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BRIEFING PAPER NOVEMBER 2016

U.S. CLIMATE DIPLOMACY LEADERSHIP: THE EVIDENCE

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Acknowledgement: The author wishes to thank Andrew Light, Distinguished Senior Fellow at the World Resources Institute and former senior advisor to the U.S. Special Envoy on Climate Change, for his input.

After sitting on the sidelines during the previous administration, the United States has emerged under President Obama as a leader in international climate diplomacy. In particular, during President Obama's second term the U.S. has invested substantial political capital and foreign policy resources into the pursuit of an ambitious domestic and international agenda – including but not limited to the Paris Agreement.

The impact of this sustained effort should not be underestimated. Climate change has been a rare bright spot in foreign affairs at a time when the global community has been facing a long list of crises and a wave of nationalist sentiment, with few obvious success stories. Climate can continue to offer space for international cooperation and should not be viewed in a silo, separate from other challenges.

The election of a new U.S. administration is both an opportunity and a risk for global efforts to combat climate change. Given the unique role of the U.S. in international affairs and its significant geopolitical influence, it will be critical that any new administration prioritizes climate change and builds on the successes of the past four years in order to ensure continued momentum after Paris and scaled up ambition.



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Examples of U.S. Climate Diplomacy Interventions



Secretary Kerry's Policy Guidance (March 2014)

What is it? In March of 2014, Secretary of State John Kerry issued a policy guidance that included instructions to US diplomats around the world on climate change. It lists seven objectives including achieving an international agreement, enhancing and expanding multilateral and bilateral engagement, and integrating climate change with other cross-cutting challenges like women's empowerment, conflict and national security¹. Secretary Kerry also subsequently led the creation of a new task force of senior government officials to "determine how best to integrate climate and security analysis into overall foreign policy planning and priorities."

Why does it matter? In Obama's first term climate change remained largely within its own silo in the State Department, covered mostly by the Special Envoy's office but not integrated into other sections of the Department. This was Kerry's first department-wide policy memo and was an indication of his level of commitment. Kerry elevated climate from his first days in office not only through the guidance but by including climate in most of his major speeches and ensuring it was on the agenda for virtually all bilateral meetings. Climate was, along with a nuclear agreement with Iran, the main foreign policy priority for the State Department which was a significant shift. Kerry made climate a cross-departmental priority on par with issues like cyber security and trade and allowed senior diplomats to include it in all high level engagements.

Quote: *"I'm counting on Chiefs of Mission to make climate change a priority for all relevant personnel and to promote concerted action at posts and in host countries to address this problem. I've also directed all bureaus of the Department to focus on climate change in their day-to-day work... Climate change has special significance for the work we do here at State, and so do clean water, clean air, sustainability, and energy. We're talking about the future of our earth and of humanity. We need to elevate the environment in everything we do."*² Secretary Kerry.

Quote: *"Mr. Obama recognizes the urgency. That is why he has made clear that the US is prepared to play a leading role, both in getting our own house in order and in bringing other nations to the table. We have to work with other players such as the EU, China, India and Brazil"*³. Secretary Kerry.

¹ <https://blogs.state.gov/stories/2014/03/07/we-need-elevate-environment-everything-we-do>

² <https://blogs.state.gov/stories/2014/03/07/we-need-elevate-environment-everything-we-do>

³ <https://www.ft.com/content/79b8d8b4-ea84-11e3-8dde-00144feabdc0>



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The US-China Climate Agreement (November 2014)

What is it? A year before the Paris Summit, the US and China announced an agreement on post-2020 actions which included a US economy-wide target of reducing its emissions by 26%-28% below its 2005 level in 2025 and the intention by China to peak its emissions by 2030. Secretary Kerry had initially raised the prospect of a joint agreement in February 2014 after meeting with senior Chinese officials, which was followed up by a personal letter from President Obama to President Xi. Obama subsequently met with Vice-Premier Zhang Gaoli at the UN intersessional in September. Senior officials that were deployed to Beijing over the following months included John Podesta, who was then White House counselor on climate, as well as climate envoy Todd Stern⁴.

