#### **T20 Policy Brief**



Task Force 4 Refuelling Growth: Clean Energy and Green Transitions

### JOBS, GROWTH, AND Sustainability: The case for a g20 task force on integrated climate actions

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## Abstract



he G20's agenda to maintain international economic and financial stability has expanded to include multilateral action on global challenges such as ensuring sustainable development and mitigating climate change. It has established several initiatives across the finance and sherpa tracks, including working groups on sustainable finance; development; energy transition; and environment and climate sustainability. However, the G20's structure limits coordination between presidencies, tracks, and working groups. It lacks a permanent

central secretariat and archival system, the tracks and working groups address issues in silos, and priorities shift annually based on the presidency.

This policy brief recommends a G20 Task Force on Integrated Climate Actions to map and chronicle the research, decisions, and resources of presidencies and working groups into a cohesive set to unify, streamline, and amplify the impacts of the G20's economic-development-climate agenda to accelerate the delivery of jobs, growth, and sustainability.

# **The Challenge**



unique aspect of the G20, an intergovernmental forum comprising 19 countries and the

European Union, is the absence of a permanent central secretariat. This has added flexibility, but also complexity, to the activities of the G20, which was founded in 1999 to increase cooperation on international economic policy and financial stability, but has since vastly expanded its repertoire to include non-fiscal issues impacting today's hyperconnected world, such as sustainable development, public health, corruption and the digital economy.

Economic and developmental issues are grouped into the Finance and Sherpa tracks respectively. Each track has working groups for major impact areas, chaired by the host presidency, and supported by the immediate past and next presidencies (the Troika). The G20 also has engagement groups like Business20, Urban20, and Think20 for non-government stakeholders. Since 2011, the G20 has annually convened a heads-of-state-level summit, preceded by working and engagement group meetings and events. The host country operates the secretariat through its presidency year on the broad construct and norms of past presidencies, with generous leeway to plan its own schedule, meetings and activities.

This structure offers the G20-a group of developed and developing countries, and emerging economies-flexibility to add new priorities, and/or update existing (legacy) issues, each year amidst the evolving global landscape. About a quarter of each year's priorities are defined by the presidency, with the rest being legacy issues carried forth from past presidencies.

However, the G20's expanding repertoire and the absence of a permanent secretariat has begun to hinder it from consistently and coherently tracking issues between, and even within, presidencies. The working groups usually discuss issues in their niches, without cross-consultations on policies, taxonomies, instruments, and implementation mechanisms. Moreover, each year, the host staffs the working groups with their own officials, and this new cohort adds the limitations of inexperience and often, their domestic expertise siloes, to the G20 process.

The narrow priorities of presidency countries, or factions of countries, when



introduced into the collective agenda, are resisted by other members, creating decision logjams and contested communiqués. Also, the annual presidency format requires each G20 country to only temporarily allocate people, time and financial resources to the G20 process, leading to limited working capacities to address complex challenges as a group in timebound, outcome-oriented ways.

At the country-level, escalating and overlapping domestic political, social, economic and climate crises are forcing the G20 to focus inwards, shifting away from larger global challenges. The G20 is also increasingly impacted by rising inequality and trust deficits between developed, emerging, and developing countries, especially given its reliance on external multilateral forums and international organisations to legally implement its in-principle decisions.

The G20 is realising the lack of an entity that maps intersecting issues between tracks, groups, and presidencies. G20 members, including Australia, China, India, Mexico, Türkiye, and the US, have stated the need for better coordination within the G20 to improve integration-and avoid duplicationof issues between tracks and working groups. There is also consensus on the need to streamline the contents of issue briefs and communiqués. Indonesia, the 2022 presidency, and Brazil, the upcoming 2024 presidency, have called for increased accountability of the members to ensure that decisions translate into real impact. Several members have expressed interest in instituting a task force to unify tracks and working groups on intersecting issues to develop cohesive decisions and work plans.1

The G20 collaborates with consensus without any legal framework. It needs systematic, transparent and continuous coordination, tracking and referencing of its vast and expanding set of legacy and emerging decisions, platforms, and actions to ensure that (1) issues are addressed in the context of sovereign priorities, national circumstances, ongoing global discussions, and other multilaterals administering similar matters, and that (2) resources like funds, research capabilities, knowledge bases, human capital, and external expertise, are pooled efficiently as and when needed.

