

# Commentary

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## The Relentless Politics of Climate Change: The Paris Agreement

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## Introduction

The Paris Agreement entered into force in November 2016 and, to date, 187 parties have ratified it (UNFCCC). The Agreement's goal is to limit the increase in global temperature to 2 degrees Celsius (°C) above pre-industrial levels. The Agreement established what has been dubbed an 'ambition mechanism,' where every five years nationally determined contributions (NDCs) are reassessed and enhanced — with the first round of refinements expected in 2020. A number of studies, most notably the United Nations Environment Programme report, conclude that current NDCs will not achieve the objectives of the Agreement (UNEP 2018). While technical obstacles to achieving the goals of the Paris Agreement remain, political barriers further convolute the discussion. Clearly more needs to be done, and further political accommodations will be required globally to significantly enhance and subsequently implement more ambitious contributions that might achieve the promise of the Paris Agreement. However, before progress can be made on an international level, the main polluting countries must focus on internal, domestic consensus to develop robust efforts to reduce emissions. Uncertainty remains about whether there is, or will ever be, sufficient political will to meet the 2°C target.

KAPSARC has been investigating the domestic politics of emissions for the top five emitting parties to the Agreement — China, India, the European Union (EU), Russia and the United States (U.S.) — to gauge the political feasibility of increasing the ambition of the intended targets to reduce emissions. A series of KAPSARC studies have investigated each party's domestic considerations when deciding whether to enhance their emissions targets and contributions under the Paris Agreement. The ambitions of the two largest emerging economies under the Paris Agreement, China and India, must be balanced against their continued need for economic growth and affordable energy. These two countries, along with Russia, have set emissions reduction targets they can achieve with a high degree of confidence. On the other hand, the EU has committed to an ambitious target that puts into question its ability to achieve it; the process of reaching consensus on an even more ambitious target is likely to be politically challenging. While the U.S. has stated its intent to withdraw from the Agreement, the American debate has shifted from a nationally led effort to reduce emissions to state and corporate activities that may achieve similar objectives, where even the premise of climate change has been questioned.

This commentary provides a summary of the initial insights gained from five studies in an ongoing project illustrating the current domestic political situation of each of the parties and how this might affect the scope they have to enhance their NDCs in the next round. These studies utilized the KAPSARC Toolkit for Behavioral Analysis (KTAB) to model the collective decision-making process within each of the five parties.

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## Analytic approach

Each of the five parties' approach toward climate action, and thus the nature of their enhanced NDCs under consideration, is affected by the composition of their differing domestic debates on climate change. Thus, the framing for the analysis of each party needs to be tailored to reflect their respective domestic political debates. The EU, China and India are considering a midcentury target — though China and India are focused on emissions intensity while the EU is focused on an absolute reduction in emissions. Russia, on the other hand, has just ratified the Agreement in September 2019 and has not specified its approach toward enhancing its commitments — though we can still view its choice as either enhancing or reducing its ambition. The case of the U.S., in the context of the Paris Agreement, is more complicated, with its stated intention to withdraw from the Agreement altogether. Consequently, our approach to analyzing the U.S. focused on the national political debate about emissions. Each of the subsequent sections in this commentary, describing individual jurisdictions' insights, reflects these different approaches to emissions reduction.

