

Transformative Technologies for Business Growth

*Mr. Pradeep Chaturvedi



Artificial Intelligence has now gained importance in economic development in every sector, especially the business sector. The G20 Summit was organised in New Delhi on September 9–10, 2023, wherein the leaders emphasised that they were meeting at a defining moment in history where the decisions they will make now will determine the future of our people and our planet. It is with the philosophy of living in harmony with our surrounding eco-system that the leaders committed to concrete actions to address global challenges.

The G20's cooperation is essential in determining the course the world follows. Headwinds to global economic growth and stability persist. Years of cascading challenges and crises have reversed gains in the 2030 Agenda and its Sustainable Development Goals (SDGs). Global greenhouse gas (GHG) emissions continue to increase, with climate change, biodiversity loss, pollution, drought, land degradation, and desertification threatening lives and livelihoods. Rising commodity prices, including food and energy prices, are contributing to cost of living pressures. Global challenges like poverty and inequality, climate change, pandemics, and conflicts disproportionately affect women and children, who are the most vulnerable.

Thrust of the G20 Declaration

The G20 declaration specifically focused on the commitment of the global leaders to the following issues:

The G20 countries have resolved to collaborate to foster international collaboration in order to fully realise the potential of AI, share its benefits equitably, and mitigate its risks.

- Accelerate strong, sustainable, balanced, and inclusive growth.
- Accelerate the full and effective implementation of the 2030 Agenda for Sustainable Development.
- Pursue low-GHG/low-carbon emissions, climate-resilient and environmentally sustainable development pathways by

championing an integrated and inclusive approach. We will urgently accelerate our actions to address development and climate challenges, promote Lifestyles for Sustainable Development (LiFE), and conserve biodiversity, forests, and oceans.

- Improve access to medical countermeasures and facilitate more supplies and production capacities in developing countries to better prepare for future health emergencies.
- Promote resilient growth by urgently and effectively addressing debt vulnerabilities in developing countries.
- Scale up financing from all sources to accelerate progress on the SDGs.
- Accelerate efforts and enhance resources towards achieving the Paris Agreement, including its temperature goal.
- Pursue reforms for better, bigger, and more effective Multilateral Development Banks (MDBs) to address global challenges and maximise developmental impact.
- Improve access to digital services and digital public infrastructure, and leverage digital transformation opportunities to boost sustainable and inclusive growth.
- Promote sustainable, quality, healthy, safe, and gainful employment.
- Close gender gaps and promote the full, equal, effective, and meaningful participation of women in the economy as decision-makers.
- Better integrate the perspectives of developing countries, including LDCs, LLDCs, and SIDS, into the future G20 agenda and strengthen the voice of developing countries in global decision-making.

Through these actions now, the global leaders have emphasised that they are building towards a system that better empowers countries to address global challenges, is human-centric, and brings prosperity and well-being to humanity.

Global Economic Situation

Global economic growth is below its long-run average and remains uneven. The uncertainty around the outlook remains high. With notable tightening in global financial conditions, which could worsen debt vulnerabilities, persistent inflation, and geo-economic tensions, the balance of risks remains tilted to the downside. The leaders, therefore, reiterated the need for well-calibrated monetary, fiscal, financial, and structural policies to promote growth, reduce inequalities, and maintain macroeconomic and financial stability.

The G20 recognised the critical role of private enterprise in accelerating growth and driving sustainable economic transformations. To this end, countries resolved to work with the private sector to:

- Create inclusive, sustainable, and resilient global value chains, and support developing countries to move up the value chain.
- Facilitate investments, including Foreign Direct Investments (FDIs), towards sustainable business models.
- Devise pipelines for investible projects in developing countries by leveraging the expertise of MDBs to mobilise investments.
- Promote ease and reduce the cost of doing business.

Start-ups and MSMEs were recognised as natural growth engines. They are critical to socioeconomic transition because they drive innovation and create employment.

