

Stenograph of the speech delivered by **Svetlana Lukash**, Russian G20 Sherpa, at the international scientific conference “Globalization 4.0, Changing World Order and the Future of Global Economic Governance”, RANEPA, Moscow

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Unofficial transcript

Svetlana Lukash (speaks in Russian): I am glad to be here today surrounded by familiar and friendly faces and I want to express my gratitude for the invitation to the annual RANEPA conference. Vladimir Alexandrovich (Mau), thank you for organizing this event. Marina Vladimirovna (Larionova) – your efforts aimed at promotion of Russian and international studies on global governance and the role of G20 and BRICS earn much praise. As many of our guests are from abroad and English is a language of G20, from now on I will speak in English.

Well, I witnessed G20's evolution for years and its quality grows each year. I don't think that I should now focus on the recent very successful Japanese Presidency, because I have Minister Koizumi close to me who will emphasize a bit later G20 achievements this year. But I'd like to focus on the role of G20 as a key global institution. Over the past 10 years I witnessed 3 stages of G20. First, it was primarily anti-crisis management, coping with global financial crisis and putting global economy on a sustainable path. Then, G20 tried to make the growth more stable, sustainable, and focused on preventing next possible crisis. It was the first step of this global institution on the road to a more comprehensive concept of sustainable development. Then, G20 tried itself as the mechanism to analyse megatrends that affect our life, assess them and try to govern them. These key megatrends are digitalization, inequality and climate change. Indeed, there are quite many more megatrends, like migration, urbanization and ageing, but these three - digitalization, inequality and climate change - are the most crucial and will only grow to influence us and our future.

So, these challenges call for further evolution of G20 and putting it to a fourth stage of its development. This stage means putting people at the centre of agenda of each global institution and of our common task of pursuing sustainable growth. Maybe it's better now to speak not about just strong, sustainable, inclusive and balanced growth, but, more broadly, about human well-being. It implies concept of not speaking of growth per se, but of saving our planet and our people. This, indeed, puts development agenda in the first place, but not as a separate track, as it was for years in G20. We should rather analyze and perceive this concept as our common goal, as something that should be under our skin when we discuss each topic in G20: from finance agenda to climate change, from digital economy aspects to political issues of security and migration. I think G20 evolves now building on this concept, and each working track is being adapted more or less to reflect not only just economic aspects of growth or financial stability, but seeing people in the first place. And it stipulates for increased multilateral cooperation.

In this regard, I see that digitalization is not just a megatrend that we should look through the microscope and try to analyse; G20 has spent several years on doing that. Now it's time to use all kind of potential that digital economy gives us, just as a tool for quality life and human well-being, for ensuring that our world becomes more sustainable and inclusive. It means that issues that affect people's life should come in the first place.

I would emphasize three key areas in terms of digitalization that are the core of Globalization 4.0 - as we formulated the title of our conference today - that should be prioritized in the work of G20.

1. First, indeed, is skills to adapt people to the future of work. That topic has been in the G20 agenda for 2 years already. This should continue to be one of the main issues to be further developed and analysed. Another aspect here is consumer protection, in all spheres that are affected by digital trends, from trade to financial sector. Consumers are, again, people. It is also about the ways we do business now. All economic activities should be perceived now from the perspective of changing

reality of our markets and, again, people should be at the center of this perspective. So, the primary area that we should focus on in the era of digitalization is education and skills development, digital inclusion and digital literacy for our people - all means to help our people harness the potential of digital economy.

2. Second area is regulatory frameworks. We need very transparent, very understandable regulatory frameworks in all spheres. In technology, indeed, harmonization of standards, so that our technological systems and IT sectors work in a more transparent and clear way. In trade - as trade today is expanding especially in the area of digital trade. We need to understand how it works, and regulate all the aspects. In tax - as taxation of digital economy is a key challenge now, and, also, it is the key element to enable mobilization of domestic resources for the development purposes. To ensure financing for development, we need tax systems in all our countries work efficiently and in a clear way.

3. Third comes issues of security in digital economy. Security and trust in the use of modern technologies and digital systems, artificial intelligence, fintech - in every way to make our personal and commercial data safe, to make states and critical infrastructure secure from all kind of interference and cyber threats.

So, making digitalization a tool to alter people's life for the better, should be the core task for G20 now. It is the only way to make our world more fair, more sustainable and more inclusive, leaving no one behind.

Thank you very much.