

G20 Needs to Provide Inclusive Energy System to Accelerate Global Energy Transition

JAKARTA, 21 FEBRUARY 2022. G20 member countries accounted for about 75% of global energy demand. Therefore, the G20 countries have a big responsibility and strategic role in encouraging the use of clean energy. As the G20 is expected to reach a mutual agreement in accelerating the global energy transition, the T20, as the official engagement group of G20, has the opportunity to encourage the world's collective efforts in realizing policies to accelerate global economic recovery inclusively.

Through the **T20 Inception Conference**, the Think 20 aims to provide such discussion under one of the plenary sessions, titled "**Accelerating Energy Transition - Raising Climate Target.**" This session was chaired by **Moekti Handayani Soejachmoen (Kuki)** as the chair of Task Force 3 of T20 Indonesia 2022 and invited lists of panelists such as **Gauri Singh** (Deputy Director-General, International Renewable Energy Agency (IRENA)), **Tetsushi Sonobe** (Dean and CEO, Asian Development Bank Institute (ADB)), **Frank Jotzo** (Task Force 3 Co-Chair, T20 Indonesia), and **Dennis Snower** (President, Global Solution Initiatives, Germany).

G20 Plays an Essential Roles in Accelerating Energy Transition Agenda

G20 member countries are expected to have a strategic position to encourage the energy transition. When opening the session, Soejachmoen mentioned that the G20 is expected to reach a mutual agreement in accelerating the global energy transition. "G20 has a strategic role in promoting the use of clean energy, as the G20 is expected to reach a mutual agreement in accelerating the global energy transition and strengthening the sustainable global energy system," said Soejachmoen.

The session continued with a keynote speech delivered by Gauri Singh. She emphasized the importance of having an inclusive energy system to support the energy transition in her remarks. "We must build a new energy system, a cleaner system (that is) focused on the principles of inclusive sustainable and equitable growth. A greener system that liberates us from the volatility and instability that has long characterized the energy economy. Indonesia has an opportunity through its presidency not only to bring world leaders and decision-makers together but to show energy transition leadership through its actions," said Singh.

Furthermore, Singh also stated that the G20 as an inclusive platform, for both developed and developing countries, could also accelerate green growth to support economic recovery. "We believe (that) there is a room for us to do more. The energy transition centered around renewables has the power to address the overwhelming share of carbon emission efficiently and cost-effectively," added Singh.



Official Press Release

Release Date: 22 February 2022

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Addressing Climate Agenda Should Enable Cross-Country Collaboration and Efforts to Formulate Socially Acceptable Policies

The session continued with a panelist discussion. Frank Jotzo, Dennis Snower, and Tetsushi Sonobe shared their thoughts about several key questions on accelerating the energy transition. As we are all aware, there have been longstanding conversations on whether countries need to slow down their development progress to reduce greenhouse gas emissions (GHG emissions). Jotzo disapproved of such a proposal as he stated, "There is no conflict anymore between the goals of development economic growth and a clean economic system." Jotzo further emphasized that affordable clean energy is the single critical factor that will allow the world to achieve an ambitious climate change mitigation and drive the energy transition to low carbon. "Investment in clean energy is increasingly understood not as a brake on the economy, but as a motor of economic growth. An enormously large investment is needed to get to the low carbon-low emission system of the future. That large investment (is needed) upfront," added Jotzo.

Afterward, Snower emphasized how important it is to make a socially acceptable climate policy. He stated that climate action is often not socially acceptable because it hurts the poorest consumers most and endangers people's jobs in the carbon-intensive industry. "Green energy has become much cheaper, and its investment will create a lot of jobs, but the losers in the transitions will not automatically become the winners. So, I think we should be very cognizant of the history that we have had over the past decades," said Snower. Furthermore, he added that international cooperation plays a significant role in creating socially acceptable climate policies. "Advanced countries providing technology transfers and financial support, the developing countries contribute much more actively to climate action; that, in combination with making climate action socially acceptable, I think would be the right framework for carbon pricing," he added.

The discussion then continued to the contradiction of energy access with the energy price. Sonobe mentioned that access to clean energy is indispensable to improving the quality of life and sustaining economic development, especially in low-income countries. As clean energy is still perceived as expensive for low-income countries, it is essential to find ways to make clean energy comfortable. Echoing Jotzo and Snower, Sonobe stated that the key to achieving such a goal is technology utilization, international cooperation, and policy coordination. "Local carbon energy transition and the eradication of energy poverty are, in a sense, contradictory with each other, but they should be and can be compatible with each other," he concluded.

For full coverage of the event, please watch our recorded live stream on Youtube:
<https://www.youtube.com/watch?v=p1VW980X36E>