

EU-CHINA LEADERS' STATEMENT ON CLIMATE CHANGE AND CLEAN ENERGY

Beijing, 16 July 2018

1. The EU and China consider climate action and the clean energy transition an imperative more important than ever. They confirm their commitments under the historic 2015 Paris Agreement and step up their co-operation to enhance its implementation.
2. Climate change is exerting increasing stress on ecosystems and infrastructure to the point of threatening hard-won developmental gains. Its detrimental impacts on water, food and national security have become a multiplying factor of social and political fragility, and constitute a root cause for instability, including the displacement of people. The increasing impacts of climate change require a decisive response, in view of striving for the common good of all humankind.
3. The EU and China are committed to show firm determination and work together with all stakeholders to combat climate change, implement the 2030 Agenda for Sustainable Development and promote global low greenhouse gas emissions, climate resilient and sustainable development. They underline that fighting climate change and promoting the global clean and low-carbon energy transition, especially towards sustainable, affordable, reliable and modern energy services, are mutually reinforcing objectives to achieve sustainable, secure and competitive economies. They also underline that tackling climate change and reforming our energy systems are significant drivers of job creation, investment opportunities and economic growth.

4. Through the *EU-China Joint Statement on Climate Change* in 2015, the *EU-China Roadmap on Energy Cooperation* in 2016, and the present Statement, the EU and China commit to significantly intensify their political, technical, economic and scientific cooperation on climate change and clean energy, in view of the necessary world-wide transformation to a resource efficient, sustainable, low greenhouse gas emission and climate resilient economy and society, in the context of sustainable development and poverty eradication.
5. The EU and China recognise the importance of developing global free trade and investment, and promoting the multilateral rule-based system to allow the full development of the low greenhouse gas emission economy with all its benefits.

Advancing the UNFCCC Process

6. The EU and China welcome the Paris Agreement, adopted under the Convention to enhance its implementation, with its ambitious goals, its inclusive nature, and its reflection of equity, and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances. The EU and China consider the Paris Agreement as an historic achievement further accelerating the irreversible global low greenhouse gas emission and climate resilient development. The Paris Agreement is proof that with shared political will and mutual trust, multilateralism can succeed in building fair and effective solutions to the most critical global problems of our time. The EU and China underline their highest political commitment to the effective implementation of the Paris Agreement in all its aspects, including, inter alia, mitigation,

adaptation, finance, technology development and transfer, capacity-building and transparency of actions and support. Stepping up action will provide both sides with significant opportunities for modernising their economies, enhancing competitiveness, and ensuring socio-economic benefits of increased clean energy access.

7. The EU and China welcome the rapid signature and entry into force of the Paris Agreement, as a testimony of the international community's unwavering determination to confront this common challenge and as a clear signal to industry and investors, as confirmed by the *Marrakech Action Proclamation for our Climate and Sustainable Development*, adopted on the occasion of the UN Climate Change Conference of the Parties (COP 22) in November 2016, and by the Fiji Momentum for Implementation, adopted at COP 23 in November 2017.
8. The EU and China are determined to forge ahead with further policies and measures for the effective implementation of their respective nationally determined contributions (NDCs) and lead the clean energy transition. They call on all Parties to uphold the Paris Agreement, to implement their NDCs and to strengthen efforts over time, in accordance with the purpose and provisions of the Agreement.
9. The EU and China will cooperate with other Parties to achieve, at COP 24 in Poland in 2018, a successful and meaningful outcome under the agreed work programme to prepare for the implementation of the Paris Agreement. The EU and China look forward to working with the Fijian Presidency of the UN Climate Change Conference of the Parties (COP 23) as the first ever for the Pacific Region, and the Polish Presidency of COP 24 to prepare the ground for the completion of this work programme, including

through the development of a comprehensive negotiating text, as well as to prepare for a successful, constructive and inclusive 2018 Talanoa Dialogue in accordance with the decisions taken in Paris.

10. The EU fully stands behind the collective mobilization goal of developed countries to jointly provide USD 100 billion annually by 2020, and urges other developed country Parties to stand behind this collective goal. The EU and China recall that on climate finance, developed countries shall provide financial resources to assist developing countries with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention. Other countries are encouraged to provide or continue to provide such support voluntarily. Prior to 2025 the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement shall 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.
11. The EU and China emphasise the urgency and priority of accelerating the implementation of pre-2020 commitments and actions to build the mutual trust amongst Parties, in particular the ratification and implementation of the Doha Amendment to the Kyoto Protocol.
12. The EU and China will communicate, by 2020, long-term low greenhouse gas emission development strategies as foreseen in the Paris Agreement.

Collaborating in Other Multilateral Fora

13. The EU and China emphasize the global vision to make financial flows consistent with a pathway towards low greenhouse gas emission and

climate-resilient development. The EU and China agree on the need for sustainable investment and green finance to drive the transition to a low greenhouse gas emission and climate resilient economy. They recall the 2016 recommendations of the G20 on Green Finance developed under China's leadership, which are already being implemented.