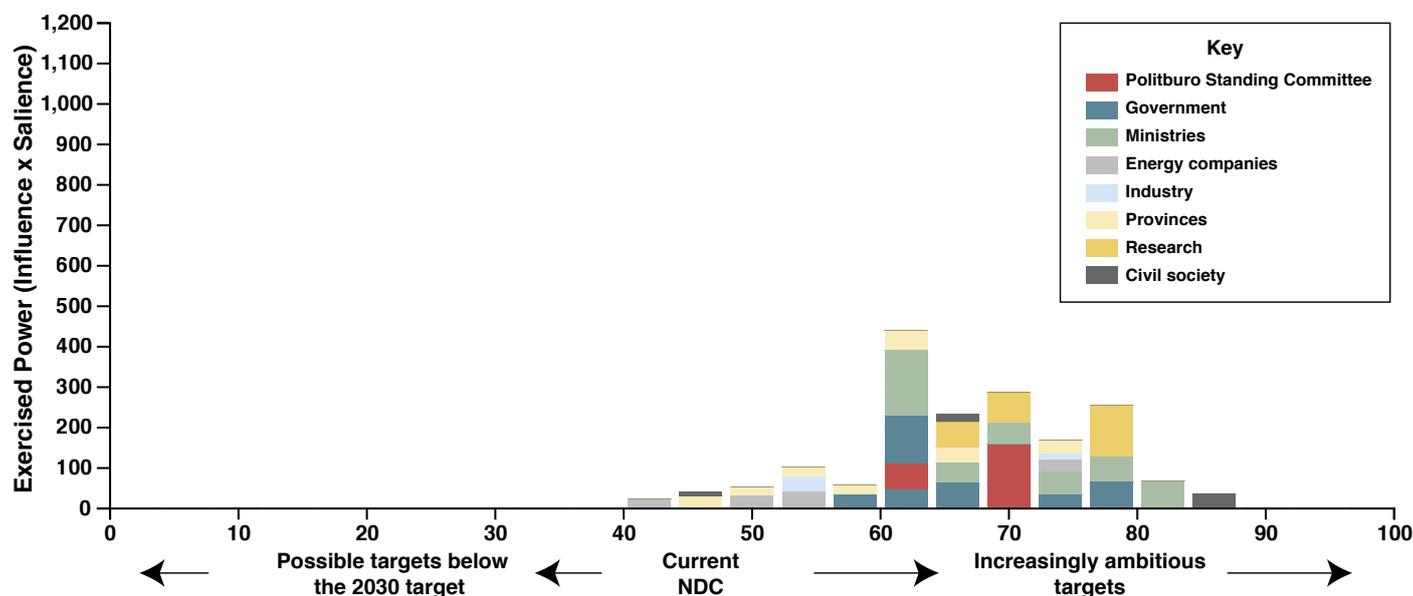
Our analytic approach, based on the KTAB methodology, developed a visualization of the landscape of political power for the parties' respective internal debates on emissions reduction, with data obtained from structured interviews with subject matter experts. The rest of this commentary presents and summarizes a series of figures that display the current array of relevant stakeholders' advocacy and their political power. In each figure, color-coded bars represent actors; the location of each bar on the horizontal axes illustrates the actor's position, which is the currently preferred outcome that an actor advocates for within the defined scale and which is unique to each party depending on their approach to emissions.

The vertical axes reflect actors' exercised power, which is an actor's influence (clout) multiplied by their salience (importance attached to the issue) — i.e., how much of the actor's political clout they will use to support the position they advocate. When many actors embrace roughly the same position, their bars will be stacked on top of one another. Thus, the overall height of a group of bars indicates the combined exercised power of actors that push for the same outcome (a formal or informal coalition). For more information about the methodology, please visit [www.ktab.software](http://www.ktab.software) where you can find all related papers, the latest version of the software and all materials of interest related to KTAB.

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## China

**Figure 1.** Range of Chinese actors' positions and exercised power regarding reducing the emissions intensity per unit of China's GDP by 2050.



Source: KTAB.

