

# Building Ambition in the Run-up to Belém: Italy's G7 Presidency on Climate and Energy

by Margherita Bianchi and Chiara Scissa

## ABSTRACT

A main priority of the 2024 Italian G7 presidency was to build stronger partnerships with African countries across a number of policy areas, including climate and energy. Italy pushed forward several G7 initiatives to tackle the adverse effects of climate change and resource scarcity in developing regions as well as to enhance energy access in Africa. Despite the relevance of these pledges, it is still unclear how these initiatives can align with, and maximise the impact of, existing climate- and energy-related projects set out in other fora. Still, the Italian G7 was successful in shedding light on the need for stronger intersectionality in G7 processes – finance, climate, infrastructure, food – and in advancing synergies with parallel G20 and climate conferences of the parties (COP) discussions. Canada, South Africa and Brazil, respectively holding the 2025 G7, G20 and COP30 Presidencies, can build on the lesson of the Italian G7 presidency, especially in light of the decreasing attention that major powers such as the United States are paying to multilateral governance regimes.

*G7 | G20 | Africa | Climate change*

**keywords**

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by Margherita Bianchi and Chiara Scissa\*

### Introduction

The G7 plays a critical role in influencing the international debate through setting financial and transparency standards, while the larger G20 remains the chief forum for global economic coordination. Their actions in decarbonising their own economies (responsible for over 80 per cent of emissions) will have great consequences on climate action worldwide. Looking at bigger formats, the milestone reached in Paris in the 2015 Conference of the Parties (COP21) of the United Nations Framework Convention on Climate Change (UNFCCC) illustrates the essential benefits of global cooperation in tackling global warming. Collaboration between world regions is also essential to capture the economic and social benefits coming with the transition.

Building support and trust across all venues and partners is thus critical. Yet, this is easier said than done. Climate change is being increasingly politicised in richer regions such as Europe and the United States. Leadership on climate action is now weak in the European Union: spikes in oil, gas and coal prices in the past few years led to higher electricity costs and a heavy burden for energy consumers, who in several cases have (wrongly) blamed the green agenda. Political parties across the spectrum – though especially on the populist fringes of it – have capitalised on these fears; even mainstream parties' demands for a "just transition" are often misused to reduce or avoid commitments.

Additionally, multilateralism is undergoing growing pressure: the COP29 in Baku highlighted both the delicacy and resilience of climate conferences under the

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UNFCCC. The second withdrawal of the United States from the Paris Agreement will reduce trust in multilateralism even more: the United States is the second largest climate finance donor after the EU and the largest contributor to the UN, while it accounts for 11 per cent of global emissions. Besides the Trump factor, however, current political volatility across the G7 club – including in the presidency-holder Canada which will hold federal elections this spring – may impact the level of climate ambition.

Climate policy has also become a major political issue at a time when great power rivalry is escalating. After four decades of globalisation and interconnectivity, countries are facing rising competition and geo-economic considerations are becoming increasingly important policy drivers.<sup>1</sup> It may thus happen that advancing climate-friendly policies in smaller climate clubs<sup>2</sup> is easier, but these are no alternative to multilateralism and the international framework.

Consistency is a third problem. Around the world climate diplomacy is spread across functions and climate action is increasingly framed as part of a series of nexuses; and while this is necessary, it also complicates coordination and prioritisation. Moreover, while the key player in keeping climate action within these tracks is the UNFCCC, energy-related decisions largely remain the responsibility of domestic actors – and in that domain institutions proliferate, and interests diverge. On the one hand, the framework reference of a “just transition” is being endorsed by a growing number of actors, in several nationally determined contributions (NDCs) and long-term strategies (LTS).<sup>3</sup> On the other, a lack of common understanding on what the “just transition” is and how it should be pursued undermines the effectiveness of projects and initiatives. Also, the proliferation of pledges, platforms and initiatives to tackle climate change or energy poverty requires synchronisation or simplification.

The year 2025 – marking the tenth anniversary of the Paris Agreement and the UN 2030 Agenda for sustainable development – will see parties presenting their updated NDCs, making it a crucial year to push for effective implementation and greater ambition. Most of them have missed the deadline (10 February) and are expected to submit their new plans at the latest by September – already a bad sign.<sup>4</sup>

Given these difficult circumstances, building on existing G7 initiatives to align priorities with larger fora such as the G20 and the COP is key. Canada

<sup>1</sup> Pier Paolo Raimondi et al., *The External Dimension of the Green Deal, between Cooperation and Competition*, Rome, IAI, November 2022, <https://www.iai.it/en/node/16175>.