# The G20's Role



he G20 faces an especially urgent demand to ramp up multilateral collaboration to help achieve the Sustainable Development Goals (SDGs) and global net zero ambitions. An analysis of the outcomes of the last 10 G20 presidencies illustrates the growing inclusion of energy, sustainability, and climate-linked issues in the grouping's economic and developmental priorities, with the average number of climate-related outcomes in a presidency doubling between 2014 and 2021. Italy (2021), Indonesia (2022), and India (2023) have integrated climate-centric discussions as core issues of their presidencies.

Recent G20 presidencies have set up finance and sherpa track forums discuss the multidimensional, to interconnected issues of sustainable development, energy transition, and climate action, including working groups on sustainable finance (SFWG), development (DWG), and environment and climate sustainability (ECSWG) in 2016; energy transition (ETWG) in 2019; and disaster risk reduction (DRRWG) in 2023. These working groups have developed platforms and tools like the recurring G20 Resource Efficiency Dialogue, 2017; the

Financial Stability Board Roadmap, 2021; and the Bali Energy Transition Roadmap, 2022 to support the G20's activities in these areas.

G20 outcomes since 2014 have covered three fundamental energyrelated issues—access, security, and collaboration, with each summit seeing the release and/or affirmations of consensus statements defining combinations of high-level principles, frameworks, knowledge platforms, and/ or action plans.

However, other energy-developmentclimate issues such as mobilising sustainable finance, phasing out fossil fuel subsidies. enhancing energy and resource efficiencies. moving sustainable towards consumption and production systems, adopting circular economy, restoring degraded landscapes. preserving biodiversity, managing water resources, developing the blue economy, improving food security, and mitigating climate risks, have only received sporadic attention thus far at the G20.

For example, the G20 Energy Efficiency Plan was launched during the 2014 Australian presidency, but energy efficiency cooperation was last

specifically discussed during Germany's 2017 presidency. There are also gaps in intent and action. For instance, summit outcomes between 2014-17 tried to further the G20's commitment to phase out fossil fuel subsidies, set during Germany's 2009 presidency, via voluntary peer reviews for members. However, though these decisions were reaffirmed during the 2019 Japanese and 2022 Indonesian presidencies, the G20 has continued to subsidise coal, oil, and gas to the tune of US\$150 billion annually.<sup>2</sup>

But, there has also been significant progress. The G20 first formally addressed energy transition during Argentina's 2018 presidency, introducing the term 'transitions' in the leaders' Declaration. Since then, successive presidencies have committed to drive the energy transition by cooperating towards cleaner and more sustainable energy systems. So, while selective prioritisation by presidencies often disrupts progress on pivotal energydevelopment-climate matters, overall focus on these areas is increasing.

The deepening intersection of these issues is also evident. The 2023 Indian presidency, for example, has tabled several aspects of sustainable finance across the finance and sherpa tracks. Its meetings of the finance ministers and central bank governors have discussed mobilising resources for climate action, and macroeconomic frameworks for long-term sustainable growth. The SFWG of the finance track has prioritised timely and adequate mobilisation of financial resources to achieve the SDGs, build capacity of the financing ecosystem, and continue work on the G20 Sustainable Finance Roadmap.<sup>3</sup>

In the sherpa track, the DWG is debating the availability of, and access to, climate and SDG finance, while discussing green growth that leverages data for sustainable development, and drafting the principles of LiFE: Lifestyles for Environment, which espouses sustainable production and consumption.<sup>4</sup> The ETWG has prioritised low-cost financing, supported by international frameworks, for the energy transition,<sup>5</sup> while the newly-minted DRRWG has financial frameworks for disaster risk reduction and adaptation on its agenda.<sup>6</sup> The ECSWG has taken up diverse issues like the resource efficiency and circular economy of steel, a hard-to-abate industrial sector, alongside the restoration of landscapes



degraded by mining and forest fires, as matters that need urgent policy and financial interventions.<sup>7</sup>

The interlinkages between the issues are obvious, as is the increasing scope and quantum of research and coordination needed to build consensus and formulate solutions. It is important to look at each issue with a G20 lens, rather than discrete working group lenses, to avoid knowledge- and decision siloes and contradictions, and help officials holistically understand, evaluate, and contribute their expertise to solve intersecting challenges.

# Recommendations to the G20

his policy brief recommends the institution of a G20 Task Force on Integrated Climate Actions as a bridge between working groups working on energy-development-climate-linked issues (for example, the SWFG, DWG, ECSWG, ETWG and DRRWG) across presidencies. The task force should attend all relevant Working Group meetings as а non-participating observer and chronicler. It should develop a systematic, centralised and permanent mapping, reporting and archival process to record these working groups' research, discussions, decisions, resources, actions and impacts, within the groups and also with external actors, into a cohesive set.

