

EESI Briefing: What Congress Needs to Know About COP30
International Trade and Climate Policy

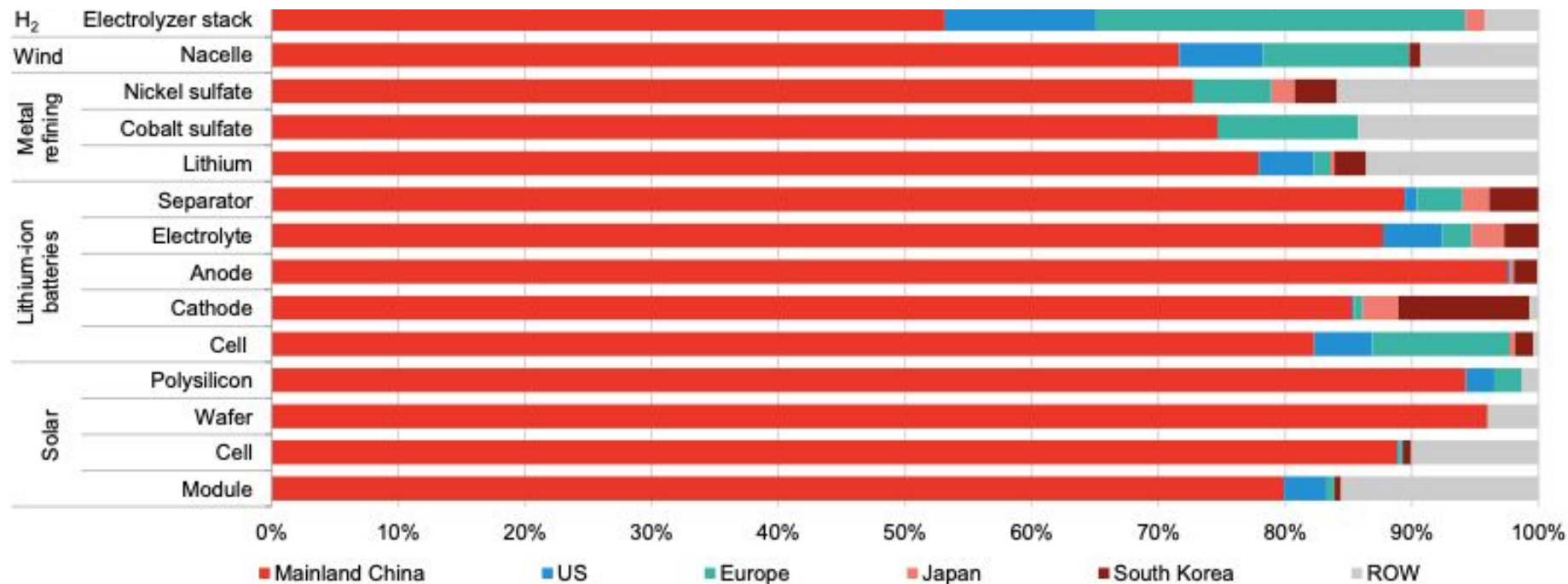
China's Clean Energy Dominance, Trade, & UNFCCC Dynamics

Kate Logan | Director, China Climate Hub and Climate Diplomacy
Asia Society Policy Institute | Thursday, November 6, 2025



