

# **Domestic Constraints and International Forces: Exploring China's Position on International Climate Change Policy**

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China can be characterized as the key actor in solving the global climate change problem because of the size of its GHG-emissions. Currently it is the second largest emitter of gases causing global warming after the United States. In addition, China has a big influence in climate change negotiations due to its position in the Group of 77 states (G77). China is the largest and most populous developing country, has the most important role in forming the attitude of developing countries toward climate change negotiations, and has the important role of leading developing countries to form a common position in the climate change regime of the future.

From the late 1980s, China has participated actively in international climate change negotiations. It ratified the UN Framework Convention on Climate Change in 1994 and the Kyoto Protocol in 2002. It also issued China's National Climate Change Program in 2007 and China's Policies and Actions for Addressing Climate Change" (White Paper) in 2008. Nevertheless, China has so far been unwilling to accept any form of abatement commitments, justifying itself with arguments based on low per capita emissions, lack of historical responsibility for climate change and the lack of technological and financial resources needed to reduce to emissions. But China's attitude towards climate change is more flexible and cooperative. What factors affect China's position on international climate change? This paper analyzes the domestic and international factors behind China's climate change policy.

This paper is divided into four parts: Part I introduces China's climate change policy since the 1990s and conceptualizes trends in China's climate change policy. In Part II we examine the domestic constraints China has encountered in forming its climate change policy. In Part III, we put China's climate change policy in the context of globalization and explain how international forces lead China's climate change policy. The final portion is the concluding remarks, in which we point out some possibilities and challenges that China's government is likely to confront in its attempt to stand firm on its position of climate change policy.

## **Introduction**

With the emergence of global environmental problems in the 1980s, the environment has become an important issue area of international focus. Climate change caused by the emission of greenhouse gases (GHG) is one of the greatest challenges to the international community. China is one of the countries often mentioned as being central to future international efforts aimed at controlling GHG emissions.

In this paper, I will examine the formulation of China's climate change policy and its position. What factors affect China's position on international climate change? My main contention is that China's position on climate change and its policy is driven by domestic constraints and international forces. The domestic constraints include promoting economic development and reducing poverty, China's energy strategy, and the domestic policymaking process. The international forces are protecting state sovereignty and China's international reputation. Based on these, China's attitude towards climate change has become more flexible and cooperative, as its position has both continuities and changes.

## **I. China's Position on Climate Change and its Policy**

China can be characterized as the key actor in solving the global climate change problem because of the size of its GHG-emissions. Today, it is the second largest emitter of gases causing global warming after the United States. In addition to its size of emissions, China has a big influence in climate change negotiation due to its position in the Group of 77 states (G77). China is the largest and most populous developing country, has the most important role in forming the attitude of developing countries towards climate change negotiations, and has the important role of leading developing countries in forming a common position in the climate change regime of the future.

Environmental concerns have been on China's policy agenda since the early 1970s, a consequence of its participation in the 1972 United Nations Conference on the Human Environment in Stockholm. However, these concerns were ignored by state planners and production ministries, especially in heavy industry (Ross, 1992: 628). With economic reform, environmental protection began to receive more and more attention. By the 1990s, worsening environmental conditions and growing public awareness domestically, combined with the increased saliency of environmental concerns in international relations and the anticipation that those concerns might be leveraged into financial and technological assistance from abroad, seems to have resulted in a modest shift in China's approach to environmental protection (Hatch, 2003: 43).

### **(1) Climate Change Becomes Part of China's Political Agenda**

In the late 1980s, climate change developed into an important international issue, attracting increasing attention from the public, media, scientists and policymakers around the world (Chayes and Kim, 1998: 507). China responded by initiating the coordination of its own climate policy. In 1988, an inter-agency group was established

by the Environmental Protection Commission. When the negotiations moved towards a more formal phase, the climate change policy coordination structure was expanded and a National Climate Change Coordination Group was established to facilitate the work of formulating China's positions for the upcoming international climate negotiations (Chayes and Kim 1998: 514; Tangen et al. 2001: 238). The group involved four different bureaucracies: the State Science and Technology Commission (SSTC), the National Environmental Protection Agency (NEPA), the State Meteorological Administration (SMA) and the Ministry of Foreign Affairs (MOFA) (Economy 1994: 148f). SMA was in charge of scientific assessment and acted as the lead agency, SSTC was responsible for response strategies, while NEPA was in charge of impact assessment. MOFA's responsibility was to lead the Chinese delegation to the negotiations (Hatch 2003: 49).

