

U.S. WITHDRAWAL FROM PARIS AGREEMENT AND ITS IMPLICATIONS ON THE GLOBAL CLIMATE COMMITMENTS

By
Mian Ahmad Naeem Salik
Research Fellow

Centre for Strategic Perspectives (CSP), ISSI

Edited by
Dr Neelum Nigar

February 28, 2025

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



Introduction

On January 20, 2025, President Donald Trump signed an Executive Order directing the United States to withdraw once again from the Paris Agreement, a move that undermined global efforts to combat climate change and strained relations with key allies. In addition to the Executive Order, he formally notified the United Nations of his intent to exit the 2015 accord, which was designed to allow nations to set their own targets for reducing greenhouse gas emissions from fossil fuel consumption. The decision was justified on the grounds that the agreement did not align with U.S. interests and diverted taxpayer funds to countries deemed undeserving of financial assistance. This renewed withdrawal marked a significant shift in U.S. climate policy, reinforcing a stance that prioritized national economic concerns over international climate commitments.¹

The Paris Agreement, adopted at the 21st United Nations Climate Change Conference (COP21) in 2015, represents a landmark commitment by nearly 200 countries to combat climate change by limiting global temperature rise to well below 2°C, with an aspirational target of 1.5°C. While the

¹ Matthew Daly, Seth Borenstein, "Trump signs executive order directing US withdrawal from the Paris climate agreement — again," AP, January 21, 2025, <https://apnews.com/article/trump-paris-agreement-climate-change-788907bb89fe307a964be757313cdfb0>

agreement set ambitious climate goals, it did not legally mandate specific emission reductions, relying instead on Nationally Determined Contributions (NDCs) from each signatory nation.²

Since the agreement's adoption, global climate change has accelerated, highlighting the urgency for stronger action. The shifting political landscape, particularly in major emitting nations such as the U.S., has further complicated international climate diplomacy. The U.S. has oscillated between commitment and withdrawal, significantly impacting global climate negotiations and financial commitments.³ Meanwhile, developing countries, including Pakistan, continue to grapple with balancing climate commitments with economic and energy security concerns.

U.S. and the Paris Agreement: A Cycle of Commitment and Withdrawal

- **Trump's Withdrawal (2017-2020)**

Despite playing a key role in shaping the Paris Agreement, the U.S., under President Donald Trump, in his first term announced its withdrawal in June 2017, citing economic concerns. Trump argued that the agreement imposed an unfair burden on the U.S. while allowing major emitters like China more flexibility. The formal withdrawal process took three years, culminating in the U.S. officially leaving the agreement in November 2020. This decision weakened international climate cooperation, emboldened hesitant nations, and reduced financial contributions to climate funds. The Trump Administration also rolled back over 100 environmental regulations, prioritizing fossil fuel production and industrial deregulation.⁴

- **Biden's Re-entry and Policy Shifts (2021-2024)**

President Joe Biden reversed Trump's decision on his first day in office, rejoining the Paris Agreement in February 2021. The Biden Administration set ambitious new climate targets, including cutting greenhouse gas emissions by up to 66% below 2005 levels by 2035. The U.S. also recommitted to climate finance, pledging support for developing nations in their transition to renewable energy.⁵

² Mian Ahmad Naeem Salik, "COP21 Paris: Pakistan and a New Global Climate Regime," Strategic Studies, July 1, 2017, <https://issi.org.pk/cop21-paris-pakistan-and-a-new-global-climate-regime/>

³ Matti Goldberg, Dave McGlinchey, "Five things to know about the U.S. withdrawal from the Paris Agreement," Woodwell Climate Research Center, January 30, 2025, <https://www.woodwellclimate.org/us-withdrawal-paris-agreement/>

⁴ Mian Ahmad Naeem Salik, "Fallout of Trump's Withdrawal from Paris Climate Change Agreement," ISSI, June 14, 2017, https://issi.org.pk/wp-content/uploads/2017/06/IB_A_Salik_dated_14-6-2017.pdf

⁵ Angela Fritz, "What is the Paris Agreement? Trump pulled the US out — again," CNN, January 20, 2025, <https://edition.cnn.com/climate/what-is-the-paris-agreement/index.html>

- **Trump's Second Withdrawal (2025)**

With Trump's return to office in 2025, the U.S. once again moved to exit the Paris Agreement, reaffirming its commitment to domestic fossil fuel production. His administration opposed international climate finance, particularly the \$100 billion annual pledge to assist developing nations, arguing that it disproportionately benefited other economies at the expense of American industry. This second withdrawal, set to take effect in 2026, threatens to further destabilize global climate diplomacy. The unpredictability of U.S. engagement raises concerns about the long-term viability of the Paris Agreement, especially as other nations weigh the costs and benefits of continued participation.⁶

The Paris Agreement: A Global Commitment with Gaps

The Paris Agreement was designed to foster a unified global response to climate change, urging nations to set their own emissions reduction targets while facilitating financial and technological support for developing countries. However, the voluntary nature of NDCs and the absence of legally binding enforcement mechanisms have weakened its overall impact.⁷ The Intergovernmental Panel on Climate Change (IPCC) has repeatedly stressed the urgent need to limit global warming to below 1.5°C to prevent catastrophic climate disasters, yet emissions continue to rise, with major economies falling short of their commitments.⁸