China's Clean Energy Dominance & Impact on Global Trade Flows

China dominates clean energy manufacturing

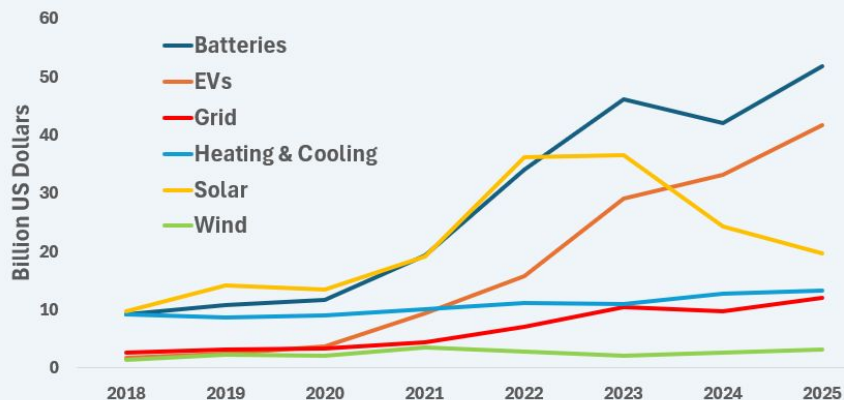


Exports have skyrocketed in recent years

China's clean energy exports by product since 2018

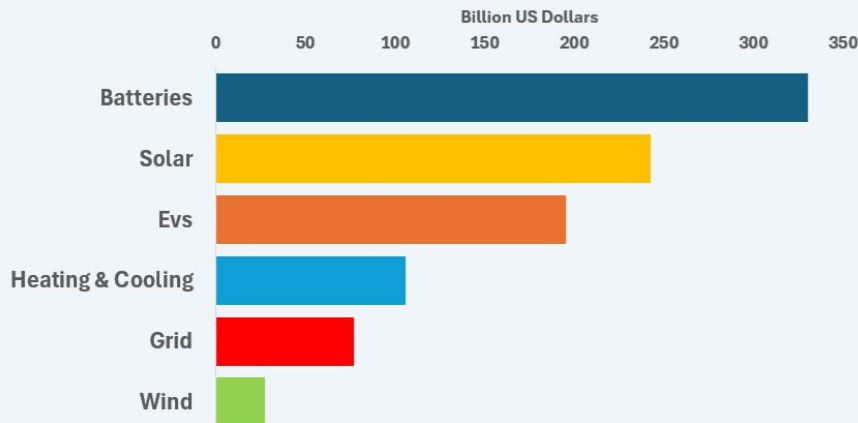
Since 2018, China has exported close to \$1 Trillion of clean energy tech, including \$330 Bln in batteries, \$240 Bln in solar components & \$195 Bln in EVs

China's clean energy tech exports during January to August



Source: Ember

China's cumulative exports of energy clean tech since 2018



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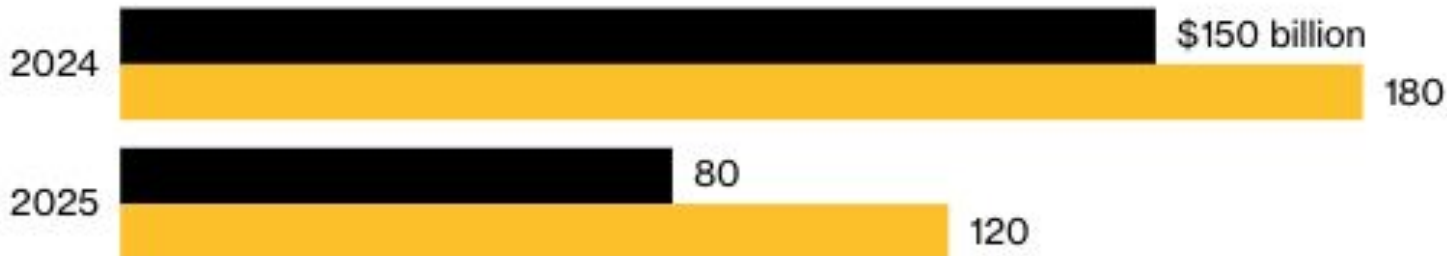
Source: Reuters

Exports have skyrocketed in recent years

Energy Exports: US vs. China

China earns more from exporting solar panels, batteries, electric cars and other clean energy tech than the US does through fossil fuel exports