When the Intergovernmental Negotiating Committee (INC) initiated its work on drafting an effective convention on climate change in 1991, two issues emerged as especially critical in order to successfully create a convention. First, what should the convention give, and to what degree and extent should developing countries participate? (Economy 1994: 18-19). During the INC negotiations, the Chinese delegation strongly opposed the idea of targets and timetables and supported a general framework convention with no specific responsibilities for the parties. It insisted on the protection of national sovereignty with an emphasis on developing countries' right and need to develop and thus not be committed to take on measures that conflict with development or conditional aid; the historical responsibility of industrial countries; and the transfer of new and additional funding and technologies to developing countries (Hatch 2003:50). China also succeeded in establishing a unified developing country front to resist any claims of developing country commitments from the industrialized countries. Together, the developing countries emphasized the historical responsibility of developed countries for climate change, and agreed to participate in the climate negotiations only on the condition that they should not be required to make any substantial commitments of their own (Harris 2003: 27).

## **(2) From Rio to Kyoto**

China signed the UN Framework Convention on Climate Change in 1992 and ratified it in 1994. Six more INC meetings were held between Rio and the first Conference of the Parties (COP-1) preparing for the Convention's entry into force. The most central issue discussed at COP-1 was the adequacy of the commitments of the Convention, including the proposal of a follow-up protocol. On the issue of the adequacy of commitments, China, together with the G77, stressed that the implementation of existing commitments should be the COP's main concern. The Chinese delegation was skeptical of the proposal of a protocol to follow up the Convention, and expressed that it was not interested in negotiating a protocol before the Annex I Parties had implemented all of their commitments in accordance with the Convention (ENB 1995: 4).

A group of key developing countries, including India and China, decided to support a statement by the Alliance of Small Island States (AOSIS) declaring the current commitments inadequate and calling for industrialized countries to address the problem. By doing this the G77 and China indicated a general recognition of the need to address climate change (ENB 1997b: 15). Consequently, COP-1 (shaped by this) adopted the Berlin Mandate to begin a process to negotiate a follow-up protocol to the Convention containing more specific obligations and established the Ad Hoc Group on the Berlin Mandate (AGBM) to begin this work (Chayes and Kim 1998: 506).

In addition to adequacy of commitments, Joint Implementation, (JI) or Activities Implemented Jointly (AIJ), was the other main topic for China in this period. Chinese negotiators viewed JI as an instrument created primarily to benefit developed countries to help them avoid domestic actions. Moreover, JI was regarded with suspicion because it could be a means of introducing commitments for developing countries, shifting responsibility from Annex I to non-Annex I Parties. JI was up for discussion both at COP-1 and COP-2 and China, together with the G77, expressed their skepticism fearing that the introduction of JI projects involving developing countries could be at the expense of financial and technology transfers stipulated in the FCCC (ENB 1996).

At the third Conference of the Parties (COP-3) in Kyoto, the G77 and China contributed to push for higher targets by supporting the EU's emission reduction position. In general, the developing countries proved to be quite influential in Kyoto. The G77 and China also succeeded in deleting an article on voluntary commitments for developing countries (ENB 1997a: 15). The Kyoto Protocol also included three 'flexible mechanisms': the Clean Development Mechanism (Article 12), Joint Implementation between Annex I Parties (Article 6) and emissions trading (Article 17). In general, China was skeptical of the introduction of the so-called Kyoto mechanisms (Tangen et al. 2001: 241). China and other developing countries objected to Article 17 on emissions trading, stating that it would not reduce emissions, and proposed to delete it from the Protocol (ENB 1997a:11).

