

# Comment: Barbara Finamore & Jake Schmidt

## Achieving green goals together

### CHINA, US DEPEND ON EACH OTHER TO FIGHT CLIMATE CHANGE

Accounting for more than 40 percent of the world's greenhouse gas emissions, China and the United States have the greatest ability and responsibility for preventing runaway climate change and demonstrating to the world sustainable, low-carbon development models.

As emissions around the world continue to rise, collaboration between these two countries in key areas such as energy efficiency and clean energy is essential to stabilize the Earth's climate.

At Cancun, both China and the US should re-affirm their commitment to addressing their domestic emissions and to improving reporting and transparency on their domestic actions. They must also be a model for international collaboration in the pursuit of low-carbon solutions and their resulting economic, social and environmental benefits.

#### China's actions

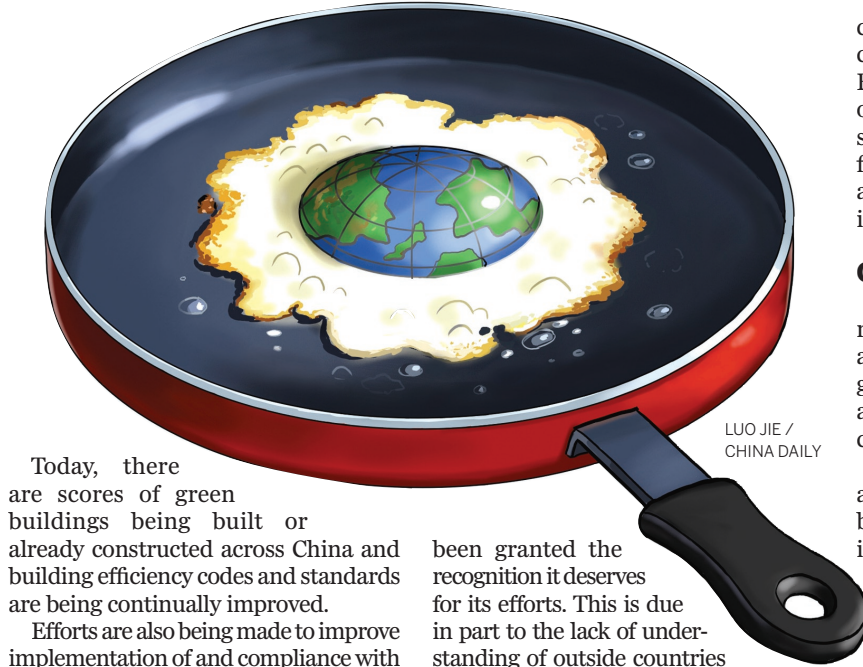
Having worked in China for the last 15 years on projects to improve the efficiency of China's industries and buildings, and to develop a cleaner energy supply, our organization, the Natural Resources Defense Council (NRDC), has witnessed first-hand the surge in recent years in national and local policies to promote the adoption of efficient, low-carbon technologies.

For six years, we collaborated with the Jiangsu provincial government to build demand-side management (DSM) programs, which promote large-scale investments in energy efficiency that can offset the need to build new power plants. Today, we work with five additional provinces and provincial-level municipalities seeking to scale up investments in efficiency.

Recently, the central government demonstrated its support for these efficiency programs by issuing the first national DSM guidelines. Now, electricity grid companies at the provincial level must use energy efficiency to cut at least 0.3 percent in sales volume and 0.3 percent in peak load each year, compared with the previous year.

NRDC has also been helping to improve the efficiency of China's buildings, a key sector that accounts for one-quarter of China's energy consumption. We are also seeing real progress here.

Starting in 1999, we helped to coordinate the design and construction of China's first green, LEED-certified building, the Agenda 21 building in Beijing, which uses only about one-quarter of the energy and produces just 40 percent of the wastewater of a typical Beijing office building — at no greater cost to construct.



Today, there are scores of green buildings being built or already constructed across China and building efficiency codes and standards are being continually improved.

Efforts are also being made to improve implementation of and compliance with building energy codes. NRDC also helped Shanghai develop its first comprehensive building efficiency labeling system, which has influenced the development of national building energy rating guidelines now piloted in eight major cities.

