



A G20 Priority: Consolidating and Sustaining Multilateral Collaboration for Bespoke National Energy Transitions

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Accelerating Climate
Action and the Just
Energy Transition



Abstract

A recommendation of the T20 Brazil Communiqué is for the G20 to “provide capacity building, technology transfer and adequate funding for national transition plans, including measures to leverage climate adaptation and bioeconomy”. This advances Indonesian and Indian G20 recommendations to support sustainable, affordable, and inclusive energy transitions in developing countries, amplified by Brazil’s G20 Principles for Just and Inclusive Energy Transitions and the South African presidency’s priority to address the energy trilemma by “balancing the objectives of energy security, affordability, and environmental sustainability”.

The G20 troika of Indonesia, India, and Brazil also demanded an adequate New Collective Quantified Goal (NCQG) of climate finance to help developing countries achieve their Paris Agreement targets. However, the COP29 NCQG committed to \$300 billion a year “from all public and private sources” against the ask of at least \$1 trillion annually and was gavelled through despite objections by developing countries. India stated that “the Global South is being pushed to transit to no-carbon pathways even at the cost of our growth”, adding that the paltry sum was “too few and too distant” to drive conducive climate action.

Further, the US’s withdrawal from the Paris Agreement raises the stakes for South Africa’s G20 and Brazil’s COP30 presidencies to maintain the urgency to generate low-cost financing and source technologies for developing countries’ energy transitions and climate adaptation – especially since the US will inherit the 2026 G20 presidency. The EU is also folding inwards with a Competitiveness Compass that urges it to “act now to regain its competitiveness and secure its prosperity”.

This policy brief discusses how developing countries should continue leveraging the G20 and UNFCCC platforms while improving South–South and North–South cooperation, amid a combative geopolitical scenario, to 1) quantify their finance, technology, and capacity needs for transition and adaptation; 2) ensure – and enhance – finance flows; 3) develop or acquire appropriate at-scale technologies blending modern and traditional expertise; and 4) shape bespoke national energy transition pathways that best suit their developmental priorities and resources.

Keywords: Energy Transition, International Financial Architecture, Debt, Multilateralism, Capacity Building, Appropriate Technologies

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Diagnosis

Today's geopolitical scenario, unfolding amid escalating climate crises, calls for urgent and cohesive action by the G20 on 4Ds: debt, development, decarbonisation, and disaster resilience.¹

The G20 presidencies led by four major emerging markets and developing economies (EMDEs) since 2022 – Indonesia, India, Brazil, and now South Africa – have brought these challenges, which impact billions of people, into focus. As the final consecutive EMDE of this quartet, South Africa's T20 theme – "Consolidate and Sustain"² – reflects its ownership of the responsibility to preserve, and build upon, the hard-earned progress of the preceding troika, especially in support of inclusive and just energy transitions.

Brazil's T20 Communiqué urges the G20 to collaborate to provide institutional, technological, and financial support in deploying bespoke national energy transitions. It states that countries should leverage their unique strengths, aligned with their priorities and resources, to ensure that transitions "promote climate change adaptation and mitigation, conservation and sustainable use of biodiversity resources, and universal access to clean, affordable energy".³

Brazil's G20 Principles for Just and Inclusive Energy Transitions⁴ built upon the Bali Energy Transitions Roadmap⁵ and India's Green Development Pact for a Sustainable Future and its G20 Action Plan on Accelerating Progress on the SDGs (which includes "implementing sustainable, inclusive and just

¹ Ghosh, A. "G20 needs to deliver on debt, development and decarbonisation plans". Hindustan Times, August 14, 2023. [Link](#)

² T20 South Africa. 2025. *About the T20*. [Link](#)

³ T20 Brazil. 2024. *T20 Brazil Communiqué: Let's rethink the world*. [Link](#)

⁴ G20 Brazil. 2024. *G20 Rio de Janeiro Leaders' Declaration*. Rio de Janeiro. [Link](#)

