



E-PAPER

# Synopsis paper of eight G20 country perspectives:

Mexico, Canada,  
Australia, Brazil,  
Indonesia, South  
Africa, India, China

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# Synopsis paper of eight G20 country perspectives

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# Introduction

When the G20 Summit took place in Hamburg, Germany in July 2017, some of the richest nations in the world addressed three key global frameworks related to its work on growth and investment and the UN's work on carbon emission reductions under the Paris Climate Treaty and the Sustainable Development Goals (SDGs). These global frameworks (accompanied by national commitments) comprise a coherency triangle of economic growth, climate change and sustainable development; they connect the dots between economic growth, social well-being and inequality.

This coherence is at the heart of the question of whether multiple goals and agendas can be mutually supportive or risk undermining each other with serious consequences. To achieve the sustainable development and climate goals, significant levels of investment are required. This investment must be directed toward social policies to reduce today's high levels of inequality, inclusivity and social cohesion. It must also be directed at low and no-carbon technologies because without drastic cuts in carbon emissions, ecological sustainability (and survival itself) are at risk.

This synopsis paper provides a summary and analysis of papers produced by the Heinrich Boell Foundation offices in eight countries: Australia, Brazil, Canada, China, India, Indonesia, Mexico and South Africa. The scope of this synopsis is limited to these countries and focuses primarily on the need for a transition to renewable energy in the context of economic growth and climate change.

While the G20 has recognized in its 2017 Leaders' Communiqué that growth must be inclusive and coherent with sustainable development, and has also pledged coherent national actions, its follow-up on national implementation<sup>[1]</sup> has been uneven. Promoting global growth is the *raison d'être* of the G20, which is embodied in the 2009 Framework on Strong, Sustainable and Balanced Growth (the «Framework») established at the G20 Summit in Pittsburgh. In response to 2007-8 global financial crisis, the G20 orchestrated a global stimulus, but then, in 2010, it reversed course prematurely. The G20 has called for austerity and structural reform measures. In 2014, G20 governments committed to a thousand structural reform measures, many of which were already in the national plans of G20 countries. Then, in 2016, it released its Enhanced Structural Reform Agenda to focus more energy and finance on these reforms. Among other things, this Agenda demonstrates that the G20 has not aligned its economic agenda with climate change and sustainable development imperatives.

Until the G20 nations endorsed the Paris Climate Agreement<sup>[2]</sup>, carbon emissions reductions had been a taboo topic among G20 countries. The Paris Agreement is a landmark

1 <https://www.boell.de/en/2017/03/20/growth>

2 [http://unfccc.int/paris\\_agreement/items/9485.php](http://unfccc.int/paris_agreement/items/9485.php)

accord reached in December 2015 between 195 countries that seeks to avoid some of the worst effects of climate change by curbing global greenhouse gas emissions. The agreement strives to adopt green energy sources, cut down on climate change emissions and limit the rise of global temperatures. International cooperation, and in particular financing through the Green Climate Fund, is a key component of the agreement. Pledges that countries submit to the UN, establishing how much they intend to reduce their greenhouse gas emissions, are known as Intended Nationally Determined Contributions (INDCs). The success of the Paris deal will depend on countries not only meeting their INDCs but also going beyond them. Although the INDCs are nonbinding, and there are no penalties or sanction for falling short of declared targets, the hope of the Paris agreement is that the power of peer pressure and diplomacy will prod countries to maintain and ratchet up their efforts every year.

Yet, in 2017, the G19 (minus the U.S.) endorsed a G20 Climate and Energy Action Plan<sup>[3]</sup> for Growth which commits countries to achieving their Nationally Determined Contributions (NDCs) to emission reduction through Long-Term Strategies; effecting an energy transition; boosting energy efficiency; promoting renewable energies and energy services; building climate resilience and adaptation; and aligning financial flows with said goals. The International Renewable Energy Agency estimates that G20 countries account for 80% of the world's total installed renewable power generation capacity. G20 countries are in a position of leading the global renewable energy development, including the new jobs, industries, services and linkages in renewable promotion.

The 2017 Summit also delivered the «Hamburg Update: Taking Forward the G20 Action Plan on the 2030 Agenda for Sustainable Development.»<sup>[4]</sup> While the «Update» makes important commitments to the SDG, it also re-categorizes its existing agenda on Growth, Trade, Investment and other topics as being supportive of the SDGs. In fact, the growth or globalization model needs a significant overhaul.

There are two key challenges that emerge in national transitions from fossil fuel to renewable energy. One is the vested interests of large fossil fuel multinational corporations, their inordinate political influence and their high-cost assets, investments and infrastructure. The second challenge is the question of whether the lost jobs, wages and industry from reducing the fossil fuel industry can be replaced quickly enough with new jobs, wages and industry from a budding renewable energy sector, and whether the numbers will match up.