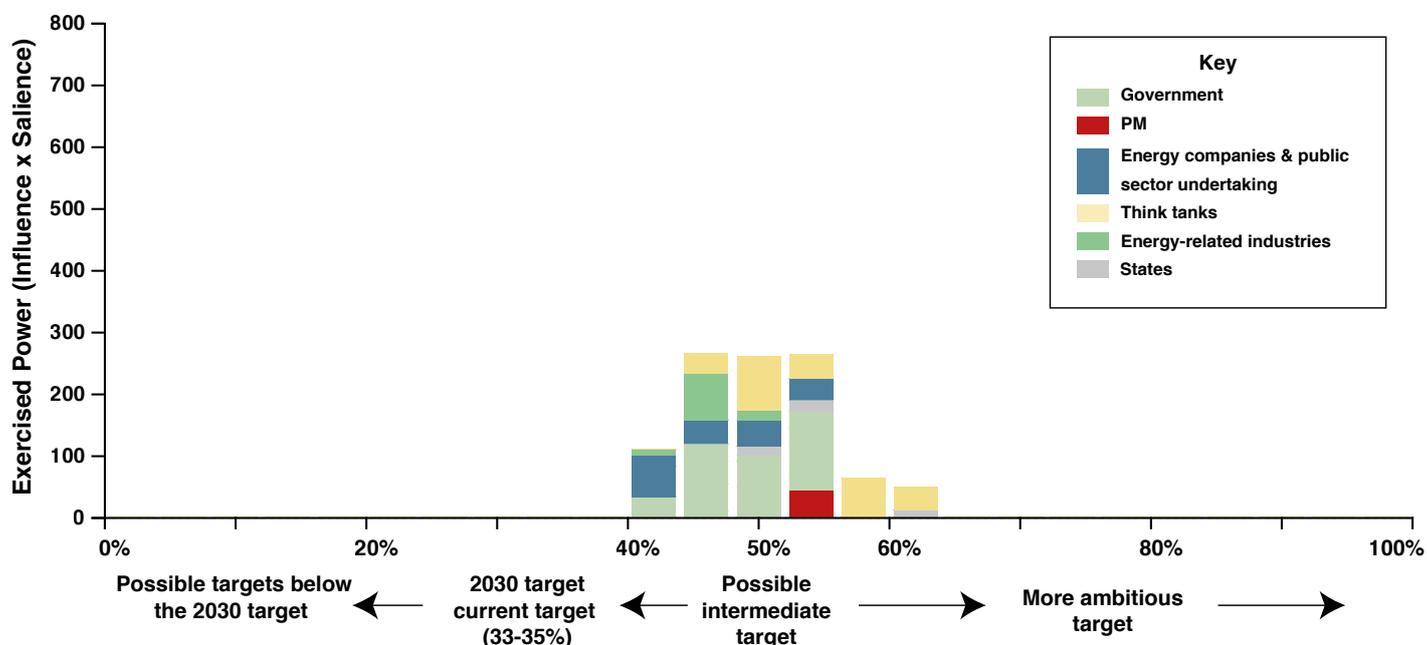
**Reducing CO<sub>2</sub> emissions in China also fulfills the need to improve urban air quality, an issue that is leading to rising healthcare costs and public discontent.**

China plays a critical role in the success of the Paris Agreement, as it accounted for almost 30% of global carbon dioxide (CO<sub>2</sub>) emissions in 2018. For China, reducing CO<sub>2</sub> emissions also fulfills a domestic political imperative, namely the need to improve urban air quality, an issue that is leading not just to rising healthcare costs but also to public discontent. China's current NDC aims to lower CO<sub>2</sub> emissions per unit of gross domestic product (GDP) (i.e., its emissions intensity) by 60 - 65% by 2030 compared with 2005 levels. The KTAB China study evaluated stakeholders' willingness to adopt a more ambitious reduction target as they reassess the Chinese NDC.

As Figure 1 shows, there is broad support for a more ambitious target among key decision-makers (the Politburo Standing Committee, in red) as well as the actors critical to the process of crafting and implementing the next target (i.e., government and ministry actors, in blue and green, respectively). However, there is no tight consensus regarding how much more ambitious the enhanced NDC should be. Outliers in this range of advocacy include actors who typically do not directly influence the policy process in China, such as think tanks, environmental advocacy groups and civil society. These actors advocate the strongest enhancements of the target. Actors advocating a minimal (or no) change to the 2030 target include energy companies, industry and coal-producing provinces.

## India

**Figure 2.** Range of actors' positions and exercised power regarding India's 2050 target to reduce the emissions intensity of its GDP.



Source: KTAB.

India's greenhouse gas emissions continue to increase in line with its rapid economic growth, making it one of the world's largest emitters. India's climate policy is conditioned by the country's complex politics and governance system. Its quasi-federal constitutional structure, in which legislative and executive powers are divided between the central government and states, means that many national decisions become subject to political wrangling.

The KTAB India study focused on assessing stakeholders' political will to enhance India's midcentury emissions intensity reduction target under the Paris Agreement. India committed to reduce the emissions intensity of its GDP in its current NDC by 33% to 35% by 2030 compared with 2005 levels. India's focus on energy intensity rather than net emissions reduction ensures that there are few brakes on its continued GDP growth at a time when the country's economy is booming. Figure 2 indicates that most Indian stakeholders support an intermediate level of ambition (in a range of around 50%) for the midcentury target. A progressive state and an environmental advocacy organization support a more ambitious target. Energy companies, the coal sector and related ministries, on the other hand, advocate a more conservative target.

The Ministry of Environment, Forest and Climate Change (MOEFCC) is a nodal agency responsible for environment and climate change policy formulation and climate change negotiation. The Indian government has also created the Prime Minister's Council for Climate Change.

