

#### **B20 Germany Update**

No. 4, April 2017

March has been a very productive month for B20 Germany. The taskforces and cross-thematic groups finalized the third draft of their policy papers to be presented at the second Joint Taskforce Meeting in Paris. In addition, B20 Germany repeatedly engaged with the G20 process. The B20 Conference in Paris, which was organized jointly with our network partner Business at OECD (BIAC), provided ample opportunities for networking and exchange of ideas within the B20 and with the OECD. We are proud that most policy papers have been finalized and adopted in Paris. They now await publication after a final round of editing in April. The finalization of recommendations came just in time for the second G20 Sherpa meeting in Frankfurt. B20 is also happy to announce the start of the B20 Health Initiative. The Initiative has started its work on its policy recommendations, which will be presented at the Health Conference on May 18 in Berlin. B20 is now gearing up for the B20 Summit – we hope to see all of you on May 2-3 in Berlin. In order to participate, it is necessary to follow the registration link that you have received via mail.





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#### **B20 Policy Papers Published**

Over the past ten months the B20 taskforces and cross-thematic groups intensely worked together to draft actionable policy proposals to the G20 that speak for the entire global business community. After the finalization of the recommendation development process at the B20 meeting in Paris at the end of March, the final policy papers have now been disseminated to G20 decision-makers and published: https://www.b20germany.org/documents/

The aim of the policy papers is to inform G20 decision-making on the way to their Hamburg summit in July 2017 but also beyond. The G20 and B20 are continuous processes and the Policy Papers should remain valuable guidelines and references for future G20 cycles. We thank all B20 members for their hard work and invaluable input over the last ten months! The B20 is a member-driven process. It would not have been possible without the continuous engagement of its more than 700 members.

## B20 High-Level Statement "Digitalization for All: Towards an Inclusive Interconnected World", April 6

On April 6 and 7, the G20 Digital Ministers met for the first time ever. On this occasion, the B20 issued the <a href="https://high-level.ntm.com/



# Digitalisation: Policies for a Digital Future Digitalisation: Policies for a Digital Future G20 GERMANY 2017

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## B20 Members Participating in G20 Multi-Stakeholder Conference, April 6

The German Federal Ministry for Economic Affairs and Energy organized a G20 Multi Stakeholder Conference that took place on 6 April, in the run-up to the G20 Digital Ministers Meeting. The conference, "Digitalisation: Policies for A Digital Future", featured several panel discussions bringing together high-ranking international experts from the fields of politics, business, and civil society. Among the B20 members that participated as speakers or panelists were Korea Telecom, Deutsche Telekom, Schaeffler, Google, Microsoft, and Telefonica.

# B20 Publishes Evaluation of the Communiqué of G20 Finance Ministers and Central Bank Governors, March 30

On March 17 and 18, G20 Finance Ministers and Central Bank Governors met in Baden-Baden. The B20 welcomed progress on the ambitious G20 work program, particularly the references to guaranteeing financial stability and balanced growth in the G20 Communiqué. The B20 also agreed with the G20 that an open and resilient financial system was crucial to supporting sustainable growth and development. However, the B20 voiced its disappointment with the progress made on trade. Those who had hoped for a strong commitment to open and inclusive markets were disappointed. The B20 calls on the G20 for more decisive action. See the detailed evaluation here.

#### BDI/B20 Delegation at B7 Summit in Rome, March 30-31

A prominent BDI/B20 Delegation participated in the 2017 B7 Summit under the Italian Presidency on March 30-31 in Rome. Delegation members Klaus Rosenfeld, CEO of Schaeffler AG and Co- Chair of B20 Taskforce Digitalization, together with Rudolf Staudigl, CEO of Wacker Chemie AG and SME Cross-thematic Group Chair spoke on trade, the economic situation in Germany, Industry 4.0, and resource efficiency. All of them stressed that G7 members need to reaffirm their commitment to open markets, as well as free and fair trade. Klaus Rosenfeld called on the G7 to increase global resource efficiency and supported the idea of a G20 Resource Efficiency Plat-form, as proposed by the B20.