During this conference, the G77 and China rejected the proposal by New Zealand that developing countries should assure that they would be willing to take on binding commitments after the first commitment period, if Annex I Parties succeeded in fulfilling their commitments. They insisted that it was not the time to address developing countries commitments, and focus should remain on strengthening developed country commitments because the developing countries had low per capita emissions and must therefore prioritize economic and social development.

### **(3) China's Climate Change Policy in the Post-Kyoto Period**

The main issues in Chinese climate diplomacy during this stage have been how to

uphold the avoidance of developing country commitments and how to relate to the Kyoto Mechanisms, especially the CDM (Harris and Yu 2005: 53).

Despite developing countries' successful effort to remove the proposed article on voluntary commitments for non-Annex I countries from the Protocol, the issue was brought up once again by the US at COP-4 in Buenos Aires. China and India (and other developing countries) recalled that the debate at Kyoto had rejected the idea of voluntary commitments, because it was an idea not implied in the principle of 'common but differentiated responsibilities'. According to the Chinese delegation, voluntary commitments would not promote the FCCC and were just a way to avoid existing commitments by some Parties (ENB 1998). The idea of voluntary commitments for developing countries also raised the concern that developing countries risked losing financial assistance and technology transfers as stipulated in the Convention if they agreed to take on commitments voluntarily. China moreover expressed concern that voluntary commitments would create a new category of Parties under the FCCC and destroy the unity of the G77 and China (ENB 1998: 3).

One of the most important developments in this period of China's climate change policy was its changing attitude towards flexible mechanisms. As already mentioned, China was initially critical towards proposals of Joint Implementation involving developing countries, including the Clean Development Mechanism, when it was proposed as a part of the Kyoto Protocol. However, at COP-5 in Bonn in 1999, China did not raise its usual objections to the flexibility mechanisms when they were up for discussion (Zhang 2003: 69).

After this meeting China also began to take a more active part in discussions on rules and procedures guiding the practical implementation of CDM projects. In China's view, all technologies should be allowed under the CDM, including nuclear energy projects, with the exception of sink activities. China argued against the inclusion of sinks based on the difficulties in ensuring that the resulting reductions from sink projects were of a permanent character (Tangen et al. 2001: 242). By ratifying the Kyoto Protocol in 2002, China became eligible for CDM projects. China's position regarding the CDM developed from initial skepticism to a more pragmatic focus on maximizing benefits that might result from China's participation in such projects (Tangen et al. 2001).

At COP-9 in Milan, China stated that the "purpose of the discussion was to double the chances for developing countries to be more able and then more willing to participate in mitigation actions in the future" (Pew Center 2003). This was a possible sign that some developing countries were moving towards becoming involved in discussions about future steps. China also said that "once developed countries have taken the lead in mitigating emissions, developing countries would be able to make a contribution" (ENB 2003: 14).

Until the COP-14, the latest conference held in Poznan, China insisted that developed countries should take the lead in reducing their GHG emissions, strictly fulfill their emission reduction commitments under the Kyoto Protocol for the first commitment period, and make further cuts in their greenhouse gas emissions by at least 25-40% below 1990 levels by 2020. Meanwhile, developed countries should also fulfill their commitments under the Convention and the Kyoto Protocol to support developing countries with financial resources, capacity building and the transfer of technology. For their part, developing countries will also take positive and effective mitigation and adaptation measures in the context of sustainable development and with the support of developed countries (Xie, 2008).

China has a positive attitude towards climate change and gradually formulated and implemented a series of policies and measures to address climate change. The Chinese Government released *China's National Climate Change Program (CNCCP)* in June 2007 and the White Paper "China's Policies and Actions for Addressing Climate Change," in 2008. In these documents, China stated that "according to the principle of 'common but differentiated responsibilities'" of the UNFCCC, the Parties included in Annex I to the Convention should take the lead in reducing greenhouse gas emissions. For developing countries with less historical emissions and a current low per capita emission, their priority is to achieve sustainable development. As a developing country, China will stick to its sustainable development strategy and take such measures as energy efficiency improvement, energy conservation, development of renewable energy, ecological preservation and construction, as well as large-scale tree planting and afforestation, to control its greenhouse gas emissions and make further contributions to the protection of the global climate system; China is ready to cooperate with the international community to actively participate in activities for climate change adaptation and formulation of relevant legal documents. (CNCCP, 2007).

