

Committee:	Date:
Policy and Resources	7 June 2018
Subject: City of London Corporation – Engagement Strategy with World Economic Forum (WEF)	Public
Report of: Damian Nussbaum, Director of Economic Development	For Decision
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Summary

The World Economic Forum (WEF) is an independent non-profit organisation dedicated to improving global economic and social conditions on a global scale. It is well known for its annual meeting held in January in Davos, Switzerland. This is a forum attended by business, political, policy making and other leaders to discuss current economic and social issues, problems, ideas and possible solutions.

Through the work of the Economic Development Office (EDO) the Corporation is now able to develop a more formal relationship with the World Economic Forum (WEF). As a leading global networking and policy platform, the activities of WEF are aligned with the City Corporation's three strategic Corporate Objectives for 2018 - 2023:

- a. Growing the economy - WEF provides an opportunity to promote the City as an international centre for financial and professional services, strengthening access to key global markets.
- b. Shaping the City of the Future - by sharing and learning with WEF stakeholders and global connections, ensuring the City remains a hub for innovation and enterprise.
- c. Supporting an inclusive society - working with WEF to make sure that the City has the right combination of skills and talent across its workforce and businesses work with integrity and are responsible for their actions.

To maximise the opportunities arising from joint working, it is recommended we develop a three-year rolling engagement strategy with WEF through EDO. This strategy will focus on areas of mutual interest and through identifying 'touch points' for engagement, such as the WEF Annual Meeting in Davos; the WEF Annual Innovation Summit in China and by drawing on the Corporation's strong convening powers, to facilitate WEF meetings and events here in London.

The planning and delivery of the engagement strategy involves both the policy and political leadership of the Policy and Resources Chair (CPR) with the business engagement and trade promotion side of the Lord Mayor's (LM) annual overseas programme. Combining the activities of the LM and CPR provides a more holistic proposition for the WEF.

Recommendation(s)

Members are asked to decide the following:

- Approve the policy of a three-year rolling engagement strategy with the WEF.
- Approve the attendance of both the CPR and the LM at the WEF Annual Meeting in Davos; attendance at a WEF event in another priority market and the Corporation hosting of a WEF meeting/event in the City (note: the LM's attendance at WEF meetings will be covered by MVAC 2018 – 2019 and subsequent participation up to 2021)
- Approve an annual budget for the next three years from the 2018/19, 2019/20 and 2020/21 Policy Initiatives Fund amounting to £35,000, £36,500 and £38,000 respectively, categorised under 'Promoting the City' and charged to City's Cash.
- Agree that EDO will report back to the Committee on the outcomes of the WEF Annual Meeting Davos 2019 and all other Corporation/WEF meetings and/or events.

Main Report

Background

1. WEF is an independent international non-profit organisation committed to improving the state of the world by engaging business, political, academic and other leaders of society to shape global, regional and industry agendas. WEF employs over 600 people. Its headquarters are in Geneva, Switzerland, with additional offices in New York, Beijing and Tokyo. The WEF is funded through corporate partners. Professor Klaus Schwab founded the Forum in 1971.
2. WEF aims to do this by bringing together what it calls public and private "stakeholders" - in the main, heads of state, business, academia and society - and providing them with a space to discuss shared interests and problems. To shape the global debate, WEF currently operates 14 System's Initiatives or workstreams. The System's Initiative on *Shaping the future of Financial and Monetary Systems* - is of key importance to the work of the Corporation, covering issues related to Innovation; FinTech and Cyber-risk. Other System Initiatives with a strong cross over to the work of the Corporation include: Digital Economy; Gender; Trade; Long-Term Investing and Infrastructure; and Social Mobility.
3. Drawing on the Forum's global platform for engagement, insight and impact, WEF has launched a new Centre for Entrepreneurship and Innovation and a Global Centre for Cybersecurity. The WEF Centre for the Fourth Industrial Revolution based in San Francisco, has a focus on the challenges and opportunities presented by advanced technologies in the economy and society while the Skills Gap Project aims to create global and national platforms to address current skills gaps and to reshape education and training for the future and includes work on the financial services sector.
4. WEF holds four major annual meetings, these include:
 - (i) the WEF Annual Meeting, held in Davos-Klosters, Switzerland, that shapes global, regional and industry agendas at the beginning of the calendar year;
 - (ii) the Annual Meeting of the New Champions, the Forum's annual meeting on innovation, science and technology, which is held in the People's Republic of China;

