

## **G7 2022: All in for clean energy**

Dear G7 Ministers,

We are in a defining moment in history. The war in Ukraine has exposed the vulnerability of our societies to a high dependence on fossil fuels, with soaring fuel prices and concerns about supply. Decisions taken in the coming weeks and months will determine not only our energy security in the coming years but our collective capability to deliver on the commitments made under the Paris Agreement.

The latest IPCC report is clear: significant and immediate reductions in greenhouse gas emissions are needed to keep a 1.5°C compatible future within reach. But importantly, the findings demonstrate that **if we act now, we have solutions in all sectors to at least halve emissions by 2030.**

Together we can make this a turning point. With the right policies to enable these solutions, the G7 can lead a rapid transition away from fossil fuels and support industry transformation on the way to climate neutral and resilient economies. By doing so, the G7 can protect its people from polluting and volatile energy sources, provide decent jobs, and safeguard a healthy future for the planet and all who live on it.

Equally important is to recognize the global nature of the challenges we face from climate change. Action at home is essential, but we cannot do this alone. The current geopolitical instability puts this into starker focus than ever before. Tackling the global climate crisis will require nurturing international cooperation alongside unprecedented collaboration between all stakeholders, both within and beyond the G7. We encourage G7 Leaders to work closely with G20 partners in this regard. **Proactively delivering adequate support to developing countries to accelerate the transition is an essential part of the response needed from the G7 to keep 1.5°C within reach.**

The We Mean Business Coalition, with its network of partners, works with around 7,000 companies worldwide to raise climate ambition and action. We are committed to accelerating progress towards halving global emissions by 2030 and transitioning to a net-zero economy by 2050 at the latest. In recent months, companies across the globe have put their name on public statements to the [G20](#), [European Union](#), [United States](#), [Japan](#), and United Kingdom, supporting policies to accelerate the clean energy transition and keep 1.5°C within reach.

As the voice of progressive business, we have identified the following priority policy recommendations to accelerate the just, clean energy transition in G7 economies. We ask that you, G7 Leaders:

- Put forward strengthened **Nationally Determined Contributions (NDCs) in line with a 1.5°C pathway and the latest science to halve global emissions by 2030** as agreed at COP26.
- Commit to a rapid and just transition away from fossil fuels towards achieving **fully decarbonized power systems in the G7 by 2035.**
- **Phase out domestic coal-fired power generation by 2030**, along with supporting phase out in other OECD and non-OECD economies by 2030 and 2040 respectively.
- Rapidly scale up renewable energy deployment towards achieving **70% of power generation by 2030 in the G7.**
- **Commit to 100% sales of zero emissions (ZEVs) by 2035** for new light duty vehicles.
- **Increase public spending for energy efficiency**, including by setting expenditure targets to a level equivalent to other crisis response measures, in recognition of the vital role of energy efficiency in achieving energy security.
- Set out **national action plans in 2022 to eliminate all fossil fuel subsidies by 2025** with plans to repurpose those towards energy efficiency, renewable energy, and other measures to support a people-centred and equitable clean energy transition.

In addition, aligned financial decisions and flows will be essential for enabling the just, clean energy transition and keeping 1.5°C within reach. We therefore ask that G7 Leaders also consider:

- Putting a **meaningful price on carbon** that increases and converges towards a uniform global price over time and reflects the full costs of climate change.
- Making climate-related environmental disclosure mandatory for corporations to provide clarity on both value creation and the effects of corporate activities on people and planet, including by supporting the International Sustainability Standard Board (ISSB) to develop a **global baseline for sustainability-related financial disclosures**.

Through additional policy measures, G7 governments can send clear signals to business on the speed and direction of travel, remove barriers and ensure the most effective and efficient private sector investment and transition pathways. You can find the full set of global policy asks businesses are calling for across all systems of the economy [here](#).



To succeed, the clean energy transition must be just, people-centred and with rigorous care for social participation, supported by coherent public spending and investment decisions. We and the businesses we work with stand ready to wholeheartedly support and work with you in this regard.

Sincerely,

  
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