T20 Indonesia Summit 2022: Smoothing Green and Just Energy Transition

NUSA DUA, BALI, 05 SEPTEMBER 2022. The Indonesia’s G20 Presidency has come closer to the summit. Put in place a set of the world’s critical concerns, the energy transition issue has occupied one of the priority discourses. While energy is a crucial part of development, the world has relied on the limited conventional energy for thousands of years. With this consideration, energy transition is urgently needed, as it is pivotal to ensure long-term energy sustainability. However, the energy transition cannot be done by a single country alone, there needs to be global cooperation to ensure the process goes smoothly. Aside from global cooperation, a massive amount of funding is also required for a smooth transition, along with government and institutional support.

The G20 plays a pivotal role to ensure the ease of the green and just energy transition. The Second Plenary Session of the T20 Summit entitled "Smoothing Green and Just Energy Transition" has given various insights on the efforts that can be made by the public and private stakeholders to ensure that the sustainable energy transition can go smoothly. It also highlighted how the G20 can contribute to that process.

The session was opened by Ashok Lavasha, Vice-President for Private Sector Operations and Public-Private Partnerships of the Asian Development Bank (ADB), highlighting the importance of building capacity knowledge and scaling up financing for green and just energy transition by strengthening blended finance mechanism, increasing private sector’s role and promoting multilateral cooperation.

Moderated by Nathan Hultman, Director of the Center for Global Sustainability at the University of Maryland, the panel heavily discussed trajectory in achieving the transition and G20’s role. Frank Jotzo, professor at the Australia National University, underlined the need of global cooperation, especially in investment and research and development to accelerate green energy transition. In addition, Nishant Bhardwaj, Deputy Director/Global Sector Lead for Renewable Energy at the Global Green Growth Institute (GGGI)
proposed to conditions for smoothing the transition: development of risk management instruments and phase out fossil fuel subsidies to support renewable energy development.

In regards of global cooperation, Deepali Khana, Vice-President Asia Regional Office at The Rockefeller Foundation, mentioned that T20 process is important to harmonize across the different groups of stakeholders in promoting energy transition and private sector’s participation is paramount for the process. In alignment to the discussion, the Director of the German Development Institute (DIE), Anna-Katharina Hornidge said that reinvention of science system to support circularity across system can support the green energy transition targets. She also added that G20-T20 will be beneficial to support the government on a think process in the policy making and global leadership.

The session was closed by Yudo Dwinanda Priadi, chair of G20 Energy Transition Working Group (ETWG) which delivered the result of 2022 G20 Energy Transition Ministerial Meeting (ETMM). The high-level forum has launched Bali Compact (Common Principles in Accelerating Clean Energy Transitions) which will be the underlying document for energy transition acceleration.

In summary, to achieve a successful green and just energy transition, all stakeholders have to ensure the balance of three pillars: human, financial and technology.

To see the full coverage of the parallel session, please watch our recorded live stream on YouTube: https://www.youtube.com/c/T20Indonesia