#### **(4) The Continuities and Changes in China's Climate Change Policy**

Since the 1990s, there have been both continuities and changes in China's climate change policy. What has not changed is that China still refuses to make a binding greenhouse gases (GHG) emissions reduction commitment, while China's attitude toward the international climate negotiations has become more flexible and cooperative. Abatement costs, ecological vulnerabilities, and principles of equity are the major factors contributing to the continuities and changes in China's position.

China's position has primarily evolved around a handful of central elements. The first and most important dimension of China's climate policy is the position on commitments for China and other developing countries. China's position on this issue has been more or less unaltered throughout the history of climate change negotiations and has been characterized by strong opposition to even discuss the issue. Even the issue of voluntary commitments for developing countries has been met with resistance

on the occasions it has been up for discussion. The G77 and China have been quite successful in their effort to keep the question of commitments for developing countries off the official agenda; it has, however, been looming in the background all the time. Since the issue of future commitments has never been subject to formal negotiations, there have still not been any discussions of when, how large and what kind of commitments developing countries should have.

In the policy dimension, China and the other developing countries have advocated highly differentiated commitments between developed and developing countries. Their position has been that commitments should be differentiated according to historical responsibility or per capita emissions. In addition, there should be a transfer of technologies and financial resources from developed to developing countries in order to enhance the developing countries' capacities to meet the climate change challenge.

The central arguments employed by China to defend its positions in the negotiations are founded on China being a developing country which should not be required to reduce its emissions in a way that harms further development. As a developing country, China has limited capacity to reduce emissions and lacks the necessary technological solutions to do so. Moreover, China's per capita emissions are low compared to the world average and especially compared to the US. Another argument repeatedly used is that China's historical responsibility for emission of greenhouse gases is very limited. China often refers to the measures already implemented that have limited the growth of China's GHG emissions such as energy conservation and population control (Tangen et al. 2001: 239).

China's absolute rejection of emission targets for developing countries does not necessarily mean that China is unwilling to change its behavior as a response of being involved in climate change cooperation. China has also shown willingness and a more flexible approach towards bilateral cooperation projects aimed at reducing emissions (Kobayashi 2003). China has moreover established new domestic institutions to coordinate policy responses and to deal with implementation of CDM as part of its response to participation in the international climate change regime. In recent documents released by the Chinese government, it is stated that China will take adjusting its economic structure, improving energy efficiency, optimizing its energy mix and promoting reforestation as its mitigation measures.

The official position on climate change has resolved around four themes. First, China is a victim of global climate change. China maintains that just like other developing countries, China suffers from the adverse effects of global climate change. Second, developed countries are the principle emitters of GHGs and therefore should bear the primary responsibility in addressing the climate change problem. Third, in light of their current and historical responsibilities and respective capabilities, developed countries should undertake the transfer of advanced, environmentally friendly

technologies and provide financial assistance to developing countries in combating climate change while meeting the needs of sustainable development. Fourth, China's overriding priority is poverty eradication and economic development. China's main concern is to improve the livelihood of its citizens and develop its national economy. Economic conditions have constrained China from making greater contributions than it has already made to address climate change.

So what are the driving forces of China's position on climate change policy? Next, I will explore and analyze them from a domestic and international level.

## **II Domestic Constraints of China's Climate Change Policy**

China's climate change policy is influenced by several domestic considerations: economic development and poverty reduction, energy strategy and the domestic policy-making process.

### **Economic development and poverty reduction**

China's main official priorities are economic development, poverty reduction, and social stability. Climate change is one area where the conflict between poverty and sustainable development is apparent, as it is closely linked to economic development, resource management, poverty reduction, and energy use. Taking on emission-reduction commitments presently runs counter to China's economic development strategy.

