About Think7

Think7 is an engagement group of leading think tanks from the G7 countries. It works to develop and propose research-based policy recommendations to support the German G7 presidency. The Think7 process is jointly coordinated by the Global Solutions Initiative and the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) during the German G7 presidency 2022.

German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE)

The German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) is one of the leading research institutions and think tanks for global development and international cooperation worldwide. It is located in the UN city of Bonn. DIE’s work is based on the interplay between research, policy advice and training. DIE is building bridges between theory and practice.

Global Solutions Initiative

The Global Solutions Initiative is a global, non-profit and non-partisan platform for ideas. It advances global economic, environmental, and social prosperity by connecting thought leaders and decision makers, visionaries and pragmatists. Headquartered in Berlin, the Global Solutions Initiative proposes research-based policies to the G20, the G7, and beyond. Annually, it hosts the Global Solutions Summit in Berlin, a festival of ideas for better global governance.
Table of contents

4  Preamble: A vision for the G7 amid a “Zeitenwende”

6  Policy proposals for the priorities of G7 Germany

12 Think7 task forces: Issue papers & policy briefs
I. Preamble:
A vision for the G7 amid a “Zeitenwende”

The post-World War II order was built under the threat of planetary destruction from nuclear weapons and has ensured that further world-spanning armed conflicts did not occur. Meanwhile, other existential threats have come to the fore, among them pandemics, climate change, biodiversity loss, and rising inequalities. Addressing these existential threats, and other global challenges, requires urgent action in this decade as the window of opportunity to secure a liveable future is rapidly closing.

These challenges can be tackled effectively only through collective global action that promotes human well-being within planetary boundaries. The G7 must firmly acknowledge that an effective response to these threats can only be found in an inclusive, rules- and values-based international order, supported by permanent international institutions that recognize universal human rights and the sovereignty of nation-states, along with regional bodies and agreements consonant with this approach.

Russia’s invasion of Ukraine has radically changed the geopolitical realities upon which our multilateral system is built. In this context we welcome the invitation from Chancellor Olaf Scholz as G7 President to the leaders of Indonesia, India, and South Africa, representing current and (prospective) future G20 presidencies, as well as the President of Senegal as Chairperson of the African Union, to participate at the G7 Summit in June in Elmau. The G7 should take the opportunity in this extended format to achieve an immediate ceasefire for Ukraine.

Against the background of urgently needed collective action and amid a „Zeitenwende“ in geopolitical relations, we make three overarching recommendations to realize continued multilateral cooperation. In the second part of this communiqué we present research-based policy recommendations developed in the Think7 task forces in response to the priority agenda of the German G7 presidency.

1. Commit to strengthening multilateralism and preserve the G20 as an effective forum for global problem-solving

The G7, acting in collaboration with the G20, should firmly resist a fallback into a polarized world, governed by destructive competition expressed through the exercise of military and economic power, thereby undermining the achievements of the global community regarding peace, multilateralism and its rule-based institutions. The G7 must fully support and engage in the G20 format and advocate the common purpose of both forums to solve the world’s existential challenges, realizing its power to initiate global collective action. This can serve the preservation of an inclusive, rules- and values-based multilateralism.

The G7 should commit to substantial actions and invite the G20 to join forces to ease the multiple crises for the most vulnerable countries caused by the war in Ukraine, e.g., rising food prices, soaring public debt or refugee inflows.

When an encompassing multilateral approach to global problems is currently impossible due to the non-cooperation of powerful states, then plurilateral alliances among like-minded countries that serve the global common good should be mobilized. The idea of an open and inclusive “climate club” in which countries commit to the requisite climate action, and high-income countries
provide resources to enable low-income countries to join, can be complemented by like-minded coalitions to drive forward global solutions for global issues such as health, committed to universal health coverage and pandemic preparedness and response; digital empowerment, fostering a global regulation of the digital age to make it more just, transparent and innovative; and like-minded economic coalitions, in which members commit to the maintenance of political, social and environmental principles as the basis for their trading relationships. A current example is the ‘Global Alliance for Food Security’ discussed and to be decided at the G7 Summit in Elmau. These like-minded coalitions need to be firmly embedded within multilateral arrangements, ensuring they are open for all countries, are inclusive in their modes of decision-making and adhere to the principles of transparency and accountability.

