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***The EU, China and Climate Action:
Time to “Turn Up the Heat” on
Climate Cooperation***

Margherita Locatelli

Junior Researcher, EIAS

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Abstract

As a challenge that knows no borders, climate change cannot be confronted without global cooperation and action. Since the early 1990s, the international community has engaged in efforts to establish a global framework for climate cooperation, namely the United Nation Framework Convention on Climate Change (UNFCCC), and to pursue joint climate action, even though the willingness, resources and approaches among countries differ significantly. In particular, as the world lacks a clear leader in the field of climate change, eyes have been pointed at the European Union (EU) and China as potential partners in guiding global climate cooperation. Despite some positive developments in EU-China climate cooperation, the two parties should strive to enhance their cooperation in the field. The question is how?

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Since the US announced their withdrawal from the Paris Agreement in 2017, the world has lacked a clear leader in the field of climate change. Eyes have been pointed at the European Union (EU) and China as potential partners in guiding global climate cooperation. On the one hand, the EU is considered a pioneer in climate action, with policies in the field since the early 1990s. On the other hand, from being a reactive participant in global climate governance in the 1990s, China has become a more active contributor. Despite still being the world's largest coal consumer and greenhouse gas emitter, China is now also the world's leading developer of renewable energy. Together, the EU and China are now responsible for about one third of global greenhouse gas (GHG) emissions. As a result, their climate and energy policies are crucial as they have a strong impact on present and future GHG emissions, as well as on other countries' policy making processes.

Since the early stages of the international joint climate cooperation under the United Nations Framework Convention on Climate Change (UNFCCC) in the 1990s, EU-China climate relations in bilateral and multilateral settings have shifted from being nearly inexistent to become an important part of the talks at the EU-China Summits and a starting point for joint bilateral projects. Some concrete projects with tangible outcomes have already been realised. For example, the EU has assisted China in the creation of its own national emissions trading system. Pilot programmes have been in place since 2013 in the municipalities of Beijing, Shanghai, Tianjin, Chongqing, the city of Shenzhen and in the provinces of Guangdong and Hubei (GIZ). The countrywide programme's launch is also expected soon. Cooperation at subnational level on urbanisation and climate resilience has also taken place, for example with European Member States assisting China's sustainable and low-carbon city projects (Liu, Wu, & Wan, 2019).

However, official documents for bilateral cooperation remain highly rhetorical, and the relationship's potential has not yet been fully exploited at bilateral level. Some of the announced projects were eventually not realised or completed. For example, after years of joint research, the China-EU Near Zero Emission Coal project saw a slowdown due to funding-related disagreements and is unlikely to reach success by the end of 2020 (Teffer, 2017). Besides this, rivalry and disagreements on specific topics such as trade liberalisation, economic openness, cybersecurity and reducing financial aid for state-owned enterprises, have on occasion stalled the dialogue on climate change or moved it to the background (Liu, Wu, & Wan, 2019). EU-China bilateral relations on climate change have also not yet turned into consistent interests and evident collaboration in global climate governance.

Nevertheless, addressing the global climate emergency is becoming an increasingly compelling issue, both due to the rising frequency of environmental crises, as well as the growing awareness among civil society that has led to the creation of more assertive movements, such as Friday for Future. In this regard 2020 will be a very important year. In global climate governance, 2020 is the year in which the Paris Agreement fully moves to the forefront as the key driver of global climate governance. Adhering countries are expected to evaluate whether (and to what extent) they have been able to implement their first Nationally Determined Contributions (NDCs) and to submit their short-term 2030 and long-term 2050 goals. These are required to be communicated before COP26 in Glasgow, which was originally to take place in November 2020 and recently postponed to 2021 due to Covid-19 (Doyle & Farand, 2020). Furthermore, COP26 will take place few weeks after the Presidential election in the US, the world's second-largest emitter, whose outcome might bring the US back into the Paris Agreement.

This year, the EU and China are both also discussing important domestic planning issues. The EU is still undergoing negotiations for its 2021-2027 Multiannual Financial Framework (MFF), the EU's long-term budget, which will determine the amount of money the EU will be able to attribute to support its policies and programmes, as well as their specific allocation. The practicalities of the Green Deal, presented by the new European Commission (EC) in December 2019, are also under consideration. China, instead, will finalise its 14th five-year-plan by the end of 2020, which will determine the national social and economic development agenda for 2021-2025. The Ministry of Ecology and Environment intends to include climate-related targets, such as putting the national carbon market in operation, improving climate change laws and strengthening local governments' commitments, advancing grid parity projects, supporting global climate governance and developing countries (Kuo, 2020). The Plan will also unveil the importance given by China to coal, which, as we have seen, still plays a far too big role in the Chinese economy.

Despite unexpected challenges, 2020 will also provide numerous opportunities for the EU and China to come to terms and promote concrete joint climate action. On the occasion of the Leipzig Summit, where Xi Jinping will meet all 27 EU leaders, and possibly the upcoming 22nd EU-China Summit, which has been temporarily put on hold due to the Covid-19 pandemic, China is coming back to the negotiation table with the EU. On the agenda of both gatherings is the signing of the investment agreement still under negotiation. However, the two meetings represent an opportunity the two parties should grasp with both hands to discuss climate-related (joint) commitments. As the EU-China 2020 Strategic Agenda for Cooperation expires this year, the EU and China are also to formulate their new Agenda for Cooperation. The two parties should strive to enhance their cooperation in the field both in view of COP26 and for the long-term.

It might not be possible to fully separate climate cooperation from other aspects of EU-China relations. In order to bridge the gap between design on paper and implementation, limiting the interference of sensitive topics in the climate dialogue, the following aspects should be taken into account:

- In accordance with the developments of EU-China relations in the past few years, the new Agenda for Cooperation should recognise essential differences between China and the EU, thereby individuating areas of their bilateral relations with higher and lower degree of disagreement and potential conflicting interests. Those areas in which the two parties share common goals should be shielded from tensions persisting or rising in other areas to avoid inertia, through the careful monitoring of domestic and foreign policy changes.
- A functioning independent climate dialogue platform separated from the EU-China Summit, science-based but with high-level representativeness, should be created, expanding the scope of instruments and dialogues already in place.
- An EU-China joint financing and investment mechanism specifically attributed to clean energy, low carbon, and sustainable infrastructure projects should be established to incentivise business endeavours and create a level playing field also in this market segment.
- Cooperation in the research and education sectors should be further pursued to remain at the forefront of innovation easing climate action.
- Trilateral projects with third countries, involving local, European and Chinese institutions and/or companies should also be promoted to enhance mutual

understanding, the sharing of knowledge and technology and the spread of sustainable norms and standards.

- Climate cooperation at Member State and subnational levels should be fostered, provided that agreements between them are along the same line of those at EU-China level.

Improved bilateral climate dialogue will be essential in terms of producing positive effects on the planet and in limiting the occurrence of phenomena, such as the spread of virus and natural disasters, while also building greater resilience. It can also enhance the two parties' dialogue within the UNFCCC and set an example for other large emitters, thereby promoting the efforts of global climate governance. Successful cooperation might also be conducive to bridge the gap between the Global North and the Global South, both in climate change as well as in other fields of shared interest. Finally, it might improve bilateral EU-China relations in other more sensitive fields too.

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European Institute for Asian Studies – EIAS a.s.b.l.

26 Rue de la Loi, 10th Floor

B-1040, Brussels

Tel.: +32 2 230 81 22

E-mail: eias@eias.org

Website: www.eias.org