The UN's adoption of the SDGs<sup>[5]</sup> in 2015, composed of 17 goals and 169 targets, marks a significant sea-change in the international development paradigm. The third perspective on the coherency triangle examined by the country studies below is the degree to which nati-

**3** [https://www.g20.org/Content/DE/\\_Anlagen/G7\\_G20/2017-g20-climate-and-energy-en.pdf?\\_\\_blob=publicationFile&v=5](https://www.g20.org/Content/DE/_Anlagen/G7_G20/2017-g20-climate-and-energy-en.pdf?__blob=publicationFile&v=5)

**4** <http://www.g20.utoronto.ca/2017/2017-g20-hamburg-update.html>

**5** <https://sustainabledevelopment.un.org>

onal economic and social policy among G20 countries is addressing the SDGs. The SDGs central definition is that of sustainable development whereby economic, social and environmental policy are three indivisible, interdependent and intersectional pillars. SDG #1 on poverty eradication, SDG #2 on food security, SDG #3 on public health, SDG #8 on economic growth and decent work opportunities and SDG #10 on inequality within and between countries are examined in several of the country papers, including India, Brazil and Mexico. Additionally, the SDG that is highlighted across the country papers is number 5, on gender equality and women's empowerment, which demands the elimination of all forms of discrimination, violence and harmful practices against women and asks for universal access to sexual and reproductive health. It also addresses women's participation in leadership and decision-making processes and to include women, as the main providers of care work, into social protection schemes and public services. While G20 countries agreed «to reduce the gender gap in labor market participation rates by 25% by 2025» at the 2014 summit in Australia, the G20's approach is largely instrumental. Women's labor market participation is sought as a means to increase economic growth rather than a fundamental human rights in and of itself.

The key strength of the SDGs is that unlike the neo-colonial donor-recipient model of the Millennium Development Goals (MDGs) the SDGs are universal, in that it applies to all countries from rich to poor. On social policy, the SDGs recognize the urgent reality of increasing socio-economic inequality globally, and in environmental policy the SDGs place due responsibility on rich countries to reduce their overwhelming share of consumption of the world's resources (relative to their global share of population). Meanwhile, the key weakness of the SDGs is that Goal #17 on Means of Implementation are not commitments that governments will be held accountable to, and are not time-bound. This deters the scaling up of international financial resources from developed countries and international financial institutions for developing countries, especially LDCs, and is likely to undermine the ability of the most vulnerable countries to realize the right to development through structural transformation. The Paris climate agreement is upheld in SDG #13, while renewable energy is underscored in SDG #7, which aims to provide affordable access to reliable, sustainable, and modern energy for all citizens by 2030, in large part by substantially increasing the share of renewables in the global energy mix.

## Background on Paris Agreement and SDGs

In June 2017, the United States pulled out of the Paris climate agreement, joining only Nicaragua and Syria as non-signatories. Nicaragua did not deem the Paris agreement ambitious enough for developed countries who are responsible for the vast majority of historical carbon emissions; and Syria is embroiled in conflict. The United States is the second largest carbon emitter in the world and is responsible for the greatest amount of historical emissions between 1850-2007. Having consumed 28.8% of global carbon space, the next country, China has consumed 3.2 times less than the US (9.0% of global carbon space).

While this egregious disregard of the urgency of climate change is a result of the particular US administration in place, it raises both negative and positive possibilities for G20 countries. One pessimistic view is that large middle-income countries like India and Indonesia might be more reluctant to tackle their emissions if promised aid from the US is now amiss. A more optimistic view is that countries will now choose to redouble their pursuit of cleaner energy in the face of reckless recalcitrance from the Trump administration. As for the impact of the US pull-out from the Paris agreements goal of preventing global temperatures from rising more than 2 degrees Celsius above preindustrial levels, a recent analysis estimates that US emissions will now likely fall 15-19% below 2005 levels by 2025 rather than the 26-28% pledged by the Obama administration.

Meanwhile, there is some evidence<sup>[6]</sup> that the soft diplomacy of the Paris agreement is nudging countries toward greater action. A recent academic study found that the mere existence of the Paris agreement has motivated dozens of countries to enact new clean-energy laws. At the same time, there is a critical need for the range of climate change policies, from decarbonization to renewable energy promotion, to be integrated better into national planning and development strategies. Currently, only 49% of countries in the Paris agreement factor climate change explicitly into their development plans. It is clearly incumbent upon G20 nations to demonstrate alignment between their national energy and climate change policies on the one hand, and their INDCs in the Paris agreement on the other hand. The G20's most ambitious initiative, the Global Infrastructure Connectivity Alliance, aims to increase infrastructure investment by \$1 trillion per year to a total of \$3.7 trillion. National infrastructure plans, renewable energy and climate change policies are explicitly connected and need to be coherent.

## Climate change and energy policy

Policy coherence between economic policy, on the one hand, and the sustainable development and climate goals is necessary to avert irreversible climate disaster. Renewable energy sources, particularly solar and wind, have experienced record-breaking low prices, and the world has taken notice. Some countries, such as China and India, are leading the transition to renewable energy as domestic solar energy prices became more competitive than fossil fuel prices. Other countries, such as Indonesia and Canada, are lagging behind due to the deep foothold of coal, natural gas and oil industries in the national economies.