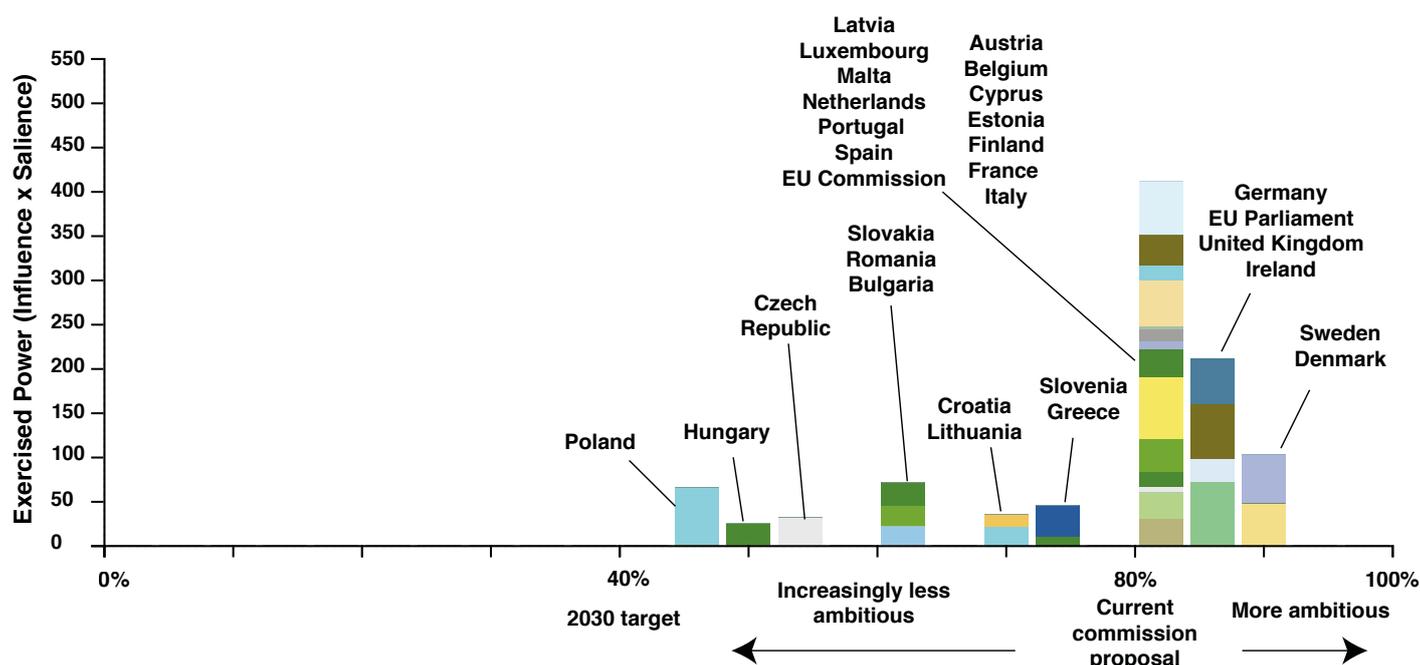
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This council is headed by the prime minister, with relevant ministries and independent research institutes as members of the council, and provides climate change-related policy directions. Along with Prime Minister Modi (in red in Figure 2), most of the influential stakeholders in India, including members of the council, are supportive of a midcentury emissions intensity target of around 50%.

## The European Union

**Figure 3.** Range of EU member states' positions and exercised power regarding implementing an 80% CO2 emissions reduction target by 2050.



Source: KTAB.

**The EU's position within the Paris Agreement is complex, as it has to submit a Union-wide binding target which is then distributed among its member states.**

The European Council instructed the European Commission to draw up the EU's 2050 climate strategy roadmap, also known as the midcentury strategy, by the end of the first quarter of 2019. It is a key indicator of the EU's new climate policy and is likely to form the basis of its next NDC. The new long-term strategy replaces the 2050 low-carbon economy roadmap published in 2011, which set an indicative target of an 80% cut in the EU's CO2 emissions by 2050. EU member states are currently considering how aggressive their revised midcentury emissions reduction target should be, and whether to adopt the target proposed by the European Commission in its low carbon economy roadmap.