A large population and a relatively low economic level make China's development task a formidable one. The population of mainland China reached 1.321 billion at the end of 2007, accounting for 20 percent of the world's total. China has a comparatively low level of urbanization, with an urbanization rate of 44.9 percent in 2007, lower than the world's average. The large population also brings huge employment pressure. New urban labor force entrants of more than one million every year need jobs; as the urbanization process moves forward, tens of millions of rural laborers transfer to the urban areas every year. Statistics from the International Monetary Fund show that the per-capita GDP of China in 2007 was US\$2,461, ranking 106<sup>th</sup>, a low-to-middle place, among 181 countries and regions. China is characterized by unbalanced regional economic development and is still nagged by a large income gap between urban and rural residents. The country is still troubled by poverty, with an impoverished rural population of 14.79 million inadequately fed and clothed. Those who just have enough to eat and wear and earn an unstable, low income number 30 million nationwide. Moreover, China has a relatively low level of science and technology and weak capacity of independent innovation. Developing the economy and improving people's lives are imperative tasks currently facing China.

Natural resources are fundamental to the development of a national economy. The



industrial structure and economic advantages of a country are determined to a considerable degree by its resource availability and combination. China is a country with a large population and at a relatively low level of development, and its economic development has long been constrained by the scarcity of per capita resources and it will continue to be so for a long time. The development history and trend of various countries has revealed the obvious positive correlations between per capita CO<sub>2</sub> emissions, per capita commercial energy consumption and the economic development level. In other words, with the current level of technology development, to reach the development level of the industrialized countries, it is inevitable that per capita energy consumption and CO<sub>2</sub> emissions will reach a fairly high level. In the development history of human beings, there is no precedent where a high per capita GDP is achieved with low per capita energy consumption. With its ongoing economic development, China will inevitably be confronted with growing energy consumption and CO<sub>2</sub> emissions. The issue of GHG mitigation will pose a challenge to China to create an innovative and sustainable development pattern.

### **Energy strategy**

Economic growth in China continues to be fueled by fossil-based energy. Expansion of energy consumption has been critical to China's development. The country's energy policy is therefore one of the key priorities in China's development process. Understanding the background for energy policy-making can help us reach a better understanding of a crucial determinant for its climate policy.

China is one of the few countries whose energy mixes are dominated by coal. In 2005, 68.9% of China's primary energy consumption was coal, while the world average was only 27.8%. Compared with oil and natural gas, coal's carbon content per unit of calorific value is 36% and 61% higher, respectively. Because of the coal-dominated energy mix, the CO<sub>2</sub> emission intensity of China's energy consumption is relatively high. China will face many more difficulties than other countries in decreasing its carbon intensity per unit of energy for mainly three reasons: its energy mix adjustment is constrained by the mix of energy resources to a certain extent; its energy efficiency improvement is subject to the availability of advanced technologies and financial resources; and its coal-dominated energy resources and consumption structure will not change substantially for a long-term period in the future.

One of the main reasons for China's low energy efficiency and high GHG emission intensity is the backward technologies of energy production and utilization in China. On one hand, there are relatively large gaps between China and the developed countries in terms of technologies of energy exploitation, supply and transformation, transmission and distribution, industrial production and other end-use energy; on the other hand, out-of-date processes and technologies still occupy a relatively high proportion of China's key industries. For example, the overall energy consumption per ton of steel in large-scale iron & steel enterprises is about 200 kgce lower than

that in small enterprises, and the overall energy consumption per ton of synthetic ammonia in large or medium enterprises is about 300 kgce lower than in small enterprises. Owing to the lack of advanced technologies as well as the large proportion of out-of-date processes and technologies, China's energy efficiency is about 10% lower than that of the developed countries, and its per unit energy consumption of energy-intensive products is about 40% higher than the advanced international level. Science and technology are the ultimate resort for humankind to tackle climate change. As China is now undergoing large-scale infrastructure construction for energy, transportation and buildings, the features of intensive emissions associated with these technologies will exist for the next few decades if advanced and climate-friendly technologies cannot be made available in a timely manner. This poses severe challenges to China in addressing climate change and mitigating GHG emissions.