<sup>2</sup> Gregor Erbach with Chiara Scalamandrè, “G7 Climate Club”, in *EPRS At a Glance*, March 2023, [https://www.europarl.europa.eu/thinktank/en/document/EPRS\\_ATA\(2023\)739385](https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA(2023)739385).

<sup>3</sup> Mohamed Adow et al., “5 Essential Principles of the Just Transition Work Programme for Climate Action”, in *WRI Technical Perspectives*, 4 March 2024, <https://www.wri.org/node/103919>.

<sup>4</sup> Daisy Dunne, “Analysis: 95% of Countries Miss UN Deadline to Submit 2035 Climate Pledges”, in *UN Climate Talks*, 10 February 2025, <https://www.carbonbrief.org/analysis-95-of-countries-miss-un-deadline-to-submit-2035-climate-pledges>.

looks committed to ensuring continuity with the Italian presidency of the G7. Furthermore, G20 presidency holder South Africa is apparently determined to continue aligning efforts over African priorities with those of the G7 and can likely help further alignment with the BRICS' agenda. Ambitious climate policy and food security are also key priorities for the Brazilian government, which has shown leadership both process-wise and content-wise during its 2024 G20 presidency.

## 1. Africa and climate action in the G7s/G20s

Powerful plurilateral groupings such as the G7 and G20 have great influence on climate action. According to the Global Governance Project, whereas G7 countries made only five climate commitments in the 1980s and 42 commitments from 1990 to 2004, 221 commitments were instead endorsed between 2005 and 2014, and 51 from 2015 to 2019.<sup>5</sup> Despite the evident growing attention devoted to climate so far, for many reasons the G7 has avoided committing to the most pressing issues around climate change, such as the urgency to phase out coal as well as to end fossil fuel subsidies.<sup>6</sup>

Similar trends have characterised the G20. The Global Governance Project reports that since 2008 G20 countries have made 152 commitments on climate change. From 2009 to 2016, only 75 commitments have been made on climate action. The number of climate commitments increased to 22 in 2017, fell in the following years, and then increased again up to 21 in 2021, 18 in 2022 and 19 in 2023.<sup>7</sup> G20 members' compliance with climate commitments has averaged 73 per cent since 2009, and reached 78 per cent from 2017 to six months after the 2023 New Delhi Summit.

Akin to climate change, Africa has progressively become more strategic to G7 and G20 countries. African countries have a clear vision for their climate resilience and sustainable development, as enshrined in the Nairobi Declaration on Climate Change (2023), adopted by the African Heads of State and Government, and in Africa's 2063 Agenda (2015), which was prepared by the African Union Commission, amongst others. African countries demand a shift in the widespread narrative of looking at Africa as an aid recipient and request win-win cooperation with other regions to stimulate their own scientific, technological and entrepreneurial green capacity. As stressed by the Director General of the African Union (AU) Commission, Fathallah Sijilmassi, Africa is playing an increasing role on global issues within the international community, as demonstrated by the AU's recent membership in the G20.<sup>8</sup> African leaders also demand better access to concessional loans and

<sup>5</sup> Brittaney Warren, "G7 Performance on Climate Change", in *Global Governance Project Blog*, 12 June 2022, <https://www.globalgovernanceproject.org/?p=6880>.

<sup>6</sup> Interview, 13 December 2024.

<sup>7</sup> Brittaney Warren, "G7 Performance on Climate Change", cit.

<sup>8</sup> African Union, *Opening Remarks by H.E. Amb. Fathallah Sijilmassi, Director General of the AUC, G7 High-Level Webinar: Presentation of the G7 Apulia Progress Report 2024*, 29 November 2024,



the fulfilment of the 14-year-old commitment from developed nations to mobilise 100 billion US dollars annually for climate action – something both G7 and G20 countries have not entirely achieved.<sup>9</sup> In general, G20 commitments on climate finance have traditionally had the lowest level of compliance (around 66 per cent), whereas G7 countries have a better record (73 per cent compliance with climate financing commitments).<sup>10</sup>

In December 2024, South Africa became the first African country to lead the group of G20 nations, and its presidency will shed light on the continent's own sustainable vision. Its agenda relies on three strategic pillars – an African agenda, cooperation and multilateralism – while aiming to achieve three main priorities: inclusive economic growth, industrialisation and reduced inequality; food security; and AI and innovation for sustainable development.<sup>11</sup> South Africa in 2021 was also the first to enter a Just Energy Transition Partnership (JETP), following through on the pledge the G7 partners made at COP26 in Glasgow to accelerate the transition away from coal in developing countries, though results have been mixed.<sup>12</sup>

