

SUSTAINABILITY: *Increasing investment in renewable energy technology, promoting increased access to energy, tackling climate change and minimising its impacts.*

Introduction

Working constructively with the G20 to ensure that the G20's policies promote sustainable development, with a particular focus on increasing investment in renewable energy and promoting energy access, was identified as a key civil society priority for 2015 following an online survey run by C20 Turkey in early 2015. Subsequently, the C20 Sustainability Working Group was formed.

This working group will now undertake a policy consultation process involving national and international civil society organisations in order to develop policy recommendations on renewable energy and energy access for the G20's consideration. The working group will take the G20's existing commitments on sustainability, energy and climate change as a framework, and will propose concrete recommendations to ensure that the G20's policies better promote sustainability.

This background paper is designed to be a starting point for the C20 Sustainability Working Group's discussions. It includes an overview of the G20's commitments on sustainability, energy and climate change, as well as background information on civil society's prior work on this theme.

Background

Worldwide, over 1.4bn people do not have access to electricity and a further 1bn lack access to a reliable electricity source¹. The challenge of energy access is most acute in least developed countries (LDCs), Sub-Saharan Africa and South Asia. Against this background, many governments have increased their efforts to deploy renewable energy, and renewable energy markets have grown significantly over the last decade², with electricity from renewable sources now providing close to 20% of total power generation in the world.³ However, renewable energy investment remains prohibitively costly in some places, while integration of renewable energy into the energy mix at a time of budgetary austerity in other places is proving challenging.

Anthropogenic climate change presents serious risks to the global economy and social stability, not to mention the environment. Some estimates suggest that failing to tackle climate change in the short term could cost up to 20% of GDP in the long run⁴. The negative impacts of climate change as a result of human activity are now widely recognised,⁵ as is the fact that these impacts are felt most acutely by the most disadvantaged communities⁶. While meeting the international goal of limiting warming to no more than 2°C requires concerted international efforts to mitigate the effects and adapt to the impacts of climate change, international negotiations remain stalled.⁷ Only \$10bn of the pledged \$100bn per year has actually been pledged, and of that, only \$149m worth of commitments have actually been signed.⁸ While 6 of the top 10 contributors to the Green Climate Fund are G20 members, the level of ambition and leadership demonstrated by the G20 overall leaves much to be desired.⁹

¹ <http://www.undp.org/content/dam/undp/library/corporate/fast-facts/english/FF-Universal-Energy-Access.pdf>

² http://www.iea.org/publications/freepublications/publication/Deploying_Renewables2011.pdf

³ http://www.iea.org/publications/freepublications/publication/Deploying_Renewables2011.pdf, p15

⁴ http://www.wwf.se/source.php/1169157/Stern%20Report_Exec%20Summary.pdf, px

⁵ http://www.ipcc.ch/pdf/assessment-report/ar5/syr/AR5_SYR_FINAL_SPM.pdf, p6

⁶ http://www.ipcc.ch/pdf/assessment-report/ar5/syr/AR5_SYR_FINAL_SPM.pdf, p13

⁷ http://www.ipcc.ch/pdf/assessment-report/ar5/syr/AR5_SYR_FINAL_SPM.pdf, p17

⁸ http://news.gcfund.org/wp-content/uploads/2015/04/GCF_contributions_10apr15.pdf

⁹ http://news.gcfund.org/wp-content/uploads/2015/04/GCF_contributions_10apr15.pdf

The G20 and Sustainability

Economic growth, one of the main goals of the G20 has been framed in terms of sustainability since the Pittsburgh G20 summit in 2009. Climate change and loss of biodiversity are recognised as risks to economic growth by the G20, thus sustainable or green growth as a form of risk management or mitigation is emphasised. Serious consideration of these issues by G20 Leaders dates back to some of the earliest G20 heads of state summits, and specifically to the adoption of the G20 Framework for Strong, Sustainable and Balanced Growth at Pittsburgh in 2009.

While the United Nations Framework Convention on Climate Change (UNFCCC) is the key inter-governmental body for action on climate change, the G20, as twenty of the world's most significant economies, is highly influential on the issues of sustainability, energy and climate change. G20 countries rank amongst the top emitters of carbon dioxide, with 17 of the top 20 largest emitters being from G20 countries.¹⁰ Moreover, the predicted economic impacts of climate change, when considered against the G20's primary focus on strong, sustainable and balanced economic growth, make it impossible for the forum to ignore this issue.

In 2012 and 2013, both G20 communiqués acknowledged the importance of reconciling economic growth, environmental protection and social inclusion. This was framed in terms of sustainable development, and presented as essential to long-term economic growth. In 2012, the Los Cabos Leaders' Declaration contained recognition of the importance of "inclusive **green growth**", and encouraged exploration of effective mechanisms to fund such growth. It welcomed the delivery of a non-prescriptive toolkit of policy options for the inclusion of green growth, and committed G20 countries to self-report on actions taken to integrate green growth within the structural reform agendas. However, in 2013 no mention is made of self-reporting and there is simply a commitment to further development and dissemination of this toolkit. In 2014, green growth disappeared entirely from the leaders' declaration.

