



# EU-China Climate Change Partnership



EUROPEAN COMMISSION  
External Relations



Presentation  
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# EU-China climate change partnership

- At the September 2005 EU-China Summit a climate change partnership has been agreed and a joint declaration has been issued.
- A bilateral consultation mechanism has been agreed upon to implement the climate change partnership. Meetings are held once per semester in Troika format at expert level. The first meeting took place in Vienna on 30 March 06.
- The September 2006 EU-China Summit confirmed the commitment of both sides to vigorously implement this partnership.
- At the second bilateral consultation mechanism on 19 October 06, a joint workplan on climate change has been agreed, setting out the immediate and medium term priority areas for cooperation.



# EU-China climate change partnership

- There is already considerable EU cooperation, both EC and Member States ongoing on climate change, environment and energy, which needs to be streamlined and built upon.
- The EU, both Member States and the Commission, actively cooperate to support the recently adopted last 5 Year Plan of the Chinese Government, which features very ambitious energy efficiency goals. Energy, both on the demand and supply side, is a major concern for the Chinese authorities.
- A MoU has been signed early 2006 on Near Zero Emissions Coal Technology with the aim to construct a demonstration plant by 2014. Phase 1 of this project (approx. 10 MEURO) under implementation. Other activities include workshops, conferences and expositions on adaptation, market-based mechanisms etc.



# Relevant language of the EU-China Joint Summit Statement 2006:

- Sustainable development is major area for EU-China cooperation.
- Step up the exchange of experiences towards resource-efficient and environment-friendly society.
- Intensify cooperation in relevant areas including on illegal logging
- Welcomed the progress on the implementation of the EU-China partnership on climate change.



# Relevant language of the Joint Summit Statement:

- Further strengthen the dialogue and cooperation on United Nations Framework Convention on Climate Change (UNFCCC)
- Agreed to work positively towards a rolling work plan to further implement the partnership, covering the period 2007-2010.
- Closer cooperation on the implementation of the Kyoto Protocol's Clean Development Mechanism
- Start of cooperation on the research of near-zero emission power generation technology through carbon dioxide capture and storage.
- Enhancing cooperation in capacity building.



# Relevant language of the Joint Summit Statement:

- Exploit synergies between promotion of energy security, sustainable energy supply, innovation and reduction of greenhouse gas emissions;
- EU and China share common concern for ensuring reliable, economical and sustainable energy supply.
- Further strengthen dialogue and cooperation on energy in an effort to create a stable, secure, efficient and clean energy environment
- Strengthen practical cooperation, particularly on action plan on clean coal and the action plan on energy efficiency and renewable energy.



# Good Summit discussion on climate change and energy

## ➤ **Points made by Commission President Barroso and Finnish Prime Minister Vanhanen:**

- welcomed progress achieved so far
- reiterated importance the EU attached to climate change and energy
- stressed need for joint commitment to combat climate change
- underlined need to complete rolling work programme on climate change as soon as possible.



# Prime Minister Wen underlined:

- China's efforts for environmental protection and energy efficiency;
- Stressed that sustainable development was important for both sides;
- Suggested to build on existing good exchanges on climate change and energy to implement our climate change partnership;
- EU-China energy cooperation should be enhanced;
- Clean coal action plan should be implemented.



# Overall assessment:

- Summit gave clear mandate to continue work on climate change and energy;
- Overall results on environment, climate change and energy security were disappointing.
- After the 2005 Summit's climate change focus, a more substantive follow-up would have been called for (including adopting of work plan on climate change, joint declaration on energy security).
- EU, both Commission and Member States, wish to reinforce our engagement with China on environment, climate change and energy.



# II. New Commission Communication on China

- Commission adopted the new Communication “Closer Partners, growing responsibilities” on 24 October, making climate change a priority in our strategic Partnership.
- Council Conclusions on China were adopted on 11 December 2006 with a strong reference to climate change.



