



## **B20, C20 and T20 Climate and Energy Working Groups: Statement for a sustainable energy transition**

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Climate change represents one of the largest risks to sustainable development, inclusiveness, equitable economic growth and financial stability. To curtail climate change, we need fast, fundamental and foremost global action. We need to change how we produce and consume energy in all parts of our societies, while ensuring competitiveness, inclusive and sustainable growth, energy access and quality jobs in line with Agenda 2030 and its Sustainable Development Goals.

A successful energy transition requires that businesses continue accelerating innovations and investments in climate-friendly infrastructure, which can have economic life times of several decades. To mobilize private-sector investments, we, the Chairs of the Climate & Energy Engagement Groups, ask G20 leaders to provide an unambiguous long-term direction. We need to be sure that they will fulfill existing international climate-related commitments, foremost the Paris Agreement. We welcome the fact that the German G20 Presidency is aiming to secure greater interlinking of energy and climate policies.

Today's challenges are global in nature and require coordinated solutions. The G20 is an important forum for international economic cooperation. It represents about two thirds of the global population, more than three quarters of global GDP, and is responsible for approximately 80 percent of global energy use and CO<sub>2</sub> emissions. Given its role, we call on the G20 to step up and adopt three main provisions to seize the opportunities offered through ambitious climate action and collaboration and support climate resilience, especially of the poorest and most vulnerable populations and countries.

First, the G20 should take the lead in implementing the Paris Agreement. All G20 governments should support the UNFCCC in developing an effective Paris rulebook and submit (revised) Nationally Determined Contributions (NDCs) with high and comparable ambition levels that are sufficient to reach the climate goals set forth in the Paris Agreement, in particular Article 2. Leading by example, the G20 governments should commit to back up their NDC with concrete and transparent national low-GHG emission development strategies by 2018, but definitely not later than 2020. Those with respective commitments should speed up their efforts to mobilize \$100 billion a year by 2020 in climate finance from developed countries to support climate action in developing countries.

Second, the G20 should collectively drive towards effective and globally converging carbon pricing mechanisms and agree on a concrete and ambitious time line for phasing-out (inefficient) fossil fuel subsidies<sup>1</sup> as put forward by the G20 presidency, and report progress on an annual basis. These factors are essential to direct infrastructure investments towards low-carbon and energy-efficient technologies. The G20 should share best practices for the use of the revenues from carbon pricing and the redistribution of the savings from fossil fuel subsidies reforms to ensure a just transition that benefits all.

Third, the G20 should enable financial markets to deliver on sustainable development and further expand the work of the G20 Green Finance Study Group under the finance track to that end. For mobilizing additional private-sector capital at the required scale, the G20 should promote international disclosure and reporting standards for environmental and climate-related financial risk and build on the recommendations of the Taskforce on Climate-related Financial Disclosure to this end. The G20 governments should also consider environmental, social and governance (ESG) performance as bidding criteria for infrastructure projects.

We are embracing the energy transition as an opportunity to achieve sustainable development, human well-being, and do good business. The G20 is the right forum to interlink energy, climate and inclusive and sustainable growth. We stand ready to accelerate and shape this development.

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<sup>1</sup> C20 and T20 call for phasing out all fossil fuel subsidies by 2020 and 2022 respectively. B20 calls on the G20 governments to agree on a timeline for the phase-out of inefficient fossil fuel subsidies.

## About the G20

The G20 is an important forum for international economic cooperation. Within the G20, 19 leading industrial and emerging economies as well as the European Union coordinate their policies and agree on joint actions and principles. The G20 is increasingly turning into a center pillar of global governance. The G20 members combined hold more than 85 percent of the global economic output, more than 80 percent of global goods and services exports and represent about two thirds of the global population. Moreover, The G20 countries are responsible for roughly 80 percent of global energy use and CO<sub>2</sub> emissions, and are thus heavyweight players in climate policy.

## G20 Engagement Groups on Climate and Energy

G20 Germany holds dialogue forums with business (Business20), civil society organizations (Civil20), trade unions (Labour20), the scientific and research community (Science20), think tanks (Think20), women (Women20), and youth (Youth20). The B20, C20 and T20 German Presidencies have each decided to set up dedicated climate and energy taskforces to better target their recommendations towards the G20.

The B20 "Energy, Climate and Resource Efficiency" (ECRE) Taskforce deals with three focus topics on how to curtail climate change, how to foster the global energy transition and how to advance resource and energy efficiency. The B20 ECRE recommendations are available here: [https://www.b20germany.org/fileadmin/user\\_upload/documents/B20/b20-factsheet-ecre.pdf](https://www.b20germany.org/fileadmin/user_upload/documents/B20/b20-factsheet-ecre.pdf)

The C20 "Sustainability (Energy and Climate) Working Group" focuses on necessary actions for the rapid and ambitious implementation of the Paris agreement, including support for climate resilience and the most vulnerable. The C20 recommendations are available here: <http://civil-20.org/main/wp-content/uploads/2017/03/Sustainability.pdf>

The T20 "Climate Policy and Finance" Task Force works on a comprehensive approach that links inclusive growth, sustainable development and climate goals built on sustainable infrastructure. The T20 recommendations are available here: [http://www.g20-insights.org/policy\\_briefs/towards-comprehensive-approach-climate-policy-sustainable-infrastructure-finance](http://www.g20-insights.org/policy_briefs/towards-comprehensive-approach-climate-policy-sustainable-infrastructure-finance)

## Signatories

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