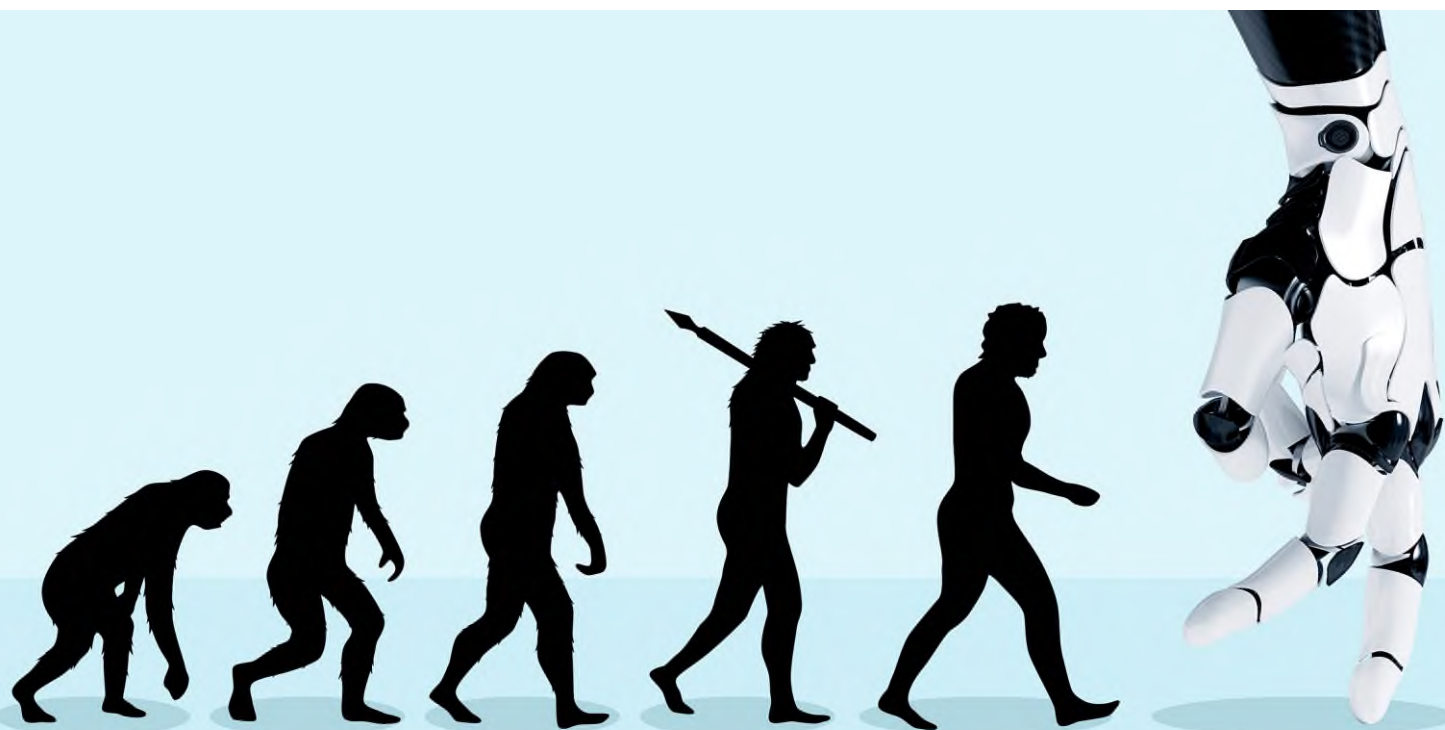
Relevance of the Globalisation of Trade

Thus, the role of the private sector and also that of the public sector enterprises in many countries was recognised for driving sustainable economic transformation. It was realised that a rules-based, non-discriminatory, fair, open, inclusive, equitable, sustainable, and transparent multilateral trading system with the WTO at its core is indispensable. The G20 assured that the countries would support policies that enable trade and investment to serve as engines of growth and prosperity for all. This time, the argument was quite contrary to the emphasis on moving towards deglobalization. As a result of this conference, leaders and experts have started discussing new models of globalisation rather than dumping globalisation.

Skill gaps were recognised as a major issue in promoting decent work and ensuring social protection policies for all. Efforts to map global skill gaps and the development of the G20 policy to address skill gaps globally, including through further strengthening national statistical data and extending the coverage of the ILO and OECD Skills Jobs data bases to G20 countries, are relevant and appropriate.

Designing a Circular Economy World

In order to endeavour to decouple our economic growth from environmental degradation and enhance sustainable consumption and production, including primary resource consumption, while supporting economic growth, the leaders acknowledged the critical role played by the circular economy, extended producer responsibility, and resource efficiency in achieving sustainable development. The G20 committed to enhance environmentally sound waste management, substantially reduce waste generation by 2030, and highlight the importance of zero-waste initiatives.



Technological Transformation and Digital Public Infrastructure

IOD has maintained that transformative technologies have enabled rapid transformations for bridging the existing digital divide and accelerating progress for inclusive and sustainable development. Digital Public Infrastructure (DPI) is an evolving concept and is a set of shared digital systems, built and leveraged by both the public and private sectors, based on secure and resilient infrastructure that can be built on open standards and specifications, as well as open-source software that can enable the delivery of services at a societal scale. In our voluntary efforts to make digital public infrastructure interoperable, the G20 recognised the importance of data free-flow with trust and cross-border data flows while respecting applicable legal frameworks.

An enabling, inclusive, open, fair, non-discriminatory, and secure digital economy is increasingly important for all countries and stakeholders while respecting applicable legal frameworks. Every country will share the approaches and good practices to build a safe, secure, and resilient digital economy.