Since 2012, successive G20 summit communiqués have recognised **climate change** as a global problem requiring global solutions, and acknowledged that the costs of responding increase as action is delayed. Each communiqué has reiterated the G20's commitment to support the UNFCCC process and expressed support for the outcomes of the most recent Conference of Parties (COP). In 2014, the Brisbane Leaders' Declaration committed G20 leaders to "work together to adopt successfully a protocol, another legal instrument or an agreed outcome with legal force under the UNFCCC that is applicable to all parties at the 21st Conference of the Parties (COP21) in Paris in 2015," but fell short of spelling out exactly what this would require.

On **climate finance**, the Los Cabos Leaders' Declaration confirmed the G20's support for the operationalisation of the Green Climate Fund. It welcomed the creation of the G20 Study Group on Climate Finance and requested that the group submit a report to G20 Finance Ministers for consideration. Similarly, the 2013 communiqué welcomed the study group's report, tasked Finance Ministers with reviewing it and reiterated G20 support for the GCF. In 2014, no mention was made of the study group and the communiqué contained only a reaffirmation of G20 "support for mobilising finance for adaptation and mitigation, such as the Green Climate Fund".

On **fossil fuels**, all the G20 communiqués since 2008 have included a commitment to "phase out inefficient fossil fuel subsidies", with little detail on how this should take place. In 2012, the Los Cabos Leaders' Declaration tasked G20 Finance Ministers with reporting back on progress made in this area, as well as exploring options for a voluntary peer review process for G20 members by their next meeting. This commitment, however, is not subsequently mentioned in latter

¹⁰ <http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm?tid=90&pid=44&aid=8>

communiqués.

With regards to **energy**, all G20 leaders' declarations since 2012 include a commitment to increase energy collaboration in order to promote well-functioning and effective energy markets. This culminated to endorsement of the G20 Principles on Energy Collaboration at the 2014 Brisbane summit, and G20 Finance Ministers were tasked with reporting back on options in 2015.

In 2012, the Los Cabos Leaders' Declaration welcomed a report on clean energy and **energy efficient** technologies, as well as efforts to share national experiences of the deployment of relevant technologies. This was echoed in 2013, in a commitment by the G20 to take steps to support the development of cleaner and more efficient energy technologies to promote a more sustainable energy future. In 2014, energy efficiency was emphasised as a cost effective way to address the rising demands of sustainable growth and development, and an Action Plan for Voluntary Collaboration on Energy Efficiency was agreed. There is no mention of **renewable energy** in either 2012 or 2014. In 2013, there is a passing mention to renewable energy in the context of nuclear energy, but there is no specific commitment on renewables.

In 2013, the importance of improved **access to energy** was noted by G20 leaders as essential for a better quality of life and enhanced economic performance. In the Brisbane Communique, energy efficiency is emphasised as a means to ensuring energy access. However, no specific policy commitments are made on the issue.

The **Turkish G20 Presidency** has placed renewable energy on the G20's agenda for 2015 as part of discussions about how to improve access to energy. In particular, the presidency has committed to look into the high costs of investment in renewable energy. Interestingly, climate finance is also on the 2015 agenda, which reflects the Turkish G20 Presidency's focus on LDCs (Least Developed Countries).

We support strong and effective action to address climate change. Consistent with the United Nations Framework Convention on Climate Change (UNFCCC) and its agreed outcomes, our actions will support sustainable development, economic growth, and certainty for business and investment. We will work together to adopt successfully a protocol, another legal instrument or an agreed outcome with legal force under the UNFCCC that is applicable to all parties at the 21st Conference of the Parties (COP21) in Paris in 2015. We reaffirm our support for mobilising finance for adaptation and mitigation, such as the Green Climate Fund.

- G20 Leaders' Communique, Brisbane 15-16 November 2014

G20 engagement groups and sustainability

The officially-recognised G20 engagement groups have each addressed issues of energy, climate change and sustainability in different ways over the last three years.

Climate change, green growth and sustainable development have been key concerns for civil society since it began engaging with the G20 in 2008. Consequently, these have been priority issues for the [C20](#) since it was formally recognised in 2013. In 2013, a number of the C20's recommendations focused on

Further resources

The leaders' communiqués can be accessed from the G20 website and a host of other sites. You can also access them all from the [Resources section of the C20's website](#).

G20 Members' Comprehensive Growth Strategies from November 2014 can be found [here](#).

Sustainable Growth and Development

Driving sustainable growth is a core aim of the G20 and is central to its mandate across all

environmental protection actions that the G20 should take, including calling for the G20 to adopt international environmental and social standards for all its infrastructure projects. In 2014, priority recommendations to the G20 included ending government support for fossil fuels and boosting investment in renewable energy and energy efficiency; committing G20 finance ministers to developing a Climate Finance Roadmap to be adopted in 2015; and working together to put a price on carbon. For more information on the C20's 2014 policy related to renewable energy, fossil fuels and climate finance see [here](#).