The EU's position within the Paris Agreement is complex, as it has to submit a Union-wide binding target which is then distributed among its member states. Its current NDC includes a legally binding target to reduce its GHG emissions by at least 40% by 2030 compared with 1990 levels. EU member states are not agreed on whether to incorporate the Commission's proposed 80% reduction of emissions by 2050 (compared with 1990 levels) into a revised NDC.

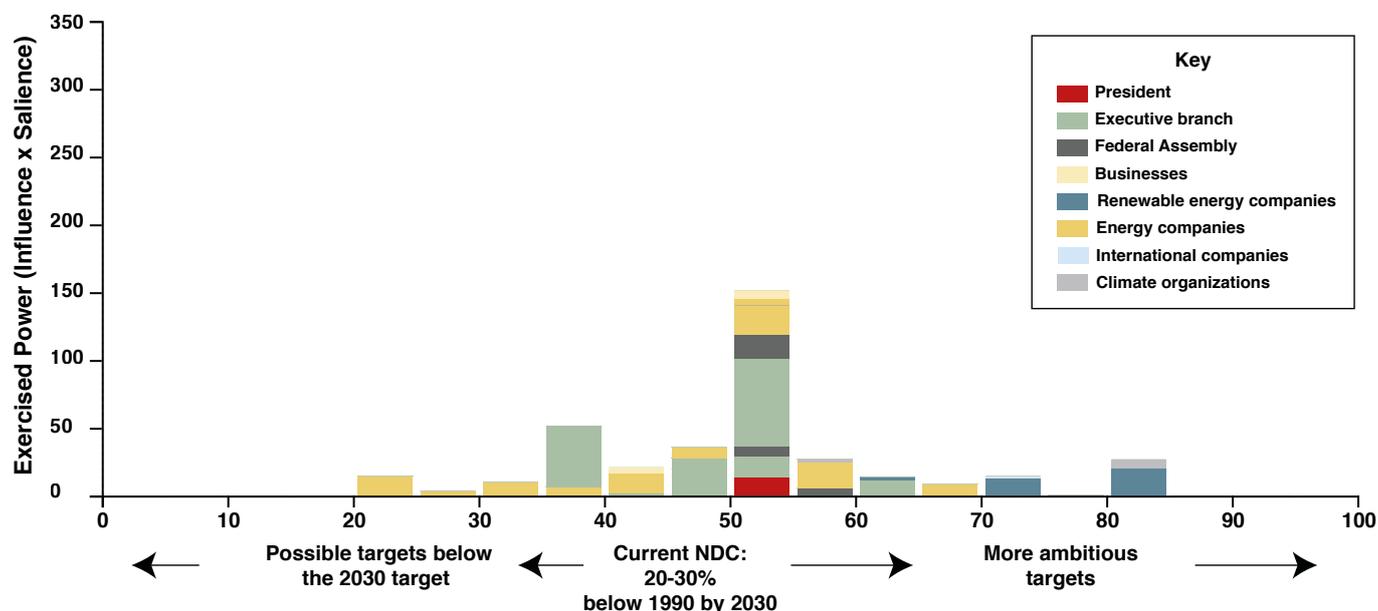
As shown in Figure 3, most member states favor the current proposal, with a few supporting a slightly more or less ambitious proposal. A coalition known as the Green Growth Group (that includes Belgium, Denmark, Estonia, Finland, France, Germany, Italy, the Netherlands, Portugal, Slovenia, Spain, Sweden and the United Kingdom [U.K.]) tends to support a more ambitious reduction of emissions. However, six countries stand out in their advocacy of significantly lower targets, including the four members of the Visegrád Group (Poland, Hungary, the Czech Republic and Slovakia), along with Romania and Bulgaria. These countries are concerned about the rising cost of energy associated with phasing out coal and the economic vulnerability of their domestic coal industries. In Poland, for example, coal not only provides cheap fuel but also supports a large number of mining jobs. Interestingly, the European Commission has recently moved away from a target-setting approach, calling instead for carbon neutrality by 2050. This unexpected approach indicates that reaching consensus on an EU-wide target will be more difficult than initially anticipated.