According to the HBF country perspective on **Australia** (Australia – Transitioning to sustainable development, May 2017), the national energy plan has several components:

6 <http://www.lse.ac.uk/GranthamInstitute/publication/global-trends-in-climate-change-legislation-and-litigation-2017-update/>

- a national target to improve energy productivity by 40% by 2030;
- a national target to ensure 23.5% of Australia's energy mix is from renewable sources;
- an Emissions Reduction Fund of A\$2.55 billion which offers incentives for businesses to invest in new energy efficient technologies; and, most significantly,
- a shift from mining-driven growth to non-mining drivers of growth.

This shift is being underpinned by the following government programs and funds:

- an Infrastructure Investment Program (A\$50 billion);
- a program supporting SMEs (A\$5.5 billion);
- Family Packages for labor force participation, including child care, education and training reforms (A\$4.4 billion); and,
- reducing regulatory and administrative burdens by A\$1 billion; and,
- free trade agreements with China, Korea, Japan and other regional partners.

While Australia's national initiatives are a significant step towards coherence between the three key spheres of energy policy, carbon emission reduction and socioeconomic development, the reality is that mining accounts for approximately 60% of Australia's exports and 9% of its GDP. And coal has a major share in it. Leading global coal corporations, such as Peabody and Anglo American, are already struggling on the Australian market but instead of phasing out, new coal projects are under consideration by the Australian government, such as the Carmichael Mine Project, which could become the region's largest coal mine. Government subsidies to the oil, gas and coal industry continue through a host of mechanisms and maintain the historical co-dependency between fossil fuel corporations and national decision-making. Meanwhile, the Australian Greens calculated that reducing subsidies could save A\$ 23.9 billion over the next four years.

Australia's INDCs are to reduce greenhouse gas emissions by 26-28% below 2005 levels by 2030. However, the Australia paper point out that the reality is a stark contrast to this pledge, as national emissions are projected to increase to more than 27% above 2005 levels by 2030 (equivalent to an increase of 61% above 1990 levels). Climate Action Tracker grades Australia's performance as highly inadequate and at the lower end of the scale in comparison to countries like Canada, Turkey and Saudi Arabia. While government programs project an image of proactive efforts to reduce carbon emissions, policymakers repealed the carbon tax in 2014 and arrested most of the funding for Carbon Capture and Storage projects. Such illogical acts, in the context of a powerful and handsomely subsidized coal industry, explain why Australia's emissions will increase rather than decrease and how national policy is glaringly incoherent with INDC commitments as well as the ecological pillar of the SDGs.

The HBF country perspective paper on **Brazil** (From Brazilian comprehensive growth strategy to sustainable development goals, May 2017) reveals that the national INDC aims to reduce carbon emissions by 37% compared to 2005 levels by 2025, and by 43% below

2005 levels by 2030. On energy production, Brazil intends to raise the rate of renewable energy in its energy mix to 45% by 2030, as has been laid out in its INDCs. To implement this goal, the federal government launched the Electric Power Investment Program in 2015 to construct hydropower plants, wind, solar, biomass and thermoelectric plants and transmission projects. However, the reality is that hydroelectric power plants receive the greatest chunk of investment under the national program and more often than not present critical negative impacts such as human rights violations and environmental destruction. A current example is the dire case of the Belo Monte dam, which has displaced over 40,000 people and has harmed the ecology of a 1,500 square kilometers area next to the river Xingú. While Brazil is determined to scale up renewable energy production, the impacts of its methods are aggravating climate change rather than mitigating them.

Brazil's second component in addressing carbon emission reduction is a controversial reforestation program under the National REDD+ Strategy. About 12 million hectares of land, an area equivalent to half of the United Kingdom's territory, is slated for reforestation by 2030 primarily by planting monocultures of non-native tree species. Unfortunately, there are serious side effects accompanying this rather illogical practice in water supply, soil quality and biodiversity, which ironically aggravate climate change adaptation when the original goal is to improve it. Reforestation projects also provoke conflicts with indigenous forest communities.

The country paper details how the Brazilian Parliament's approval of a national Forest Code in 2012 was widely criticized across the nation. One of the many issues was that the Forest Code legalized various forms of deforestation. Landowners in the Amazon rainforest are required to leave a certain percentage of their land untouched. However, those landowners with a deficit of untouched land can buy a land swap from landowners with excess land through a financial instrument called Environmental Reserve Quota. Instead of comprehensively combating deforestation, this scheme creates a financialized trade of land assets as a way to circumvent the necessary actions to address climate change. Although Brazil is making an effort to invest in renewable energy sources, its faulty reforestation approach and human rights and environmental damage through hydropower are critical problems that render incoherence between national policy and actual practice.

The HBF country perspective paper on **Canada** (Canada's approach and coherence on economic, climate, and development goals, June 2017) details that the Pan-Canadian Framework on Clean Growth and Climate Change is a national plan to reduce greenhouse gas emissions.

