Building Resilience – G20 Finance, Energy and Health Meetings (April 2020)

This briefing is part of a series developed by the International Climate Politics Hub on what a resilient recovery from the impacts of COVID-19 could look like. Ahead of a sequence of G20 Ministers meetings, it proposes a set of key elements to include in any mid-term recovery plans discussed.

**Highlights**

- The upcoming G20 Finance Ministers’ Meeting on 15th April provides the opportunity to shape the G20 Action Plan for mid-term recovery. Other relevant meetings include the Energy Ministers meeting on 10th April to discuss oil market stability and the Health Ministers’ Meeting on 19th April (full G20 calendar available [here](#)).

- The G20 can provide the global direction of recovery plans to ensure that the full implementation of the Paris Agreement and the Sustainable Development Goals are key pillars of the response to the current and future crises.

- Decisions taken today have the potential to either lock-in harmful emissions in polluting energy systems for decades to come – and in so doing breach irreversible ecosystem tipping points – or build the foundations for global health through planetary protection.

- Stimulus and recovery packages that put people and the planet at the heart of the response will reduce systemic risk and build collective resilience to crises.

**Why You Should Read This**

- The G20 has the potential to lead on the global response to the COVID-19 pandemic; bringing together a balance of developed and developing countries that represent two-thirds of the world’s population, 80% of world trade, 80% of global emissions. More than 90% of all COVID-19 infections around the world are also now in G20 countries.

- Any measure taken at the G20 related to the economic and social recovery has the potential to impact the rest of the world. Decisions taken in this forum – or lack thereof - will send strong political signals to markets and decision-makers around the world.

- The G20 has been slow to respond. The [Extraordinary G20 Leaders’ Summit on 26 March](#) failed to deliver strong commitments towards coordinated action in a number of key areas to address the COVID-19, and included no mention of climate and sustainability. Cooperation on the financial response to the crisis was even more mooted.

  - Unlike 2008/9, the G20 has not identified a series of coordinated measures it can take as nations roll out massive stimulus packages (totaling $5 trillion currently across the G20), risking fiscal imbalances and potentially double dip recessions as a result.

  - However, Finance Ministers and Central Bank Governors have been tasked with developing a G20 Action Plan.
What You Can Do About This

1) Get in touch privately with G20 Ministries of Finance, Environment, Energy and Health (at Minister, Director General and Advisor level); as well as and Sherpas’ offices, in particular in the key constituencies listed below.

2) Use suggested messages and asks to encourage decision-makers with an influence in the G20 meetings to adopt decisions to recover better from the current crisis.

Key Asks & Messages

Deepen International Cooperation

• The G20 has the potential to be the vehicle for ensuring there is a coordinated global response to this and future crises, ensuring cooperation and solidarity. The Covid-19 pandemic has shown or global vulnerability; it will not be over until it is over everywhere. No one country can beat a pandemic alone, just as no one country can successfully address climate change alone. It requires a joint and collaborative international effort.

• Governments acting today need to ensure the impact of the Coronavirus is minimized, while maximizing the chance of a strong recovery that protects planetary health.

• Beyond sharing medical equipment, the G20 needs to do significantly more to provide such a response, both in terms of the public health emergency and the emerging economic crisis.

• The G20 must acknowledge the imperative to build back better, including by better preparing us to address the interlinked global challenges of public health, climate change, biodiversity loss. The Sustainable Development Goals and the Paris Agreement should be the bedrock for designing recovery and stimulatory measures.

Recovery packages for a healthier society and planet

• Decisions taken today have the potential to either lock-in harmful emissions in polluting energy systems for decades to come – and in so doing breach irreversible ecosystem tipping points and making our societies even more vulnerable, unhealthy and unstable – or build the foundations for global health through planetary protection.

• Longer-term stimulus measures to tackle the economic crisis resulting from the COVID-19 outbreak should consider the wider impacts of spending decisions on the health and wellbeing of citizens. The climate and ecological crises could ultimately be more devastating for humanity than the COVID-19 pandemic, if left unchecked

• More resources and equal access to health systems are essential for building resilience and protecting us against future health shocks, including those associated with the impacts of climate change.

• Recovery measures should reduce people’s exposure to combined threats and risk factors, such as air pollution and extreme weather events. Both make communities significantly more vulnerable. New analysis suggests that air pollution is a co-factor of the high level of lethality linked to COVID-19.

• The design of new stimulus packages must ensure that capital flows to workers, communities and local economies that need it most as well as deepen our efforts to build resilience in the long-term and decarbonize the global economy in a just manner.
• It is also essential that countries act together to maintain vital food supply chains and ensure access to nutrition, including for the most vulnerable countries and communities.
• Recovery measures should include, in a nutshell: accelerating plans to reduce greenhouse gas emissions and achieve net zero emissions; cutting pollution and creating high quality jobs; implementing just transition plans and investing in adaptation against worsening climate impacts; phasing out direct and indirect fossil fuel subsidies at a time of historically low oil prices; catalyzing the growth of green industries and incentivizing private sector investment in low carbon sectors; investing in the protection and restoration of ecosystems, sustainable agriculture and food systems.

**Recovery and finance decisions**

• G20 Leaders must reaffirm and act on their commitment to phasing out of fossil fuel subsidies at a time of historically low oil prices. These subsidies are not only harming the economy and ecosystems; they are diverting large amounts of tax-payer money from being used to finance better health systems and stronger social safety nets that are at the core of what keeps the economy running.
• **Africa, many island nations and other highly vulnerable developing countries are likely to be hit hardest by the next waves of this crisis** and are already deeply affected by the economic impacts of the COVID crisis. They are already stretched to the brink, including as a result of the climate crisis. International support must include debt relief.
• Greater coordination is needed on the financial responses to the crisis to avoid double-dip recessions in many countries, particularly those most vulnerable, as we come out of this crisis.

**Key G20 Political Actors**

• The **G20 Saudi Presidency** is currently heavily influenced by the US but occupied with the oil price markets and regional tensions.
• The **UK** holds the 2021 G7 Presidency, is the COP26 Presidency and co-chair of the G20 International Financial Architecture Working Group (G20 IFA WG) which is in charge of drafting the G20 Action Plan for Finance Ministers.
• **India** is the co-chair of the G20 IFA WG.
• **Italy** holds the 2021 G20 Presidency and is one of the hardest hit country in the world.
• **Germany, France and the EU** are key actors in supporting a climate-aligned recovery.
• **Canada** is a key actor in supporting multilateralism and the Paris Agreement despite the ongoing Government’s struggle with managing the domestic oil and gas economy.
• **China** will be the first country likely coming out of the COVID-19 crisis. Its response will be key to shape the global economy response.
• **South Korea** is putting efforts to align recovery plan with the energy transition.
• **Japan** is a coal-heavy country and a key multilateral donor.
• **UN Secretary General** Antonio Guterres and the **WHO Director-General** Tedros Adhanom are vocal advocates for a resilient recovery.
• The **International Chamber of Commerce** positioned itself as the most proactive voice on the G20, including by developing strong lines for G20 Finance Ministers (and even Leaders) via the B20 network.