

G20 CHAIR'S SUMMARY

ENERGY TRANSITIONS MINISTERS MEETING 2022

We, the G20 Ministers responsible for energy, met virtually and in person in Bali, on 2 September 2022, to focus on concrete and practical actions for accelerating clean, sustainable, just, affordable, and inclusive energy transitions as we are recovering together and recovering stronger.

Part I

1. We meet during a global energy crisis, distinguished by high energy prices and market volatility, disruptions to energy supply chains, and record inflation in the aftermath of the COVID-19 pandemic, as well as rising geopolitical tensions with widespread effects on people, planet, prosperity, and peace.
2. We are gravely concerned, in this regard, by the increased and ongoing conflicts in many parts of the world, including the war in Ukraine which has adverse impacts on the global efforts to accelerate energy transitions and secure energy access. Many members expressed condemnation to Russia in this regard, while others view that the Energy Transitions Working Group is not the proper forum to discuss geopolitical issues. Many affirm that energy should never be used as tools of political coercion, at the same time, others stress the need to refrain from unilateral restrictions. The current situation has underlined the urgency to rapidly transform energy systems to be more secure, reliable, and resilient. Members have also called for peace, cessation of hostilities and an immediate end to war.

Part II

The Ministers agreed on the following points:

3. We are committed to be the key part of solutions to achieve market stability and affordability, strengthen energy security, enhance energy sustainability and accelerate energy transitions. We will realize a future-proof and secure energy systems capable to withstand shocks and uncertainty, by strengthening supply chains including critical minerals and materials; enhancing resilience; and promoting inclusive investments to meet growing energy demand, in line with our sustainable development and climate goals. We recognize that advancing energy security reinforces our agenda to accelerate and ensure just, inclusive, affordable, and viable energy transitions.

Strengthening Efforts to Achieve Global Goals

4. Recalling the 2030 Agenda for Sustainable Development, the UNFCCC, the Paris Agreement, and decisions taken by COP26 and CMA 3, including the Glasgow Climate

Pact, we will continue our work in ensuring access to affordable, reliable, sustainable, and modern energy for all by 2030. Taking action across mitigation, adaptation and finance, we reaffirm our commitment to the full and effective implementation of the UNFCCC and of the Paris Agreement reflecting the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances. As agreed in Rome, we acknowledge the key relevance to achieve global net zero GHG emissions or carbon neutrality by or around mid-century and take note of different approaches and the time frames announced by various countries in this regard.

5. Taking note of the 6th Assessment Report of the Intergovernmental Panel on Climate Change, we highlight the nexus between energy and climate and emphasize our responsibility to accelerate climate change mitigation actions by reducing emissions in the energy sector through clean, sustainable, just, affordable, and inclusive energy transitions, thus contributing to holding the global average temperature to well below 2°C and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

Bali Compact

6. We endorse the Bali Compact, our G20 framework that sets out 9 (nine) voluntary principles for energy transitions, that leaves no one behind, and aims to advance the G20 works on the energy sector building upon the previous G20 presidencies' outcome.

Priority Area I – Securing Energy Accessibility

7. We reaffirm our commitments to achieve the goals of 2030 Agenda for Sustainable Development, notably with respect to SDG7, and strive to close the gaps in energy access as well as to eradicate energy poverty. We will improve access to affordable, reliable, sustainable, and modern energy, recognizing that ensuring such access is a basic human need, including for, among others, the most vulnerable populations and displaced people. We acknowledge the range of pathways to improve energy access, including by but not limited to providing solutions in clean cooking and electricity with a modern energy minimum requirement as well as developing regional interconnectivity. We emphasize the importance of achieving universal access by exploring a range of possible options in ensuring energy supply especially by continuing support to Africa. This year, we deep-dived into addressing challenges on energy access faced by archipelagic island states, remote and isolated communities which are found in all corners of the world, particularly in the Pacific.

Priority Area II – Smart and Clean Technologies Scaling-Up

8. Scaling up technology solutions and promoting different approaches are critical for accelerating clean energy innovation and just energy transitions. We highlight the vital role of strengthening cooperative action on technology development, technology and knowledge transfer under mutually agreed terms, to achieve our sustainable development goals and climate goals. We welcome technological partnerships such as Clean Energy Ministerial, Mission Innovation, G20 Energy Efficiency Leading Programme, and the Energy Efficiency Hub. We commit to promote and invest in clean, safe, sustainable technologies and approaches which may include energy efficiency measures and different types of renewables, other zero and low emission technologies, including

abatement technologies as well as removal technologies, taking into account national circumstances and in accordance with the availability of resources. We acknowledge the role of public and private finance and technology cooperation to boost the innovation ecosystem of next-generation clean technologies and accelerate their commercialization. We will enhance the resilience of clean energy technologies in developing countries and commit to mitigating the related risks including digital security concerns.

Priority Area III - Advancing Energy Financing

9. We will boost clean energy investment and financial flows, particularly for developing countries in accelerating energy transitions. In this regard, we support energy sector actions for unlocking and improving inclusive investments, including in upstream, through strengthening project pipelines, enhancing policy and regulatory frameworks including de-risking mechanisms, preparing high-quality bankable projects, and streamlining approvals. We note the importance of local manufacturing, technology and skill transfer under mutually agreed terms and for maximizing benefits for local populations. We urge further dialogue and action among institutional investors, Multilateral Development Banks, other financing institutions, industries, and policymakers to enhance collaboration, to identify innovative financing options, to promote compatible approaches to green and transitions financing, as well as to provide policy, institutional, and regulatory support.

Partnerships for Clean, Sustainable, Just, Affordable, and Inclusive Energy Transitions

10. To achieve clean, sustainable, just, affordable, and inclusive energy transitions, we emphasize the need to continue strengthening collaborations for innovative partnerships and to ensure both financing and access to the necessary technologies. Such partnerships would also benefit and empower Indigenous People and local communities, women, youth, children, migrants, and persons with disabilities. We welcome the exploration of new partnership initiatives to support countries' goals in accelerating energy transitions, including those between developed and developing countries.

Closing

11. We note that during this critical decade of actions, the G20 Indonesia's Presidency put forward Bali Energy Transitions Roadmap as a suggested way to provide continuity in our global agenda. This Presidency roadmap sets out voluntary multiyear actions to get on track to achieve the Sustainable Development Goals (SDGs) and lays pathways towards net zero emissions or carbon neutrality according to national circumstances.
12. We thank the Partner IOs for their contributions to the Indonesia's G20 Energy Transitions Working Group. We thank Indonesia's Presidency for stewarding our agenda. We will submit our Communique to the G20 Leaders' Summit to be held in Bali on 15-16 November 2022. We welcome progress and further initiatives during India's G20 Presidency in 2023.

G20 Presidency's Documents

- Decade of Actions: Bali Energy Transitions Roadmap
- Stocktake on Access, Technology, and Finance
- Summary of G20 2022 ETWG Side Events