



G20 Outcomes & Climate Action

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Introduction

On 23 November 2025, the Republic of South Africa concluded the first Group of Twenty (G20) summit held on the African continent and, by consensus of the member States present in Johannesburg, adopted a Leaders' Declaration that advances climate action. Under the theme "Solidarity, Equality, and Sustainability," the G20 secured commitments on climate finance reform, renewable energy acceleration, and sustainable industrial transition - outcomes that reinforce and align with the UNFCCC, its Kyoto and Paris Agreements.

The [declaration](#) explicitly states the G20's steadfast commitment to, and implementation of, climate agreements, reflecting equity and the principle of common but differentiated responsibility and respective capability, in light of national circumstances – this is an important emphasis and recognition of the call from emerging market and developing economy (EMDE) nations for a just transition. Profoundly, the G20 “reiterate (their) commitment and will (to) intensify (their) efforts to achieve global net zero greenhouse gas emissions/carbon neutrality by or around mid-century... encourage each other to bring forward net zero GHG emissions/climate neutrality commitments in a nationally determined manner, taking into account the Paris Agreement and (their) different national circumstances, pathways and approaches” (para. 90 of the Declaration).

A historic G20 under pressure

South Africa's G20 Presidency took place at a time when multilateralism faces challenges, and global relations remain tense. The South African G20 theme "Solidarity, Equality, and Sustainability" was therefore even more significant, signalling a commitment to collective action despite geopolitical challenges. The majority of G20 members agreed to adopt the final leaders' declaration, demonstrating that meaningful multilateral progress remains possible. South Africa focused its G20 Presidency around four overarching priorities:

- (1) Strengthening disaster resilience and response,
- (2) Ensuring debt sustainability for low-income countries,
- (3) Mobilizing finance for a just energy transition, and
- (4) Harnessing critical minerals for inclusive growth and sustainable development.

In addition to the usual G20 working groups, three Task Forces were established focusing on (1) Inclusive Economic Growth, Industrialization, Employment and Reduced Inequality; (2) Food Security; and (3) Artificial Intelligence, Data Governance and Innovation for Sustainable Development.

The South African Presidency builds on the legacy of previous G20 presidencies from emerging markets and developing economies (EMDEs) such as China's in 2016, which launched the [G20 Initiative on Supporting Industrialization in Africa and Least Developed Countries](#), by placing a strong emphasis on sustainable industrialization, with a particular focus on the mineral resources required to achieve

global decarbonization goals. By prioritizing green industrialization, the South African Presidency reinforces G20 commitments to decarbonizing key sectors and sustains international attention on green industrialization at a time of global polycrisis.

Climate finance and debt relief

The Leaders' Declaration makes significant advances on the climate finance agenda through its adoption of the G20 "[Ministerial Declaration on Debt Sustainability](#)". This explicitly states that G20 members "*note the efforts to explore the consideration of the use of liability management operations and debt-for-development, debt-for-climate, or similar swaps on a voluntary and case-by-case basis, with a balanced view on their benefits and limitations to help strengthen debt sustainability.*"

The declaration, made at the Finance Ministers and Central Bank Governors meeting, further notes the (existing World Bank Group's) [toolkit](#) available to debtor countries facing short-term liquidity stress triggered by external shocks such as natural disasters. This existing toolkit enables countries affected by climate-related emergencies to pause debt repayments and provides flexibility to redirect funding toward emergency response efforts. It supports the development of early-warning and preparedness systems, the creation of new insurance mechanisms to safeguard development projects after emergencies, and the strengthening of catastrophe insurance to mobilise resources without adding to debt burdens. The G20 additionally carried out a mapping exercise of the voluntary use of climate resilient debt clauses (CRDCs) in sovereign lending to clarify the supply and demand of these clauses and inform how to deploy them further into debt agreements on a voluntary and case-by-case basis, respecting commercial principles and the domestic laws of respective countries. This enables countries impacted by climate emergencies to avoid having their loan value impacted or further increase their debt. This recognises that countries can and should request a temporary deferral of debt service payments following a natural disaster or climate event that meets the criteria, preventing a crisis from escalating.

Alignment with COP30 outcomes

These G20 affirmations echo and reinforce the UNFCCC's COP30 [Belém Package](#), which calls for scaling climate finance flows to at least USD 1.3 trillion annually by 2035, with a strong focus on public-private mobilization and improved access for EMDEs. The Mutirão Decision from COP30 calls for accelerating reforms in multilateral development banks, enhancing the role of concessional and grant-based finance, and scaling innovative instruments such as guarantees, blended finance, and debt-for-climate swaps. COP30, held in Belém in the Brazilian Amazon, also launched the "Global Climate Finance Accountability Framework" to strengthen transparency, credibility, and trust in climate finance delivery, reflecting a broader shift from fragmented pledges to coherent, measurable, and equitable financial support.

As implementation of the Paris Agreement advances and calls for a just transition intensify, especially in emerging markets and developing economies (EMDEs), the impacts of finance for climate action will continue to generate stress points. It is therefore noteworthy that both important multilateral gatherings have given priority attention to finance reform for climate action, including emphasis on resolving the constraints of capital flows created by debt distress.

