



THEIR VIEW

The G20 can build a global bridge to a future of sustainable energy

India's G20 presidency has led to links with the G7 forum to promote a climate agenda that could make a tangible difference



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The G20 Secretariat, India and the International Energy Agency (IEA) recently held an event on 'India's Role in the Future of Energy,' focusing on energy security, the transition from fossil fuels to renewables, and fuels of the future. The event brought together diverse perspectives on achieving a sustainable energy landscape, throwing light on a new clean energy economy that is emerging against the backdrop of an energy crisis marked by soaring prices and far-reaching supply disruptions. India is a major driving force in this new world order. The G20 can build a global bridge to a future of sustainable energy and India's G20 presidency has led to links with the G7 forum to promote a climate agenda that could make a tangible difference.

The International Energy Agency's recently released *World Energy Investment* report shows that for every dollar invested in fossil fuels today, \$1.70 goes into clean energy. Just five years ago, the ratio was 1:1. The amount of new capital flowing into energy drawn from solar photovoltaic technology is set to surpass total investments in oil production this year for the first time in history.

These trends will need to accelerate to ensure that people around the world can benefit from cleaner, more affordable and more secure energy supplies—and to prevent the worsening impacts of climate change and air pollution. The IEA estimates that global energy investments will need to almost triple by 2030 to put the world on a path towards limiting global warming to the critical target of 1.5° Celsius. Mobilizing the financial resources for these investments, especially in emerging and developing economies, is vital.

India is set to capture a wave of this investment as one of the top markets for clean technologies—and its size and influence makes it well placed to be a global leader in international cooperation that will be essential for reaching the world's energy and climate goals. This is one of the priority areas for India under its G20 presidency.

It is encouraging to see the linkages between the recently held G7 Summit in Hiroshima under the presidency of Japan and India's G20 presidency. The Prime Minister of India and leaders of other key emerging economies such as Brazil and Indonesia were invited by the Prime Minister of Japan to take part in the G7 Summit, enabling them to give their vital perspectives. The momentum from this open dialogue and a recognition of common goals can now carry over into the high-level G20 discussions, including the Leaders' Summit that is scheduled in New Delhi this September.

Advanced economies, together with development banks and institutional investors, have the responsibility to take the lead in massively scaling up financing that can accelerate clean energy



progress and expand energy access in the parts of the world where it can make the biggest difference. Today, while per capita emissions in advanced economies are over as twice as high as those in emerging and developing economies, the cost of reducing emissions in emerging economies is around half the level in advanced economies. This underlines the importance and urgency of mobilizing greater international investments in clean energy projects in emerging economies.

There is still a great deal of work to be done to deliver modern energy services to a huge number of people who lack them. More than 2 billion people worldwide are unable to obtain fuels and energy for clean cooking, while nearly 800 million still do not have access to electricity. Platforms like the G20 are important to develop a coordinated approach among advanced and emerging economies in addressing these challenges.

As the G20 president, India is bridging the gap between the G7 and G20 forums. By endorsing a shared vision for sustainable development, India is also emerging as a leading voice of the Global South. With global challenges in mind, India has raised critical issues such as low-cost project financing to help get clean energy projects off the ground in regions of the world that would otherwise struggle to attract investment, universal access to clean energy, and decarbonization of

energy-intensive industries like steel and cement through 'future fuels' such as hydrogen and advanced biofuels.

Moreover, India has raised the profile of the Lifestyle for Environment (LiFE) movement and promoted the importance of behavioural change and pro-climate consumer choices to mitigate environmental damage. As estimated by an IEA study, 'LiFE lessons from India', if all countries worldwide adopt the kind of measures recommended by the LiFE initiative, it would reduce global carbon dioxide emissions by more than 2 billion tonnes by 2030. This alone would deliver around one-fifth of the emissions reductions needed this decade to put the world on a path to net zero emissions. What's more, these LiFE recommendations, if fully adopted, would also save consumers globally around \$440 billion a year on their energy bills. Given that the G20 makes up nearly 80% of global energy demand, meaningful changes by its members can make a big difference.

Ultimately, the bridge between the G7 and G20 lies in concrete international cooperation. With its economic, geographic and cultural diversity, India would be the perfect engineer to bring the international community together, fostering a meaningful global dialogue that goes beyond words and instead delivers tangible results that touch lives.