



WORLD LEADERS SUMMIT ON CLIMATE: A STEP IN THE RIGHT DIRECTION

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)



President Biden rejoined the Paris Climate Agreement on his first day of presidency¹ and formally re-entered the treaty one month later. Delivering on his commitment towards climate change within his 100 days in Oval Office,² the Biden administration invited 40 nations and convened a two-days virtual World Leader Summit on Climate from April 22-23, 2021.³ The summit facilitated the signatories of Paris Accord to set their targets for National Determined Contribution (NDC) that they announced at the Summit.

The US took the lead and announced to cut its carbon emission to 50% by 2030 while moving towards net-zero emission by 2050.⁴ The top emitters and big economies such as the UK and European Union (EU) also announced to reduce the emission to 65% and 55% respectively and said that they will achieve net-zero emission by 2050.⁵ In the summit, Japan and Canada set the target of

¹ Nathan Rott, "Biden Moves To Have U.S. Rejoin Climate Accord", *NPR*, January 20, 2021.

² Sophia Apparicio and Natalie Sauer, "Which Countries Have Not Ratified the Paris Climate Agreement", *Climate Change News*, September 8, 2020, <https://www.climatechangenews.com/2020/08/13/countries-yet-ratify-paris-agreement/>

³ "President Biden Invites 40 World Leaders to Leaders Summit on Climate", *The White House*, March 26, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/26/president-biden-invites-40-world-leaders-to-leaders-summit-on-climate/>

⁴ Emma Newburger, "Here's What Countries Pledged on Climate Change at Biden's Global Summit", *CNBC*, April 22, 2021, <https://www.cnbc.com/2021/04/22/biden-climate-summit-2021-what-brazil-japan-canada-others-pledged.html>

⁵ Ibid.

46% and 40–45% reduction in carbon emission with the intention to achieve carbon neutrality by 2050.⁶

With the US returning to fight against climate change, the global efforts on this front gained the much needed momentum.

Being the world's largest economy⁷ and second top emitter of greenhouse gases, US pledge to reduce the emission by half is in itself a welcome step towards keeping the promises on climate change. The Biden administration made a credible start on climate action plan by doubling US international climate finance by 2024.⁸ Also, it goes without saying that the summit united (at least apparently) all the signatories of Paris Accord to mitigate the severe impacts of climate change. Before the summit, the smoldering major power competition was dominating the global stage. However, the challenges present by climate change brought the major powers - US, China, and Russia - to come together and address this challenge as one.

Although the World Leaders Summit was a good start, the road ahead is by no means a smooth one.

Firstly, the big economies and top carbon polluters did not announce any NDC targets for themselves. A global economy and the largest greenhouse gas emitter, China, did not announce any new commitment, instead it only pledged to strictly regulate its carbon-powered plants.⁹ Beijing maintained that it will peak its emission by 2030 and achieve carbon neutrality by 2060.¹⁰ The third top emitter, India, also did not announce any target for reduction in carbon emission, rather it reassured to install 450GW of renewable energy and forging India-US Climate and Clean Energy Partnership for 2030.¹¹ Russia, another large polluter, resisted to promise any concrete actions, however, it did commit to make significant reduction in its overall emission. Australia, too, shied away from offering any new commitments and, therefore, restrained itself from announcing any new targets for slashing its carbon emission.¹²

⁶ Ibid.

⁷ "The World's Top 5 Largest Economies in 2024", *Focus Economics*, <https://www.focus-economics.com/blog/the-largest-economies-in-the-world#:~:text=1,USD%2025.3%20trillion%20in%202024>.

⁸ <https://www.climatechangenews.com/2021/04/22/us-pledges-double-international-climate-finance-earth-day-summit/>

⁹ Marc Magnier, "Global Climate Summit: The US Sets Emission Targets for 2030; China Offers No New Commitments", *The South China Morning Post*, April 22, 2021, <https://www.scmp.com/news/china/diplomacy/article/3130698/global-climate-summit-xi-jinping-and-joe-biden-united-drive>

¹⁰ Ibid.