## B20 SME Chair Rudolf Staudigl at Resource Efficiency Workshop in Rome, March 30

B20 SME Chair Rudolf Staudigl, CEO of Wacker Chemie AG, held the welcoming remarks at the International Workshop on Resource Efficiency on March 30 in Rome, co-hosted by Confindustria and the Global Business Coalition. Speaking on the same panel as Italian Minister for the Environment, Gian Luca Galetti, Rudolf Staudigl outlined the importance of resource efficiency for businesses. He stressed that resource efficiency had been a focus topic in the EU and in the G7 for a couple of years but that it needed to be tackled on a global level. He emphasized that B20 welcomed the German G20 initiative for a G20 Resource Partnership.



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## B20 Chairman Jürgen Heraeus at Wirtschaftsforum der SPD, March 29

The "Wirtschaftsforum der SPD e.V." organized the conference "Global Governance in Times of Globalization Scepticism". The event was hosted by the Deutsche Bank. In a keynote speech, B20 Chairman Jürgen Heraeus emphasized the advantages that globalization and international cooperation provide to people and economies around the globe. However, governments and businesses should make greater efforts, for instance in lifelong learning, to ensure that everyone can benefit from existing opportunities. Brigitte Zypries, the Federal Minister for Economic Affairs, thanked the B20 for its valuable recommendations and advocacy efforts, pointing out especially B20's policy proposals and statements on anti-protectionism. State Secretary Matthias Machnig participated in a panel together with B20 Employment & Education Taskforce Chair Gerhard Braun, B20 Sherpa Stormy Mildner, Ilja Nothnagel, Head of the External Economic Policy Department of DIHK, and Burkhard Ober, Head of Public Policy at the Allianz Group, whose CEO is chairing the B20 Financing Growth & Infrastructure Taskforce. All panelists underlined the need for international cooperation.

#### B20 Presenting Recommendations to G20 Sherpas, March 23

B20 Sherpa Stormy Mildner presented the B20 recommendations at the 2nd G20 Sherpa meeting under the German presidency. She emphasized the potential for inclusive growth and welfare in all B20 focal areas, if ambitious action was taken.

Trade played a particularly important role in the subsequent discussion with the Sherpa. Stormy Mildner underlined the benefits of trade while also emphasizing that trade should become more inclusive, for example by strengthening education and life-long learning. Given massive structural change, governments and business needed to invest more in education, training, and life-long learning. C20 and L20 also participated in the G20 Sherpas' Meeting.

# **B20 Task Force ECRE Participating in G20 Sustainability Working Group, March 23**

B20 ECRE Chair representative Christian Schubert, Vice President of BASF, participated together with T20 and C20 in the second G20 Sustainability Working Group Meeting in Berlin. Schubert presented the Joint Statement of B20, C20, and T20 on a sustainable energy transition as well as additional B20 recommendations in the areas of energy innovation and resource efficiency. Schubert welcomed the merging of climate and energy in a new G20 Sustainability Working Group. Together, B20, C20, and T20 are asking the G20 governments to: first, take the lead in implementing the Paris Agreement, second, establish global carbon pricing mechanisms and phase out inefficient fossil fuel subsidies, and third, enable financial markets to deliver on sustainable development. The C20-B20-T20 report can be found <a href="here">here</a>.



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#### 3rd B20 Joint Taskforce Meeting at the OECD, March 22

Following the success of the high-level B20-OECD-BIAC Meetings during the OECD Weeks in 2015 and 2016, the 2017 event aimed to further strengthen the B20 dialogue with the OECD and BIAC. Speakers and attendees included leaders from the B20 and Business at OECD (BIAC) community, selected Sherpas from G20 economies, senior OECD and G20 government officials, as well as OECD leadership. The event allowed participants to engage in a dialogue on the German G20 Presidency priorities, share the B20 Germany recommendations, and benefit from OECD knowledge and expertise on global economic governance and challenges to build momentum for the upcoming G20 Hamburg Summit in July 2017. Most B20 Taskforces and Cross-thematic Groups adopted their policy reports in Paris and talked strategy on upcoming advocacy.

## **B20 Starts B20 Health Initiative with Workshop in Paris, March 22**

Following the start of the B20 Health Initiative last month, the B20 discussed the first draft of the health policy paper in Paris. Participants were highly motivated, discussing Antimicrobial Resistance, Neglected Tropical Diseases, Pandemic Preparedness, Digital Health, Global Health, and Innovation in Healthcare. The health policy paper will now enter a period of discussion. We hope to finalize the paper late April.

