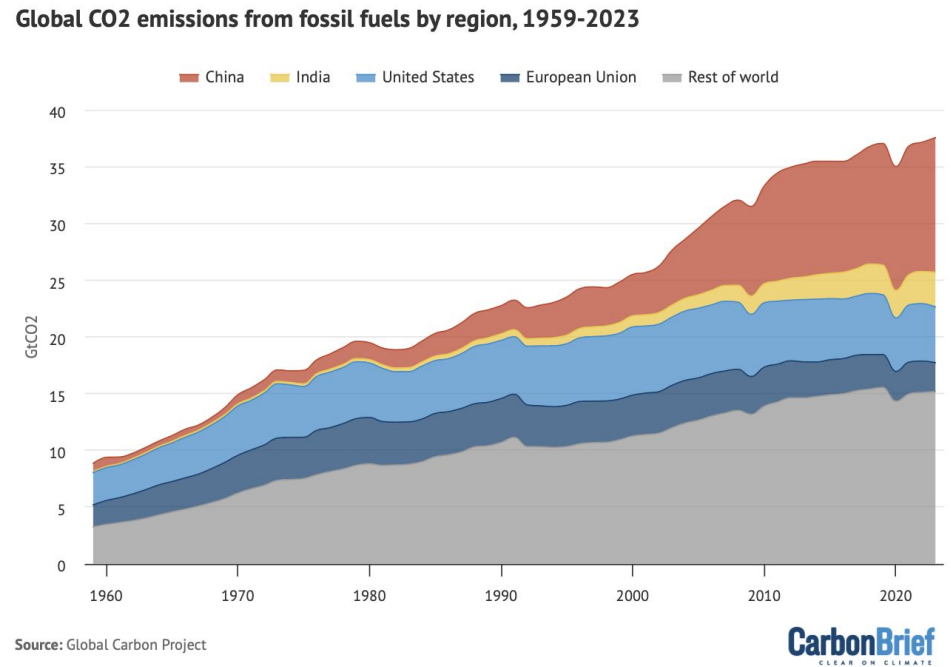
EESI China Climate Briefing

By Wanyuan Song from Carbon Brief

China is the world's biggest emitter

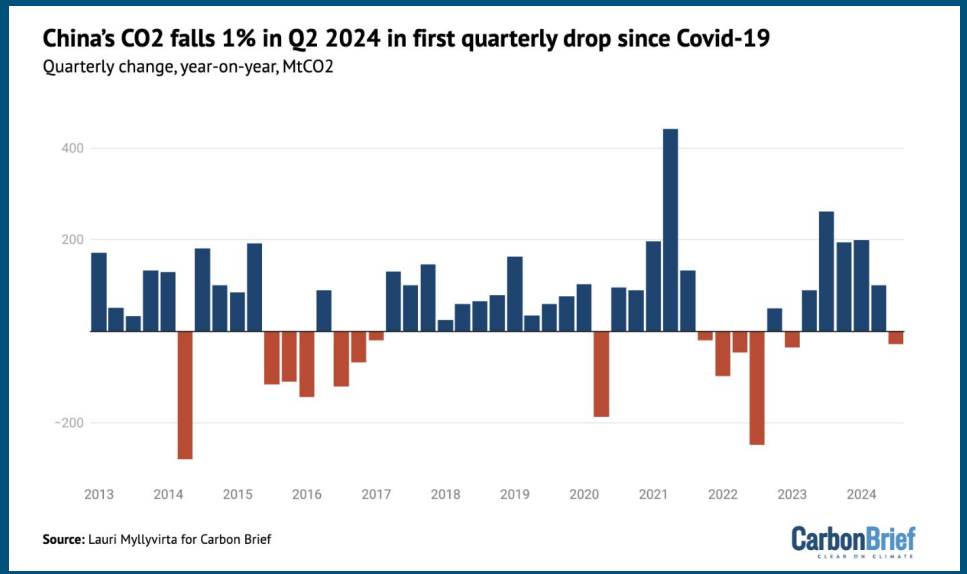


Annual fossil CO2 emissions by major countries and the rest of the world from 1959-2023, excluding the cement carbonation sink as national-level values are not available. Data from the Global Carbon Project; chart by Carbon Brief.

China represents 31% of global CO2 emissions.

The world cannot stay below 1.5C without rapid action from China.