Why does it matter? This agreement, the result of careful and painstaking diplomacy, was the breakthrough that indicated a path to success in Paris. It was critical to unblocking the stalemate between developed and developing countries and for moving beyond business as usual in the negotiations. It was the first time China agreed to limit its emissions. Diplomatic efforts continued right up to the final days of Paris when Obama spoke to Xi personally, after which Xi reportedly told Obama that the agreement charted a clear path for further international efforts⁵. Xi also later indicated that China wanted to maintain coordination and cooperation with the United States on other international issues.⁶

Quote: “Cooperation on climate change between the two countries is a highlight in the new type of major power relations, as well as an exemplar of a new global governance system.”⁷-Xie Zhenhua, at the Strategic and Economic Dialogue in June 2016.



Quadrennial Diplomacy and Development Review (April 2015)

What is it? The QDDR was first released in 2010 and is a four-yearly study that presents U.S. diplomatic and development priorities. The most recent QDDR was released in 2015 identified climate as one of four core strategic priorities for the U.S. along with countering violent extremism, open democratic societies, and inclusive economic growth⁸.

Why does it matter? The QDDR serves as a clear signal both domestically and internationally of U.S. priorities and required reforms to ensure the country is prepared to meet global challenges. It is realistic about the limits of U.S.

⁴ <https://www.theguardian.com/environment/2014/nov/12/how-us-china-climate-deal-was-done-secret-talks-personal-letter>

⁵ <http://www.voanews.com/a/xi-obama-paris-climate-agreement/3102080.html>

⁶ http://www.chinadaily.com.cn/world/2015-12/14/content_22711476.htm

⁷ <http://www.scmp.com/news/china/diplomacy-defence/article/1967010/climate-change-efforts-show-how-china-us-can-resolve>

⁸ <http://www.state.gov/s/dmr/qddr/>



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influence and the importance of international partnerships. The QDDR built on Kerry's guidance with priorities to integrate climate change into all diplomacy and development efforts, identify critical countries in need of in-depth engagement, and expand diplomacy beyond capitals to include other sectors. The QDDR is designed to be closely linked with the U.S. security strategy, and more recently the President has released a Memorandum on Climate Change and National Security which puts climate risk assessment firmly at the heart of U.S. national security planning. This focus on and engagement with the security community has helped to change the narrative and politics on climate change by moving beyond the environmental sector.

Quote: "For example, the plans outlined in the QDDR for a broad engagement on fighting climate change reflect a model for "next generation" diplomacy. Our ambassadors will be directed to develop meaningful commitments and creative solutions to reduce greenhouse gas emissions in consultation with host governments and institutions." Secretary Kerry.⁹



Mission Innovation (November 2015)

What is it? An agreement between 20 countries—including the world's top three emitters, China, the United States, and India—to double public funding for clean energy R & D to \$20 billion annually by 2020. Over half of the target will come from doubling the U.S. government's current \$6.4 billion yearly budget¹⁰.

Why does it matter? Mission Innovation was designed to complement the Paris Agreement where the focus is on emission reduction targets and adaptation measures. It was also a highly strategic intervention designed to appease some of the long-standing concerns from India and China regarding technology and Intellectual Property. It was announced alongside the Breakthrough Energy Coalition, a group of over two dozen sponsors that will pool investments in early stage clean energy technology companies. The U.S. had identified this as an important initiative that would appeal to Prime Minister Modi, who named the initiative,¹¹ which would help secure Indian buy-in on the climate agenda more broadly.

Quote: *This partnership will combine the responsibility of governments with the innovative capacity of the private sector. We will double our investments in research and innovation; and, deepen collaboration among ourselves*¹². –Prime Minister Modi.

⁹ <http://thehill.com/opinion/op-ed/240327-state-department-lays-out-its-strategy>

¹⁰ <http://mission-innovation.net/>

¹¹ <http://www.thestatesman.com/news/world/-mission-innovation-christened-by-modi/168918.html>

¹² http://www.pmindia.gov.in/en/news_updates/speech-by-prime-minister-at-the-innovation-summit-in-cop-21-parisnovember-30-2015/



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International coal financing restrictions (November 2015)

What is it? Putting limits on international coal financing was a priority for President Obama, who first announced restrictions on U.S. government financing for new coal plants overseas in June 2013¹³. He leveraged the U.S. position by pledging to work to encourage other countries and international financial institutions to do the same¹⁴. In November 2015, the 34 members of the OECD agreed to restrict – although not end entirely – public financing for coal projects abroad.