During the workshop, Andrew Jenner, Special Advisor to the Director General, International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) gave a presentation on "Recent Industry Declaration on Economic Incentives to tackle Anti-Microbial Resistance." B20 Network Partner Business at OECD, Ali Karami-Ruiz, moderated the workshop.

#### B20 Participating in MIKTA Workshop at the WTO, March 20

B20 Sherpa Stormy-Annika Mildner participated in a workshop of the MIKTA group at the WTO in Geneva. MIKTA is an informal partnership that brings together Mexico, Indonesia, Republic of Korea, Turkey, and Australia. At this workshop on trade and investment issues, Mildner was among the speakers of the panel on recent developments that was chaired by Ambassador Roberto Zapata, Permanent Representative of Mexico to the WTO. She focused her statement on opportunities and challenges in the trade and investment area from a business perspective.



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# B20 Sherpa Discusses WTO Business Focus Group Recommendations with WTO Director General Roberto Azevêdo, March 20

About 60 business representatives from all over the world that constitute the WTO Business Focus Groups (BFGs) agreed on joint recommendations on how to improve the process of the WTO and make it more relevant for business. Two WTO BFGs are part of the WTO Trade Dialogues that have been initiated by the International Chamber of Commerce (ICC) and the B20 in May 2016 with the support of the WTO Secretariat. B20 Sherpa Stormy Mildner chaired the WTO BFG on market access, trade in services, and investment facilitation. Recommendations focus on a roll-back of protectionism and the revitalization of WTO negotiations on rules and liberalization, including new plurilateral initiatives. On March 20, Mildner presented the final report to WTO Director General Roberto Azevêdo in Geneva. The other BFG of the WTO Trade Dialogues, chaired by ICC Secretary General John Danilovich, focused on micro, small and medium-sized businesses and e-commerce and published its report in September 2016. More on the WTO Trade Dialogues can be found here.

# B20 ECRE Chair Kurt Bock speaking at Berlin Energy Transition Dialogue, March 20

B20 ECRE Chair Kurt Bock, CEO of BASF, participated in the green sofa debate on carbon pricing at the Berlin Energy Transition Dialogue on March 20 in Berlin. Representing the B20 business perspective in a moderated debate with Laurence Tubiana of the European Climate Foundation, Bock highlighted the need to put the car-bon pricing issue on the G20 agenda. He stressed that businesses need a global level playing field.

## BDI/B20 Workshop at G20 "Digitizing Manufacturing" Conference, March 17

The G20 presidency organized a conference on initiatives, best practices and policy approaches for the successful digitalization of manufacturing with more than 500 guests from governments, business, and civil society. The Federation of German Industries (BDI) and the B20 organized a workshop on the opportunities and challenges of smart cities and Industry 4.0 applications, that bring together a variety of digital solutions and create an own digital eco-system.

# B20 Presenting Recommendations to the G20 Workshop on Resource Efficiency, March 17

B20 Sherpa Stormy Mildner participated in the G20 Government Workshop on Resource Efficiency in Berlin. Mildner outlined the B20 recommendations: that resource efficiency should be put on the G20 agenda and that the G20 should establish an inter-governmental G20 Platform on Resource Efficiency. Such a platform could be chaired by the respective G20 Presidency of each G20 cycle and should enable a strategic dialogue with the goal of developing a common understanding and scientific base for resource efficiency.





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#### B20 Chair Jürgen Heraeus participating in G20 High-Level Session on Resource Efficiency, March 16

B20 Chair Jürgen Heraeus gave a keynote speech at the G20 High-Level Session on Resource Efficiency in Berlin. Speaking after the German Minister for the Environment Barbara Hendricks and Director General Wolfgang Scheremet of the German Ministry for the Economic Affairs and Energy, Heraeus outlined the importance of resource efficiency for businesses. As natural resources are key production factors, resource efficiency is increasingly becoming a competitive advantage and is key to a sustainable and secure supply of materials, Heraeus argued.

Heraeus welcomed the initiative of the German G20 Presidency to start a G20 Resource Partnership. He stated that resource efficiency needed to be tackled at the global level and proposed the establishment of a G20 Platform on Resource Efficiency.