The L20 has promoted the 'Just Transition' as a policy recommendation that the G20 should support since 2012. The L20 has also called on G20 leaders to agree an ambitious contribution to the UN Conference on Sustainable Development (Rio+20) in 2012, to collaborate to ensure that the new Sustainable Development Goals framework contains a climate change goal, and to show more ambitious leadership through the UNFCCC process. On climate finance, in 2012 and 2014 the L20 urged G20 members to attain the full implementation of the Green Climate Fund, as well as committing the resources necessary and promoting the development of long-term financial assets to encourage investment.

In 2012, the B20 called on the G20 to endorse the **B20 Green Growth Club**, and engage with it to achieve robust carbon pricing, end inefficient fossil fuel subsidies, accelerate low-carbon innovation and increase efforts to use public funding to leverage private investment. Although the B20 Green Growth Club has not been mentioned by the B20 since, the call for the G20 to foster energy efficiency and decarbonisation through investment, including public-private partnerships (PPPs) was echoed in 2013. Also in 2013, the B20 called on the G20 to promote universal access to energy through increased investment in the energy sector, and acceleration of cost-effective renewable and energy efficient technologies.

The **T20** emphasised the importance of both phasing out fossil fuel subsidies and making

work streams. This mandate was established in Seoul in 2010 with the agreement of a [G20 Framework for Strong, Sustainable, Balanced and Inclusive Growth, 2010](#). The [Seoul Development Consensus for Shared Growth, 2010](#) is a key document for broadening the mandate of the forum, especially to development and shared growth.

Energy and Sustainability Working Group

The G20 Energy and Sustainability Working Group (ESWG) is tasked with developing G20 policy on issues relating to energy and sustainability. The ESWG drafted the [G20 Principles on Energy Collaboration](#) that were presented to G20 leaders in November 2014. This group also developed the [G20 Energy Efficiency Action Plan](#), which sets out a proposed roadmap for increasing G20 members' energy efficiency. You can read more about the ESWG's work in the [G20 Energy Sustainability Working Group 2014 Co-chairs' Report](#).

Climate Finance

The G20 Climate Finance Study Group was established by G20 Finance Ministers in 2012, to effectively mobilise resources taking into account the objectives, provisions and principles of the UNFCCC. The group aims to build G20 members understanding of the underlying issues, **and it produced reports to the G20 in both 2013 and 2014**. Last year, it studied financing for adaptation, alternative sources and approaches to enhance climate finance and its effectiveness, enabling environments to facilitate the mobilisation and effective deployment of climate finance, and examining the role of relevant financial institutions. You can read the full report from 2014 [here](#).

Development Working Group

The G20 Development Working Group (DWG) manages the development-focussed policy work, including work on food security, infrastructure, domestic resource mobilisation, support for the UN SDG process and financial inclusion and remittances. Measures towards achieving equality for women are therefore also addressed by the DWG.

energy efficiency and poverty reduction the focus of its infrastructure development work in 2013. In 2014, there was little mention of energy policy or sustainability, and a much stronger focus on climate change. The T20 policy propositions included a suggestion that G20 leaders commit to attend the COP in Paris this year, and initiated a conversation at the Brisbane G20 Leaders' Summit on how to mobilise necessary climate finance.

For further background, please refer to the [St Petersburg Accountability Report on G20 Development Commitments, 2013](#) This report documents development commitments and progress towards achieving them prior to 2014. The 2014 progress is in the [Annual G20 Development Working Group Progress Report](#).

The C20 Sustainability Working Group in 2015:

The C20's aim is to contribute constructively to the G20's policy making processes by providing specific, concrete and evidence-based policy recommendations for the promotion of inclusive and sustainable growth, which reduce gender inequality as well as social, economic and political inequalities. As outlined above, the G20 has made various commitments on the issues of energy, climate and sustainability over the last few years. While these commitments may be too general and are often repetitive, suggesting a possible lack of implementation, a number of key commitments have been made. In 2015, the C20 Sustainability Working Group could play an important role in proposing a comprehensive way forward for the implementation of the G20's commitments, building on the recommendations of the official engagement groups to date.

To this end, it is recommended that the C20 Sustainability working group considers the following proposed next steps:

1. Analyse the progress made by the G20 on its sustainability commitments since 2012;
2. Compare this progress with the sustainability recommendations made by the C20, L20, T20 and B20 since 2012;
3. Build policy options and recommendations based on the findings of this comparison.

Other policy platforms for consideration

Sustainability is particularly relevant this year in the context of the negotiation of a new international climate change treaty, which is expected to be concluded at UNFCCC COP21 (The 21st Conference of Parties to the 1992 UN Framework Convention on Climate Change), in Paris in December. It is important that C20 recommendations to the G20 complement and reinforce civil society action in the UN arena. The G20 Summit also comes 6 weeks after world leaders are expected to adopt a new development framework built upon Sustainable Development Goals. This framework is set to provide a broader set of goals to guide global efforts for sustainable development after the Millennium Development Goals that come to an end in 2015. In the context of these – and other – moments on the international agenda, there is great potential for robust, coordinated civil society action across the issues of sustainability.

Get involved.

To find out more about the C20's Sustainability Working Group, please go to www.c20turkey.org/page/dynamic/27