Why does it matter? The U.S. was the first country to change its export credit policy, which led quickly to similar commitments from a host of other countries and institutions. This included the World Bank and the European Investment Bank, as well as Denmark, Finland, Iceland, Norway, Sweden, France, Germany, the Netherlands, and the United Kingdom. While coal financing is still allowed if it uses the most efficient technology, and also under some circumstances for developing countries, the OECD agreement represented a significant diplomatic achievement given the strong opposition from Japan. U.S. officials worked diligently to overcome this deadlock, and prospects for a deal improved after Japan agreed to a compromise proposal with the United States¹⁵. The White House estimated that 80% of coal technology in the export credit agency pipeline would become ineligible for financing because of the OECD agreement¹⁶. The US also extended its coal diplomacy beyond the OECD. In the US-China Joint Presidential Statement in September 2015 the countries pledged “to work towards strictly controlling public investment flowing into projects with high pollution and carbon emissions both domestically and internationally.”¹⁷

Quote: “It’s been a very hard-fought compromise,” a senior Obama administration official told reporters on a conference call. “We regard it as a major step forward coming just less than two weeks before the start of the (climate talks) in Paris on 30 November.”¹⁸ -The Guardian.

Quote: “It’s a huge breakthrough,” said one person familiar with the discussions. If approved by other countries, it would probably make the “vast majority” of about 1,000 planned coal plants ineligible for export credit agency backing, he said. Financial Times¹⁹

¹³ <https://www.washingtonpost.com/news/wonk/wp/2013/06/27/the-u-s-will-stop-subsidizing-coal-plants-overseas-is-the-world-bank-next/>

¹⁴ <https://thinkprogress.org/countries-announce-major-phase-out-of-coal-plant-financing-9c97da9a96db#.laws9ldqn>

¹⁵ <http://www.euractiv.com/section/energy/news/oecd-agrees-deal-to-restrict-financing-for-coal-technology/>

¹⁶ <https://www.scientificamerican.com/article/u-s-strikes-deal-to-block-coal-plants-worldwide/>

¹⁷ <https://www.whitehouse.gov/the-press-office/2015/09/25/fact-sheet-united-states-and-china-issue-joint-presidential-statement>

¹⁸ <https://www.theguardian.com/environment/2015/nov/18/oecd-countries-agree-to-restrict-financing-for-overseas-coal-power-plants>

¹⁹ <https://www.ft.com/content/e9d773ac-86dd-11e5-9f8c-a8d619fa707c>



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High Ambition Coalition (November 2015)

What is it? An alliance of developed and developing countries that formed several months before the COP in Paris in an effort to ensure an ambitious agreement. The priorities for the informal group included: that the agreement be legally binding; that it have a long-term goal in line with scientific advice; that it have a review mechanism to ratchet up commitments every five years; and that it include a robust review system.

Why does it matter? While the driving force behind the HAC was a coalition between the EU and a group of Pacific island, African and Caribbean governments, the U.S. decision to join the group in Paris was a significant event during the negotiations²⁰. It was the first time the U.S. had made a decision to join a North-South country coalition, and Special Envoy Stern was the first delegate to use the name “high ambition coalition” in a press conference at the COP. The HAC has also continued to play an important role post-Paris including by building momentum for early entry into force of the agreement; and also acting as a collaborative group ahead of subsequent summits including the ICAO framework and the Montreal Protocol HFC agreement.

Quote: Joining the island coalition not only increased the U.S.'s moral authority but also disarmed a potential bomb in the negotiations. “If the Marshall Islands walked out on the deal because they thought it was too weak, they could have derailed the whole thing,” one veteran climate negotiator told me.²¹ - Rolling Stone.

Quote: Deutz noted that the High Ambition Coalition, which was spearheaded by the foreign minister of the Marshall Islands and eventually garnered support from a hundred and forty countries, was an unprecedented diplomatic feat. “It suddenly became the club that everyone wanted to join,” he said. “Nobody wanted to be the spoiler, and that ended up being a huge advantage for vulnerable nations in the negotiations²².” -New Yorker.