The \$100 billion annual climate finance goal, pledged by developed nations under the Paris Agreement to support developing countries, remains unmet, with funds falling short of both adaptation and mitigation needs.⁹ While economies like China and the European Union have made significant strides in transitioning to renewable energy, developing nations continue to struggle due to financial and infrastructural constraints. The COP29 climate finance discussions reinforced the urgency of mobilizing resources for vulnerable countries, yet a significant funding gap persists. The

⁶ John T Psaropoulos, "'We will drill, baby, drill': Why Trump wants US out of Paris climate deal," AlJazeera, January 21, 2025, <https://www.aljazeera.com/news/2025/1/21/drill-baby-whats-the-paris-climate-deal-why-does-trump-want-out>

⁷ Sarah Kaplan, "World is on brink of catastrophic warming, U.N. climate change report says," The Washington Post, March 20, 2023, <https://www.washingtonpost.com/climate-environment/2023/03/20/climate-change-ipcc-report-15/>

⁸ Seth Kerschner, Taylor Pullins, Suzanne Knijnenburg, "US Withdrawal from the Paris Agreement: Impact and Next Steps," White & Case, January 21, 2025, <https://www.whitecase.com/insight-alert/us-withdrawal-paris-agreement-impact-and-next-steps>

⁹ "Rich countries' continued failure to honor their \$100 billion climate finance promise threatens negotiations and undermines climate action," Oxfam, June 5, 2023, <https://www.oxfam.org/en/press-releases/rich-countries-continued-failure-honor-their-100-billion-climate-finance-promise>

uneven implementation of the Paris Agreement underscores the broader challenge of balancing ambitious climate action with economic realities.¹⁰

Impact of U.S. Policy Shifts on Global Climate Commitments

- **Weakening International Climate Cooperation**

The U.S. withdrawal from the Paris Agreement will disrupt climate negotiations, reducing momentum for global emissions reductions. Countries such as China and India and the European Union have attempted to fill the leadership vacuum, but U.S. inconsistency undermines long-term climate commitments. The uncertainty surrounding U.S. climate policy sets a precedent that could encourage other nations to weaken or delay their commitments.

- **Climate Finance Shortfalls**

One of the most immediate consequences of the U.S. withdrawal is the reduction in climate finance contributions. The Obama Administration had pledged \$3 billion to the Green Climate Fund (GCF), but subsequent administrations have cut funding. The global climate finance goal of \$1.3 trillion per year by 2035 now appears increasingly difficult to achieve, with developing nations bearing the brunt of the shortfall.¹¹

- **Economic and Environmental Consequences**

The U.S. rollback of climate regulations will contribute to rising emissions domestically and weaken global climate action. Meanwhile, developing countries will continue to experience the consequences of climate inaction, from extreme weather events to biodiversity loss.

- **Future of United Nations Framework Convention on Climate Change (UNFCCC)**

Despite initiating the withdrawal process from the Paris Agreement, President Trump has not moved to exit the foundational UNFCCC treaty, which was ratified by the U.S. Senate in the 1990s and served as the framework for the Paris Agreement. The Trump Administration aims to curb U.S. financial contributions to global climate mitigation and adaptation efforts. Under the UNFCCC and related agreements like the Kyoto Protocol, developed countries, including the U.S., are expected to

¹⁰ Mian Ahmad Naeem Salik, "COP29: A Critical Milestone in Global Climate Action," ISSI, December 11, 2024, https://issi.org.pk/wp-content/uploads/2024/12/IB_Salik_Dec_11_2024.pdf

¹¹ Karl Mathiesen, "Trump rescinds \$4B in US pledges for UN climate fund," Politico, February 5, 2025, <https://www.politico.eu/article/donald-trump-rescind-4-billion-us-pledge-un-climate-fund/>

provide financial and technical support to developing nations for climate action, obligations that the order seeks to limit.¹²

Conclusion

The Paris Agreement, despite its historic significance, faces major challenges in implementation due to political instability, financial gaps, and disparities between developed and developing nations. The repeated withdrawal of the U.S. highlights the fragility of global climate agreements, emphasizing the need for mechanisms that ensure continuity and accountability.

Pakistan, one of the most climate-vulnerable countries, faces extreme weather events such as the devastating 2022 floods, prolonged heatwaves, and severe droughts, threatening food and water security. Despite contributing less than 1% to global greenhouse gas emissions, the country has suffered over \$30 billion in climate-related losses. To combat this, Pakistan has set ambitious targets, including achieving 60% renewable energy by 2030 and banning new coal-fired power plants. However, financial constraints and uncertainties in international funding hinder progress. At COP29, Pakistan urged industrialized nations to strengthen commitments in climate finance and technology transfer to support its adaptation and mitigation efforts while ensuring economic stability.¹³

Moreover, climate policy has largely been driven by Western priorities, often sidelining the needs of developing nations. While developed countries emphasize carbon reduction, many developing economies prioritize energy access, industrialization, and poverty alleviation. Thus, the global response to climate change must be unified and forceful. Without sustained action, the costs of climate inaction will far outweigh the economic and political considerations that continue to delay meaningful progress.

¹² Taylor Pullins, Suzanne Knijnenburg, "US Withdrawal from the Paris Agreement: Impact and Next Steps," White & Case, January 21, 2025, <https://www.whitecase.com/insight-alert/us-withdrawal-paris-agreement-impact-and-next-steps>

¹³ Mian Ahmad Naeem Salik, "COP29: A Critical Milestone in Global Climate Action," December 11, 2024, <https://issi.org.pk/issue-brief-on-cop29-a-critical-milestone-in-global-climate-action/>