⁵ G20 Indonesia. 2022. *Decade of Actions: Bali Energy Transitions Roadmap*. G20. [Link](#)

transitions globally” as a key transformative area).⁶ Furthering these, the South African G20 presidency has prioritised “balancing the objectives of energy security, affordability and environmental sustainability”.⁷

However, developing countries rarely attract foreign capital for clean energy transitions and decarbonisation in alignment with their economic aspirations, social constructs, resource security, and climate resilience needs.⁸ Even EMDEs, except China, receive only about 15% (\$270 billion)⁹ of the yearly global investment in energy transition¹⁰ – a fraction of the \$1.7 trillion needed annually just in climate finance by the early 2030s.¹¹ The much-negotiated COP29 New Collective Quantified Goal on Climate Finance was a letdown, with developed countries asked to mobilise \$300 billion annually by 2035 for developing countries' climate action.¹² India called the sum “too less and too distant”, stating that “the Global South is being pushed to transition to no-carbon pathways at the cost of our growth”.¹³

Moreover, with intensifying geopolitical turmoil, sudden and chronic disasters, conflicts, distress migrations, and dwindling resources, 60+ developing countries, housing over 3 billion people, now spend more on servicing national debts than on essential development, including health and education. This is perpetuating a

⁶ G20 India. 2023. *G20 New Delhi Leaders' Declaration*. New Delhi. [Link](#)

⁷ G20 South Africa. 2025. *Issue Note: Energy Transitions Working Group*. Accessed April 2025. [Link](#)

⁸ WEF. 2025. *Why scaling clean energy in the Global South is a three-legged balancing act*. January. Accessed April 2025. [Link](#)

⁹ IEA. 2024. *Reducing the cost of capital*. International Energy Agency. [Link](#)

¹⁰ WEF. 2025. *Financing the Energy Transition: Meeting a Rapidly Evolving Electricity Demand*. World Economic Forum. [Link](#)

¹¹ Songwe, V., N. Stern, and A. Bhattacharya. 2022. *Finance for climate action: Scaling up investment for investment for climate and development*. Independent High-Level Expert Group on Climate Finance. [Link](#)

¹² France24. 2024. *Developing nations blast 'paltry' \$300 billion deal approved at COP29*. November. Accessed March 2025. [Link](#)

¹³ Mongabay. 2024. *COP29 ends with a \$300 billion promise overshadowed by distrust and discontent*. November. Accessed May 2025. [Link](#)

doom cycle of increasing debt defaults, slumping credit ratings, higher costs of borrowing, and decreased ability to get investments.^{14,15,16}

Without planned, timely, and adequate investments, EMDEs lack the financial headroom for energy transitions, which need large upfront, long-term, low-cost capital for infrastructure, imported technologies, ecosystem creation, and skills development.¹⁷

For instance, licensing or buying clean energy and low-carbon technologies from developed countries in hasty transitions locks developing countries into expensive commitments – often without clear ownership; erodes their autonomy to choose technologies suiting their priorities and capacities; and reduces already-slim research and development investments in local innovations.¹⁸ Building capacity to adopt and adapt to energy transitions – while accounting for national circumstances and inclusive pathways – also remains vexing. Consolidating G20 initiatives to improve financial and technical inputs will help scale up capacity for energy transitions.

However, with the presidency set to transfer to the US in 2026, South Africa faces tremendous headwinds in sustaining the gains of the EMDE quartet. The US is now antagonistic to multilateral systems – for instance, it has withdrawn from the Paris Agreement,¹⁹ blitzed its own development aid and clean energy initiatives, and unleashed a combative tariff regime backed by its protectionist Inflation Reduction Act, heralding a major realignment of global

¹⁴ IMF. 2024. *List of LIC DSAs for PRGT-Eligible Countries*. Accessed March 2025. [Link](#)

¹⁵ UNCTAD. 2024. *A world of debt*. UN Trade and Development. [Link](#)

¹⁶ UNCTAD. 2025. *Debt crisis: Developing countries' external debt hits record \$11.4 trillion*. March. Accessed April 2025. [Link](#)

¹⁷ IEA. 2021. *The Cost of Capital in Clean Energy Transitions*. December. [Link](#)