## 2. Assessing main initiatives of the Italian presidency

Italy strongly focused its 2024 G7 presidency on Africa given its interests and ties in the Euro-Mediterranean space and vis-à-vis Sub-Saharan Africa (SSA), a natural consequence of geographic proximity. The Rome Process,<sup>13</sup> launched in 2023, has set the government's vision on Africa and the Mediterranean, while the Mattei Plan for Africa, arguably the flagship foreign policy initiative of the Giorgia Meloni government, is predicated on stronger ties with African countries across a number of policy areas, including energy, water and agriculture.<sup>14</sup> Prime Minister Meloni also invited leaders from the region to attend the summit as part of the G7's outreach component. This is nothing new; Africa has been part of the G7 agenda

[https://www.esteri.it/wp-content/uploads/2025/01/G7-APR-2024\\_Opening-Remarks-African-Union-Commission-HEAMB\\_FATHALLAH\\_SIJILMASSI.pdf](https://www.esteri.it/wp-content/uploads/2025/01/G7-APR-2024_Opening-Remarks-African-Union-Commission-HEAMB_FATHALLAH_SIJILMASSI.pdf).

<sup>9</sup> Brittany Warren, "Trillions Needed from the G7 and G20 for the Climate Emergency", in *Global Governance Project Blog*, 6 November 2024, <https://www.globalgovernanceproject.org/?p=10095>. See also AUDA-NEPAD, *Closing Remarks on "Enhancing Cooperation between the AU and G7 Members: Shared Development Priorities for the AU and G7" [by] Nardos Bekele-Thomas, CEO, AUDA-NEPAD*, G7 High-Level Webinar: Presentation of the G7 Apulia Progress Report 2024, 29 November 2024, [https://www.esteri.it/wp-content/uploads/2025/01/G7-APR-2024\\_Closing-Remarks-AUDA-NEPAD\\_CEO-Mrs\\_Nardos-Bekele-Thomas.pdf](https://www.esteri.it/wp-content/uploads/2025/01/G7-APR-2024_Closing-Remarks-AUDA-NEPAD_CEO-Mrs_Nardos-Bekele-Thomas.pdf).

<sup>10</sup> Ibid.

<sup>11</sup> Quote from the roundtable "Advancing Climate and Food Security Goals in the Run-up to Belém", held at IAI on 7 February 2025.

<sup>12</sup> Elizabeth Sidiropoulos, "A Closer Look at South Africa's Approach", in *Global Governance Project*, 29 November 2024, <https://saiia.org.za/?p=68700>; and interview, 13 January 2025.

<sup>13</sup> Italian Government, *International Conference on Development and Migration. Conclusions*, 23 July 2023, <https://www.governo.it/en/node/23251>.

<sup>14</sup> Daniele Fattibene and Stefano Manservigi, "The Mattei Plan for Africa: A Turning Point for Italy's Development Cooperation Policy?", in *IAI Commentaries*, No. 24|10 (March 2024), <https://www.iai.it/en/node/18219>.

on an almost regular basis, as many G7 (and G20) members have sought deeper engagement with the continent.<sup>15</sup>

## 2.1 Clean energy access, infrastructure and critical minerals

G7 leaders in 2024 agreed with several African partners upon a new Energy for Growth in Africa Initiative. Its objectives are to close the investment gap in Africa – currently attracting 3 per cent of global clean energy investment (and with significant regional disparities) – to help develop bankable clean energy projects; attract private capital with public finance and technical assistance; encourage the flow of concessional finance; and overcome barriers to investments in clean energy across Africa. Besides G7 members, the initiative is supported by the Republic of Congo, Côte d'Ivoire, Ethiopia, Kenya, Mozambique, Nigeria and South Africa.<sup>16</sup>

(The cleanest possible) energy access is indeed a priority of Africa, where around 600 million people are without access to electricity<sup>17</sup> and almost 960 million without access to clean cooking, chiefly in SSA. In its Nairobi Declaration, the AU indeed aims for a rapid increase in Africa's renewable energy capacity – from 56 GW in 2022 to at least 300 GW by 2030. Although some improvements have occurred, SSA (excluded South Africa) still underperforms on renewable capacity growth (excluded hydroelectric), considering its resource potential and electrification needs.