So, energy is definitely the key to economic development in China. Poverty alleviation and economic development are main priorities for China's leadership, so climate-change policy must be seen in this context. Fossil-based energy has been the main energy source and will remain so in the near future. China's continued reliance on energy consumption and production results in considerable domestic air pollution and GHG emissions. The leadership has recognized the need to curb local air pollution resulting from energy consumption and production and has made energy policy a priority. But mechanisms are needed to ensure the successful implementation of this policy. Moreover, China's increasing energy demand will pose challenges, as will the rapidly growing transport sector. In addition to being crucial to economic development, energy is also central to China's climate change policy (NDRC, 2007).

### **Domestic Policy Making Process**

China's climate change policy is shaped by the interests and priorities of a few key actors, with input from several less influential actors. The State Development Planning Commission (renamed the NDRC in March 2003) was charged in 1998 with coordinating the country's climate-change efforts, following the governmental reorganization that year. To promote coordination among the numerous ministries involved in climate work, the National Climate Change Coordination Leading Small Group (CCCLSG), which includes 15 members, was established in 1990. It is an inter-ministerial level committee chaired by the NDRC and the highest climate policy-making organ in China. A Climate Change Office, established within the NDRC in 1998, functions as secretariat to the coordination group.

The NDRC is one of the most powerful commissions in China. The commission is a latecomer in the climate-change policymaking process, but it has assumed an increasingly salient role as economic and energy issues have inched upwards on the domestic agenda (Hegelund, 2007: 171). The Climate Change Office functions as the secretariat to the National Climate Change Coordination Committee, but in practice

has the responsibility for climate work in China. The office has grown in size with the increasing activity in the climate change area, in particular the Clean Development Mechanism (CDM).

Delegating the responsibility to the NDRC signified that climate change was no longer perceived solely in scientific terms, but increasingly in political and economic terms. Moreover, it signified that the domestic discussion about China's potential contribution to the international efforts to combat climate change had taken a moderate, and not very proactive, direction. The NDRC (together with the Ministry of Foreign Affairs, MFA) emphasized economic development and sovereignty concerns in the climate negotiations, which has resulted in a limited Chinese response. Other actors (such as the State Science and Technology Commission, now the Ministry of Science and Technology, and the then National Environmental Protection Agency, renamed the State Environmental Protection Administration in 1998) had been more positive and believed there were potential benefits for China (for instance access to technology) with a more proactive approach in the negotiations.

Several ministries and administrations are engaged in formulating China's negotiation positions, with varying degrees of influence. The NDRC heads the delegation to climate negotiations (on the vice-minister level) while the lead negotiator is often from the MFA's Department of Treaty and Law. The NDRC sets the agenda on domestic issues and MOST provides technical advice. The NDRC has responsibility for both economic policy and energy policy, since a precondition for economic development is to have sufficient energy resources. In negotiations, the NDRC, together with the MFA, has the responsibility to ensure that China does not take on commitments that can impede economic development or impact energy security, as would be the case, in their view, with emission-reduction commitments. Climate change being defined as a foreign-policy issue, the MFA exercises great influence on what positions China should take in climate negotiations. International climate policy in general is regarded as a highly sensitive topic, as it is seen as closely linked to the country's economic development. The positioning is therefore usually left to Chinese negotiators with lengthy experience in handling such delicate foreign-policy questions.

Actors representing core energy interests as well as economic development interests have dominated the climate decision-making process in the past decade, in particular the NDRC. Actors representing economic interests may be less positive toward policies that give priority to climate mitigation measures that may result in negative effects on economic growth. MFA and NDRC have common interests to fend off taking on commitments, although the reasons for this may be different. MFA stresses the responsibility of the industrialized countries to reduce emissions, and it protects China's membership in the G-77. NDRC emphasizes economic and energy aspects. There have also been differences of opinion between the two actors, mainly concerning domestic issues, and differences within the NDRC as well.