¹⁸ Dorn, F. M. 2022. *Green colonialism in Latin America? Towards a new research agenda for the global energy transition*. *European Review of Latin American and Caribbean Studies* 114: 137-146. [Link](#)

¹⁹ White House. 2025. *Presidential Actions: Putting America First in International Environmental Agreements*. January. [Link](#)

trade and supply chains. The US has also denounced South Africa's policies as "anti-American".²⁰

The EU too is folding inwards with a Competitiveness Compass to "regain its competitiveness and secure its prosperity" while spending almost EUR 1 trillion on defence to ReArm Europe by 2030²¹ and cutting funds for clean energy cooperation and international development.²² The EU has also doubled down on rolling out its unilateral protectionist measure, the Carbon Border Adjustment Mechanism, in January 2026.

The self-serving, coercive measures of G20 members are undermining its collective ambitions and efforts and defeating the principle of "common but differentiated responsibilities with respective capabilities" – a cornerstone of environmental cooperation – with grave implications for multilateralism and global governance.

South Africa's G20 and Brazil's COP30 presidencies are therefore highly consequential to the progress of global and national initiatives supporting secure, sustainable, inclusive, and just energy transitions and climate action, within and beyond the G20.

Recommendations

The G20 needs bold and decisive thinking, with tactical and targeted collaboration, to accelerate and sustain just energy transitions amid today's realities.²³

This policy brief makes three major recommendations covering the international financial architecture, co-developed and context-appropriate technologies, and

²⁰ AP News. 2025. *Rubio will skip a G20 meeting after calling South Africa's policies anti-American*. February. Accessed March 2025. [Link](#)

²¹ European Commission. 2025. *Acting on defence to protect Europeans*. [Link](#)

²² UK Parliament. 2025. *UK to reduce aid to 0.3% of gross national income from 2027*. February. [Link](#)

²³ IEA. 2024. *International Collaboration*. [Link](#)

capacity building, to achieve this. The focus is on consolidating, strengthening, and utilising existing G20 initiatives – instead of proposing new structures – to maintain continuity of ideas and implementation, thus maximising the impact of South Africa’s presidency.

1. Reimagining the international financial architecture for bespoke energy transitions

Three options for G20 South Africa are:

- Re-examining the G20 Common Framework for Debt Treatments, which promotes accelerated debt resolution and comparability of treatments of sovereign borrowers,²⁴ to improve its effectiveness.²⁵ The framework must evolve beyond the Debt Service Suspension Initiative and harmonise debt relief efforts across various creditor types to overcome obstacles caused by rising sovereign debts. The framework should also go beyond extending maturities or reducing interest rates to include provisions to cancel debts, thus creating fiscal room to prioritise investment in capital-intensive clean energy infrastructure.²⁶
- Actioning the “Triple Agenda” by urging G20 members to influence multilateral development banks to triple their sustainable lending levels by 2030 and adopt more flexible capital mechanisms to unlock concessional finance for transitions.²⁷
- Leveraging the Global Sovereign Debt Roundtable (GSDR), which convenes indebted countries and their creditors, to improve the understanding of debt sustainability and restructuring to mobilise finance

²⁴ UNU-CPR. 2025. *Capacity-building: a solution to the “credit rating impasse”*. March. Accessed April 2025. [Link](#)

²⁵ IMF Blog. 2024. *How to Ease Rising External Debt-Service Pressures in Low-Income Countries*. Accessed April 2025. [Link](#)

²⁶ UNCTAD. 2025. *Sovereign Debt Workout Mechanisms: The G20 Common Framework and Beyond*. UN Trade and Development. [Link](#)

²⁷ Summers, L., and Singh, N.K. 2023. *The Triple Agenda: Report of the Independent Experts Group*. New Delhi. [Link](#)

for energy transitions.²⁸ India has endorsed the GSDR as a comprehensive forum to pave pathways that serve debt obligations without compromising critical investments.²⁹

