T20 Indonesia Summit 2022: From T20 to the World

NUSA DUA, BALI, 06 SEPTEMBER 2022. Held as the capstone event of the T20 event series, the T20 Summit finally commenced on September 5 and concluded on September 6. Various world-leading thinkers, policymakers, and experts were gathered at the Hilton Resort, Nusa Dua, Bali—where the event took place. This year’s T20 summit has the main theme of “Strengthening the Role of the G20 to Navigate the Current Global Dynamics,” with three key themes to cover, related to delivering policy options that can be adopted by the G20 leaders on global health architecture, digital transformation, and energy transition. The T20 Summit 2022 invited more than 80 speakers from prominent institutions and organizations worldwide.

The closing plenary session, “From T20 Indonesia to The World” highlighted the recommendations of T20 Indonesia that are summarized in the T20 communique. The session featured prominent speakers, such as Jeffrey Sachs, Bambang Brodjonegoro, Paolo Magri, Sachin Chaturvedi, and Tetsushi Sonobe.

Jeffrey Sachs opened with remarks that during this challenging and complex time, he is hopeful as the G20 Indonesia is the starting iteration of G20 leadership by developing countries: India, Brazil, and South Africa consecutively. In the spirit of inclusivity, Sachs also advocates for the G20 to become G21 by including the African Union.

Sachs further elaborated that the world is facing sustainability issues as the overarching challenge, which was explained in four pillars:

- First, shared global access to modern technology. We have to strive so that the benefits of modern technology are accessible globally so all regions in the world can benefit from decency and well-being.
- The second pillar is social inclusion. We need to ensure across society, each individual’s needs are respected, including in
access to education, clean water, health care, social protection, and nutritious food.

- Third, environmental sustainability. This is no longer a long-term problem. Amidst the ongoing challenges such as drought in Europe and forest fires in the Western United States, the environmental crisis is already here, affecting global communities.

- Third, global cooperation and partnership. Unfortunately, we are failing in this pillar. We need to realize that we are deeply interconnected with shared problems that sorely require cooperation to materialize the global public goods.

Sachs hopes that three topics will dominate the upcoming G20 discussion in November 2022:

- First, new financial architecture. This is especially on terms that benefit all countries, not just high income ones. The need for this new financial architecture is imperative in order to finance the energy transition, climate adaptation, environmental sustainability, and advance SDGs. There should be higher push in this area since it has been 12 years of promises for US$ 100 billion and yet to materialize. This is only 1% of world output. This shameful situation needs to change.

- Second, technology needs to serve humanity, but unfortunately it is in the control of a selected handful of powerful society groups.

- Third, global cooperation. This needs to start with ending the war in Ukraine. There is a clear need for a negotiated end to the war that mutually satisfies both stakeholders.

Bambang Brodjonegoro emphasizes the importance of cooperation. For example, reviving multilateralism in cross-border trade, which has proven that open trade regimes help in easing supply shocks. A case in point is during the Covid-19 pandemic, and various

Brodjonegoro underlines the importance of a new global financial architecture with a new perspective on a global development financing scheme, just like the Bretton Woods framework in the past that established the International Monetary Fund (IMF) and the World Bank. The existing framework has been useful in assisting low-income economies. But today’s challenge no longer works through the
existing framework because now we are dealing with global public goods such as energy transition and climate adaptation. The energy transition involves many parts that remain unanswered by the current financing framework.

T20 communiqué emphasizes the need for global cooperation, but regional cooperation is important as well, especially in terms of integrating inter-island grid in supporting renewable energy transition. Brodjonegoro stressed the need to transform ideas in the communique into concrete actions.

Sachin Chaturvedi began by agreeing on the importance of global finance. He also applauded T20 Indonesia for advocating blended finance. In addition, Chaturvedi seconds the point by Sachs in the importance of a new institutional architecture and framework in order to gain more attention and push new ideas forward.

Chaturvedi proceeded by highlighting four issues where global cooperation is particularly needed: 1) revisiting the institutional framework, 2) development finance, 3) revisiting the timeframe and development parameters, and 4) global public goods, especially on health with vaccines and food security.

There are three important issues of relevance to discuss here:

- **First**, institutional ecosystems. These refer to the ecosystems at the individual level by country, regional level, and global level. The important thing to stress in these institutional ecosystems here is the convergence.
- **Second**, inclusive technological framework. We need to have a framework that can not only support the institutional ecosystems but also to stabilize the needed financing for resilient infrastructure.
- **Third**, the G20 collective leadership. G20 countries need to come together in order to take on these issues collectively.

Tetsushi Sonobe extended high appreciation to the T20 Indonesia for the successful Communique that also marks the 10th anniversary of T20. The T20 community has grown and expanded into a multi-disciplinary community. Sonobe stated that it has contributed to the world through evidence-based policy making. Sonobe floated the idea for a global permanent secretariat for T20. The T20 communique is
pretty comprehensive and contains doable solutions that are also evidence-based. This year’s communiqué has set the correct tone for the next T20 in developing countries.

Paolo Magri began by stressing the need for both continuity and agility. Continuity has been stressed for several years since we need to address long term challenges. It has been difficult to realize such an effort. On top of multi-annual challenges, Magri highlighted that we are seeing new challenges annually. This makes the need to adapt more crucial.

The role of T20 is exactly what G20 Indonesia needs. T20 has been working quietly and steadfastly at the same time. Magri also stressed strongly that the world needs to unite to cooperate and speak with one voice in order to face today’s global challenges.

Magri later elaborated on the state of G20 cooperation. It has been positively effective in the long-run but has not in the short-run. Energy security, in the short-run, relies on national production. In tackling the issue of the current energy crisis due to the Ukraine war, countries are taking whatever means necessary to substitute lost Russian energy and that mostly ends up with fossil fuels. In the long-run, energy security needs to rely on a collective solution in the G20.

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