The Association of German Chambers of Commerce and Industry invited political and economic leaders to their annual Weltwirtschaftstag (World Business Day) on March 16th in Berlin, Germany. After a number of foreign chambers of commerce presented the prospective directions of their countries, the German Minister for Economic Affairs and Energy, Brigitte Zypries, held a keynote speech on current global challenges and how to overcome them by enhancing free trade and open societies.

B20 Chairman Jürgen Heraeus spoke on the panel "Isolation trend during globalization – how much interconnectedness of politics and the economy do we think we are capable of?" He emphasized the importance of an open discussion about current crises and stronger international collaboration. Free trade and digitalization would create the necessary conditions for stable economic growth. Heraeus also highlighted the network of the German foreign chambers of commerce and the B20 as successful examples of working together in the global economy.



The 9th Annual IIF G20 Conference, 'The G20 Agenda under the German Presidency', took place in Frankfurt, Germany on March 15-16, 2017, ahead of the first Ministerial Meeting of the German G20 Presidency. Organized in close consultation with the Deutsche Bundesbank and the German Finance Ministry, this high-level public-private sector conference convened senior policymakers and regulators with top financial services industry executives. B20 Sherpa Stormy Mildner, Robert Milliner, International Affairs at Wesfarmers Limited and B20 Advisor, Veronique Ormezzano, Head of Group Prudential Affairs at BNP Paribas and B20 Member, together with Hung Tran, Executive Managing Director IIF, discussed the B20 priorities for 2017/2018. The IIF is a network partner of B20 Germany.



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#### G20 Development Working Group, March 14

On March 14, the G20 Development Working Group invited members of the G20 engagement groups B20, T20, and C20 to Bonn, Germany, to have a dialogue on the implementation of the 2030 Agenda. On the first panel, Mr. Jens Dinkel, Vice President Corporate Strategy - Sustainability Management of Siemens and member of the Taskforce Energy, Climate & Resource Efficiency, highlighted the B20 recommendations that directly contribute to the Sustainable Development Goals and the importance of the B20 assisting the G20 members. With his fellow panelists, he discussed the opportunities that arise for each engagement group and for the G20 as a whole from working together. The second panel focused on how the 2030 Agenda could be implemented in the context of urbanization. The last session's goal was to formulate a joint key message of the meeting on which actions are needed to foster sustainable processes in regards to the 2030 Agenda.



The Federal Ministry of Finance together with the KfW and SME Finance Forum organized a workshop on "Helping SMEs Go Global -Moving Forward in SME Finance" on February 24th in Frankfurt, Germany. They invited G20 delegates, international organizations, development banks as well as German and international representatives of the private sector focusing on SME financing. Ms. Lynette Magasa, CEO of Boniswa Corporation and Co-Chair of the Cross-thematic Group SMEs, as well as Mr. Andreas Haindl, CEO of MainFirst Bank and member of the Cross-thematic Group SMEs and the Taskforce Financing Growth & Infrastructure, held the lead intervention in the panel discussion on "Fostering SME Finance in Sustainable Global Value Chains". The session highlighted the current challenges for SMEs in global value chains and focused on the opportunities to better integrate SMEs by increasing their access to the financial and digital infrastructure.

#### Second G20 Employment Working Group Meeting, **February 15 – 17**

The G20 Employment Working Group met for the second time on February 15 to 17 in Hamburg, Germany. B20 was represented by Renate Hornung-Draus, Managing Director of the Confederation of German Employers' Associations (BDA) and Vice-President of the International Organisation of Employers (IOE). She highlighted that crossborder trade and global supply chains (GSCs) foster economic and social development. Where critical issues arise, these need to be addressed by governments and business in line with their sphere of influence. Employers attach great importance to the creation of a global level playing field through general adherence to the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for MNEs and the ILO Tripartite Declaration of Principles concerning MNEs and Social Policy. Imposing legal liabilities on business in relation with the management of complex and volatile supply chains is not considered to be the right way forward and would create unintended effects. Moreover, B20 reiterated its strong support to the Vision Zero Fund and its further development in the G20 context.





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#### **Upcoming B20 Events**

- B20 Summit, May 2nd-3rd, Berlin
- B20 at IOE Global Employers Summit, Bad Neuenahr- Ahrweiler
- B20 Health Conference, May 18th Berlin
- B20 at St. Petersburg Economic Forum (SPIEF), June 1st
   -3rd, St. Petersburg
- B20 at Partnership with Conference, June 12th-13th

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