Accelerating renewable energy capacity growth in SSA will require massive investment in infrastructures. The G7 supported the Alliance for Green Infrastructure in Africa, committing<sup>18</sup> to contribute 150 million US dollars in grants, concessional and commercial capital as well as to mobilise three billion of private sector investment in green infrastructure. Following the summit, the G7 committed to enhance the Partnership for Global Infrastructure and Investment (PGII),<sup>19</sup> and aimed to: 1) launch a PGII secretariat for effective implementation and investment coordination with partners; 2) support the implementation of the African Union Commission / OECD African Virtual Investment Platform to enhance data and information sharing, transparency and public policies on investment in Africa; 3) work together with public development banks, development finance

<sup>15</sup> Interview, 13 December 2024; and Giovanni Carbone and Lucia Ragazzi, "Rebooting Italy's Africa Policy-Making. The Mattei Plan", in *ISPI Policy Papers*, November 2024, <https://www.ispionline.it/wp-content/uploads/2024/11/POLICY-PAPER-ISPI-2024-MATTEI-PLAN-1.pdf>.

<sup>16</sup> G7 et al., *Joint Statement on Energy for Growth in Africa*, 15 June 2024, <https://www.g7italy.it/wp-content/uploads/Joint-statement-on-Energy-for-Growth-in-Africa.pdf>.

<sup>17</sup> World Bank website: *Mission 300 Is Powering Africa. Overview*, <https://www.worldbank.org/en/programs/energizing-africa/overview>.

<sup>18</sup> G7, *G7 Finance Ministers and Central Bank Governors' Communiqué*, Stresa, 23-25 May 2024, <https://www.g7italy.it/wp-content/uploads/Stresa-Communique-25-May-2024.pdf>.

<sup>19</sup> G7, *Factsheet on the G7 Partnership for Global Infrastructure and Investment (PGII)*, Pescara, 22-24 October 2024, [https://www.esteri.it/wp-content/uploads/2024/10/ANNEX-I-G7-PGII-Factsheet-2024\\_IT.pdf](https://www.esteri.it/wp-content/uploads/2024/10/ANNEX-I-G7-PGII-Factsheet-2024_IT.pdf).

institutions, multilateral development banks and the private sector to improve enabling environments and country-based investment design, coordination and co-financing.

The G7 leaders repeatedly stated their goal to support “quality infrastructure” projects, meaning economically viable projects with transparent disclosures and low environmental, social and governance risks. In a summit side event, G7 leaders met with Italian and US businesses committing to increase coordination between PGII, the Mattei Plan, EU's Global Gateway (the EU's initiative in support of infrastructure development abroad) and other infrastructural initiatives.<sup>20</sup> G7 countries also pledged additional support to, among others, flagship cross-border development projects, such as the Lobito Corridor, the trade route across the Democratic Republic of the Congo, Zambia and Angola.<sup>21</sup> Such efforts to coordinate (local, national, regional, multilateral) initiatives are encouraging, because effective synchronisation will be needed in order to avoid overlapping initiatives and wasted resources. The newly established Secretariat could help promote such coordination. Other helpful instruments are the national energy compacts presented by twelve African countries in January with the aim of reforming their markets and increasing their access to electricity.<sup>22</sup> These compacts should serve as blueprints with country-specific targets and timelines for implementing critical reforms and channelling investments.

The G7 Communiqué of June 2024 also supports the Resilient and Inclusive Supply-chain Enhancement (RISE), a World Bank initiative designed to strengthen the role of resource-rich developing countries in the midstream and downstream stages of the production of critical raw materials (CRM) for clean energy. Especially when it comes to the downstream aspects of the CRM value chain, the investment landscape is poor: relocating parts of the value chains' processing and manufacturing to African countries presents a significant investment challenge, as there is a strong incentive to export raw materials to nations with established processing capabilities and lower governance and infrastructure risks.<sup>23</sup> Against this backdrop, a South African-led G20 can bring this crucial conversation forward, and this priority indeed features in the 2025 G20 workplan.<sup>24</sup> Canada is also strongly advocating for critical raw material supply chains to be more diversified, transparent, resilient,

<sup>20</sup> G7, *G7 Partnership for Global Infrastructure and Investment Side Event Co-Chair Statement*, 13 June 2024, <https://www.g7italy.it/en/g7-partnership-for-global-infrastructure-and-investment-side-event-co-chair-statement>.

<sup>21</sup> G7, *Factsheet on the G7 Partnership for Global Infrastructure and Investment (PGII)*, cit.