The plan includes:

- phasing out coal-fired power;
- achieving net zero energy homes by 2030;
- developing a zero emission vehicle strategy; and,
- a nationwide price on carbon. However, the blind spot in Canada continues to be the oil and gas sector.

The Pan-Canadian Framework places a 100 Mt emissions cap on the tar sands sub-sector, but that cap is 40% above current emissions. This creates a significant gap between Canada's target in practice and emission reductions as stated in the climate framework.

The Canada paper states that the entrenched agenda of Canada's oil and gas sector is incoherent with its INDC commitments to reduce carbon emissions and address climate change. The national reality is that of mega corporations that have invested in high-cost, and high-carbon, assets and infrastructure for tar sands projects, oil pipelines, and liquefied natural gas terminals which successive Canadian governments have approved in the long-term. Given that Canada's historical and per capita emissions are amongst the highest in the world, Climate Action Tracker has called Canada's pledge «inadequate.» Canada's CAN\$800 million commitment of climate finance to developing countries for 2020 also falls far short of the CAN\$4 billion required, even if the leveraging of private funds is taken into account.

The HBF country perspective paper on **China** (only as German version: China: Klima- und Energiepolitik, June 2017) states that the nation is investing constructively in wind, solar and nuclear power in an attempt to address decades of heavy reliance on coal. China's national and local five-year-plans, spanning from 2016-2020, encompasses all areas of the SDGs with an ambition to implement as many of the 169 targets as possible. Within the G20, China calls for the integration of the SDGs in macroeconomic coordination policies and engages in bilateral dialogue. China's high ambitions are rooted in a genuine will to combat its domestic air pollution and ecological deterioration. However, a national emission trading system and comprehensive energy legislation are yet incomplete.

National goals for making renewable energy a reality include: 1) reducing the share of coal in the national energy mix from 64% in 2015 to 58% in 2020; 2) increasing the share of natural gas in the national energy mix from 5.9% in 2015 to 10% in 2020; 3) increasing the share of non-fossil energy sources, including hydropower and nuclear, from 12% in 2015 to more than 15% in 2020 and 20% in 2030; and, 4) ensuring that national emissions peak by 2030 at the latest. Achieving these goals looks somewhat promising in China, as the reduction of coal use has been occurring simultaneously to growth in the economy and in aggregate energy production. The problematic aspect of China's energy policy is the national plan to expand nuclear power; the goal is to double the share of nuclear power from 2015 to 2020. Challenges to China's renewable energy plan are numerous. Much of the renewable energy that is produced is not introduced to the energy grid due to the lack of grid modernization required to integrate renewables. Fossil fuel subsidies are still a barrier. Despite the reduction of coal use, coal still plays the biggest role in the national energy mix. It remains to be seen whether China's foreign investments, particularly in infrastructure investments through the China Development Bank and the Asian Infrastructure Investment Bank are coherent with its national climate change and social development policies.

According to the HBF country perspective paper on **India** (India – National policies and global commitments, April 2017), the national INDCs involve a target to increase the share of renewable energy in the total energy mix from a current 30% to 40% by 2030.

The national plan to address carbon emissions is to achieve a 33-35% reduction below the 2005 baseline by 2030. However, India's carbon emissions have already declined by 18% between 1990-2005 and projections indicate another 20-25% reduction by 2020. At this rate, the original target will be exceeded. The INDC also pledges creating a carbon sink of 2.5 to 3 billion tons of carbon dioxide through additional tree cover and the prioritization of efforts to build resilience to climate change impacts.

As India's solar revolution has taken off, the price of solar energy has significantly decreased. Solar energy is now far more financially viable than coal. This greater affordability and effective energy delivery is why India is experiencing a rapid renewable energy expansion. Wind power capacity doubled between 2007 to 2012 and is still growing fast. The Indian Central Electricity Authority estimates that by 2027 nearly 56.5% of installed electricity-generation capacity is going to be based on non-fossil fuels, and that no new coal projects will be required in the period 2017 to 2022. Meanwhile, nuclear and hydropower are not only more expensive than solar and wind power sources, they also have a sordid history in India of violating human rights and inflicting environmental damage (for example, the Narmada River dam in the 1990s). The boom in renewables is particularly transformative in a country like India, where approximately 75 million rural households lack electricity power, where per capita energy consumption is 40% below the world average, and where energy demand is expected to double by 2040.

According to the India country paper, the nation's scaling up of renewable energy production and progressive role in climate action as a developing country with far fewer resources in financial budget, technology, infrastructure and industry is a profound example to highlight to developed countries, particularly those that are going backwards by increasing their carbon emissions. In fact, Indian climate negotiators were the loudest champions of climate justice, in that given developing countries' low historical emissions (as measured by cumulative emissions between 1850 to 2007) and low emissions per capita, it is inappropriate that they should be required to take on the same level of carbon emission reduction as developed countries. While India's remarkable policy coherence between national energy policy and its INDC commitments may be a function of price competitiveness, it is a genuinely constructive example of a G20 nation making a smooth transition from dirty to clean energy while also creating livelihoods and sustainable economic growth opportunities.