Accelerating climate action and the just transition

South Africa's G20 Presidency elevated attention on climate action and the just transition across multiple working groups. A standalone paragraph in the Leaders' Declaration affirms the G20's recognition of the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, stating that the G20 "*underscores the need to accelerate progress in the implementation of these frameworks, particularly in Africa.*"

Climate action featured prominently not only in the Sherpa Track's Working Group on Environment and Climate Sustainability and the Working Group on Energy Transitions, but also emerged as an important issue in the Working Group on Trade and Investment.

Energy transition commitments

The November 2025 [Leaders' Declaration](#) dedicated focused attention to a just energy transition, with climate-related issues mentioned twenty-eight times throughout the document. The G20 members affirmed their commitment to supporting efforts to triple their renewable energy capacity globally, and to doubling the global average annual rate of energy efficiency improvements by 2050 – this signals resounding support for the continuation of the goals of the Paris Agreement and its implementation.

The declaration underscores the crucial role of technologically neutral, integrated, and inclusive approaches to energy security and energy transitions. G20 members recognise the need for catalysed and scaled-up investment from all relevant financial sources and channels for bridging the funding gap for sustainable energy transitions globally, especially in EMDEs. It underlines the urgency of de-risking, mobilizing, and diversifying existing and additional investment in energy transition technologies and infrastructure. Reaffirming the importance of supporting countries in their transition to low carbon emissions, the G20 commits to work towards facilitating low-cost financing, including through concessional finance and innovative financing, blended finance mechanisms, and risk mitigation instruments and technology support.

The declaration acknowledges the important role of domestic energy planning, capacity building, and voluntary transfer of technology on mutually agreed terms, policy strategies, and frameworks, as well as promoting coordination

between different levels of government and international financial institutions in creating enabling environments to attract financing for energy transitions.

The G20 declaration, like the Belém Package, affirms the necessity of a just energy transition and the need to shift towards renewable energy sources and net-zero goals of 2050.

The trade and climate nexus

Consistent with the increasing attention witnessed at Brazil's COP30, where the agenda adoption and negotiating rooms were strained by trade and climate issues, the nexus between trade and climate continues to intensify. The G20 addresses this directly in both its Trade and Investment Working Group and the Leaders' Declaration.

In the Trade and Investment Working Group's issue note, South Africa's G20 Presidency aimed to navigate issues related to designing a pledge or framework on green industrialization and investments that promote sustainable development. The Working Group mentions climate action or climate-related issues sixteen times, beginning with recognition of the global "worsening" of climate-related challenges.

The [Trade and Investment Group Chair's summary](#), issued in October 2025, emphasizes that members supported:

- (a) The development of resilient and adaptable trade frameworks capable of responding effectively to the climate emergency,
- (b) Recognition that inequitable access to key technologies hampers speedy and effective responses to environmental and climate-related crises, and
- (c) Acknowledgment that achieving interconnected climate and development objectives requires sustained multilateral cooperation that balances environmental imperatives with development aspirations.

The Leaders' Declaration gives specific attention to ensuring that "*measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.*" By adopting language from the UNFCCC and the first Global Stock Take, the G20 leadership further acknowledges the interconnectedness of climate action and economic development and calls for further collaboration in these areas.

Sustainable industrial transition

Regarding industry, G20 members agreed that the sector plays a strong multiplier effect across different sectors of the economy, fostering innovation, creating good-quality jobs, decent work, and producing essential goods and services for society. The G20 supports projects and programmes that advance global collaboration and dialogue to maximize the positive impacts associated with the implementation of

sustainable industrial policies while working to minimize the negative effects of these policies. In doing so, the G20 members agreed to adopt the “Voluntary and Non-Binding G20 High-Level Principles on Sustainable Industrial Policy for Inclusive Economic Growth, Industrialisation, Jobs and Equality”.

Building on multilateral momentum

South Africa's historic G20 Presidency has delivered substantive outcomes on climate action despite challenging geopolitical circumstances. The alignment between the G20 Leaders' Declaration and COP30's Belém Package demonstrates that multilateral climate action can maintain momentum across different forums and contexts.

Key achievements include:

- Advancing innovative climate finance mechanisms, particularly debt-for-climate swaps and climate resilient debt clauses,
- Securing commitments to towards renewable energy capacity and energy efficiency improvements,
- Addressing the critical trade-climate nexus with balanced approaches that protect both environmental and development objectives, and
- Emphasizing the needs of Africa and EMDEs in energy transitions, especially giving attention to the High-Level Voluntary Principles for Sustainable Industrialisation Hubs to support the equitable sharing of the benefits of industrialization, including through manufacturing and beneficiation of minerals and resources at source.

As we move deeper into the implementation phase of the Paris Agreement, the convergence of priorities across the G20 and UNFCCC processes provides a foundation for accelerated action. The challenge now lies in translating these commitments into concrete policies, mobilizing the promised finance, and ensuring that the just transition principles embedded in these declarations reach the communities and countries that need them most.

The Leadership Group for Industry Transition (LeadIT) will continue to work closely with its existing members and partners, while seeking to expand its membership and forge new partnerships to support these outcomes and bring about a sustainable transition in heavy industry aligned with the goals of the Paris Agreement and creating a better world for all.

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