As the technical agencies, the China Meteorological Administration (CMA) and the Chinese Academy of Sciences (CAS) are responsible for climate change. They provide the information and knowledge for climate change policy-making in China. Some research institutes, academies and agencies play the active role in the process of climate change policy-making. They may be independent bodies, or subordinate to commissions or ministries. A number of independent think tanks and NGOs have influence in the field of climate change more and more in recent years. Some research reports and academic papers give suggestions to the government and receive more attention from the domestic and international society.

### **III International Forces**

China has been an active participant in international climate negotiations, usually acting in concert with the G-77/China. It has ratified the Kyoto Protocol, but has opposed any discussion about commitments for developing countries. Chinese negotiators have repeatedly emphasized that developing countries' follow-up of the UN Framework Convention on Climate Change (UNFCCC) is contingent on the developed countries fulfilling their obligations on new and additional funding and on the transfer of technology. Their main argument has been that China is still a developing country. Chinese officials argue that increased emissions must be allowed in order for China to develop its economy and industry. The argument of low per capita emissions has been convincingly used in negotiations—one eighth of the U.S. emissions and about half of the world average. Chinese negotiators have contrasted the “survival emissions” of developing countries with the “luxury emissions” of developed countries, saying that the developed countries should change their own patterns of production and consumption, not force developing countries to remove food from people's tables.

Historical responsibility for global warming is another argument: Beijing's position is that, since China industrialized long after the United States and Europe, it is the latter countries that have a historical responsibility for taking the lead. China has also carried out measures that have meant substantial emission cuts.

#### **Protecting state sovereignty**

In participating in the climate change regime, China has been mindful and vigilant to safeguard its sovereignty and ensure that its policy agenda is not to be dictated by other countries or multilateral agencies. Climate change negotiators from China have resisted any attempt to impose new obligations on developing countries beyond FCCC and the Kyoto Protocol, such as subjecting the developing countries to emissions targets. As the Chinese delegation has repeatedly stated at COP sessions, China is willing to participate in the climate change regime and will continue to make efforts to limit GHGs emissions, but will only do so according to its own policy

agenda. The timetable that China has set for itself is such that it will not take on emissions reduction obligations until the Chinese economy and standard of living are comparable to the mid-level of developed countries (Liu 2000).

Like other international environmental treaties, the FCCC entails commitments by its signatories, including both developed and developing countries, based on the principle of “common but differentiated responsibilities.” Some of these commitments may be construed as an erosion of sovereignty. For example, Article 12 of the FCCC requires that all parties submit information related to their GHG emissions and implementation of the Convention. The review process of national communications may be perceived as intrusive, possibly resulting in the infringement of state sovereignty.

The objection to the review process by the Chinese delegation might have stemmed from concerns over erosion of sovereignty, but nonetheless China’s defense of possible erosion of sovereignty in this instance did not appear to be vigorous. In fact, despite its critical rhetoric, China was actually developing a project with the FCCC Secretariat involving GHG emissions inventories and had undertaken a number of bilateral and multilateral studies on the sources of China’s GHG emissions and mitigation strategy. Chinese reactions to the reporting and review became mostly positive once it had been invited to participate in the in-depth reviews of some Annex I countries. Indeed, engaging China in the process is essential in building an effective climate change regime. It contributes to confidence building and creates “a sense of ‘ownership’ that would help legitimize intrusive international regulation” (Chayes and Kim, 1998: 519). In doing so, it induces China to become a willing and active participant in the regime. Thus, erosion of sovereignty and international cooperation are not inherently contradictory for China; being treated respectfully as an equal partner is just as important. China is willing to “play the game” as long as it is involved in making the rules.