The HBF country perspective paper on **Indonesia** (Indonesia's dilemma: the G20 and the United Nations' Sustainable Development Goals within a national context, Mai 2017) states that the national pledge announced at the Paris climate conference in December 2015 involved reducing carbon emissions by 29% by 2030 and by 41% if a minimum of US \$6 billion in international financial and technological support is made available. However, the reality of carbon emissions is a grave problem in Indonesia, one which requires a fundamental reform of agriculture and land use policies. Forest fires create massive blazes that emit approximately 16 million tonnes of CO<sub>2</sub> daily, and the Indonesian government estimates that fires account for 63% of Indonesia's total CO<sub>2</sub> emissions, while other estimates are up to 80%. Indonesia is the world's top producer of palm oil supplying 52% of total palm oil.

Booming global demand for palm oil, which is a key ingredient in packaged and processed food production, has shaped Indonesia's agriculture and land use policies over the last few decades. Between 1961 to 2013, the area of arable land used to produce palm oil mushroomed from 70,000 hectares to 7.4 million hectares. In order to quench the thirst for land, traditionally farmed agricultural land is being transformed into monocultures while secondary and tropical rainforests are deforested, causing irreparable damage to the environment, biodiversity, and the climate. Peat land functions as an extremely efficient carbon sink. The drainage of this land is therefore a source of heavy carbon emissions and exacerbates extensive wildfires, which create critical air pollution as well as fatal health risks. Academic studies show that wildfires in 2015 were responsible for the premature death of 91,600 people in Indonesia, 6,500 in Malaysia, and 2,200 in Singapore. While Indonesian President Widodo has issued moratoria to protect forests and peat bogs, it is considered by Greenpeace Indonesia to be largely ineffective because it lacks the legal foundation for implementation and has numerous gaps and loopholes driven by industry lobbyists.

According to a Climate Action Tracker study, Indonesia will be the only country, among those most responsible for global deforestation rates, to increase its emissions by 2030 due to forest clearing. The current ecological and humanitarian crises in Indonesia call for an integrated and systematic policy implementation solution that links climate change, biodiversity and environmental protection as well as agriculture, trade and production. The connection between the vested interests and political power of palm oil and pulp industries, the consumption patterns of rich industrial nations that use the palm oil in their food products and the escalating loss of forests and biodiversity must be explicitly addressed in the context of national commitments to reduce carbon emissions and the urgency of irreversible damage to the health of both the environment and society.

According to the Indonesia country paper, the national energy policy prioritises long-term energy sovereignty and decentralised production from locally available renewable resources in rhetoric whereas in reality an export-oriented coal industry is flourishing. While the official goal for 2025 is to scale up renewable energy use from a current 5-6% to 23%, coal power will account for 50% of Indonesia's total energy use by that year. Indonesia's national coal reserves are estimated at 105 billion tonnes, 40% of which are accessible through current mining methods.<sup>33</sup> Much of the coal is located in coastal regions, allowing cost-effective and direct transport by sea, which in turn enables exports of 80% of the coal supply and generates about US \$16.4 billion in revenue. The blunt reality of vast profits and deeply vested industrial interests in coal and palm oil reveals the deep incoherence between Indonesia's energy policy and its Paris Climate Accord pledges to reduce carbon emissions.

The HBF country perspective paper on **Mexico** (Mexico: Economic growth vs. human rights crisis in the shades of the United States under Trump, June 2017) outlines how the national climate change program establishes three strategies over 2014-2018:

- linking sustainability to costs and its benefit for society;

- sustainable water management that enables the entire population to have access to water; and,
- strengthening national policy in this area.

In terms of mitigation actions, Mexico has committed to reducing black carbon emissions by 51% by 2030, and reducing greenhouse gas emissions by 22% by 2030.

In climate adaptation, there are four defined actions:

- increase the population's capacity for adapting to climate change, as over 40% of the country's population live in coastal areas;
- reduce the high level of vulnerability to climate change effects, as over 68% of the population is highly vulnerable to the effects of climate change;
- reach a zero rate of deforestation by 2030; and,
- generate early alert systems to warn of extreme climatological events.

National energy reform is put forward by the state as one of the primary instruments for economic growth, job creation and national modernization. The government has committed to create 500,000 jobs in 2018 by opening up energy sector competition and producing cleaner energy. While these stated goals may not be achieved in full, there is notable progress in the construction of over 30 wind parks, which now generate 40% of Mexico's non-fossil-fuel energy. However, communities that live near the wind park report how government and wind power companies illegally appropriate their land during construction. The extraction of shale gas deposits has also created air and water contamination, and an increase in the frequency of tremors.

According to the country paper on Mexico, the key national challenge is the question of how to transition into and scale up renewable energy production while avoiding human rights violations and environmental harm. The secondary challenge is that of fiscal austerity resulting in pinched resources for clean energy and climate change. The Environment Ministry's budget was cut by 35% this year and resources allocated to combat climate change were reduced by 21%. As long as these two challenges are not addressed, Mexico's energy plans will not be coherent with the SDGs and environmental sustainability. If the environment is harmed, carbon emission reductions will be threatened as well.