<sup>22</sup> Global Energy Alliance for People and Planet, *Mission 300 Africa Energy Summit Secures Historic Country Commitments and over \$50 Billion in Partner Pledges to Accelerate Action on Affordable, Sustainable Energy Growth*, 30 January 2025, <https://energyalliance.org/mission-300-africa-energy-summit-secures-historic-country-commitments-and-over-50-billion-in-partner-pledges-to-accelerate-action-on-affordable-sustainable-energy-growth>.

<sup>23</sup> Max Münchmeyer, *Strategic Security and Critical Raw Materials: The Role of the European Investment Bank*, Rome, IAI, July 2023, <https://www.iai.it/en/node/17351>.

<sup>24</sup> G20 South Africa Presidency website: <https://g20.org/g20-south-africa/g20-presidency>.

responsible, circular, resource efficient and sustainable,<sup>25</sup> making this topic a central one for this year's G7 agenda.<sup>26</sup> Among G7 partners this is something on which stronger ambition could be fostered: as they try to decarbonise (with very different degrees of ambition), they are aiming for reducing dependence on those holding significant power in the clean-tech supply chains (read: China). For this reason, concrete advancements will be trickier at the wider G20 level.

## 2.2 Adaptation and water governance

Another important climate-related initiative introduced by the Italian G7 presidency is the Adaptation Accelerator Hub, which aims to the implementation of, and investment in, climate change adaptation in vulnerable countries.<sup>27</sup> The Hub's goal is to link and reinforce existing multilevel initiatives on adaptation, such as the NDC Partnership and the National Adaptation Plan Global Network, while promoting and strengthening cooperation among a wide variety of technical, financial and technological actors, including G7 national development and finance organisations. Enhanced partnerships would in turn foster actions in developing countries to accelerate the implementation of their national adaptation plans.

Although the G7 Adaptation Accelerator Hub refers to developing countries particularly exposed to the adverse impacts of climate change, an explicit reference to the African continent is lacking. However, at COP29 in Baku, the Italian presidency announced a new partnership with Ethiopia as part of the G7 initiative aiming at enhancing the country's climate adaptation in agri-food systems and water resource management.<sup>28</sup> Projects in Ethiopia under the Adaptation Hub might be supported also by the Italian Climate Fund and likely serve as a pilot project of sorts. Yet, in the absence of further guidelines as to what countries are targeted by this instrument, or which criteria will guide the selection, it is still unclear whether African countries (and if so which ones) will be included in the scope of application of the Hub.

G7 climate ministers conceded that adaptation gaps are partially driven by widening disparities between the estimated costs of adaptation and finance allocated to it among lower income countries. They also warned against the "triple global crisis of climate change, biodiversity loss and pollution" and its impacts in reducing

<sup>25</sup> Canada and Italy, *Joint Statement on Critical Minerals and Critical Raw Materials Cooperation*, 10 October 2024, <https://www.canada.ca/en/natural-resources-canada/news/2024/10/joint-statement-on-critical-minerals-and-critical-raw-materials-cooperation.html>.

<sup>26</sup> Interview, 2 December 2024.

<sup>27</sup> G7, *The G7 Countries Join Forces to Strengthen Adaptation Actions in Support of the Most Vulnerable Countries*, 1 May 2024, <https://www.g7italy.it/en/the-g7-countries-join-forces-to-strengthen-adaptation-actions-in-support-of-the-most-vulnerable-countries>.

<sup>28</sup> Italian Ministry of Environment and Energy Security, *G7 Countries Launch Adaptation Accelerator Hub, Signaling Commitment to Strengthen Adaptation Finance*, 20 November 2024, [https://www.mase.gov.it/sites/default/files/G7%20Adaptation%20Accelerator%20Hub\\_press%20release\\_ENG.pdf](https://www.mase.gov.it/sites/default/files/G7%20Adaptation%20Accelerator%20Hub_press%20release_ENG.pdf).



water availability and quality.<sup>29</sup> The G7 ministers thus acknowledged the crucial role that water resources play in biodiversity, sustainable energy supply, water and food security, sanitation and climate resilience.

Indeed, according to the UN, 2.2 billion people are still without access to drinking water and 3.5 billion lack access to sanitation.<sup>30</sup> In 2022, a quarter of the world population faced extremely high levels of water stress. Climate change is projected to increase the frequency and severity of water scarcity. However, water security and governance are often neglected in relevant climate change policies and legal documents. As noted, the 2015 Paris Agreement does not mention water once.<sup>31</sup> At the same time, it was only in March 2023 that the UN finally convened the first global conference on water after 50 years, and no binding commitment came out from that event.<sup>32</sup> Finally, the siloed water, agriculture and climate change governance often leads to fragmented (thus inefficient) policies.