2. Lead by example for a systemic transformation enabling human well-being within planetary boundaries; provide appropriate measures of prosperity beyond GDP

The G7 must strive to transform its economies so that they enable human well-being for citizens in their communities, within planetary boundaries which are currently exceeded by far. This entails a systemic transformation, including socially acceptable market and non-market instruments to address climate change, biodiversity loss and ocean pollution, achieving gender equality, empowerment of all citizens, promotion of open and inclusive democracies, a human-centered trading system and a circular economy, a green energy transition, and steps to end the current pandemic and prevent the next one. Assessing the success of a systemic transformation requires appropriate measures of prosperity that consider environmental and social dimensions in addition to the economic dimension (GDP). The G7 can lead by example by starting an initiative in this direction together with the UN, OECD, and G20. Active collaboration with the G77 – including its institutional strengthening – should additionally be sought.

3. Bridge existing policy silos to exploit complementarities

The systemic nature of the required transformations necessitates that existing policy silos be bridged and combined so that complementarities between the areas can be harnessed and opportunities are not lost. The agenda-setting flexibility of the G7, combined with significant degrees of freedom for the presidency in developing formats for dialogue and deliberation, makes the G7 an ideal forum for purpose-driven, horizontal approaches to address global challenges, which must also include civil society voices. These approaches may include cross-sectoral working groups and task forces or combined ministerial meetings. The existing engagement groups of the G7 need to have a permanent role across presidencies. This is also true for a multi-stakeholder approach, inviting NGOs, scientists, representatives from civil society and the most vulnerable social groups to a permanent G7 forum. Such a permanent involvement and forum fosters the accountability, consistency and implementation of G7 decisions.

In the next section, we present proposals that are aligned with the priorities of the G7 presidency.
II. Policy proposals for the priorities of G7 Germany

1. G7 policy priority: A sustainable planet

Think7 policy recommendations:

- **Create (open and inclusive) climate clubs** with a G7 core in close partnership with the EU members and other countries willing to join to lower greenhouse gas emissions by 60% by 2030 compared with 2010 levels, including by a) ending coal-fired electricity by 2030 at the latest; b) ending new upstream coal, oil and gas supply infrastructure projects; c) preserving peatland and growing over one trillion trees (ensuring appropriate species in appropriate locations); d) expanding land and marine protected areas to over 30% of their national territory, supporting this for all the oceans and reducing plastic pollution; e) a joint approach to carbon pricing with a common price floor and a differentiated and fair carbon border adjustment mechanism to avoid carbon leakage; and f) shaping climate-friendly cryptocurrency regulations and clean IT by design, while supporting community networks, engineering, experts and other knowledge, appropriate legal instruments, and the “voluntary cooperation” noted in Article 6 of the Paris Agreement. (2, 9, 10, 12, 14, 18, 22)

- **End fossil fuel subsidies.** Freeze, reduce and end all fossil fuel subsidies by stopping those for the development, production, use and distribution of coal in 2022, of non-offset heavy oil by 2023, non-offset light oil and natural gas by 2024, and all nature-harmful ones by 2025, while shifting these energy subsidies to renewable sources in proactively identified suitable sites and natural carbon sinks, in ways that reduce inequality and benefit the poor. (5, 7, 17)

- **Expand climate finance** for developing countries by G7 governments together filling the gap this year to reach the promised $100 billion per year, and increasing this amount each year, by using their share of the new International Monetary Fund’s Special Drawing Rights and financing from multilateral development banks as the Asian Development Bank and “debt for nature” swaps, in ways that advance integrated climate mitigation, adaptation and resilience goals and bring broad nature-positive benefits, while supporting MSME financing through a digital utility. (3, 4, 5, 10, 19)

- **Bolster biodiversity** through socially just and inclusive nature-based solutions as a core component of climate-resilient development. Preserve all old-growth forests and all peatlands; build and maintain green and blue urban infrastructure; protect wetlands, mangroves, coral reefs, and other biomes; stop overfishing; create clean water; and respect indigenous peoples’ rights and involve them, local communities and sub-national governments in the designing and delivering of the necessary programs. (16, 22)

- **Strengthen sustainable agriculture,** food and water security, to support planetary and human health, by shifting supports from animal to plant production and consumption; removing environmentally damaging subsidies that incentivize soil and water degradation and overfishing; enforcing environmental protection laws; raising animal welfare standards; and harnessing local and indigenous knowledge on sustainable environmental management practices to support livelihoods. (11, 15)
2. G7 policy priority: Economic stability and transformation

**Think7 policy recommendations:**

- **Deal with short-term emergencies and pursue long-term objectives:** As the global economy was slowly emerging from the COVID-19 pandemic in 2022, the road to sustainable economic recovery has been interrupted by the Russian invasion of Ukraine. In the short term, the G7 needs to ensure aid and relief to low-income countries that have suffered disproportionately from the COVID-19 pandemic as well as address the crisis in Ukraine and deal with the impact of the war on lives and livelihoods. At the same time, it needs to keep track of long-term objectives. A new global bargain is needed to support long-term economic growth, accelerate the energy transition and the decarbonisation of the world economy, and tackle all forms of inequalities and intergenerational injustices. (23, 55)