- (iii) the Summit on the Global Agenda, held in the United Arab Emirates, brings together the world's leading knowledge community to share insights on the major challenges facing the world today; and
 - (iv) the Industry Strategy Meeting that brings together Industry Strategy Officers to shape industry agendas and explore how industries can shift from managing change to pioneering change.
5. By far the most notable of these events is the WEF Annual Meeting in Davos. Over time, Davos has become the global policy exchange platform, unmatched in its ability to engage leaders from business, government, international organisations, civil society and academia, to debate, in an open and informal environment, key global priorities.
 6. Invitations to Davos are aimed at individuals and not organisations - large delegations are discouraged, and invites are not transferable within organisations. The ethos of Davos is all about connecting people and engaging in smart, flexible and solution-oriented thinking; no issues are too big or too complex to be discussed and innovative solutions and new ideas to global problems are encouraged. Davos presents an excellent opportunity for the Corporation to raise its profile at the international level.
 7. At the invitation of the WEF Executive Chairman, the LM and EDO Director, were invited to attend the 2018 WEF Annual Meeting in Davos. The overall theme of the 2018 Annual Meeting was *Creating a Shared Future in a Fractured World* and Annex A provides a summary of the outcomes of that visit.
 8. Participation at the Annual Meeting clearly illustrated that Davos was a great opportunity for the Corporation to engage in key regulatory and policy discussions and to foster deeper relationships with the policy makers, regulators and businesses from key priority markets – the US, China, Hong Kong, Singapore, Japan, Switzerland, India, Saudi Arabia/UAE and the Commonwealth.
 9. Over the five-day period of the 2018 WEF Annual Meeting, there were over 3,000 leading figures from 134 separate countries who attended Davos - Annex B provides a breakdown of Davos attendees by country.

Current Resource

10. No extra resource was dedicated to the LM and EDO Director visit to Davos in 2018.
11. As a governmental body, WEF does not charge a membership fee or a levy for participation at WEF events and meetings, as is the case for corporate and business representatives.
12. WEF do require governmental bodies to cover their own travel, accommodation and subsistence costs, when attending WEF meetings and events.

Proposals

13. The work of WEF and the Annual Meeting in Davos accord well with the role of the Corporation in strengthening commercial and political ties at the global level. Davos

attracts a high-level audience of business leaders, politicians, diplomats and global leaders as well as significant media coverage.

14. Given the significance of the event, it is important that the Corporation itself has a strong presence at Davos, a view the CPR has been recently urged to consider by the sector. It is recommended that both the CPR and the LM attend Davos with the possibility of coordinating participation across the 5 days of the meeting, to avoid any unnecessary duplication or crossover between the CPR and LM.
15. By combining the activities of the CPR and the LM will result in enhancing the Corporation coverage with a view to:
 - a. Accessing senior level business leaders, who are willing to speak on issues that are important to them.
 - b. Projecting the 'voice of the City', to articulate Corporation messaging and key industry asks; and to showcase the breadth and depth of the Corporation's work on a global stage.
 - c. Sending a signal to the outside world that the City is confident about the future and is open for business, post Brexit.
 - d. Identifying the next big policy and business issues to shape society and the global economy.
16. To support meaningful engagement and to maximise the opportunities of working with WEF, a three-year timeline provides a good starting point for building a stable platform for a longer-term relationship. The Corporation would seek to contribute to the WEF programme of work and to align outputs to the planned activity of EDO and the wider Corporation. Being recognised as a committed partner puts us in good stead when it comes to securing invites and speaking slots at Davos and at other WEF events. WEF supports a phased approach to joint working, as there are risks of trying to do 'too much too soon'. By developing a phased and integrated approach the Corporation can add value to the WEF proposition.
17. Recognising the important convening powers of the Corporation, drawing on the business expertise and insight of the City, the Corporation would facilitate at least one WEF event and/or meeting in the City each year. Not only will this serve the interests and profile of the City, it will deepen the relationship between the two organisations, to be more proactive and to utilise each other's strengths.
18. At the end of the first year an assessment and evaluation of the engagement strategy will be undertaken, to identify key lessons, barriers and challenges to partnership working. Recommendations will be made on any subsequent engagement with the WEF.
19. To deliver the WEF engagement strategy will require additional resources to cover travel, accommodation and subsistence costs associated with attending the WEF Annual Meeting in Davos; attendance at a WEF event in another priority market and for the Corporation to host one WEF meeting each year in the City.