These challenges are at the core of the G7 Water Coalition, the first-ever G7 coalition dedicated to water.<sup>33</sup> The coalition was adopted in Turin in April 2024 and endorsed by G7 leaders during the Apulia Summit in June. The goal of this initiative is to combat climate, pollution and biodiversity crises, while striving for better management of water access, sanitation and enhanced transboundary water cooperation.

This initiative builds upon the UN 2023 Water Conference, which stressed the need for enhanced international cooperation to overcome the water crisis, and it aims to align with other relevant instruments to maximise its potential and avoid policy fragmentation, such as through the mainstreaming of water considerations in the NDCs. At the first meeting of the Water Coalition held in June 2024, the Italian Minister for the Environment and Energy Security Gilberto Pichetto Fratin unsurprisingly stressed the need for the coalition to define common and ambitious water targets in strategic global contexts such as COPs on Climate Change as well as COPs on biodiversity and desertification.<sup>34</sup>

<sup>29</sup> G7, *Climate, Energy and Environment Ministers' Meeting Communiqué*, Turin, 29-30 April 2024, [https://www.g7italy.it/wp-content/uploads/G7-Climate-Energy-Environment-Ministerial-Communique\\_Final.pdf](https://www.g7italy.it/wp-content/uploads/G7-Climate-Energy-Environment-Ministerial-Communique_Final.pdf).

<sup>30</sup> UNESCO, *Water Crises Threaten World Peace*, 22 March 2024, <https://www.unesco.org/en/articles/water-crises-threaten-world-peace-report>.

<sup>31</sup> Thin Lei Win, "A Water Crisis Is on the Horizon. The World Must Take Action", in *IAI Commentaries*, No. 24|24 (May 2024), <https://www.iai.it/en/node/18564>.

<sup>32</sup> United Nations, *UN 2023 Water Conference. Summary of Proceedings*, May 2023, <https://www.unwater.org/news/summary-proceedings-un-2023-water-conference>.

<sup>33</sup> WaterAid, *WaterAid Hails New G7 Water Coalition as Having Groundbreaking Potential, But It Must Represent the Needs of the Most Vulnerable*, 1 May 2024, <https://www.wateraid.org/uk/node/16001>.

<sup>34</sup> Italian Ministry of Environment and Energy Security, *Acqua: a Roma la prima riunione della "G7 Water Coalition"*, 27 June 2024, <https://www.mase.gov.it/node/18807>.

The G7 Water Coalition aligns with the COP29 Baku Dialogue on Water for Climate Action, envisaged as a COP-to-COP collaboration platform for continuous and coherent water-related climate action, and the related Declaration, whose aim is to foster global partnership and collaboration to address water challenges.<sup>35</sup> In addition, the G7 Water Coalition also complements the G20 Call to Action on Strengthening Drinking-Water, Sanitation and Hygiene Services, which has been adopted in July 2024.<sup>36</sup> In this Call to Action, G20 development ministers committed to achieving transformative progress in access to water, sanitation and hygiene as well as sustainable and integrated resource management at all levels. Among others, G20 countries confirmed the need to prioritise the achievement of Sustainable Development Goal 6 (Ensure availability and sustainable management of water and sanitation for all) by 2030 and recommended the integration of water considerations into national policies and the advancement of these commitments in relevant international fora.

Despite the relevance of the G7 Water Coalition, it is unclear how it interrelates with and maximises the impact of other initiatives fighting land and water scarcity. Indeed, considering the recognised need for tangible and cross-cutting actions to address water scarcity and land degradation, in April the G7 Italian presidency also launched a Hub on Sustainable Use of Land with a specific target on Africa and the Mediterranean Basin. The Hub would be dedicated to promoting a collaborative and common approach to sustainable land use with the aim of achieving land degradation neutrality. The Hub's focus would be on sustainable livelihoods, the strengthening of food security and the promotion of land-based employment, with emphasis on communities particularly exposed to land degradation.

Although Italy launched two relevant water-related initiatives such as the Water Coalition and the Hub for Africa in the same document, the G7 Communiqué fails to explain how they could address interrelated challenges, how they could cooperate and maximise their impact in order to facilitate water access and avoid land degradation, and what specific actions are envisaged to tackle these challenges in particularly vulnerable areas, such as Africa and the Mediterranean. The G7 Water Coalition does not appear to target any specific geographical area, and Africa is not even mentioned in the G7 Declaration on the Agreement on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction, which launched the G7 Water Coalition.<sup>37</sup> It is therefore not clear how these initiatives will address the specific challenges that Africa is facing in the context of the water crisis, which results in about 400 million people in Africa having no access to clean drinking water and 700 million without good

<sup>35</sup> COP29, *Declaration on Water for Climate Action*, 21 November 2024, <https://cop29.az/en/pages/cop29-declaration-on-water-for-climate-action>.