- **Expand measurement of prosperity:** Provide a wider set of measures of prosperity – extending beyond GDP and accounting for social and environmental dimensions – in order to assess the effectiveness of transformative policies, in particular with respect to their social and environmental outcomes in addition to their economic outcomes. (26)

- **Implement complementary social policies:** Among the necessary policies to ensure a socially just transformation is the provision of enhanced universal social protections including basic services complemented with social protection floors. (24, 29, 30). Social cohesion and social justice are prerequisites for any transformative policy to be successful as long-term resilience will be required to cope with transformations. This holds in general, but especially in liberal democracies because the electorate will otherwise turn against the policies. Investments in cohesive societies will be necessary and will take different forms, e.g., through adequate education and training, guaranteed access to universal basic services, reformed tax systems and global universal basic incomes. (24, 25, 26, 29, 33, 34)

- **Apply multilevel governance, including the particular strengthening of the regional level:** large-scale transformation requires a multi-level governance approach as cities and communities are drivers of the transformation. Transitions to net-zero should be achieved through enhancing social justice and undertaking a multi-layer approach that embraces different levels of society: the micro, the macro, the meso and exo levels, with a particular focus on the latter levels relating to the role of citizens, communities, civic organisations, and governmental bodies. (27, 36)

- **Scale up sustainable finance and investment to enable sustainable economic recoveries:** To scale up sustainable finance and align all financial flows with climate and sustainability goals, the G7 needs to intensify efforts to develop, align and implement science-based sustainable finance taxonomies; make disclosures of climate-related risks and opportunities mandatory for all publicly quoted companies, large private companies, and supervised financial institutions; and adjust prudential frameworks to account for climate-related and other environmental risks. The G7 should also enhance the role of its national development banks in financing a just transition and demand from all public financial institutions and central banks that these decarbonise their portfolios and operations. (57)

- **Take the lead on the introduction of Central Bank Digital Currencies (CBDC):** To enhance global financial stability, the G7 needs to take a lead in creating coherence and in avoiding a fragmented CBDC system at the global. A series of “Learning Pilot” implementations is proposed which allow for oversight and support for the development of CBDCs in 3 economies – with financial and technical support by G7 central banks, BIS, World Bank, IMF and other relevant international financial institutions to foster interoperability. (51)
3. G7 policy priority: Healthy lives

Think7 policy recommendations:

- **Address the debt crisis in the Global South:** The international community urgently needs to devise a framework for addressing debt sustainability problems to provide all countries with the fiscal space to respond to the COVID-19 crisis and invest in the SDGs and climate resilience. The IMF has called for improvements to the G20 Common Framework and highlighted the urgency of establishing mechanisms that ensure coordination and confidence among creditors and debtors. The G7 now has the opportunity to initiate critical steps to turn the Common Framework into a useful structure for delivering speedy and efficient debt relief for countries that need it involving public and private creditors. (56)

- **Create a trading system that works for our global commons:** The WTO is a central multilateral institution that is important for securing shared prosperity. Its realm must be broadened with regard to governance of sustainability aspects of trade (e.g., through WTO subsidy rules or an Environmental Goods Agreement). The G7 should support a successful 12th Ministerial Conference and continue its leadership to reform the WTO including through the use of plurilateral negotiations. (46)

- **Increase resilience of global value chain networks:** foster cooperation to secure strategically important Global Value Chains (GVC) by forming a global alliance with like-minded countries to take collaborative action and protect GVC networks. (52)

- **Ensure food security, short- and long-term:** Food security is a human right and an essential basic service. Agricultural supply chains are under significant pressure due to the war in Ukraine, and they also need particular attention due to their intricate relation to climate change. (50)

- **Invest in global health by installing a Global Health Compact 2030** focusing on strengthening the global health architecture, investing in pandemic preparedness and response, as well as building a global equity-oriented R&D and innovation system in global health. (58)

- **Address equity & fulfil existing promises:** Reallocate and distribute the COVID-19 vaccines pledged in 2021 and ensure ‘last mile delivery’ of vaccines with the aim of ending the pandemic in 2022 or in the course of 2023. (61, 62, 70)