The HBF country perspective paper on **South Africa** (South Africa - Making the right energy choices, May 2017) states that the National Development Plan envisages an energy sector that promotes investment in energy infrastructure, and in particular renewable energy. The stated national goal is to achieve environmental sustainability through mitigating the effects of climate change and reducing pollution. At the same time the Development Plan also prioritizes addressing poverty and inequality through economic growth, job creation and wage growth. Aligning a national renewable energy agenda and carbon emission reduction to social and economic development presents structural challenges, as South Africa's economy is highly dependent on historically cheap fossil fuel generated by coal.

Coal mining, while propped up by the vested interests of big business, is linked to finance, manufacturing, service industries and other sectors that create employment and wages.

South Africa's Renewable Energy Independent Power Producer Procurement Program (REI4P) offers a powerful example of the nation's potential in renewable energy development. The Program has a transparent procurement process that is attracting investment to rapidly scale up renewable energy infrastructure. It has been hailed as a program that has given the country global recognition and attracted approximately US \$4 billion in private investment. In fact, renewable energy has reduced CO2 emissions from power generation by 65%, created 23,000 jobs, generated US \$300 million for the economy in 2015, and accounted for 85.8% of total foreign direct investment in South Africa in 2014. Furthermore, research conducted by the Centre for Scientific and Industrial Research demonstrates that solar PV, wind and flexible power generators (such as concentrated solar power, hydro or biogas) are the cheapest energy sources for the South African power system.

However, according to the South Africa country paper, despite the explicit value of developing renewable energy, REI4P is threatened by the reluctance of state-owned enterprise Eskom, South Africa's sole electricity provider, to enter agreements with renewable energy producers. Eskom cites limitations in their grid to accommodate greater renewable energy capacity. With control over the bulk of national electric generation and distribution, Eskom is a monopoly whose agenda does not align with those of South Africa. Given that South Africa's carbon emissions will not start declining until 2030 and that Climate Action Tracker has rated South Africa's commitments as inadequate, Eskom should be pressured by both citizens and the state to not only integrate but also urgently prioritize renewable energy in its business model in order to avoid deepening policy incoherence between South Africa's emissions reduction pledge and energy supply structure.

## Sustainable Development Goals (SDGs)

The 2017 Summit also delivered the «Hamburg Update: Taking Forward the G20 Action Plan on the 2030 Agenda for Sustainable Development.»<sup>[7]</sup>

A key element which makes the SDGs unique from its predecessor MDGs is Goal #10, which seeks to reduce inequality between and within countries. The particular SDGs that are most closely aligned to inequality are that of Goal #1 on poverty eradication; Goal #2 on food security, improved nutrition and sustainable agriculture; Goal #3 on health and well-being for all; Goal #8 on sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; and, Goal #9 on inclusive and sustainable industrialization and resilient infrastructure. While several G20 countries such as

7 <http://www.g20.utoronto.ca/2017/2017-g20-hamburg-update.html>

India, Brazil and Canada are addressing these goals on social and economic development through distributive welfare programs and progressive policies, including in income tax and skill training, the lingering question is whether the economic model which produces systemic inequalities is being addressed.

The HBF paper on **Brazil** underscores that after years of notoriety as a country with rife inequality, as measured by the GINI coefficient, Brazil lifted millions of people out of extreme poverty through social programs such as Bolsa Família and PRONATEC. These programs delivered results in reducing inequality (SDG #10), bolstering inclusive growth (SDG #8) and addressing poverty (SDG #1). In a report presented to the UN Economic and Social Council, the Bolsa Família Program reported having serviced 13.9 million poor families and reducing inequality by 10% between 2004-2014. PRONATEC, a national program launched in 2011 to support vocational training and technical education, particularly for young people and beneficiaries of Bolsa Família, educated and skilled 9.4 million people.

Although such social programs are coherent with multiple SDGs, and are addressing longstanding social issues, including youth unemployment, they are being increasingly jeopardized by a resurgence in austerity policies and a more neoliberal government in the last few years. For example, in December 2016, in a shocking move, Brazil approved a 20-year freeze on social spending, which will dramatically roll back social progress and the protections of human rights.

The HBF **Canada** perspective paper points out that the nation has made significant strides in policy plans and financing for social development, in particular by addressing the needs of its lower-income and middle-class population.

Some key examples are:

- increasing disbursement levels and exempting tax in the child benefit program;
- increasing the Guaranteed Income Supplement by up to CAN \$947 annually and bolstering disbursement levels of the Canada Pension Plan;
- education, family and social service programs for indigenous populations (also Canada's poorest), including social and green infrastructure for housing, community health centers, and water treatment; and,
- implementing progressive tax reforms by reducing the federal income tax rate for middle-income earners and introducing a higher tax rate for those higher-income earners. Such a social development plan, if fully implemented, presents a national strategy coherent with achieving various SDGs, particularly that of reducing inequality within a country (Goal #10), public health and education (Goal #2 and #3), as well as inclusive economic growth.