### **International Reputation**

China traditionally considers solidarity with developing countries as fundamentally important. The climate change issue has provided unprecedented opportunity for China to boost its prestige and shore up support from developing countries. Moreover, China has used climate change to enhance its relationship with developed countries. Compared with most countries, China is particularly sensitive to external criticisms of its policy and behavior in the international regime, and will go out of its way to avoid diplomatic isolation and international censure. This can lead to more cooperative behavior (Johnson, 1998:519). Even though some developed countries view China as the environmental villain, it does not appear to be widely shared in the international community, particularly among developing countries. On the contrary, China enjoys wide support from developing countries, and from early on has successfully built strong solidarity with them together to advance their position and interests. Indeed, the coalition of the “G-77 and China” was established in March 1991 in the run-up to

the UNCED, and since has become one of the principle climate change negotiation blocs.

As the largest developing country and a permanent member of the UN Security Council, China is positioned to play a leadership role among developing countries in global environmental politics. Despite its recognized importance in the climate change debate, China tends to avoid placing itself along the centre of confrontation. During the negotiation of FCCC and subsequent COP sessions, China united with the G-77 in pressing their demands. China always insists that it is a developing country and frequently speaks in terms of defending the interest of developing countries. China maintains that developed countries are the major culprits while developing countries the victims of global climate change.

When Chinese negotiators interpret climate negotiations in the context of foreign affairs, China's status in the G-77 is also relevant, for many of those countries hold China in high regard because it is a shrewd, well-prepared negotiator. China enjoys considerable influence in this group and there are no indications of its intending to leave the G-77 in the near future.

China scholars generally agree that China used to be skeptical about these regimes, but this may gradually be changing as China is also interested in preserving an image as a responsible power. This interest is related to the country's rising status in the world, in both economic and political terms. China aspires to be seen as a nation abiding by the rules and regulations of international environmental regimes. The country is also an emerging economic superpower, and the pressure to take on commitments is intensifying. This is increasingly acknowledged by Chinese officials and is reported in the media. The level of national economy will be an important issue in future negotiations. Incomes are rising and the estimated level of income, in terms of purchasing power parity, is four times higher than the official Chinese figures. When the Kyoto Protocol was negotiated in 1997, China indicated that it would not even consider taking on emission-reduction commitments until it had achieved a "medium level of development," indicating a per capita annual income of \$5,000. This argument appears to have diminished in relevance and is seldom heard now. Indeed, China has stated that it will remain a developing country for some time to come. Although China has become more willing to enter into dialogue at climate negotiations in the past few years, its stance of no commitments has not changed. Moreover, at the latest COP/MOP in Nairobi 2006, China seemed to be preoccupied with legal aspects and wording details, which was seen by negotiators as a step back. China thus seems unlikely to bow to the growing international pressure and take on new commitments in the near future.

## **Conclusion**

Protecting China's economic interest and promoting economic development are the

first and foremost considerations of Chinese policymakers. Any climate change initiative that harms the economy or hampers economic growth is likely to be resisted by China. China's decision to participate in the climate change regime stems not only from concerns over the harm that climate change may bring, but also potential economic gains and opportunities to advance its foreign policy goals, including safeguarding national sovereignty and elevating China's international reputation in the international community.

Concerns over national interest usually motivate China to participate in the climate change regime with low-cost commitments. Although China is unlikely to assume obligations harmful to its economy, it will continue to pursue "no regret" climate change mitigate strategies, especially if external financial assistance is available. Sovereignty is often considered a serious obstacle to global environmental cooperation. It may also be used as grounds to fend off criticism or turn away from commitments. Despite the unfavorable light in which sovereignty is cast, countries sensitive to sovereignty concerns such as China often take part in international cooperation. They do so by choice, effectively surrendering some of their sovereignty. China tends to hold out against negative aspects of sovereignty but respond favorably to positive ones. A broader understanding of sovereignty is needed to foster China's cooperation in the climate change regime. China's concerns over its international reputation always induce cooperative behavior and contribute to international cooperation.

Among these constraints and forces, economic interests tend to figure most prominently in guiding the direction of China's climate change policy, while sovereignty and international reputation compliment economic considerations. Under these circumstances, advancing one policy goal may be achieved at the minimum expense of other policy goals.

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