2. Promoting co-developed and context-appropriate technologies

Bespoke clean energy transitions need large-scale deployment of commercially viable low-carbon technologies aligned with local contexts, developmental priorities, and implementation capabilities. Infrastructure readiness, resource security, and supply chain access are fundamental to the design and success of transition policies and technologies.³⁰ Three options for G20 South Africa are:

- Continuing the integration of the efforts of the Sherpa and Finance tracks, for instance the Energy Transitions Working Group and Sustainable Finance Working Group, and engagement groups like Think20 and Business20, to impact areas ranging from taxonomies and standards to on-the-ground deployment.
- Referencing the G20's context-specific multi-stakeholder platforms like the Global Biofuels Alliance, the Resource Efficiency Dialogue, and the Global Infrastructure Hub (now part of the World Bank), as enablers of energy transitions. It should also explore ways for the G20 to utilise the capabilities and networks of its member-led forums like the International Solar Alliance and Coalition for Disaster Resilient Infrastructure, thus drawing expertise from diverse multilateral forums.

²⁸ World Bank. 2025. *The Global Sovereign Debt Roundtable (GSDR)*. February. Accessed April 2025. [Link](#)

²⁹ Business Standard. 2024. *FM Nirmala Sitharaman calls for deeper dialogue on global sovereign debt*. October. Accessed April 2025. [Link](#)

³⁰ De Laurentis, C., Pearson, P.J.G. *Policy-relevant insights for regional renewable energy deployment*. Energy Sustain Soc 11, 19 2021. [Link](#)

- Creating a “coalition of willing members” to promote South–South and North–South collaboration to fast-track transitions by facilitating shared access to adaptable and context-appropriate technologies and delivering equitable outcomes rooted in shared values and mutual benefits. Such a coalition would complement non-G20 initiatives such as the UNFCCC’s Technology Needs Assessments,³¹ which aim to identify and prioritise “country-driven, participatory and action-oriented” solutions.

3. Building capacity through shared expertise and inclusive actions

Rapid and systemic transformations propelled by energy transitions make it imperative to establish effective methods to share knowledge to raise sectoral and public awareness and expertise.³² Two options for the South African presidency are:

- Continuing efforts to integrate and operationalise existing G20 mechanisms that prioritise need-based capacity building for clean energy transitions, such as Japan’s 2019 G20 Initiative on Human Capital Investment for Sustainable Development³³ and Guiding Principles for the Development of Science, Technology and Innovation (STI) for SDG Roadmaps³⁴ (which accounts for socio-economic circumstances in building capacity through bottom-up approaches for just transitions).
- Endorsing, strengthening and aligning with external frameworks like the UNFCCC’s Solidarity and Just Transition Declaration and the

³¹ UNFCCC TT:CLEAR. 2025. *What are Technology Needs Assessments (TNAs)?* Accessed May 2025. [Link](#)

³² DBDH. 2023. *The Importance of Knowledge Sharing*. July. [Link](#)

³³ G20 Japan. 2019. *G20 Initiative on Human Capital Investment for Sustainable Development*. Osaka. [Link](#)

³⁴ G20 Japan. 2019. *Guiding Principles for the Development of Science, Technology and Innovation for SDG Roadmaps*. Osaka. [Link](#)

International Labor Organization’s Guidelines towards a Just Transition³⁵
for wider dissemination, acceptance and implementation.

Conclusion

The theme of South Africa’s G20 presidency — “Solidarity, Equality, and Sustainability” – underscores its commitment to value-based partnerships that define the multilateral ethos of the G20.³⁶ South Africa must help consolidate and sustain the G20’s ideas and initiatives, and maximise the impact of its presidency through cross-pollination at upcoming forums like the UN’s Fourth Financing for Development Conference and Brazil’s COP30.

In today’s tense world, the strategically relevant and economically affluent G20, with 85% of the world’s GDP and 75% of international trade, must prioritise bespoke clean energy transitions for a secure, sustainable, and inclusive future.

³⁵ ILO. 2016. Guidelines for a just transition towards environmentally sustainable economies and societies for all. February. [Link](#)

³⁶ G20 South Africa. 2024. About G20. Accessed March 2025. [Link](#)

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