■ US oil and gas exports ■ China green tech exports



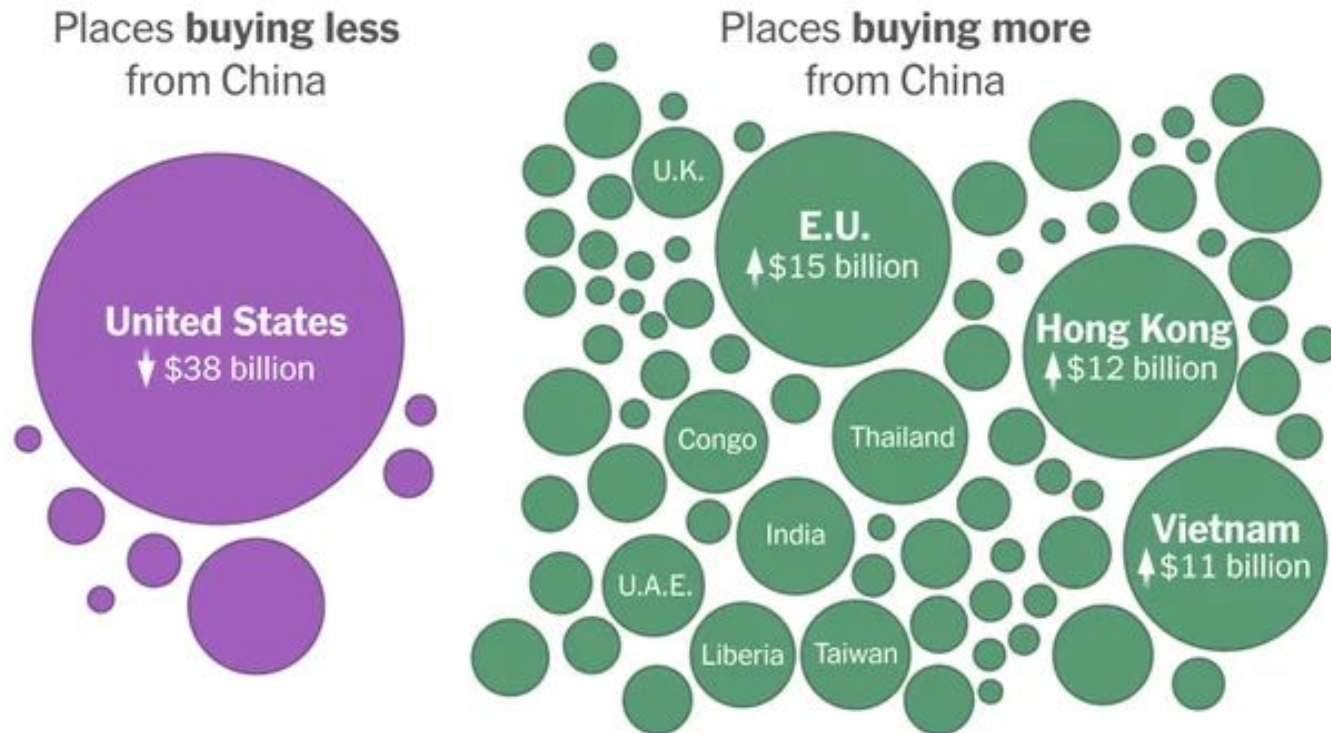
Source: DOE, EIA, China GACC, Ember, Bloomberg calculations

Note: Data for 2025 is through July

Markets have reacted with protections & policies

- **Tariffs and trade protections - examples:**
 - **US:** May 2024 tariffs on EVs (100%), solar (50%), batteries (25%); additional China tariffs from April 2025 onwards
 - **EU:** July 2024 tariffs on EVs (~35-40%) in response to anti-subsidy investigation
 - **Canada:** Oct 2025 tariffs on EVs (100%); reportedly being reconsidered
 - **Global South:** South Africa (10% on solar), Turkey (40% on EVs), Brazil (25% on solar, 35% on EVs)
- **Industrial policies - examples:**
 - **US:** Inflation Reduction Act (August 2022)
 - **EU:** Net Zero Industry Act (March 2023)
 - **Brazil:** Nova Indústria Brasil (January 2024)