The HBF paper on India states that since the liberalization of **India's** economy in the 1990s, a new middle class emerged through wage and employment creation across diversified manufacturing and services sectors driven by the great size of India's domestic mar-

ket rather than by exports to western markets as is the case in many other middle-income developing countries. However, approximately 270 million people have been left behind in poverty, creating an explosion in inequality levels. In response to the national social justice crisis, the government has carried out a range of distributive welfare system in the language of rights, including the world's largest food subsidy program. While such programs help address the SDGs related to social development, in particular SDG #1 on poverty eradication, SDG #2 on the food security and SDG #3 on public health, the structural drivers of socioeconomic inequality are not being meaningfully addressed by the state.

In terms of economic growth, Indian Prime Minister Modi's «Make in India» strategy to boost export-oriented manufacturing has constraints beyond the national scope. With the slowdown in world trade and stagnant global growth, India's domestic market, while massive with a population of 1.3 billion, is unlikely to compensate for the limitations of global markets. In this sense, India's export strategy may not be aligned to inclusive, sustained and sustainable economic growth under SDG #8.

## Gender equality

In the SDGs, gender equality is both a standalone and a cross-cutting goal, in that while gender equality should be mainstreamed across all SDG areas it should also be addressed in its own merit. The specific targets of SDG #5 on gender equality include: 5.1: to end all forms of discrimination against women and girls; 5.2: to address gender-based violence, including trafficking and sexual and other types of exploitation; 5.3: to eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation; 5.4: to recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies; 5.5 to ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life; and, the particular target that was campaigned for most vigorously, 5.6: sexual and reproductive health and rights as agreed in the Program of Action of the International Conference on Population and Development and the Beijing Platform for Action. SDG #5 is particularly relevant to G20 countries. At the G20 summit in Brisbane in 2014, all G20 members agreed to reduce the gender gap in labor market participation rates by 25% by 2025.

The HBF paper on **Australia** points out that the Sex Discrimination Act of 1984 formalized a national commitment to gender equality, elimination of sexual harassment and discrimination. In 2012 the government created a Workplace Gender Equality Agency to develop strategies for women's equal rights. However, the national gender pay gap remains between 15-18% over the last few decades, amounting to a difference of approximately A\$283.20 per week. Gender-based violence is also prevalent, with a third of women age 15 and above having experienced physical violence in the last five years, while one out of 5 women have experienced sexual violence since the age of 15. While the government attempts to address

these issues through the Workplace Gender Equality Agency, progress is slow and effectiveness has much ground to improve, as was pointed out in the agency's own report.

The HBF paper on **Brazil** stresses that a significant gender wage gap creates barriers to women's empowerment and to poverty and inequality reductions. In 2015, the average real income of male workers was R\$2,012, while female workers only earned R\$1,522. Combating violence against women is a priority for Brazil and a fundamental strategy to promote gender equality. Since 2006, national legislation called «Maria da Penha» has reduced domestic violence and guaranteed social assistance and protection to victims; as a result, the domestic homicide rate against women dropped by 10% and is being recognized by the UN as one of the world's best legislations directed to combat gender-based violence.

Women's rights and gender equality in **Canada** focuses on three distinct, and critical, areas, as explained in the HBF paper on Canada:

- maternal, newborn and child health, including sexual and reproductive health and rights;
- gender equality in global development cooperation; and,
- gender-based violence.

In 2010, Canada spearheaded the Muskoka Initiative, whose goal was to increase funding for maternal, newborn, and child health in all G8 countries. In March 2017, Prime Minister Trudeau doubled Canada's investment to CAN \$650 million for women and girls' health over the next three years, and strengthened the program by focusing on reproductive health and rights, including access to safe abortions, which the previous Harper government refused to do. The Canadian Council for International Cooperation, the umbrella group for development NGOs, advised the government to prioritize gender equality as a «standalone and cross-cutting priority» in development financing. Canada's Minister for International Development has followed suit, however, it remains to be seen how exactly the assistance review will inform Canada's future development policies. To address gender-based violence, the federal government has carried out consultations which will inform the development and implementation of a national strategy going forward.

According to the HBF **India** paper, women's rights and gender-based violence across the nation is complex and multifaceted. Domestic violence, dowry violence, acid attacks, rape, female foeticide persist not only in rural and poor communities but also in the cities and among the rich. A wide range of legislation exists against gender-based violence. Legislation to address rape was extended in 2012 after an extreme rape incident in the capital city of New Delhi that made global headlines, although marital rape has not yet been addressed despite campaigns. As is the case in most societies globally, the full implementation of legislation remains a challenge. Still, women's rights organizations continue to exert popular pressure, and police and courts, at least in urban areas, have become more sensitive to the issues. An overarching challenge in India is the deeply embedded patriarchal values and beliefs in society, which are often intertwined with culture and way of life. Transforming this mindset is acknowledged as having more practical effect than the scope of policy and

legislation, although all forces are needed to address the systematic violation of women's human rights.