<sup>36</sup> G20, *Call to Action on Strengthening Drinking-Water, Sanitation, and Hygiene Services*, Rio de Janeiro, 23 July 2024 <https://g20.utoronto.ca/2024/240723-development-WASH.html>.

<sup>37</sup> G7, *G7 Declaration on the Agreement on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction*, Turin, 30 April 2024, <https://www.g7.utoronto.ca/environment/2024-communication.html#conservation>.

sanitation.<sup>38</sup> As no further indications are provided in subsequent ministerial communiqués, this makes the future of the hub uncertain. The same holds true for the G20 Call to Action on Water, which simply refers to the fact that this initiative would bring benefits to both developed and developing nations.<sup>39</sup>

### 3. Other developments around finance

Besides the initiatives described above, with many developing countries burdened by growing debt, the reform of the financial system is another item of G7/G20 and COP discussions, as it would attract further green investments in many countries of the Global South. Coordination and alignment between G7 and G20 climate goals cannot succeed without “massive financial mobilisation”.<sup>40</sup> Borrowing costs for developing countries range between two to twelve times higher than those of developed countries, making it difficult for developing countries to access and finance development.<sup>41</sup> In Africa for instance, debt servicing costs are now double the level of clean energy investment.<sup>42</sup>

By reforming the global financial architecture, developing countries might access finance that is key to unlocking clean energy access – serving the double goal of mitigation and adaptation. In this regard, 2024 witnessed some steps forward in the G7/G20/COP and other multilateral spaces. The replenishment of International Development Association (IDA),<sup>43</sup> together with contributions from other multilateral development banks, can play a crucial role in achieving the New Collective Quantified Goal of tripling support to developing countries by 2035 agreed in Baku, and is especially important given the vastly concessional nature of its funding. Italy's increase and support for IDA was announced<sup>44</sup> during its G7 presidency at the G20 Summit in Rio de Janeiro.

In parallel, the G20 Task Force on a Global Mobilization against Climate Change set up by Brazil focused on mainstreaming energy transition and climate change

<sup>38</sup> African Union, *The African Leaders Nairobi Declaration on Climate Change and Call to Action*, Nairobi, 4-6 September 2023, <https://au.int/en/node/43124>.

<sup>39</sup> G7, *G7 Declaration on the Agreement on the Conservation and Sustainable Use of Marine Biological Diversity*, cit.

<sup>40</sup> Quote from the roundtable “Advancing Climate and Food Security Goals in the Run-up to Belém”, held at IAI on 7 February 2025.

<sup>41</sup> Darlington Tshuma and Bongiwe Mphahlele, “South Africa's G20 Presidency: Tapping into Africa's Potential through Financial, Climate and Food Systems Reforms”, in *IAI Commentaries*, No. 24|54 (September 2024), <https://www.iai.it/en/node/18854>.

<sup>42</sup> International Energy Agency, *Financing Clean Energy in Africa*, September 2023, <https://www.iea.org/reports/financing-clean-energy-in-africa>.

<sup>43</sup> IDA's replenishment reached the 100 billion US dollars mark. See more in Clemence Landers et al., “IDA Prevails, Others Flail—and What Recent Replenishments Portend for 2025”, in *CGD Blog*, 17 December 2024, <https://www.cgdev.org/node/3134350>.

<sup>44</sup> Italian Government, *G20 Summit: President Meloni Meets with the President of the World Bank Group*, 18 November 2024, <https://www.governo.it/en/node/27075>.

in the global economic agenda<sup>45</sup> – putting national transition plans and financial frameworks aligned with Paris at the heart of the G20 finance, climate and sherpa tracks. Cooperating with the G7 finance and climate tracks, the G7/G20 work informed the set of key climate decisions taken in the COP29 and likely those in the run-up to COP30. This setup allowed the teaming up of forces in a more integrated way.

In G7/G20 and COP spaces, discussions do not only revolve around the quantity of finance, the quality is important as well. Creative uses for debt relief, for example, where a portion of a nation's foreign debt is forgiven in exchange for local investments in climate action, should be more seriously debated in these spaces. In general, creativity and innovation in how to deliver the necessary finance should be a priority. South Africa's G20 presidency can play a crucial role in advancing this need.<sup>46</sup>

## Conclusions

The increasingly fragmented and multipolar international system may impact the development of much of the abovementioned pledges. Reinforcing G7/G20 dialogue channels and multiplying diplomatic entry points, fostering more efficient multi-level practices through platforms for coordination and integrated workstreams are therefore all the more important to consolidate ambition on climate.