China’s emission may have peaked in 2023



Three factors:

Power: wind and solar capacity over 1,200GW

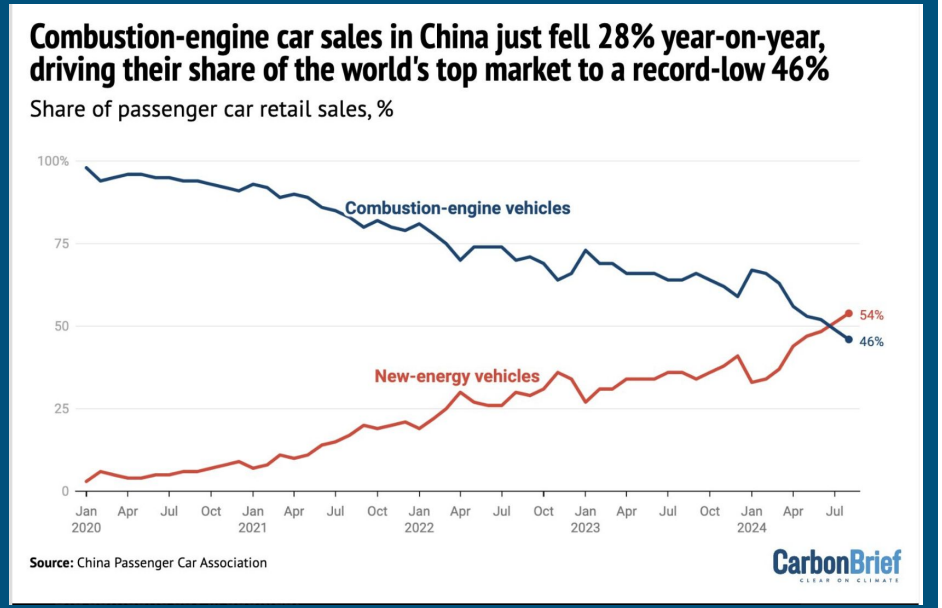
Industry: decrease in steel and cement demand

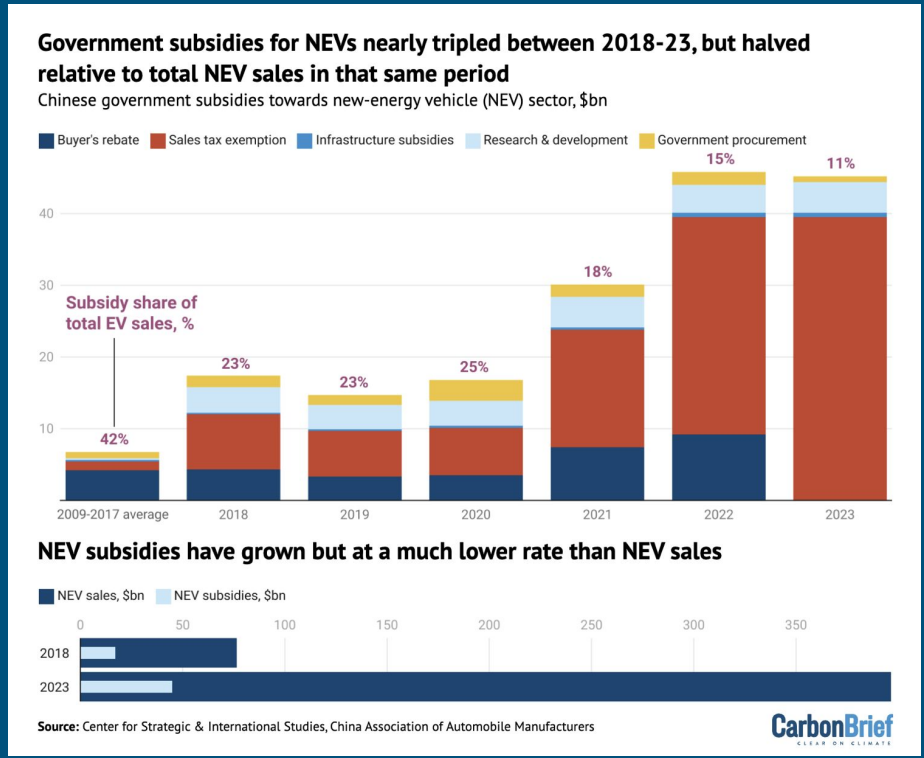
Transport: the rise of NEV

In March 2024, CO2 emissions fell 3%, ending a 14-month surge.

In Q2 2024, CO2 emissions fell by 1%.

The rise of EV and renewable energy





“Policy pendulum” back to climate change

- Xi calls for green growth
- “Two sessions” reiterating climate goals
- Third plenum mentions carbon emissions for first time
- “New quality productive forces” and “New three” (EV, lithium-ion batteries, and solar cells)

“Policy pendulum” back to climate change

- “‘Dual control’ of carbon intensity” to “‘dual control' of carbon emissions”
- ETS expansion; Relaunched CCER; CCER and GEC linked
- Ecological and Environmental Code & Energy Law may come into force.
- Steel permit freeze and emissions reduction plan
- Low-carbon coal plan and new guideline; coal plant approvals drop

China could do more

Investment:

- NEA data: investment in the energy transition reached $676bn in 2023.
- $51bn to Africa – to “move away” from infrastructures and focus on selling “advanced and green technologies”

What next?

- CREA, IEA, : China could cut CO2 emissions to at least 30% below 2023 levels by 2035 and its non-CO2 emissions by 35%.
- COP29
- China’s next NDC