The task force is proposed to comprise national nodal officers of all G20 countries, each nominated for a threeyear term, led by two co-chairs elected from within this cohort. The task force should be a permanent entity, operating outside the construct of the annual presidencies.

At the start of each presidency, the task force should prepare a detailed starter kit encompassing the energydevelopment-climate issues and

activities of each working group of that presidency, contextualising the interlinkages with the issues of other working groups, past presidencies, and the relevant agendas of other key multilateral organisations shaping the broader global narrative. During the presidency, the task force should attend all relevant working group meetings and chronicle the discussions and decisions, and prepare briefing memos for subsequent working group meetings. At the end of each presidency, the task force should produce a consolidated annual report of all the research, resources, decisions and impacts of the G20 till that point, to serve as the base document for the next presidency's Starter Kit.

The task force should be housed in a national research institute of a G20 country chosen by the consensus of its members, and be collectively managed, staffed and funded by the G20. The task force should also maintain an online knowledge platform for real-time, transparent, and easy access to its records and reports.

The G20 Task Force on Climate Action has a precedence of sorts in the G7's Accountability Working Group (AWG).



Established during the G7's 2009 Italian presidency, the AWG compiles, monitors, and reports on the efforts and progress of G7 members to implement their development-related commitments.8 The AWG's indicators include the G7's performance on aid, aid effectiveness, and debt; economic development; energy; health; water and sanitation: food security: education; governance; peace and security; and the environment. The AWG draws on the knowledge of sectoral experts and provides qualitative and quantitative information.9

The G7's accountability framework is designed for self-management, with national administrations collectively reporting on their implementation of a specific set of commitments. Each year, the AWG uses its defined baselines, indicators, and data sources to issue an annual progress report on one or more of these commitments as chosen by the presidency. Every three years, the AWG produces a comprehensive accountability report of all of the G7's development-related commitments. with performance assessments and achievement scores assigned to each country.<sup>10</sup>

The AWG comprises mid-level civil servants appointed by each G7 country, and is chaired by the presidency. The AWG chair produces the draft accountability reports and leads discussions to build consensus on the final version before submitting it to the G7 Sherpa for approval. The reports are then published and submitted to leaders for endorsement during the Summit.<sup>11</sup>

In the absence of a permanent secretariat, the AWG has been valuable in maintaining a grip on legacy issues, leveraging the collective implementation G7 experience of national administrations, creating frameworks for performance checks, and fostering a culture of accountability within the G7. The AWG has been criticised for using self-reported data provided by the G7's national administrations to assign achievement scores, but adheres to these official sources as per the Group's consensus.12

At its inception, the G20 Task Force on Climate Action is proposed to be a chronicling and reporting entity, designed to keep track of the G20's energy-development-climate related issues and support it with archival and



reference information. Unlike the G7's AWG, the G20 task force will not have authority to measure performance, assign scores, or demand accountability from the members from the outset. The effectiveness and value addition of the task force should be evaluated after a six-year tenure, i.e., after two three-year cycles. At this point, it could be converted, by the G20's consensus, into an authoritative entity like the AWG, with its own mandate and accountability, including the additional duty of evaluating performance and assigning scores.

Over time, the task force could evolve to also collate inputs from and to designated international organisations, the G20's Engagement Groups, and external experts and guest countries. It could also undertake training sessions to build the G20 country representatives' capacity to understand, evaluate, share and learn from the expertise, experiences, best practices, and nuances of the various members for better cooperation on these sensitive issues.

The task force's activities will help create a unified hub of research, knowledge and impacts, minimise duplication of issues and contradictions in positions, and improve overall coordination within the G20. Its memos and reports, supported by the online knowledge platform, will enable real-time access to curated and contextualised content, enhance transparency, and lead to decision and action coherence between Working Groups and presidencies, while allowing the G20 to retain the flexibility and versatility of its shifting secretariat.

This policy brief strongly recommends the establishment of the Task Force on Climate Action by the upcoming presidencies of G20 to help unify, streamline, and amplify its actions to deliver jobs, growth, and sustainability in accelerated, timebound, and measurable ways.

Attribution: Shuva Raha et al., "Jobs, Growth, and Sustainability: The Case for a G20 Task Force on Integrated Climate Actions," *T20 Policy Brief*, July 2023.

#### Endnotes

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