Implications

20. It is proposed that the required funding of £35,000 is required to cover the travel, accommodation and subsistence costs of CPR and EDO official participation at WEF Annual Meeting in Davos; costs associated with CPR and EDO official attending another WEF meeting in a priority market (for example, the Annual Meeting of the new Champions in China) and associated costs for hosting a WEF meeting at the Guildhall. For the 2019 - 2020 and 2020 - 2021 budgets, costs would increase by inflation to £36,500 and £38,000 respectively. Costs associated with the LM's participation in Davos will be covered by MVAC.
21. It is proposed that the required funding of £35,000, £36,500 and £38,000 is to be drawn from your Committees 2018/19, 2019/20, and 2020/21 Policy Initiatives Fund categorised under 'Promoting the City' and charged to City's Cash. The amounts available in your Committees 2018/19, 2019/20, and 2020/21 Policy Initiatives Fund is £391,941, £852,365, and £978,365 prior to any allowances being made for any other proposals on today's agenda.

Conclusion

22. Building on the successful visit to Davos in 2018 it was felt necessary that any future participation and engagement with the WEF should form part of a three-year rolling engagement strategy with the WEF. To maximise the opportunities for the Corporation it is recommended that both the CPR and LM participate at WEF Annual Meeting in Davos; participate in another WEF meeting covering a key priority market and to host a WEF meeting in the City. These activities should form part of a co-ordinated approach, integrating the overseas programme of the LM with the activities of the CPR, to ensure maximum impact for the Corporation.

A. Engagement Report Davos January 2018

1. At the invitation of Professor Klaus Schwab, Founder and Executive Chairman of the World Economic Forum (WEF), the City of London Corporation (Corporation) participated in a programme of meetings, events and informal gatherings at the 48th World Economic Forum (WEF) Annual Meeting, Davos-Klosters, Switzerland, 24 – 26 January 2018.
2. Attendance at Davos is by invitation only and these invitations are limited and often preclude large delegations. Over time, Davos has become one of the most influential global gathering of politicians, business leaders; academics and civil society organisations. Given the opportunities and benefits to be gained from attending such high-profile event, it was agreed that for 2018, the Lord Mayor (LM) would attend Davos and was accompanied by the Director of Economic Development. The visit was strongly supported by the WEF and the UK Embassy in Bern. The theme of the Annual Meeting was *Creating a Shared Future in a Fractured World*.
3. While the LM and the EDO Director attended for a day and a half, out of the five-day programme, the time spent at Davos, generated substantive outputs, contacts and informal networking in support of wider Corporation objectives.
4. Davos is a global platform, unmatched in its ability to engage business and political leaders. The opening address to the Annual Meeting was delivered by Narendra Modi, Prime Minister of India and Donald Trump, President of the United States of America, delivered the closing address. Other global leaders participating at Davos included: Paolo Gentiloni, Prime Minister of Italy; Angela Merkel the German Chancellor; Jean-Claude Juncker, President of the European Commission; Emmanuel Macron, President of France; Theresa May, Prime Minister of the United Kingdom, who gave a special address on the afternoon of Thursday 25 January; and Justin Trudeau, Prime Minister of Canada. Other Members of the UK Cabinet in attendance included Chancellor Philip Hammond; Greg Clark, Minister for Cities; Dr. Liam Fox, Secretary of State DIT and Matt Hancock, Secretary of State for Digital, Culture, Media and Sport.
5. There is more to Davos than just the WEF Annual Meeting - Davos is a series of different parallel events, programmes and activities. The official agenda is complemented by a series of private meetings convened by WEF; on the fringes there are private sessions; panel discussions and roundtables organised by leading corporates and global institutions and during the evening there are numerous receptions and dinners, providing opportunities to informal networking.
6. During the Annual Meeting, global corporates, including some financial services companies, will often rent venue space in Davos, providing them with the opportunity to talk and meet with their key clients who are attending the Annual Meeting.
7. Davos has become the global 'connector' event where business leaders discuss important strategic issues with partners and global organisations.
8. The overarching objectives of the Corporation's participation at Davos were:
 - To deliver positive messages about the confidence of the City despite Brexit.
 - To project the future of London as a key global financial asset - especially to current and future investors.

- To contribute to the debate on the importance of the trust of business in a fractured world and to promote the work of the Corporation to maintain the City's competitiveness.
- To maximise networking opportunities with global leaders and businesses to promote key Corporation messaging and priorities.
- To seek wider partnership opportunities with the WEF and other stakeholders.

