



LEE HYE-MIN

Sherpa du G20 et ambassadeur pour les affaires économiques internationales,
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Nobuo TANAKA

Anyway, let us go back to Lee-san's presentation.

Lee HYE-MIN

I am a G20 Sherpa from Korea and I prepared the G20 summit in Hamburg last July. I would like to talk a little bit about the Hamburg G20 Leaders' Declaration related to climate change and I would like to make my presentation on the impact of the US decision to withdraw from the Paris Agreement.

First of all, I compare the language of the G7 agreement in May in Italy and the language used among the G20 leaders in Hamburg in July. The language of the Hamburg Leaders' Declaration is compromised by the US and the rest of the G20 members. The German presidency showed its leadership, persuading the reluctant leaders, not only Donald Trump, but also Russia, Turkey and Saudi Arabia, to join the consensus minus one. As the G20 accounts for more than 80% of current global greenhouse gas emission, the declaration demonstrates to the world and business community that the efforts for the implementation of the Paris Agreement will continue despite the Trump administration's decision to withdraw from the Agreement.

In fact, it is much easier for the G7 to get a consensus because except for the United States, the six countries are on the same page and they have the same philosophy and the same policy, so it is not so difficult to draw a consensus. However, the G20 is different. Russia has not yet ratified the Paris Agreement and Turkey is very reluctant to accept or implement the G20 decision. We know about Saudi Arabia. It is a huge task for the German presidency to draw consensus among everyone except the United States, but they did it. I think they made very good efforts to convince the world and especially the business community that we will continue to go, in spite of the US.

I will move to the second question. What is the impact of the US decision to withdraw? On June 1st, as you are well aware, Trump declared that his administration would cease implementation of the Paris Agreement, but explore renegotiation of the deal to seek better terms. I think it is very important. He said he will withdraw, but he wants to have renegotiations. Previously in March, he had a Clean Power Plan, which sets emission reduction requirements for each US state, but allows them flexibility in how to achieve these reductions. In addition, he overturned the moratorium on coal development on federal levels and ordered a review of emission restrictions for oil and gas wells. These measures sharply decreased the likelihood that the US would meet its Paris Agreement requirements.

What is the impact? I think several experts around the table already mentioned there would be no real impact, but I think definitely the US decision will weaken the enforcement measures of the Paris Agreement and undermine the resolve of other countries to make their own reductions in view of the US role in this important global agenda, in addition to the fact that the US contributes to more than 16% of our total emissions. It is the second-largest emitter after China. However, as you have already heard, many experts estimate that its impact is more symbolic than substantial because first, from the procedure viewpoint, the earliest possible withdrawal date for the US would be November 4, 2020 in accordance with Article 28 of the Agreement, which came into force on November 4 last year. A member may withdraw three years after entering the Agreement and the withdrawal takes effect after one year. That means there are still four years for the US to completely withdraw from the Paris Agreement and nobody knows what may happen in four years time.



Secondly, I find there is an appetite for the reduction of carbon emissions independently of the Paris Agreement. I particularly noted that China and US states continuously stress the importance of fighting climate change. 34 US states, led by California and New York, have undertaken their own ambitious carbon reduction plan, despite the federal government decisions. US private companies have found that going green can reap financial rewards, such as cost savings, and transnational companies have to meet regulation requirements in foreign countries everywhere. I can say there are three important reasons why businesses and US states will go on as if nothing happened.

Having said that, however, I think there would be a significant negative impact, particularly on climate finance. The advanced countries are committed to generate USD 100 billion annually until 2020 to help the mitigation and adaptation efforts of the developing countries and for that purpose, the Green Climate Fund was established in 2010. By announcing his decision to withdraw from the Paris Agreement, President Trump also said that the US would stop contributing to the Green Climate Fund. The US has pledged USD 3 billion to the Green Climate Fund, which is the biggest contribution and twice as much as the second-largest pledger, Japan. In fact, Barack Obama authorised the transfer of a second USD 500 million instalment to the GCF just three days before he left office, leaving USD 2 billion owing. Slashing funds for global clean energy innovation efforts would significantly hamper efforts to develop and deploy new carbon reducing technologies that would likely be central to achieving the goals of the Paris Agreement.

The first of my conclusions is that the developing countries led by India and Turkey in particular stress the importance of parallel implementation of the Paris Agreement obligations, which are mitigation, adaptation and climate financing. Therefore, the US decision will negatively affect the smooth implementation of the Agreement in the years to come.

Secondly, in view of the importance of the climate change issue, the US cannot stay outside in the subsequent negotiation process for the Paris work programme, despite its decision to withdraw. The participation of high level officials from the White House, such as the NEC Deputy Director, in the ministerial meeting on climate action to advance discussions on the full implementation of the Paris Agreement and demonstrate continued political commitment to global action held in September in Montreal this year is a good example. They continued to participate. I am sure that the US will actively participate as well in the COP23, which will take place in Bonn next week. The ongoing, more concrete rules and negotiations of the Paris Agreement should be revved up by COP24 at the end of next year. Therefore the next meeting of the COP23 is a very important meeting and the US is sending a delegation and actively participating in deliberations.

Finally, as the G20 leaders declared at the Hamburg summit, the Paris Agreement is irreversible and the global community will move forward to its implementation, though the road ahead will be very bumpy. Thank you.

Nobuo TANAKA

Thank you, Lee-san. This is an interesting point about whether or not the US withdrawal makes a big impact. We will talk about it later, but let us listen to Friedbert.