

EESI Briefing: What Congress Needs to Know About COP29 U.S.-China Engagement and International Climate Diplomacy

Role of U.S.-China Engagement in the UNFCCC Process

Kate Logan | Director, China Climate Hub and Climate Diplomacy Asia Society Policy Institute | Friday, October 25, 2024



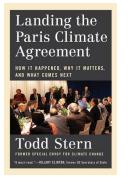




Historical role of U.S.-China in UNFCCC



- Tense relationship in early years of the UNFCCC due to divergences on historical responsibility and developed versus developing country status
- Cooperative shift in the lead-up to Paris negotiations in 2015, spurred by leader-level announcement of targets in November 2014
- Lack of engagement during the Trump administration
- Former climate envoys John Kerry and Xie Zhenhua rekindle cooperative relationship under Biden administration in light of challenges, before passing the torch to John Podesta and Liu Zhenmin







Chinese President Xi Jinping and U.S. President Barack Obama at the White House. (Politica Externa/CC By-NC)



SEPTEMBER

Second U.S.-China Joint Presidential Statement on Climate Change is issued

Chinese President Xi Jinping and U.S. President Barack Obama reaffirm the Joint Statement from 2014. The two sides pledge to support an enhanced transparency system as part of the Paris Agreement and to increase bilateral and multilateral climate cooperation.

Mayor of Los Angeles Eric Garcetti speaking at the U.S.-China Leaders Summit. (Eric Garcetti/Flickr)

First U.S.-China Climate

Leaders Summit is held

29 cities, states, and provinces of the

China Climate Leaders Declaration

United States and China signing the U.S.-

The first summit is held in Los Angeles, with

SEPTEMBER

COP21 in Paris, France, (COP PARIS/Flick

۲

DECEMBER Paris Agreement is adopted

The Paris Agreement, adopted at COP21, aims to significantly curb global greenhouse gas emissions. According to Article 2.1, it seeks to "hold the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels." The agreement mandates that major emitting countries cut climate pollution and enhance commitments over time. Its implementation relies on nationally determined contributions (NDCs) that are increased every five years.

Nuclear Security Summit 2016, (U.S. Department

MARCH

Third leader-level U.S.-**China Joint Presidential** Statement on Climate Change is issued

While attending the Nuclear Security Summit, Chinese President Xi Jinping and U.S. President Barack Obama announce that the two countries will sign the Paris Agreement on April 22 and take their own domestic steps to join the Paris Agreement as early as possible. The two heads of state further pledge to work together to advance the full implementation of the Paris Agreement and other necessary climate actions.



November 2023: Sunnylands Statement on Enhancing Cooperation to Address the Climate Crisis; Biden and Xi meet in San Francisco

December 2023: COP28 and the Dubai Consensus / First Global Stocktake Outcome

May 2024: China's Special Envoy for Climate Change Liu Zhenmin visits the U.S. for the first in-person meeting of the U.S.-China Working Group on Enhancing Climate Action in the 2020s

September 2024: Advisor to the President for International Climate Policy John Podesta visits China for the Second Meeting of U.S.-China Working Group

November 2024: COP29 takes place in Baku, Azerbaijan

Priority issues for U.S.-China climate talks



- 1) **Climate targets:** Nationally determined contributions (NDCs)
- 2) Global climate finance: "New collective quantified goal" (NCQG) to succeed the \$100bn goal
- Methane and super pollutants: Agreement to co-host special summit on methane and other non-CO2 gasses
- 4) Other working group issues: Energy transition, circular economy, subnational cooperation, supply chain deforestation

Key bilateral commitments in 2024



- Welcomed the call in COP28's Global Stocktake decision for Parties to submit on time 2035 nationally determined contributions ("NDCs") that are <u>economy-wide</u>, <u>cover all greenhouse</u> <u>gases</u>, and are <u>1.5C-aligned</u>; they further expressed their intention to engage in related technical and policy exchange
- Recalling the U.S. intent to achieve 100 percent clean power by 2035, and the Chinese intent to phase down coal consumption during the 15th Five Year Plan and make best efforts to accelerate this work, including by accelerating renewables deployment, the two countries intend to intensify technical and policy exchanges on realizing their respective goals
 - Jointly host, with the COP29 Presidency of Azerbaijan, a second "Methane and Other Non-CO2 Greenhouse Gases Summit" at COP29
 - Both sides are committed to further strengthening dialogue, collaborative efforts, and working with other Parties to support the Azerbaijan Presidency for a successful outcome of COP29, including on, inter alia, the <u>new collective quantified goal</u> and <u>Article 6</u> under the Paris Agreement



