

# ChinaFAQs

## The Network for Climate and Energy Information



# Enhanced Bilateral Cooperation

**U.S.-China cooperation on climate change mitigation has taken a variety of forms, with different goals and structures. Reviewed below are some of the recent fora for bilateral dialogue and collaboration.**

## **STRATEGIC AND ECONOMIC DIALOGUE (S&ED)**

In July 2009, the United States and China signed a “Memorandum of Understanding to Enhance Cooperation on Climate Change, Energy and the Environment.” This new agreement provides for a bilateral working group to coordinate efforts under two existing structures: The Strategic and Economic Dialogue (S&ED) and the Ten Year Energy and Environment Framework. The S&ED provides an overarching coordinated approach to the bilateral relationship, and addresses environment as a subset. It is headed at the Vice Premier level in China and is now headed in the United States by the secretaries of State and Treasury, with the Secretary of State responsible for energy, environment and climate change. With ministerial-level meetings twice a year and active working groups, the S&ED has become the major venue for bilateral economic and energy discussions over the last two years. The Energy and Environment Framework creates a structure for this collaboration, but

to date the two countries have not established shared goals. The MOU states that Washington and Beijing will implement and expand the ten year framework. Were the framework restructured to focus on the climate change and green job priorities of the new U.S. administration, this structure could play a key role in creating bilateral programs that support both domestic GHG control efforts and the international negotiations.

Using existing structures is an effective approach, because both governments already have organizational structures to support them. Thus, the two governments should now be able to move forward on goal- and policy-setting and project development. At the same time, there is a need to ensure that sufficient resources are mobilized and that these bilateral efforts are focused directly on achieving specific energy and environmental policy objectives.

## BILATERAL PROCESSES

In addition to the S&ED and the ten year framework, there is also a need to ensure that science and broader environmental cooperation are integrated into climate change cooperation. These areas of joint interest are coordinated through:

- **The U.S.-China Science and Technology (S&T) Cooperation Agreement.** The Joint Commission on Science and Technology (JCST) meets at the ministerial level (White House Science Advisor) every two years and at the Executive Secretary (office director) level in the alternating years. All major agencies doing technical work do so under this agreement, including DOE, EPA, NSF, and NOAA. The Commission offers a venue for research-oriented collaboration. Its working groups have not been developed as much as in other United States-China commissions, but those under the Joint Commission on Commerce and Trade and under the Strategic Economic Dialogue provide models. This group provides the best venue for deepening climate science cooperation.
- **Joint Commission on Environmental Cooperation (JCEC).** This acts as the annual ministerial-level coordinating body for the United States EPA and the Chinese Ministry of Environmental Protection (MEP) in relation to their

2003 MOU on Environmental Cooperation. The MOU is also theoretically part of the S&T Agreement but operates somewhat autonomously, and the two agencies took their own initiative in setting up this Commission. EPA and MEP have separate annexes on air, water and toxics. On air, they have worked together very closely on continuous emissions monitoring and air pollution regulation, and there is a very sound basis for enhancing this collaboration. This single department discussion is generally held in tandem with the S&ED and is a more technical complement to the ten year framework.

## MULTILATERAL PROCESSES

The previously-mentioned bilateral institutions operate in tandem with multilateral processes. China and the United States are both members of a number of organizations or treaties which have addressed climate change, including:

- **The UNFCCC**, the central framework for international climate negotiations and multilateral agreement.
- **The Asia Pacific Partnership on Clean Development and Climate (APP)**, which has many active public-private partnership projects in key sectors. The APP was the first significant example of Chinese private sector involvement in an international partnership

process. The partnership has been effective in running cooperative projects and sharing best practices. However, its impact has been limited by a lack of clear goals or fully shared views on how programs should be managed and funded. The United States and China would benefit from strengthening these programs and building them around major targets.

- **The Major Economies Forum**, a relatively new process initiated under President Bush, recognized the need to expand beyond traditional processes like the UN and the G8 both to ensure consultation among a core group and to ensure large developing countries' involvement. The group still struggles with whether its major goal is to resolve issues for the UNFCCC or to operate in an independent arena. The Chinese have never agreed to formal negotiations outside the UNFCCC process. To make sufficient progress by Copenhagen, the U.S. team will need to seek venues for in-depth discussion with Chinese counterparts.
- **The Asia Pacific Economic Cooperation** or APEC community has also had some climate change discussions. These have not been as intensive as APP.

• **Technology Programs such as:**

- The Methane to Markets Partnership or M2M, a global grouping focused on a single greenhouse gas. It has effectively used capacity-building to create successful large-scale methane business-promotion events.
- The International Partnership for the Hydrogen Economy (IPHE), where DOE has worked with the Chinese on hydrogen road-mapping.
- The Carbon Sequestration Leadership Forum.
- The Committee on Earth Observation Satellites (CEOS). China has been a key player in various observation efforts to enhance satellite-based climate and emissions monitoring.

These partnerships could potentially become part of a model for technology cooperation under the UNFCCC. While priorities have changed, and some like the IPHE look likely to be de-emphasized under the Obama administration, the approach has been effective in promoting new technologies and, in the case of M2M, spurring actual investments.

There are tremendous opportunities for the United States and China to collaborate, based on existing mechanisms such as those discussed above. To succeed, they will require common metrics of progress and agreed-upon financial and technical contributions from both sides. China is already active in seeking more

international cooperation and has budgeted for collaborative research, for example including an international cooperation fund of US\$1 billion for climate change research in the 11th five-year plan (2006-2010).<sup>i</sup>

*This fact sheet is adapted from: Seligsohn, Heilmayr, Tan, and Weischer (Oct 2009) "China, the United States, and the Climate Change Challenge," a World Resources Institute Policy Brief.*

**This fact sheet is a product of ChinaFAQs, a joint project of the World Resources Institute and experts from leading American universities, think tanks and government laboratories. Find out more about the ChinaFAQs Project at: <http://www.ChinaFAQs.org/>.**

## Notes

<sup>i</sup> Wan Gang, "Rely on science and technology to address climate change," speech on the Forum on Climate Change and Science and Technology Innovation, April 24, 2008, [www.ccchina.gov.cn/cn/NewsInfo.asp?NewsId=12104](http://www.ccchina.gov.cn/cn/NewsInfo.asp?NewsId=12104).

## ChinaFAQs

World Resources Institute  
10 G St NE  
Washington, DC 20002  
202-729-7600  
[www.ChinaFAQs.org](http://www.ChinaFAQs.org)