North American Leaders Summit (June 2016)

What is it? This was a meeting between the “Three Amigos” leaders of North America: President Obama, Prime Minister Justin Trudeau of Canada and President Enrique Peña Nieto of Mexico. Climate was the core issue of the agreement, which included efforts to expand work on climate change, clean energy, and the environment; solidify regional and global cooperation; and strengthen security and defense.

²⁰ <http://www.businessgreen.com/bg/opinion/2439215/eu-climate-commissioner-how-we-formed-the-high-ambition-coalition>

²¹ <http://www.rollingstone.com/politics/news/will-the-paris-climate-deal-save-the-world-20160113>

²² <http://www.newyorker.com/news/news-desk/what-the-paris-climate-agreement-means-for-vulnerable-nations>



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Why does it matter? The North American Summit was a high profile opportunity to help cement the U.S.'s climate commitment by affirming support for delivering Paris, the Montreal Protocol, ICAO and G20 climate agreements. It also included some important new targets: to increase clean power to 50% of the electricity generated across North America by 2025; reduce methane emissions from the oil and gas sector by 40-45% by 2025; and improve climate risk management and resilience by expanding cooperation on early warning systems for natural disasters.

Quote: *“For too long, we’ve heard that confronting climate change means destroying our economies... This is the only planet we’ve got and this may be the last shot we’ve got to save it. And America and Canada are going to have to lead the way”²³.* President Obama



Amendment to Montreal Protocol on HFCs (September 2016)

What is it? An agreement to phase down highly potent greenhouse gases known as hydrofluorocarbons (HFCs). It includes a commitment to cut the production and consumption of HFCs by more than 80% over the next 30 years; and includes \$80 million in funding from donor countries and philanthropists to support early action by developing countries.

Why was it important? After the Paris Agreement, this was one of the key priorities that the Obama Administration felt it could achieve before the end of the second term. It was also a priority for the High Ambition Coalition. It makes achievement of the below 2 degree goal more likely. It will avoid more than 80 billion metric tons of carbon dioxide equivalent by 2050 – equivalent to more than a decade of emissions from the entire U.S. economy – and could avoid up to 0.5°C of warming by the end of the century. Like the Paris Agreement it includes a ratchet mechanism, as the amendment calls for periodic reviews every five years. As part of the U.S. effort to secure a deal on HFCs, Secretary Kerry praised Indian Prime Minister Modi’s leadership on climate change²⁴ and worked to get Modi on board August 2016 ahead of the MP summit²⁵.