Textile manufacturing consumes and pollutes as much as 200 tons of water per ton of fabric, and produces considerable CO<sub>2</sub> emissions. Our Responsible Sourcing Initiative techniques not only reduce water pollution and energy use, but also help plants run more efficiently and use fewer resources, saving companies significant money.

If just 100 small- to medium-sized textile mills implement our recommended improvements, China would save more than 16 million metric tons of water annually, enough to provide 12.4 million people with drinking water for a year. The practices can also eliminate nearly 1 million metric tons of CO<sub>2</sub> annually, about the same amount of emissions from 172,000 cars per year.

Chinese President Hu Jintao and US President Barack Obama last November strengthened China-US collaboration on clean energy through a broad set of initiatives, including the establishment of a joint Clean Energy Research Center that will focus initially on building efficiency, carbon capture and storage, and electric vehicles (NRDC is a member of the building efficiency consortium).

We have no doubt that these US-China clean energy initiatives will be a fruitful collaboration that will have meaningful economic and environmental impacts far beyond the investments that each country is making.

#### Greater transparency

Despite its significant efforts and achievements in improving energy efficiency and addressing its emissions over the last five years, China has not always

been granted the recognition it deserves for its efforts. This is due in part to the lack of understanding of outside countries on the significant actions that China is taking to address climate change, and in part to the relative lack of transparency of China's energy use and emissions.

The compromise that China and the US reached at Copenhagen requires developing countries to increase the frequency of their reporting on mitigation actions and emissions inventories to every two years, bringing them more in line with developed country reporting requirements. This improvement in reporting should help to increase mutual understanding and trust among countries that each is doing its part to address climate change.

Domestically, China also faces significant challenges. The target responsibility system, which establishes a system for evaluating the performance of provincial and local officials in meeting their energy and major pollutant emission reduction targets, provides a strong incentive for officials to pursue environmental and climate objectives alongside economic development goals.

Yet, ensuring the quality of data in this process is an acknowledged challenge.

Over the last few years, China has begun to disclose a wider range of energy efficiency performance data, lists of outdated facilities that must be removed from use, and other information in the service of achieving its environmental and energy targets.

However, not much else is known about the systems of review that China is using to evaluate the quality of this information and to verify the performance of lower-level officials.

Broadening the public disclosure of information and strengthening the domestic system for data review will enhance China's ability to meet its targets and move forward with its domestic agenda.

Improving the transparency of every

country's actions to address climate change and emissions is no trivial issue. By increasing the frequency and depth of its reporting on its actions and emissions, China can provide a useful model for other developing countries and achieve the international recognition it is due for its actions.

#### Objectives in Cancun

As part of the Copenhagen Accord reached last December, countries accounting for more than 80 percent of global greenhouse gas emissions have already committed to undertaking specific actions to address climate change.

The meeting in Cancun needs to re-affirm these pledges; countries should be prepared to report on their progress in implementing these actions over the past year.

Developed countries should also be prepared to show substantive progress on the other key agreement reached in Copenhagen: finance for developing countries to adapt to climate change, deploy clean energy and reduce deforestation emissions.

The \$30 billion in prompt-start funds pledged by developed countries last year must be turned into real money that leads to meaningful actions on the ground.

These two linchpins of a future climate agreement — greater transparency on actions and emissions, and increased financing for developing countries to address climate change — are interdependent in the negotiations. It is unlikely that one can move forward without progress on the other.

Specifically, both developed countries and developing countries should be subject to greater transparency, though the exact form will vary by country.

Interim reporting guidelines and a common reporting format for funding should be created to build trust and ensure transparency around climate finance.

China and the US play pivotal roles in forming a lasting agreement to address climate change. They can come up with constructive ways to address differences on key issues and show the world how moving toward a low-carbon economy is in every country's interest.

Both countries will benefit from tapping into the growing demand for clean energy and both will benefit from ensuring that the worst impacts from climate change are avoided.

The two countries have never been more dependent on each other to achieve their climate and energy priorities, and to ensure the health and well-being of their people.

*Barbara Finamore is China Program director of the Natural Resources Defense Council and Jake Schmidt is the council's international climate policy director.*