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JOINT STATEMENT ON CLIMATE AND ENERGY DEMOCRACY

BUSINESS2O, WOMEN2O, YOUTH2O, URBAN2O & FOUNDATIONS2O



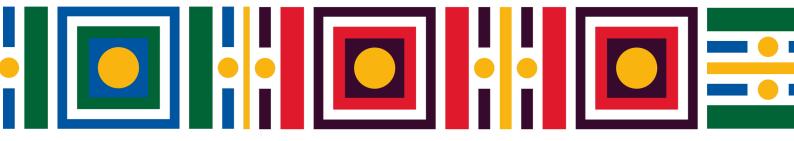












Joint Statement from G20 Engagement Groups to G20 Members | 9 September 2025

South Africa's Constitution, globally recognised as one of the most progressive in the world, grounds the country's democracy in the principles of human dignity, equality, human rights, and the rule of law. Its Bill of Rights not only guarantees civil and political rights but also socio-economic and environmental rights, making South Africa one of the first nations to explicitly connect environmental protection with human rights and social justice.

- i. This integration provides a solid foundation for inclusive development, job creation, and sustainable growth. It also offers pathways to address inequalities and empower women, youth, and marginalised communities. Building on this democratic tradition, the South African G20 Presidency presents a vital opportunity to strengthen the nexus between democracy-building efforts and climate action.
- ii. The strategic inclusion of the African Union as a permanent G20 member should be harnessed to reinforce the interconnectedness of democracy, inclusive development, social equity, just energy transitions, and climate action. Under South Africa's leadership, the G20 can institutionalise this nexus, ensuring climate and energy policies are integrated into broader efforts to promote democratic participation, social justice, and economic transformation.
- iii. This agenda must promote multi-stakeholder collaboration across all levels of government and involve dialogue with cities, businesses, workers, youth, and marginalised groups. Such inclusive approaches are essential for embedding climate justice within democratic processes.

iv. These ambitions face significant obstacles within the current international financial architecture. High capital costs and access barriers hinder the deployment of clean energy infrastructure and limit the scaling of inclusive climate solutions, especially for resilience-building.

- v. In our rapidly urbanising world, fiscal challenges and financial access issues at local and sub-national levels, affecting city governments, local actors, and communities, further restrict efforts to implement sustainable development, social inclusion, and just transitions. Without meaningful reform of financial systems and increased democratic participation at both global and national levels, a truly just transition remains elusive.
- vi. The Foundations 20, Business 20, Youth 20, Women 20, and Urban 20 call on the G20 to recognise that equity, participation, and access to finance are essential enablers within the climate and energy policy landscape. We underscore the central role of young people in delivering a just transition. We call on G20 Members, Multilateral Development Banks (MDBs), and Development Finance Institutions (DFIs) to:
 - scale green and just jobs through investment in future-fit skills, apprenticeships, and early-career pathways;
 - expand targeted finance and de-risking instruments for youth-led MSMEs and social enterprises;
 - improve access to innovation support and procurement pathways for youth solutions; and
 - institutionalise meaningful youth participation across policy cycles from design and implementation to monitoring and accountability.

vii. We are committed to advancing the Sustainable Development Goals (SDGs) and urge the G20 to seize this critical moment to lead a transformative shift towards climate-resilient, sustainable growth, and a just transition that leaves no one behind.



Creating an environment conducive to just transitions and sustainable development can mitigate threats to public service delivery, which underpin inequalities, unemployment, and declining trust in institutions. We urge the G20 to implement transition frameworks that foster economic opportunities for all, especially women, youth, and marginalised groups, through inclusive, multi-stakeholder processes that reflect local needs.

Key actions include:

- Prioritising clean and sustainable energy access as a public good, including for households, schools, and youth-serving institutions.
- Strengthening enabling environments at both global and national levels for local finance, ensuring youth-accessible instruments, including fiscal autonomy, efficient intergovernmental transfers, and revenue generation.
- Supporting blended finance models and innovative financing mechanisms, such as fiscal decentralisation, to mobilise private capital aligned with social equity, with dedicated de-risking for youth-led MSMEs and social enterprises.
- Ensuring just transition policies include reskilling and social safeguards for workers affected by declining sectors.
- Bolstering public-private partnerships that drive innovation and job creation in green industries.
- Empowering women and youth as active stakeholders in climate action, leadership, and governance, while mainstreaming their meaningful participation and leadership across all levels of decision-making within the G20, particularly within the finance and sherpa tracks.
- Establishing multi-level collaborations with municipal, regional, and national governments for planning and implementing just transitions and sustainable development.
- Engaging G20 groups to collaboratively address global challenges and advance the 2030 Agenda through the Pact for the Future.



Call to action 2: Reducing Capital Costs to Enable Equitable Transitions

Emerging Market and Developing Economies (EMDEs) face higher costs of capital for renewable energy and infrastructure projects due to macroeconomic instability, perceived risks, and currency volatility, creating barriers to investment. We call for the G20 to:

- Mandate Multilateral Development Banks (MDBs) and Development Finance Institutions (DFIs) to prioritise and scale up concessional and blended finance aligned with country-specific transition strategies.
- Encourage MDBs to enhance risk appetite through donor guarantees, leveraging Special Drawing Rights (SDRs), and increasing lending capacity.
- Support the integration of climate risk into credit assessments to reduce borrowing costs, with dedicated de-risking for youth-led MSMEs and social enterprises.

On behalf of Women20

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