9. The Corporation achieved these objectives through the following activities:

- Attending the **British Business Leaders Lunch** provided an opportunity to meet business leaders including Lloyds of London, Accenture, Finsbury, Centrica, BAE, the Prudential, the CBI, BT and Barclays. A key talking point included the effectiveness of President Macron's welcome at Versailles to potential international investors.
- An invitation to the **PM's special address to Davos** allowed the Lord Mayor to meet with the ICAEW to discuss the planned Audit Quality Forum.
- Opportunity to attend the **Onward with Europe meeting** and to listen to Brexit related points raised by Michel Barnier (EU) and John McDonnell (Shadow Chancellor).
- An invitation to attend two high profile policy sessions – the **Remaking of Global Finance Session** and the **Informal Gathering of World Economic Leaders**.
- To undertake key **bilateral meetings** including a discussion with Motive Partners and the Australian Finance Minister; regarding the Lord Mayor's upcoming visit to Australia and New Zealand; a meeting with Richard Edelman to discuss the Business of Trust Agenda; a meeting with the International Managing Editor of CNBC; and a discussion with the Global Chairman of PwC to discuss the outcome of the PwC's Global CEO's Survey.
- Meeting representatives from the **World Economic Forum (WEF)** - to talk about future working relationships between the Corporation and the WEF.

10. The Corporation also attended the following evening events:

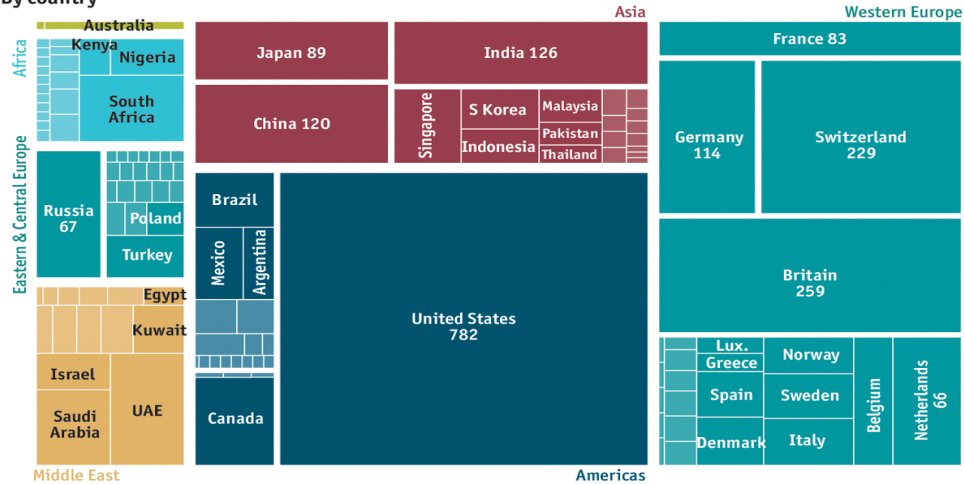
- **Aberdeen Standard Investment Evening Reception** provided an opportunity to discuss the Lord Mayor's recent visit to Scotland.
- The **WPP reception** which allowed for a discussion on promoting the Corporation globally.
- **The JP Morgan reception**, was an opportunity to make contact key City partners and stakeholders.
- **The GREAT; Dow Jones and Wall Street Journal CEO Dinner** where Dr Liam Fox (Secretary of State, DIT) thanked the Corporation for all its support for the DIT agenda.

B. Breakdown of Delegates: World Economic Forum 2018

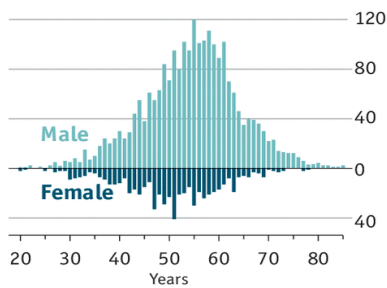
Power grid

World Economic Forum 2018, number of delegates

By country



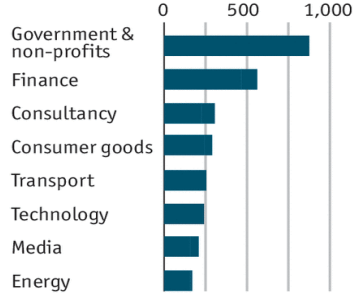
By age and sex



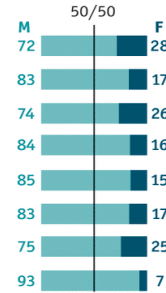
Source: World Economic Forum

Economist.com

By sector



Gender split



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