The U.K.'s exit from the European Union (Brexit) would deprive the Green Growth Group of a prominent member and could further complicate the Union's climate aspirations. It is unclear whether the U.K. will have continued access to the EU's internal energy market and whether there will be continued coordination on climate actions following Brexit. One of the key outstanding issues resulting from Brexit is whether the U.K. will remain part of the EU Emissions Trading Scheme. Following Brexit, the U.K. will inevitably submit its own NDC, given that remaining in the EU NDC would involve being under the jurisdiction of the European Court of Justice, one of the U.K.'s red lines. However, the U.K., like Norway, could potentially publish an NDC linked to the EU NDC and remain part of the EU group during the council of parties (COP) negotiating process.

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## Russia

**Figure 4.** Range of Russian actors' positions and exercised power regarding implementing a more or less ambitious NDC.



Source: KTAB.

The Russian study focused on actors' views regarding its Nationally Determined Contribution. Russia's current NDC targets a 25% to 30% reduction in its CO<sub>2</sub> emissions by 2030, compared with a 1990 base year. Since the base year is set prior to the dissolution of the Soviet Union and the subsequent economic collapse, Russian emissions are significantly below their target. A decline in logging also meant that the absorptive capacity of Russia's forests increased, further offsetting its emissions.

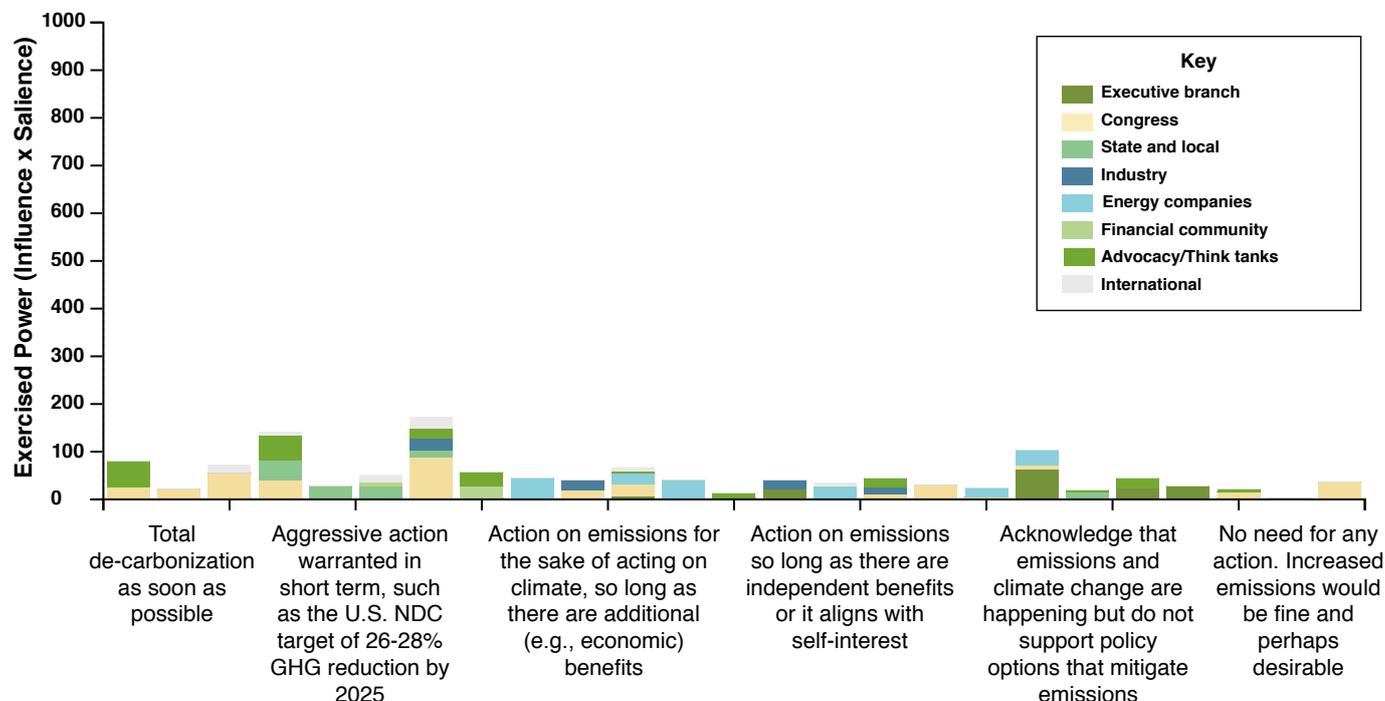
**Russia's current NDC affords it the ability to increase its emissions without the risk of failing to meet its target.**

Russia's current NDC affords it the ability to increase its emissions without the risk of failing to meet its target. As Figure 4 shows, President Vladimir Putin (in red) and most Russian policymakers (the Federal Assembly and executive branch) do not favor setting a more ambitious target and support the status quo. Detractors who favor an even less ambitious emissions target include conventional energy companies, while advocates of a more ambitious target include renewable energy companies, based on their respective business interests.