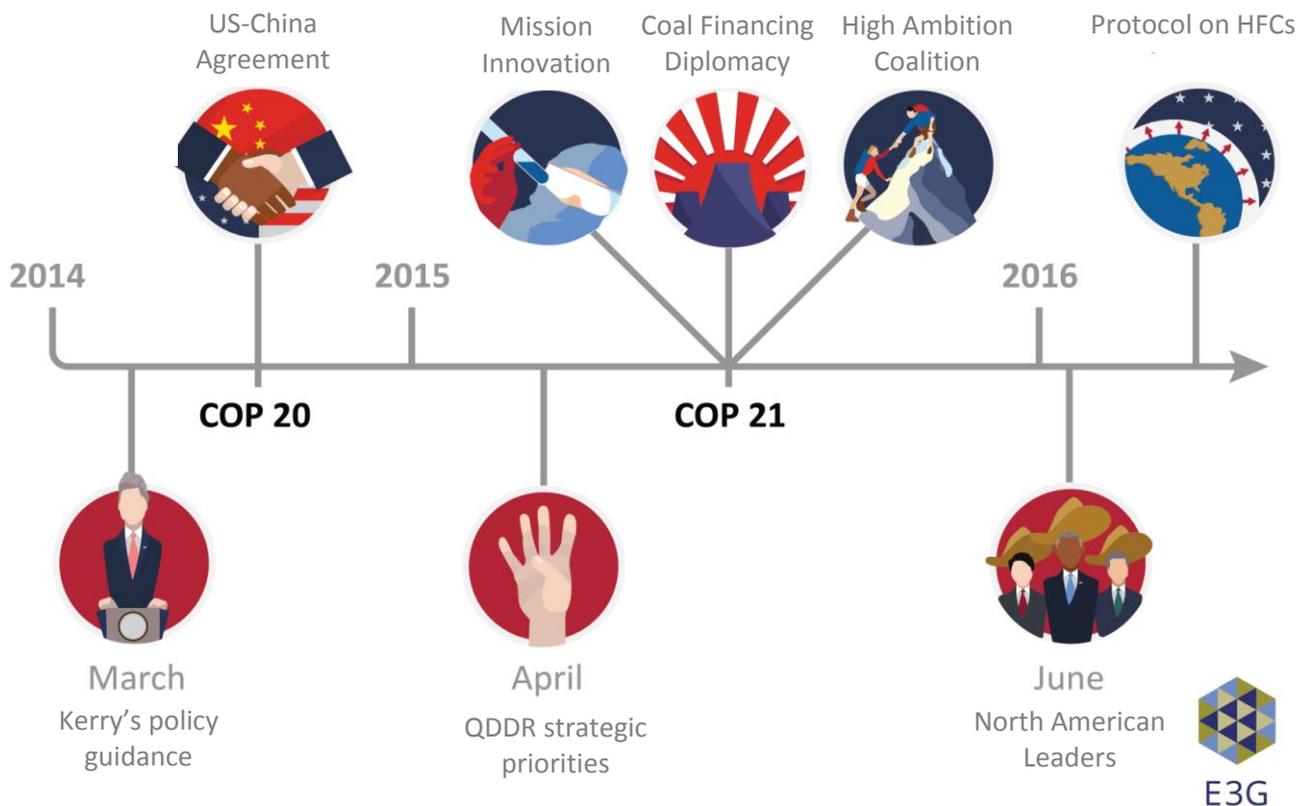
Quote: *“This continues the strong global momentum for climate action, building off of the rapid entry into force of the Paris agreement, neither of which would have been possible without President Obama and the United States’ leadership”* LCV president Gene Karpinski.²⁶

²³ <http://www.bloomberg.com/politics/articles/2016-06-29/three-amigos-announce-new-north-american-climate-and-energy-plan>

²⁴ <http://www.state.gov/r/pa/prs/ps/2016/08/261417.htm>

²⁵ <http://thehill.com/policy/energy-environment/295260-obama-eyes-big-finish-on-climate>

²⁶ <http://www.lcv.org/media/press-releases/LCV-Statement-on-International-Agreement-to-Phase-out-HFCs.html>



Conclusion

An ambitious long term goal has now clearly been set by the global community. But the work now begins on implementing Paris and other recent agreements, and identifying new approaches to allow countries to ratchet up ambition quickly. Success over the past few years shows that continued engagement on climate diplomacy from the next U.S. Administration will be critical. There are several areas where political support from the next administration could add value:

- U.S. leadership on the links between climate change and national/international security as well as in climate risk assessment and management offers valuable lessons for others. The new Secretary of State should work to drive forward existing efforts to mainstream climate change into U.S. foreign and security policy and planning and prioritize international collaboration to develop best practices.
- The OECD agreement to restrict international coal financing was an important first step but fierce disagreements remain, including between the U.S. and Japan and the U.S. and China. The U.S. should continue to push to strengthen efforts to phase out support for coal plants while also offering funding and technical assistance to communities that will be most affected by coal restrictions.
- The G7 has launched an important task force on climate resilience and fragility. The recent Presidential memorandum on climate change and



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national security can provide political support to make sure this initiative has teeth, including under the upcoming Italian and Canadian presidencies.

- Under the recent Chinese presidency the G20 has scaled up its efforts on the green finance agenda, which is also supported by the Task Force on Climate-Related Financial Disclosures. The next U.S. administration should work with colleagues in charge of the German presidency as well as other countries to ensure that climate risk and disclosure becomes a core priority for the G20 in the future.

About E3G

E3G is an independent, non-profit European organisation operating in the public interest to accelerate the global transition to sustainable development. E3G builds cross-sectoral coalitions to achieve carefully defined outcomes, chosen for their capacity to leverage change. E3G works closely with like-minded partners in government, politics, business, civil society, science, the media, public interest foundations and elsewhere.

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