- **Strengthen multilateral health governance and investment in global public goods:** G7 countries should provide global leadership and step up investments in global health infrastructure with regard to prevention, treatment, research, human resources, and rapid crisis response, both at home and abroad. Concretely this means installing a new ministerial-level Priority Infrastructure Taskforce to give effect to the G7 Global Health Compact priorities as well as to increase individual assessed contributions to 50% of WHO financing by 2028 and agree on a target of 75% by 2034. (64, 66) Further, the fragmentation of the global health architecture and system urgently needs to be proactively reduced. To do so, an Inter-Agency Standing Committee for Global Health should be tasked with improving coordination. The ACT-Accelerator and COVAX facility should be embedded within the existing global health governance architecture. In the multi-level dialogue processes for shaping national healthcare systems further focus should be placed on the decarbonisation of health care facilities. (64, 67)

- **Enhance surveillance, pandemic preparedness & response:** Establish a Planetary Health Taskforce to coordinate the cross-sectoral monitoring of health risks emerging at the interface of environmental and climatic changes, human and animal health (regarding both
4. G7 policy priority: Investment in a better future

Think7 policy recommendations:

- **Refresh the G7 approach to realise the opportunity of global sustainable development:** The G7 has a crucial role to play in supporting the global sustainable development agenda, but not through sheer force of economic and financial dominance. Instead, it needs to lead with a two-pronged approach, lending all its supportive muscle to mobilize required forms of capital while also leading through the power of its own influential example. (37)

- **Lead by example to galvanize domestic implementation of the SDGs within all G7 countries:** The SDGs remain a multilaterally agreed frame of reference that can guide investments into a better future. Public spending, policies, and projects can be reviewed against their SDG contribution. (8, 38)

- **Explore new SDG funding sources:** The G7 should support innovative initiatives to develop new sources of funding, for example via a new global tax base with a minimal tax rate, a value added or a financial transaction tax. The G7 could spearhead efforts to align tax systems and incentives with SDG achievement, working closely with the G20 and other multilateral partners. (24, 29)

- **Dramatically expand sustainable development investments and align SDG financing:** There is growing recognition that the global financing system is falling short in mobilizing urgently needed investments for sustainable development. To enable sustainable recoveries from COVID-19 and meet the goals set out in the Paris Agreement and the SDGs, multilateral financial architecture needs to be updated and the global financial system needs to be rewired. A sustainable global recovery needs to promote universal access to affordable clean energy, as well as the low-carbon energy transition and a transition to a circular economy across the

- **Spearhead a framework for multilevel research, development and innovation, including workforce development:** Implement a multilaterally organised R&D investment and agenda-setting framework for global health and spearhead the introduction of a joint quota of G7 members’ national GDP for R&D funds in global health, administered through multilateral channels. This should further spur research, development and innovation for health in the fields of vaccines, diagnostics, and treatments, as well as target the development of social and institutional innovations that contribute to market shaping and societal diffusion. Further develop the mRNA hub and spokes-approach by the WHO towards a system of Global Pandemic Centres of Excellence, analogous to the CGIAR system, as centres for medical research and workforce development, vaccine production, distribution and delivery. (60, 66, 69)

- **Enhance transregional dialogue to achieve health targets:** Initiate a range of new transregional health dialogue series where G7 members can engage and identify priority areas jointly and stand in continuous dialogue with each other, jointly building transregional expertise and networks crucial for enhanced coordination in future crisis responses. (58)
• **Assess the transformative power of cities in major macroeconomic forums.** Better coordination and interoperability of infrastructure investment plans across the globe is critical to rebalance increasingly unstable global urban systems. A new approach of infrastructure investment and financing needs to be activated as a driver for urbanisation within planetary boundaries, across the G7 and G20, e.g., through a coalition of the like-minded. (41)

• **Catalyse the adoption of infrastructure meta-standards** by helping overcome some of the barriers that could limit the success of the meta-standard initiatives (FAST-Infra and Blue Dot Network), by helping to align meta standards, leveraging common frameworks and standards within G7 development agencies, providing technical assistance and capacity development, and catalysing global engagement. (39, 45)

• **Seek G7 partnership with Africa:** Africa can be an increasingly important strategic partner amid the current geopolitical upheavals and the required energy transition. The G7 must continue to recognize Africa’s potential roles in increasing the group’s resilience by establishing respective dialogue and cooperation formats, focussed on health, climate and economic growth. In contrast to the G20 Compact with Africa, a G7 format can focus more on mutually beneficial aspects with lower entry barriers. (47)

• **Address the long-lasting scarring effect of learning losses:** During the pandemic, school closure averaged 48 weeks in G20 countries and reached 100 weeks in other countries. The impacts on individuals’ productivity within and across countries should be assessed to identify effective recovery strategies. (53)