Harnessing Artificial Intelligence (AI) Responsibly for Public Good

The rapid progress of AI promises prosperity and the expansion of the global digital economy. The business will endeavour to

leverage AI for the public good by solving challenges in a responsible, inclusive, and human-centric manner while protecting people's rights and safety. To ensure responsible AI development, deployment, and use, the protection of human rights, transparency and explainability, fairness, accountability, regulation, safety, appropriate human oversight, ethics, biases, privacy, and data protection must be addressed. To unlock the full potential of AI, equitably share its benefits and mitigate risks. G20 countries agreed to work together to promote international cooperation and further discussions on international governance for AI.

The G20 Summit, being the latest affirmation of global leaders' commitment to principles, tools, and approaches for rapid growth, indicates that transformative technologies, especially artificial intelligence, have been focused on. Various examples of effective use of transformative technologies and their impact can be seen. An important event was the digital finance innovation demonstrated at Global FinTech Fest 2023.

Focus of Global FinTech Fest 2023

Global FinTech Fest 2023, the biggest leadership event for fintech, exhibited a large number of fintech product launches. It was one platform, hosting policymakers, regulators, bankers, industry leaders, academicians, and fintech specialists from around the world.

This event was organised by the Payment Council of India (PCI), the Fintech Convergence Council (FCC), and the National Payments Corporation of India (NPCI). The power of AI was demonstrated when more than 100 product launches took place during the conference. NPCI was incorporated to provide infrastructure to the Indian Banking System for physical and electronic payment and settlement systems due to its utility. The company innovates payment methods using transformative technologies to improve efficiency and expand its reach.

NPCI has launched UPI Lite X, a system that will allow merchants and customers to transfer payments even when offline.

'UPI-ATM' allows withdrawal of cash without using a card at the UPI-ATM, which is a white-label ATM. Participants can get cash from their bank without using a debit card or ATM. Financial institutions do not own and operate white-label ATMs. 'Conversational Payments' was another innovation released on the occasion. This would revolutionise the way people make purchases. This is a revolutionary system in which artificial intelligence, perhaps in the form of chatbots, promotes real-time dialogue between users and payment providers, resulting in rapid and secure transactions. The AI is smart enough to be able to identify and respond to the voices of everyone in your house.

Since the use of AI in fintech was considered to be a priority, a few examples have been mentioned from the same sector.

AI will Expand the Use of Transformative Technologies and Job Creation

The thrust of the G20 leaders, representing 90% of the global GDP, is an assurance that their commitment to harness AI responsibly for good and for all will give impetus to the

horizontal spread of AI-based tools. A large number of industries have already embedded AI capabilities and are seeing the most value in traditional technological capabilities. The expected business disruption from AI can be significant. Many experts anticipate workforce cuts in certain areas and large reskilling efforts to address shifting talent needs. Some studies done during the last two years indicate that adoption of transformative technologies based on AI has plateaued at about 60% of surveyed businesses. Most of them were start-ups or top-of-the line industries. While some companies took the lead, others were slowly catching up. As the tools for the use of transformative technologies develop, the complexities will have to be explained at the board level. The expectation is that a wider spread will be triggered.

Future of the Adoption of AI

IOD's training programmes for building directors for the future have emphasised transformative technologies, sustainability, and artificial intelligence. Feedback indicates that the proper understanding created in the masterclass has helped the participants be more effective in the present-day competitive world. Whereas IOD continues to focus on transformative technologies, it can be safely assumed that other management institutes and training organisations will also focus on transformative technologies. There can be no doubt that after the G20 leadership commitment to harness artificial intelligence, government support and regulatory mechanisms will maximise benefits and encourage businesses to adopt the same. ■

**Mr. Pradeep Chaturvedi is the Vice President at the Institute of Directors, India.*

ASSESSORS INVITED

Would you like to be an assessor of the most prestigious awards?

We are constantly on the lookout for professional volunteers to be assessors for **Golden Peacock Awards**

Please send your CV to info@goldenpeacockaward.com

GOLDEN PEACOCK AWARDS SECRETARIAT

M-56 A, Greater Kailash Part - II (Market), New Delhi-110048, India
Board Nos.: +91-11- 41636294, 41636717, 41008704
Email: info@goldenpeacockaward.com

www.goldenpeacockaward.com



Golden Peacock Awards®
A Strategic Tool to Lead the Competition

GOLDEN PEACOCK AWARDS SECRETARIAT
invites specialists & experts in the areas of

**CORPORATE SOCIAL RESPONSIBILITY
HR EXCELLENCE
&
INNOVATION MANAGEMENT**

A most rewarding and enriching
learning experience