Russian politicians long debated whether to ratify the Paris Agreement before finally ratifying the Agreement in September 2019. Their reticence was not based on any constraints imposed by their NDC, but on the overall principle of the Paris Agreement. Russia exports over a third of its produced carbon in the form of oil and gas, and its politicians are concerned about the long-term threat posed by decarbonization.

## The United States

**Figure 5.** Range of actors' positions and exercised power regarding the strategic orientation of the U.S. with respect to emissions.



Source: KTAB.

Note: GHG = greenhouse gas.

The U.S. has announced its intention to withdraw from the Paris Agreement, making its position with respect to the Agreement more complex than the four other parties highlighted in this commentary. As a result, there is no debate about adjusting its NDC. Instead, the U.S. KTAB study focused on gauging the strength of opinion in the national debate about emissions and how the U.S. should be strategically orientated on the topic. This debate does not refer to specific policy measures or approaches, but rather to the general disposition and strategic thinking behind policy, which is mostly federal but could also include state, local, and action by private enterprise.

Climate change has long been a polarizing issue within the U.S., and Figure 5 demonstrates that actors support positions across the board without anything resembling consensus. Many actors, including liberal state government officials, municipal authorities and corporations remain committed to reducing their greenhouse gas emissions. Many corporations are under shareholder pressure to take steps to reduce their own emissions and to make those steps public. At a political level, Congress remains largely split along partisan lines, with many politicians confused by the sheer volume of climate-related information.

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The far-left advocates rapid decarbonization, while the far-right questions the legitimacy of climate change, dismissing even the need for reducing emissions. Actors toward the center of the debate may support some action but remain divided on whether climate risk is enough reason for the U.S. to reduce its emissions, or whether there need to be economic or other benefits associated with emissions reduction which provide justification for action. Compared with the other four parties, the U.S. appears far from any kind of consensus for action.

## Conclusion

**There is a lack of global consensus for the next wave of NDCs.**

Climate policies and commitments across the world's biggest emitters are varied, and there is a lack of global consensus for the next wave of NDCs. As we approach the scheduled reassessment of NDCs in 2020, parties to the Paris Agreement will be assessing whether to enhance their efforts to reduce emissions. Given the need for more rapid action to meet the 2°C goal, the politics of emissions remains disputed. As parties have considered enhancements to their NDCs, KAPSARC has studied the political feasibility of more ambitious targets to reduce emissions among each of the top five emitting parties.

**Given the need for more rapid action to meet the 2°C goal, the politics of emissions remains disputed.**

The EU, China and India are all considering their midcentury emissions reductions targets. The EU is clearly divided into two groups when it comes to climate policy. The Green Growth Group includes most of the countries lobbying for higher targets. The Visegrád group (the Czech Republic, Hungary, Poland and Slovakia), joined by Bulgaria and Romania, opposes higher targets that would have an impact on their legacy coal-based energy mix.

China and India appear poised to adopt more ambitious targets, though there remains a debate about the extent of their NDC enhancements. Their focus on energy intensity rather than net emissions reduction helps ensure that their climate policies do not conflict with their need for continued economic growth and social development. Chinese actors are pushing for enhanced NDC targets, though the debate may be conditioned by China's need to maintain its economic growth at a time when its economy is under threat due to its trade spat with the United States. Indian actors in general advocate a cautious enhancement of climate targets, so long as it does not affect domestic economic growth and social development.

Russia, on the other hand, does not appear to be seriously considering a more ambitious NDC, with little political support for any change to its current commitments. Despite the country's substantial decline in carbon emissions over the past decades, it is unknown if Russia will increase the ambition of their contribution toward the Paris Agreement. The picture for the U.S. is much less clear, with actors across the political spectrum advocating radically different ideas about how to approach emissions, including whether there is justification for any action to reduce emissions. Despite the Trump administration's announcement to withdraw from the Paris Agreement, the issue remains contested and many key players remain committed to tougher climate policies.

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