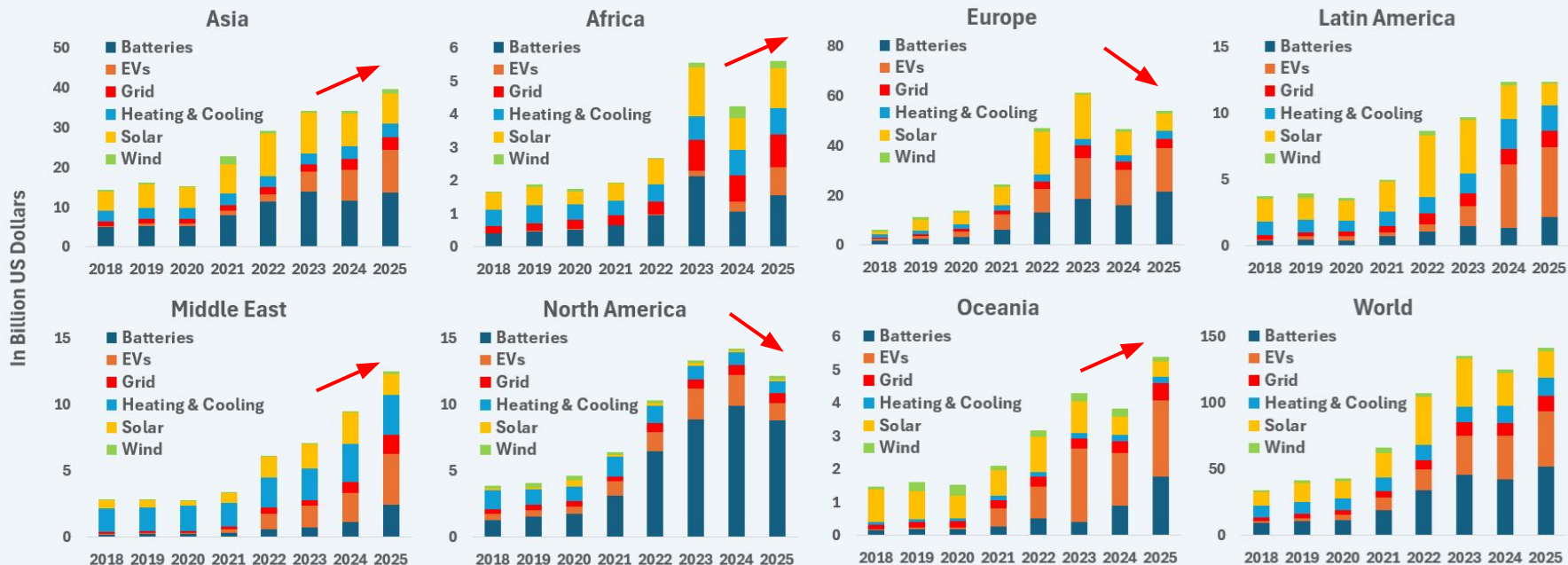
Flows have adjusted to trade protections



More cleantech exports going to the Global South

China's clean energy tech exports by region during January to August

While China's exports to key markets Europe & N. America have slowed in 2025, exports to Asia, Middle East, Africa & Oceania have hit new highs



