldbank.org/external/default/main?cont entMDK=23044836&theSitePK=8258025&piPK=825 8412&pagePK=8258258, 2013>

“Working with youth: Addressing the youth employment challenge”. International Labour Organization: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/publication/wcms_181907.pdf, 2012

“UN World Youth Report”. UN, <http://social.un.org/index/WorldYouthReport/2012.aspx, 2012>

“The youth employment crisis: A call for action”. International Labour Organization: http://www.ilo.org/washington/WCMS_185950/lang--en/index.htm, 15 July 2012

“Youth Unemployment Challenge and Solutions: What Business Can Do Now”. ManpowerGroup: http://www3.weforum.org/docs/Manpower_YouthEmploymentChallengeSolutions_2012.pdf, 2012

“Addressing the 100 Million Youth Challenge”. World Economic Forum: <http://www.weforum.org/reports/addressing-100-million-youth-challenge, 2012>

Garcia, Marito and Fares, Jean. Youth in Africa's Labour Market. Washington DC: World Bank, 2008

Calendar

12-16 November 2012, African Youth Conference on Post 2015 Development Agenda, Nairobi, Kenya

13-15 November 2012, World Innovation Summit for Education (WISE), Doha, Qatar

4-6 December 2012, ICPD Beyond 2014 Global Youth Forum, Bali, Indonesia

December 2012, 2012 YES Summit (Youth Employment Summit), Senegal

18-21 March 2013, Global Entrepreneurship Week 2013, Rio de Janeiro, Brazil



Jamie
McAuliffe,
President and
Chief Executive
Officer,
Education for
Employment
Foundation,
USA

“

Whether public or private, for profit or not, we need significant, shared commitments to change the ‘age of youth unemployment’ into the ‘age of youth opportunity’.⁵

”

¹ “The youth employment crisis: A call for action”. International Labour Organization, http://www.ilo.org/washington/WCMS_185950/lang--en/index.htm, 15 July 2012.

² “Working with youth: Addressing the youth employment challenge”. International Labour Organization, http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/publication/wcms_181907.pdf, 2012.

³ “Global employment trends for youth”. International Labour Organization, <http://www.ilo.org/global/research/global-reports/global-employment-trends/youth/2012/lang--en/index.htm, 2012>.

⁴ Jafar, Majid. Guest post: Youth unemployment in the Arab world: tackling the demographic time bomb. In ft.com, <http://blogs.ft.com/beyond-brics/2012/08/03/guest-post-youth-unemployment-in-the-arab-world-tackling-the-demographic-time-bomb/#axzz28baMbcYH, 3 August 2012>.

⁵ McAuliffe, Jamie. “How can we slow the rise of youth unemployment?”. World Economic Forum, <http://forumblog.org/2012/09/actions-speak-louder-than-words-in-tianjin-china/, 12 September 2012>.

Global Agenda Council on Youth Unemployment



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*Charlotte Petri Gornitzka, Director-General, Swedish International Development Cooperation Agency (Sida), Sweden

*Poonam Ahluwalia, Executive Director, Youth Employment Summit (YES) Campaign, USA

*Arup Banerji, Director, Social Protection and Labor, World Bank, Washington DC

Umran Beba, President, Asia Pacific, Pepsico International, Hong Kong SAR
Gerald Chertavian, Founder and Chief Executive Officer, Year Up, USA

*May Habib, Founder and Chief Executive Officer, Qordoba Limited, United Arab Emirates

*Choeun Hong, Director-General, National Employment Agency (NEA), Cambodia

*Majid Jafar, Chief Executive Officer, Crescent Petroleum, United Arab Emirates

*Chris Kirk, Chief Executive Officer, GEMS Education Solutions, GEMS Education, United Kingdom

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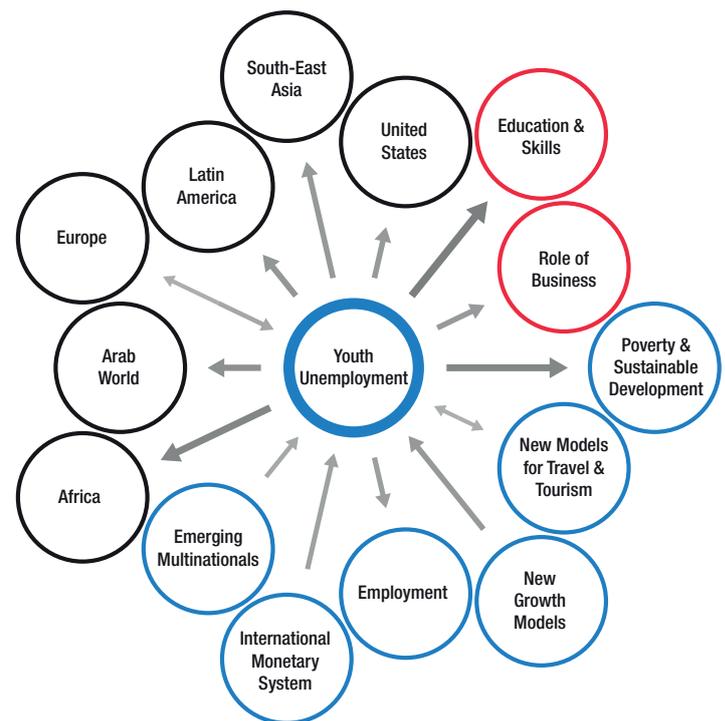
*Confirmed participation in the Summit on the Global Agenda 2012

Council Insights

The Global Agenda Council on Youth Unemployment is developing an action plan with measurable results. It convenes relevant stakeholders to build awareness, alignment and commitment to collaborative action and to incorporate the voices of young people. The Council focuses on improving access to skills training and job opportunities by engaging multinational corporations. It highlights the policies and programmes that are efficient at providing jobs and improving economic outcomes for the youth.

While the Council is still exploring potential areas of work for the coming year, existing initiatives that were started during the 2011-2012 term will continue to be a part of the group's focus. In the framework of the TEN Youth initiative, which was a result of collaboration between the Global Agenda Councils on Youth Unemployment and Emerging Multinationals, several business organizations have committed to hire, train and mentor 10 previously-unemployed youths.

Furthermore, the Council will work in Tunisia and Cambodia to forge new, innovative models of partnership between both public- and private-sector education providers and employers to enhance the employability of young people by improving their market-relevant skills. The aim of these partnerships will be to bring inputs and involvement of the private sector to the design and implementation of specific vocational-training and work-readiness programmes for schools.



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