U.S.-China at COP29

1. Nationally Determined Contributions (NDCs)



NDCs are countries' core climate targets under the Paris Agreement

Updated every five years based on a "ratchet" mechanism agreed in Paris

Second round of updated NDCs with targets extending to 2035 are due by February 2025

UN Emissions Gap Report: Failure to increase ambition in these new NDCs and start delivering immediately would lead to a temperature increase of 2.6 - 3.1°C this century

Emissions cuts of 42% are needed by 2030 and 57% by 2035 to get on track for 1.5°C; also need to peak global emissions by 2025

China accounts for around a third of global emissions, so its delivery of emissions reductions could make-or-break the Paris Agreement's 1.5°C target

China's current commitment to peak emissions before 2030 means this will be the first time China puts forward a target for absolute emissions reductions

1. Nationally Determined Contributions (NDCs)

U.S. and China have been working on preparing their NDCs and indicated they will submit "on time"

Both countries have conducted relevant policy and technical exchanges on their respective NDCs

U.S. and China agreed in Sunnylands Statement (and reaffirmed in Dubai) for their 2035 NDCs to:

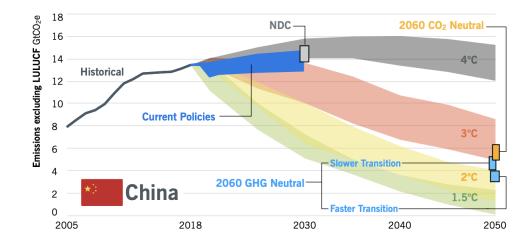
Be economy-wide

Include all greenhouse gases

Reflect the Paris Agreement's 1.5°C target

Key components to watch for China's NDC:

- Headline target at least 30% from peak?
- Reductions from base year versus from peak
- Targets for 1) sectors and 2) non-CO2 gases



China

Climate Hub

2. New Collective Quantified Goal (NCQG)



- At COP15 in Copenhagen in 2009, developed countries agreed a goal to jointly mobilize USD \$100 billion a year by 2020 to address the needs of developing countries; goal was extended to 2025 at Paris in 2015
- Also agreed prior to 2025 to "set a new collective quantified goal from a floor of USD \$100 billion per year, taking into account the needs and priorities of developing countries"
- Recent studies by the World Resources Institute and others show that China's average contribution of \$4.5bn/year from 2013 to 2022 places it on par with developed countries (ranking around 5th), though China's finance is much less concessional and heavily tilted toward mitigation as opposed to adaptation

Key challenges regarding divergent U.S. and Chinese positions on NCQG:

How to acknowledge China's existing contribution & identifying new contributors to the goal



- Provisions for accountability to the goal & transparency for reporting progress
- **Podesta in September:** U.S. and China still have "some differences" on climate finance, but have made progress in narrowing them

3. Other U.S.-China issues to watch



Methane and non-CO2 gasses: Joint summit, progress on industrial nitrous oxide

Subnational cooperation: Progress after high-level event in Berkeley in May 2024, implementation of China-California MoUs







Transparency: Submission of Biennial Transparency Reports (BTRs) under the Enhanced Transparency Framework (ETF)

Article 6: Rules for carbon trading under Article 6.2 and Article 6.4

Adaptation: Financing adaptation needs; indicators to measure progress

Loss & Damage: Progress on Fund for Responding to Loss and Damage

Food & Agriculture: Joint work on agriculture and food security

Mitigation & Energy: Transition away from fossil fuels; Mitigation Work Programme

Just Transition Work Programme: Role of international cooperation

Subnationals: Role in NDCs; Coalition for High-Ambition Multilevel Partnerships



Thank you!

Email: Klogan@asiasociety.org