¹¹ Emma Newburger, "Here's What Countries Pledged."

¹² Hans Van Leeuwen, "PM Pushes Australia's 'Bankable' Emission Cuts at Climate Summit", *Financial Review*, April 23, 2021, <https://www.afr.com/policy/energy-and-climate/pm-pushes-australia-s-bankable-emissions-at-climate-summit-20210422-p57lob>

Secondly, the finances, as always, portrays a situation which can fairly be described as catch-22. Situated on the other end of climate spectrum, the emerging economies and vulnerable countries seemed to be looking up to the help that the big economies can offer. The poorer countries described Biden's announcement of US\$1.2 billion for the Green Climate Fund as a drop in the bucket.¹³ Given the troubles that the US face at the domestic level, particularly after the damage that the previous administration did, it would be wishful to expect a big financial share from Washington in the immediate future. The question arises: If not US, then who? This remains unanswered as the other big economies did not show enough will to commit to the cause of global climate.

Thirdly, the policy front on climate change still begs many questions. Any nation that decides to fight against a disaster of large scale must showcase three capabilities: preparedness both in terms of political will and infrastructure; prevention mechanisms (policy and technical aspects); and forging partnerships with the relevant entities. Climate change is a global problem, so is its solution. The leader in this global fight, the US, is itself not capable enough from any of the three aspect, let alone the other countries which are following its lead.

A leading think tank on political economy of climate change, E3G, took stock of America's 'preparedness, prevention, and partnership' on climate action.¹⁴ Quoting the US National Climate Assessment, the think tank predicted a worst case scenario for the country. Frequent flooding, especially in terms of hurricanes, can cost up to US\$80 billion to coastal property owners and US\$2 billion annually to tax payers.¹⁵ If the cost of addressing climate-driven disasters gets too high, Washington's sovereign credit ratings will receive a hard serve. Here, the US is not alone. Based on research by a group of British universities, Moody's and other credit rating agencies such as Fitch and S&P Global, 63 countries are expected to suffer downgrades in their sovereign credit ratings due to climate-induced disasters.¹⁶ The US, China, India, Australia, Canada, and Germany are among the worst-hit countries.¹⁷

After the havoc that the Trump administration wrecked, President Joe Biden cannot revive the old American partnership and build new ones in the immediate future. China conditioned its cooperation on climate with a range of troubling issues with the US such as Taiwan.¹⁸ Two of US

¹³ Somini Sengupta, "Biden's Climate Summit Sets up a Bigger Test of American Power", *New York Times*, April 23, 2021, <https://www.nytimes.com/2021/04/23/climate/biden-climate-summit.html>

¹⁴ Taylor Dimsdale, "The US and China Face a Common Enemy: Climate Catastrophe", *E3G*, April 21, <https://www.e3g.org/news/the-us-and-china-face-a-common-enemy-climate-catastrophe/>

¹⁵ Ibid.

¹⁶ Marc Jones, "Global Warming Could cut Over 60 Countries' Credit Ratings by 2030, Study Warns", *Reuters*, March 19, 2021, <https://www.reuters.com/article/us-climate-change-ratings-idUSKBN2BA2XW>

¹⁷ Ibid.

¹⁸ Somini Sengupta, "Biden's Climate Summit."

partners in QUAD, India and Australia, also did not offer much hope. India hinted at mutual cooperation only, whereas Australia categorically stated that it will follow its own trajectory on climate. In the post-pandemic era, it will be very difficult for the US to convince the big countries and nudge the smaller ones to adapt to climate-resilient policies and infrastructure without offering something big in return.

Climate change does not discriminate against nations and borders. Its impacts could be different for every nation but its long-term ramifications are the same. On global environmental crisis, the credible scientific scenarios present a classic case of 'move-it-or-lose-it.' There is very little room for realpolitik on this very subject. All the nations must stand together to save the planet which is our home.