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Outlook for global climate progress after a suspension in US-China climate talks

OCBC Bank

US-China collaboration on climate change at COP26

At the COP26 climate summit in Glasgow in 2021, the US and China announced an agreement to accelerate the global transition to a net-zero economy with both individual and combined efforts. Collaboration between the two largest greenhouse gas emitters signalled strong commitment in global efforts towards decarbonisation, to jointly address climate-related challenges and opportunities. Areas that both countries agreed to cooperate on include the following areas:

- Enhance efforts to reduce methane emissions e.g. joint research for solutions to reduce methane emissions, standards to reduce methane from the fossil fuel and waste sectors;
- Support the elimination of global illegal deforestation through enforcement of laws to ban illegal imports; and
- Phase out international thermal coal power generation.

While the US-China joint declaration was a significant first step to further climate action, it has been critiqued that little progress has been made thus far in the identified areas of collaboration.

US-China tension and potential implications on global climate action

China has suspended military dialogues and climate cooperation with the US, triggered by US House Speaker Nancy Pelosi's trip to Taiwan on 2 Aug 2022 that China saw as a violation of its sovereignty.

The lack of collaboration between both countries is disconcerting to some, especially with the upcoming COP27 happening in Egypt this November. This is occurring amidst geopolitical tensions and extreme weather events such as record heatwaves, wildfires and heavy downpours impacting areas like Europe, China and East Asia, highlighting the dire impacts of climate change that are experienced today.

Overall thoughts on global climate progress moving forward:

 Individual climate-focused efforts from the US and China are expected to continue, in efforts to meet their respective climate change goals.



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- The pace of progress and implementation in the areas of collaboration discussed at COP26 may be slowed down e.g. standards to reduce methane at the specified sectors.
- China's suspension in climate talks appears to be restricted to highlevel negotiations between the teams of China's climate change representative Xie Zhenhua and US special presidential envoy for climate John Kerry. Academic research between the two countries have not been affected so far e.g. the efforts of the California-China Climate Institute at the University of California are continuing work on methane-reduction projects.
- The pause in climate negotiations may only be temporary, as the US and China have weathered years of changing and complex relations over the years. Looking ahead to COP27, some countries that are experiencing worsening drought or flooding will be more determined to accelerate their climate ambitions, regardless of US-China climate cooperation. There may therefore still be significant outcomes achieved at COP27. If the US and China do not intend to progress with collaborative efforts at COP27, the global climate agenda is not expected to be largely affected as individual efforts and efforts by other countries are anticipated to continue.
- The key targets at COP27 include shifting from pledging to implementation based on the workstreams agreed upon in Glasgow, mobilising and delivering climate finance for developing countries, as well as delivering on adaptation for countries and communities most vulnerable to climate change impacts. This suggests that one successful outcome from COP27 would require the US and China to deliver on their areas of cooperation agreed upon at COP26. In the months leading up to COP27, there will be greater scrutiny of US-China relations on climate change cooperation.

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