Source: Ember

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Source: Reuters

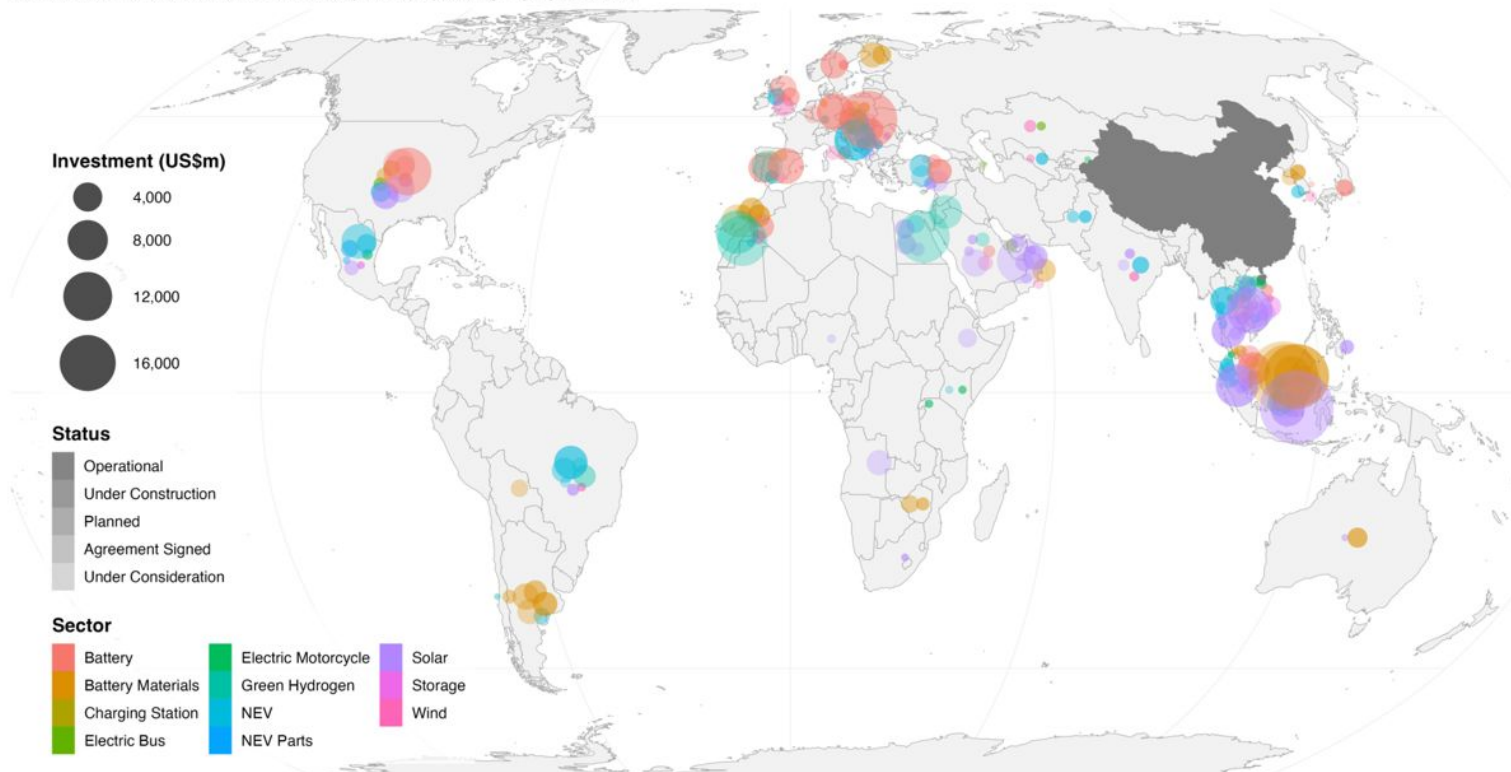
China has pushed back against protections

- **Chinese President Xi Jinping, while announcing China's new NDC via video at the UN Secretary General's Special High-Level Event on Climate Action (September 24th):**
 - “The world now faces a huge demand for green development. It is important that countries strengthen international coordination in green technologies and industries to address the shortfall in green production capacity and **ensure free flow of quality green products globally**, so that the benefits of green development can reach all corners of the world.”
- **China's official NDC document (submitted to the UN on November 3rd):**
 - “**China promotes international cooperation in green and low-carbon technologies and industries, and firmly opposes unilateralism and protectionism.** China calls on all countries to enhance political mutual trust, strengthen international cooperation in industrial and supply chains, fulfill their commitments, and perform their respective responsibilities and obligations to **jointly build a fair, open, and shared international economic and trade system**, and strengthen the alignment of international green and low-carbon standards. China advocates abandoning unilateralism, protectionism, and zero-sum thinking, and contributing to global climate governance through healthy competition and cooperation. **China opposes the politicization of the climate agenda and the erection of trade barriers**, and opposes the climate "law of the jungle" and double standards.”