The HBF India paper states that similar to other South Asian countries, many women hold positions of political and industrial leadership on federal and state levels. There is a long history of affirmative action for women and in particular lower-caste women, and a 30% reservation for women operates at the local level of governance while an expansion of the quota to 50% is under discussion. Women comprise a significant share of the total workforce, in agricultural production and in the informal sector, and are the primary unpaid care providers in families and communities. However, the International Labour Organisation regards as «puzzling» the long-term trend of falling female labor force participation rates in India, from 34.1% in 1999-2000 to 27.2% in 2011-2012. Despite rising wages and economic growth, this trend is particularly marked among rural women, although it is also seen in middle- and upper-class households. There are various explanations for this trend, ranging from lack of employment opportunities outside the home, increased opportunities to work within the home, as well as prolonged education for girls.

The HBF paper on **Mexico** states that gender-based violence has taken a severe turn in the nation. From 2000 to 2014, the number of women murdered per year nearly doubled from 1,284 to 2,349. Not only has the number of women murdered increased, but so has the cruelty with which these murders have been committed. In the Mexican National Women's Institute report for 2013, the number of women murdered in extreme violence had reached a level of 6.5 per day. The Alert of Gender Violence Against Women, a mechanism for implementing the urgent actions to guarantee access to life free from violence for women, has been established as a response in some areas. However, much more needs to be done across a range of response and prevention systems, including education, legal recourse, funding, community support and accountability. A key challenge in establishing programs on gender-based violence is the lack of fiscal resources. Budget cuts have hit services, prevention, health, and women's rights programs across the board.

## Conclusion

The sample of eight countries reviewed in this paper gives a sense of how 40% of G20 member countries (the 20th G20 member is the European Union) are addressing national energy policy, climate change, economic growth, social development and gender equality.

The 2017 Hamburg Summit delivered a «G20 Climate and Energy Action Plan for Growth» and the «Hamburg Update: Taking Forward the G20 Action Plan on the 2030 Agenda for Sustainable Development.»<sup>[8]</sup> While both documents are welcome, their goals

8 <http://www.g20.utoronto.ca/2017/2017-g20-hamburg-update.html>

will not be achieved without an overhaul of the G20's approach to growth and globalization. Although, ultimately, each nation must move toward coherence between economic policies, on the one hand, and environmental, social, and human rights policies, on the other. Such progress depends heavily on collaboration and leadership among countries within the G20 and the United Nations.

Importantly, the sustainable development and climate goals were established through UN processes, whereas the G20 has provided leadership on economic and financial policies. So progress also depends upon an end to the G20's actions to marginalize the UN and civil society processes that relate to the UN.

Another challenge is to overcome the vested interests in fossil fuel-related assets and infrastructure to clear the path for economic and energy decarbonization through renewable energy. The transition from dirty to clean energy requires proactive policies and a strong political will to implement those policies. However, the initial phase of such a transition involves significant investment and job dislocation with attendant effects of inequality and poverty. National energy plans and strategies must ensure that the renewables sector will create significant employment and facilitate a transfer of jobs from fossil fuel to renewables industries. In other words, the development of renewable energy must create a pathway for sustainable and inclusive industrialization that creates secure employment and economic development opportunities.

While India's social welfare programs (and Brazil's former ones) seem cohesive and extensive by design, it remains to be seen whether economic growth can be both augmented and made more inclusive in the long-run. Canada's progressive taxation reform and child benefit, education, family and pension plans are a role model for other countries to address social equity objectives that are at the heart of inclusive, sustainable and sustained development.

Among the five national examples in gender equality policies, it is the issue of gender-based violence that jumps out as most severe and ubiquitous in all five countries, but particularly in Mexico. While women's political participation has improved in countries such as India, labor force participation has not been on a parallel track. Canada's focus on maternal, newborn and child health, including sexual and reproductive health and rights, is an example of coherence with SDG #5; however, there are important links between the fossil fuel industry and women's rights violations that are beyond the scope of this paper.

In conclusion, the G20 must put its money where its mouth is; that is the practical meaning of policy coherence. Investment must advise climate change policy, energy policy, the SDGs. This is especially the case since promoting investment, trade and economic growth are at the center of the G20's mandate.

Looking at these eight G20 countries, political capture by the coal industry is a reality for countries ranging from Indonesia, South Africa and Australia and natural gas and oil in Canada. In Brazil and Mexico, human rights violations and environmental harm impedes their long-term coherence with the SDGs, while Brazil's reforestation method is ineffective

at rebuilding the Amazon's powerful carbon sink capacity. It remains to be seen whether political and citizen pressure can be applied to align national policies and practices with the urgency of addressing climate change.

As the twenty richest countries on the planet, it is incumbent upon the G20 and the United Nations to take leadership in advancing coherent sustainable development by addressing the intersections and interdependencies of climate change, economic growth, energy policy and social policies, including gender equality.

# The Author

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