• **Support multilateral institutions to protect global commons:** The G7, as group of powerful nations, can provide top-level political impetus to the global agenda, focussed on the protection of global commons. (40) To that end, the G7 should address the decline in peace and invest in peacebuilding efforts, e.g., through reallocating funds, tracking progress, investing in gender equality and access to education, and supporting local and Indigenous people’s views in a peace process. (42) In a similar vein, a proactive and people-centred strategy for addressing displacement reinforces the G7’s role as bridge-builder and mediator for peace and security. (43) Moreover, a “Global Resilience Council”, with state- and non-state actors, may be considered. The GRC would complement the UN Security Council but focus on non-military crises. (44) The United Nations’ role in the protection of global commons must continue to receive the full support of the G7 countries. This will require a financing reform that raises assessed contributions across the UN system, tweaks the formula for assessed contributions and reinforces mechanisms for penalising arrears. (48)
5. G7 policy priority: Stronger together

**Think7 policy recommendations:**

- **Explore new pathways to local sustainable prosperity:** As liberal democracies, the G7 countries are characterized by active citizen participation and engagement. This can be leveraged to implement initiatives of citizen-led prosperity measurement in order to create pathways and frameworks for sustainable prosperity in different locales, improving social solidarity and social cohesion. (26, 31)

- **Protect citizens:** Protecting the more vulnerable parts of the population is a prerequisite to managing transformation processes and the resulting structural changes, and to ensuring democratic participation. Such protection could be targeted, addressing families with small children (24), or be applied universally either through basic services or social protection floors. (23, 30, 34). Financing may be secured through funds using additional revenues from taxes targeted at reducing inequalities and climate change mitigation. (29, 30)

- **Empower citizens in the digital economy:** G7 countries should push for regulation that gives citizens true control over who has access to the personally identifiable data they create in the digital economy. (23, 32, 35) It should enable citizens, with the help of representatives, to set the terms under which their information can be used. Entities that want to use someone’s personal data must access it only from a consumer-controlled data repository under agreed upon terms. Governments should establish “data commons”. (28, 35)

- **Facilitate a just and equal transition:** G7 nations should pursue new forms of action to drive social value, cohesion and solidarity through greater peacebuilding processes that entail dialogue between various groups and institutions including educational institutions. (27, 36) Through collaboration, knowledge sharing, and co-production of solutions we can tackle the deeply connected and systemic crises of the 21st century.
III. Think7 task forces: Issue papers & policy briefs

**Task Force**

**Climate and environment**

**Co-Chairs:** Daniela Jacob (Director, Climate Service Center Germany, Helmholtz-Zentrum Hereon), John Kirton (Director, G7 Research Group and G20 Research Group), Lindsay C. Stringer (Professor in Environment and Development, University of York)

**Issue paper:**

(1) Jacob, Daniela, John Kirton, and Lindsay C. Stringer. 2022. “Saving the Planet”. *Think7 Issue Paper: Climate and Environment.*

**Policy briefs:**


Task Force
Social cohesion, economic transformation and open societies

Co-Chairs: Franco Bruni (Vice-President, ISPI, and Co-Head, Centre on Europe and Global Governance), Henrietta L. Moore (Founder and Director, Institute for Global Prosperity), Dennis J. Snower (President, Global Solutions Initiative, and Professor of Macroeconomics and Sustainability, Hertie School)

Issue paper:

Policy briefs:
Task Force
Shaping international cooperation for the global common good

Co-Chairs: Christian Kastrop (Fellow, Global Solutions Initiative, and former State Secretary), John W. McArthur (Director, Center for Sustainable Development, Brookings), Sébastien Treyer (Executive Director, IDDRI)

Issue paper:

Policy briefs:
Task Force
Sustainable economic recovery

Co-Chairs: Tetsushi Sonobe (Dean and CEO, Asian Development Bank Institute), Paola Subacchi (Professor of International Economics, Global Policy Institute at Queen Mary, University of London), Ulrich Volz (Professor of Economics, SOAS University of London), and Senior Fellow, German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE)

Issue paper:


Policy briefs:


Task Force
Global health

Co-Chairs: Githinji Gitahi (Group Chief Executive Officer, Amref Health Africa), Anna-Katharina Hornidge (Director, German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), Ilona Kickbusch (Director, Global Health Centre, Graduate Institute Geneva)

Issue paper:

Policy briefs:
The Think7 engagement group under the German G7 presidency 2022 is jointly chaired by the Global Solutions Initiative and the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) as mandated by the German Federal Chancellery.

Publisher: Deutsches Institut für Entwicklungspolitik gGmbH
Tulpenfeld 6
D-53113 Bonn