Protections have also accelerated China's FDI

Chinese Green Manufacturing Investments Overseas

Bubble size = investment; fill = sector; alpha transparency = project status





Trade in the UNFCCC & at COP30

- 1992: UN Framework Convention on Climate Change

5. The Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change. Measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

- **2022: COP27 - Sharm-el-Sheikh, Egypt:**
 - **BASIC ministerial joint statement, p. 11:** “**Unilateral measures and discriminatory practices, such as carbon border taxes, that could result in market distortion and aggravate the trust deficit amongst Parties, must be avoided.** BASIC countries call for a united solidarity response by developing countries to any unfair shifting of responsibilities from developed to developing countries.”
- **2023: COP28 - Dubai, UAE:**
 - **Brazil submitted an agenda item on behalf of BASIC** to add “unilateral trade measures related to climate change” to the COP28 agenda; it was eventually dropped
 - **Outcome of the first global stocktake, p. 154:** “*Recognizes* that Parties should cooperate on promoting a supportive and open international economic system aimed at achieving sustainable economic growth and development in all countries and thus enabling them to better to address the problems of climate change, noting that **measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.**”

- **2024: COP29 - Baku, Azerbaijan:**
 - **China submitted a proposal on behalf of the BASIC group** to add “climate-change-related unilateral restrictive trade measures” to the COP agenda, sparking an agenda fight. The Azeri presidency dropped trade measures from the agenda, but committed to consultations on the matter.
 - **Response Measures:** “Cross-border impacts” (rather than “unilateral measures”)
 - **Just Transition Work Programme:** “Unilateral, trade-restrictive measures” as a point of contention, leading to no final agreement

Trade at COP30: UNFCCC Negotiations

- **June 2025: Mid-year SBs - Bonn, Germany:**
 - **Bolivia submitted an agenda item on behalf of the LMDC group** to add “addressing the concerns with climate change-related trade-restrictive unilateral measures” to the agenda
 - Was eventually dropped; discussions on “unilateral trade measures” were absorbed by the **Just Transition Work Programme**
 - Negotiations ended with an informal note that includes a placeholder (p. 25) on trade and unilateral measures, leaving the issue to be taken up at COP30 in Belém
- **November 2025: COP30 - Belém, Brazil:**
 - LMDC agenda item is still listed on the provisional agenda - agenda fight?
 - Just Transition Work Programme still needs finalizing, include text related to trade and unilateral measures

Lead-up to COP30: Brazil-led BRICS Initiatives

- **May 2025:** BRICS High-Level Meeting on Climate Change and Sustainable Development
 - Report on IP Options to Enhance Climate Change Related Technology Cooperation
 - Laboratory for Trade, Climate Change and Sustainable Development
 - Principles for Fair, Inclusive and Transparent Carbon Accounting in Product and Facility Footprints
- **July 2025:** Brazil hosts BRICS summit; leaders' statement strongly opposes unilateral measures in the context of climate (p. 85, 88, 99)
 - **p. 88:** “We reject unilateral, punitive and discriminatory protectionist measures, that are not in line with international law, under the pretext of environmental concerns, such as unilateral and discriminatory carbon border adjustment mechanisms (CBAMs), deforestation regulation, due diligence requirements, taxes and other measures and reconfirm our full support for the call in COP28 related to avoidance of unilateral trade measures based on climate or environment. We also oppose unilateral protectionist measures, which deliberately disrupt the global supply and production chains and distort competition.”

- **Integrated Forum on Climate and Trade:** “A three-year interdisciplinary dialogue among interested governments to find avenues for collaboration at the trade and climate nexus and enable ambitious climate action”
 - COP President-Designate André Aranha Corrêa do Lago first announced the initiative at the World Trade Organization’s Public Forum on Sept 17th
 - Framed as a “flagship initiative from the COP30 action agenda”
- **COP30 Carbon Market Coalition:** Officials are working on a proposal to better integrate national emission trading systems and the standards that underpin them
 - Draft proposal aims to develop common standards for monitoring, reporting and verification
 - It also would apply mutual-recognition schemes and coordinate criteria for the use of high-quality carbon offsets



Thank you!

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