Content-wise, energy and climate were given significant attention by the Italian presidency. A strong G7 focus on adaptation in particular was long overdue. However, the multidimensional and interlinked technical, financial, social and technological challenges in setting up adaptation programmes in complex scenarios require continuous multi-level dialogue and flexible approaches with partners. On the brighter side, Canada recently launched the GAIA initiative, a 1.48 billion US dollars blended finance platform designed to drive climate-focused investments in vulnerable regions, dedicating most of resources to adaptation projects.<sup>47</sup> In general, there are signs that countries understand the need for a long-term prioritisation of adaptation finance to drive development and climate transformation plans (e.g., national adaptation plans). The coordination support

<sup>45</sup> G20, *G20 Legacy Book. The Finance Track in 2024*, November 2024, [https://www.gov.br/fazenda/pt-br/central-de-conteudo/publicacoes/relatorios/g20/g20-legacy-book2013-the-finance-track-in-2024\\_en\\_v7.pdf](https://www.gov.br/fazenda/pt-br/central-de-conteudo/publicacoes/relatorios/g20/g20-legacy-book2013-the-finance-track-in-2024_en_v7.pdf).

<sup>46</sup> Elizabeth Sidiropoulos, "A Closer Look at South Africa's Approach", cit.; Darlington Tshuma and Bongwiwe Mphahlele, "South Africa's G20 Presidency", cit.

<sup>47</sup> Canada Government, *During the World Leaders Climate Action Summit at COP29, Minister Guilbeault Announces Major Canadian-led Climate Finance Platform*, 12 November 2024, <https://www.canada.ca/en/environment-climate-change/news/2024/11/during-the-world-leaders-climate-action-summit-at-cop29-minister-guilbeault-announces-major-canadian-led-climate-finance-platform.html>.



through the Adaptation Accelerator Hub launched by the Italian presidency might help in this regard.

Ambition in the run-up to COP30 in Belém (Brazil) can be held up by picking some low-hanging fruits on the climate change mitigation front, such as the abatement of methane emissions, on which G7 countries committed<sup>48</sup> to building robust methodology using measured data and pledged to work with non-G7 producing countries (COP29 saw new commitments, partnerships and funding that build on the momentum of the Global Methane Pledge launched at COP26). As regulatory efforts have intensified to strengthen methane policies across the energy, agriculture and waste sectors (in Europe, for instance), 2025 may be a pivotal year for advancing tools for data transparency and implementation, despite the United States' expected rollback on methane emissions limits on oil and gas operations. Europe in this sense should take the lead and align with as many countries as possible. A possibly easier front for the G7 would be to work on sustainable and diversified critical raw material supply chains, a way to de-risk from China.

Process-wise, bridging divides across G7/G20 diplomatic channels is clearly not applicable to every topic, but Italy's G7 and Brazil's G20 managed to share key conversations along the finance, climate and sherpa tracks. The G7 Sustainable Finance Working Group has been created to develop a sustainable finance roadmap to the next G20 summit. This integrated approach has proved successful and can be maintained. Intersectoriality is indeed fundamental: a more structured inclusion of the finance sector in G7/G20/COP climate conversations can really help. Strong business cases should be presented to the ministers of finance and to chief financial officers to make them internalise the economic sense of climate and clean energy initiatives. This could prove fundamental also to build long-term consensus around much-needed climate finance flows and make them less vulnerable to political volatility.

Additionally, the Italian presidency strongly framed the 2024 G7 as an opportunity to strengthen existing partnerships (particularly in Africa) and committed to a better alignment with the plethora of other initiatives. While this aim sounds reasonable, there are currently few signs of real coordination (e.g., in the "infrastructure" and "energy access" domains, as well as in the "sustainable land use" and "water" domains). In the future, focusing on existing initiatives instead of launching new ones seems crucial, as a multiplication of initiatives at each forum results in global frustration, little coordination and no efficiency. Likewise, rationalising initiatives where they might overlap is key. In today's complex international arena, technocrats and politicians should concentrate on making existing pledges a reality, rather than launching new ones.

*Updated 20 February 2025*

<sup>48</sup> G7, *Climate, Energy and Environment Ministers' Meeting Communiqué*, cit.

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