# On environment, climate change and energy the Communication proposes:

- The EU and China should ensure close international cooperation on energy and the environment;
- To ensure secure and sustainable energy supplies the EU and China should increase international efforts to improve transparency and reliability of energy data and information exchange;
- Reduce growth in energy demand through energy efficiency and energy savings;
- Develop environmentally sound energy technology and indigenous resources;



# To combat climate change and improve the environment:

- Continue to build on climate change partnership;
- Both sides should continue to build on the Climate Change Partnership, reinforcing bilateral co-operation, but also building international co-operation and looking ahead to future commitments, meeting shared international responsibilities as Kyoto partners.



# To combat climate change and improve the environment:

- The EU should strengthen the provision of technical and regulatory expertise to help China increase its energy efficiency and share of renewable energy, and promote the development and deployment of near zero emission coal technology.
- The EU should share expertise on environmental legislation and management procedures, with a focus on preventing pollution and improving energy standards, and work with China to improve transparency, implementation, enforcement and regulatory capacity.



# III. New Country Strategy Paper 2007-2013 and National Indicative Programme 2007-2010

- The new CSP will be complementary to the new Commission Communication on China. Its presentation to the ex-ALA Committee is foreseen for end February 07. It identifies the environment, energy and climate change as clear priority areas of intervention.
- The National Indicative Programme 2007-2013 (NIP) will define the types of projects and programmes that are envisaged to meet the objectives set in the CSP. The overall allocation will be 224 MEURO, 32 MEURO annually.



# NIP 2007-2010

- The NIP will be adopted at the same time as the new country strategy, and will propose projects and programmes in three priority areas for cooperation:
- Priority 1: Trade, Business Exchanges and Economic Development;
- Priority 2: Environment, energy and climate change;
- Priority 3: Human Resources Development and Public Administration Co-operation;



## Support in Priority 2 (environment, energy and climate change):

- Support for established EU-China policy dialogues on environment, energy and climate change;
- Technical assistance to fight climate change, promote energy sector reforms, enhance energy security, energy efficiency, energy savings and the use of renewable and clean energy and energy technologies.
- This could include assisting with the design and implementation of policies and plans at central, provincial and local levels in China.



# Support in Priority 2 (environment, energy and climate change):

- Facilitate and promote private sector industrial and technology cooperation on environment and energy and possibly co-finance pilot demonstration projects.
- Co-finance actions on environmental governance e.g. through creating partnerships between EU and Chinese environment organisations including for public awareness and participation.



# New dialogue support facility: :

- This new 6 MEURO project has been approved recently to support our 22 EU-China sectoral dialogues through concrete activities and will offer concrete support for climate change activities.



# IV. European Investment Bank Loan

- In early September 2006, EIB's Management Committee approved EUR **500 Million China Climate Change Framework Loan** (CCCFL).
- Final authorisation by Bank's Board of Directors and Board of Governors to be expected before end 2006. The soft loan scheme will be implemented by the Chinese Finance Ministry.



# China Council Conclusions

## 11 December 2006

### on climate change

“Energy security, climate change and protection of environment are top priorities for the EU in achieving sustainable development and are key elements in its relations with China.

Collaboration on energy security should be intensified, with a view to creating a stable, secure, efficient and clean energy environment and to promoting open and competitive energy markets.

The EU attaches the highest importance to its climate change partnership with China, which should develop its full potential based on the work plan agreed on 19 October 2006.



# China Council Conclusions

## 11 December 2006

### on climate change

The EU looks forward, in particular, to speeding up cooperation with China on Near Zero-Emissions Coal technology and is committed to intensifying cooperation on other environmental issues, including international cooperation to address illegal logging

China and the EU should also collaborate as closely as possible on multilateral climate change issues, in particular on the further development of the multilateral climate change regime ensuring a broad participation of countries, in accordance with their common but differentiated responsibilities and respective capabilities.

The EU also looks forward, as part of UN reform, to continue constructive discussions with China in the process to reinforce international environmental governance, including the possible transformation of UNEP into a UN agency for the environment."



# V. Conclusions

- EU has identified cooperation on climate change, environment and energy as a main priority of our strategic partnership with China for the years to come.
- Corresponding resources will be made available for that purpose.
- The last Summit gave a clear mandate to reinforce our cooperation in this area.
- It is in the interest of both sides to move forward on climate change and energy.
- Absolute priority should be given to Summit follow-up, notably work plan on climate change and a joint declaration on energy security.