14. The EU and China will work together with other Parties to promote the universal ratification of the Kigali Amendment to the Montreal Protocol on the phase down of HFCs. The Kigali Amendment is a crucial advance at global level in the area of climate change and environmental protection. Through joint action, the EU and China will facilitate a smooth transition to environment-friendly alternatives used in heating, refrigeration and air conditioning systems.
15. The EU and China will reinforce their cooperation in ICAO and in the IMO to ensure that aviation and shipping contribute to combating climate change, including both through domestic measures and international cooperation.

Promoting Concrete Bilateral Cooperation

16. The EU and China are confident that their collaboration on climate change and clean energy will become a main pillar of their bilateral partnership, including in their economic relations. In particular, the EU and China will further strengthen their bilateral cooperation in the following areas:
 - (1) Long-term low greenhouse gas emission development strategies: The EU and China agree to cooperate on the formulation of mid-century, long-term low greenhouse gas emission development strategies through

regular technical dialogues including mitigation and adaptation solutions, capacity-building and climate legislation.

(2) Emissions Trading: The EU and China agree on the importance of emissions trading as a cost-effective climate policy tool and agree to further enhance and reinforce bilateral cooperation activities on emissions trading in the context of reforming the EU-Emissions Trading System and the launch of the national Emissions Trading System in China in 2017, allowing for the sharing of experience and expertise among the two largest carbon markets in the world. The EU and China therefore strongly welcome the launch of a new bilateral cooperation project, building on the previous initiative, further deepening exchanges on their respective experiences with the implementation and development of emissions trading. Both sides also agree to expand their collaboration to further facilitate the implementation and development of emissions trading systems, including through technical workshops between carbon market experts with a view to exchanging experience and expertise on how to develop, run and review Emissions Trading Systems and, in the longer run, consider ways to further cooperate together.

(3) Energy Efficiency: The EU and China agree to extend their bilateral collaboration on energy efficiency, especially on energy labelling, minimum energy performance standards for appliances, and energy performance of buildings, with the aim to align requirements according to international standards.

(4) Clean Energy: The EU and China agree to exchange best-practices and experiences on clean energy production, such as from renewables or

highly efficient combined heat and power (CHP), its successful integration into the grid, and on energy regulation and market design, including the integration of clean energy sources through market-based support mechanisms. The EU and China reaffirm their willingness to strengthen their collaboration on smarter and more resilient energy infrastructure and storage capacity, also important for the integration into grid and large-scale utilization of renewable energy. The EU and China will discuss possible solutions, including interconnecting energy networks, to meet the global power demand with clean and green alternatives. The EU and China underline the importance of upfront collaboration and continued cooperation in multilateral energy fora, notably the G20 and the Clean Energy Ministerial.

- (5) Low-emission Transport: The EU and China agree that low-emission transport is a key component of the necessary broader shift towards low greenhouse gas emission societies and economies. They agree on the launch of expert dialogues on fuel economy and CO₂ emission standards for light and heavy duty vehicles, including on the deployment of low and zero emission vehicles.
- (6) Low-carbon Cities Cooperation: Recognising that cities and towns are key actors in the fight to mitigate climate change and to adapt to it, the EU and China express their willingness to reinforce the EU-China Low-carbon Cities Partnership, by mobilising resources to allow Chinese cities to benefit from EU technical and managerial experience. The EU and China engage in fostering the development of more city pairings between Chinese and European cities and local and regional governments, with a strong focus on sustainable urbanisation.

- (7) **Climate-related Technology Cooperation:** The EU and China recognise the global dimension of the technological and scientific collaboration, underlining the benefit of multilateral cooperation. They reaffirm their commitment to Mission Innovation and its aim to accelerate the clean energy transition. They agree to enhance their collaboration on climate-related scientific research and cooperation on technology innovation, including the development and deployment of low greenhouse gas emission technologies such as carbon capture, utilisation and storage (CCUS), and adaptation solutions.
- (8) **Investment in climate and clean energy projects:** Recognising the need for finance for climate and clean energy projects, the EU and China welcome the Memorandum of Understanding signed by Chinese Ministry of Finance and European Investment Bank in 2016 to broaden the scope of the EIB investment in China in sectors such as low greenhouse gas emission public transport, climate resilience, energy efficiency, renewable energy and forestry.
- (9) **Cooperation with other Developing Countries:** The EU and China will explore possibilities for triangular cooperation on promoting sustainable energy access, energy efficiency and low greenhouse gas emission development in other developing countries and assist them to increase the capacities in combating climate change, with particular focus on least developed countries, small island developing states and African countries, as reflected in these countries' national climate plans, strategies and policies.