



ICAS BLUE CARBON & CLIMATE CHANGE PROGRAM

QUARTERLY

Quarter 2 - 2025



ICAS BLUE CARBON & CLIMATE CHANGE PROGRAM

The ICAS Blue Carbon and Climate Change (BCCC) Program explores new policy pathways for sustainably developing the blue carbon economy and combating climate change.

The goal of this program is to establish a platform for academic exchange between experts around the world to produce tangible policy recommendations for countries to follow together. Most prominently, the program endeavors to find new pathways for multilateral engagement and mediation in areas of competition to promote mutually beneficial cooperation on climate change where possible.

The BCCC Quarterly Team

Research & Editing by Zhangchen Wang

BCCC Program Research Assistant

Research & Editing by Yunchao Mao

Part-time Research Assistant

Editing by Rían Knighton

Communications and Program Coordinator

Advising by Nong Hong

Head of BCCC Program
Executive Director, ICAS



Learn more on the ICAS BCCC Program webpage



ICAS

Institute for China-America Studies



ICAS BLUE CARBON & CLIMATE CHANGE QUARTERLY

April - June 2025

Contents

- 1 This Season's Global Climate Affairs**
 - Issues & Updates on Blue Carbon
 - Environmental Protection
 - Climate Policy & Diplomacy
 - Clean Energy & Technology
 - Climate Finance
 - Climate Risks and Adaptation

- 29 BCCC Commentary of the Quarter**

- 32 Climate Change Project Profile**
 - Hybrid Electric Vehicle (HEV)

- 40 Climate Change Actor Profile**
 - BRICS Environment Ministers Meeting

- 46 Climate Research, Analysis, and Beyond**
 - Scientific Research Results & Releases
 - Third-Party Views on Climate Change

- 49 Climate-Focused Conferences & Events**
 - Multinational Conferences & Global Forums
 - Public Events & Panel Discussions

- 52 ICAS BCCC Program Update**

This Season's Global Climate Affairs

Issues & Updates on Blue Carbon

Team and PETRONAS Join Forces to Launch Blue Carbon Collective

Monday, June 16

Source: [Mercedes-AMG PETRONAS F1 Team](#)

[Malaysia]

In partnership with PETRONAS, the Mercedes-AMG PETRONAS F1 Team has launched the Blue Carbon Collective—a South-South research initiative linking Universiti Putra Malaysia and the University of São Paulo to study carbon capture in mangrove ecosystems. The five-year collaboration will explore land use impacts, carbon stabilization, and soil health, while also supporting local job creation and mangrove restoration in Malaysia.

Costa Rica, France Launch Blue Carbon Initiative Ahead of UN Oceans Summit

Friday, May 30

Source: [The Tico Times](#)

[Costa Rica]

Costa Rica and France announced a partnership on advancing blue carbon conservation prior to the United Nations Oceans Summit. The project supports Costa Rica's National Blue Carbon Strategy and its 2020 climate plan, both emphasizing marine ecosystems as key to climate mitigation and economic resilience. The initiative will prioritize restoring degraded coastal ecosystems to maximize carbon sequestration and will explore innovative financing models by expanding Costa Rica's payment for ecosystem services to marine environments. France will provide financial support for community-based projects such as mangrove restoration.

LG Electronics Targets 'Blue Carbon' Market, Strengthening B2B Capabilities

Thursday, May 27

Source: [Business Korea](#)

[Republic of Korea]

LG Electronics developed a type of glass powder called marine glass. It is water-soluble, and supports marine ecosystem restoration by enhancing the growth of seaweed and microalgae. The company entered the rapidly growing global blue carbon market, with plans to expand LG's B2B capabilities and explore applications of microalgae ranging from carbon reduction to bioenergy and pharmaceuticals.

ASEAN, Japan, and UNDP Launch Blue Carbon and Finance Profiling Project to Accelerate Sustainable Blue Economy in Southeast Asia

Wednesday, May 21

Source: [Association of Southeast Asian Nations](#)

[Japan, Southeast Asia]

ASEAN, the Government of Japan, and UNDP launched the ASEAN Blue Carbon and Finance Profiling (ABCF) Project. It is a step forward in the region's efforts to strengthen the sustainable management of blue carbon ecosystems. The blue carbon profiling will gather data on the carbon stored in marine and freshwater ecosystems. The initiative aims to bridge the related technical, financial, and policy gaps across the region by unlocking innovative financing solutions that drive climate resilience and inclusive economic growth.

Japan to Launch Offshore "Blue Carbon" Study for Co2 Capture, Storage

Thursday, May 20

Source: [Kyodo News](#)

[Japan]

Japan will launch blue carbon research to significantly expand its carbon capture capacities to achieve its net zero targets. The country aims to capture 1 million tons of CO₂ by 2035 and 2 million tons by 2040 through blue carbon. It currently relies mostly on forests as its major carbon capture method. The study will focus on how seaweed behaves when submerged at considerable depths and to assess the environmental impact of such carbon capture and storage projects, according to the sources.

Study Reveals Potential of Seaweed Farms as Carbon Storage Solution

Friday, May 9

Source: [International Atomic Energy Agency](#)

[Global]

A new IAEA-supported study published in *Nature: Climate Change* finds that seaweed farming is a scalable, nature-based climate solution. The process can store carbon in marine sediments at rates comparable to natural coastal ecosystems. The findings highlight new opportunities for carbon removal alongside co-benefits such as biodiversity, food security, and economic development.

New Corporate Playbook highlights pathways for ecologically and socially responsible investment in Mangroves

Wednesday, April 30

Source: [Friends of Ocean Action](#), [World Economic Forum](#); [Investing in Mangroves: the Corporate Playbook](#)

[Global]

The Blue Carbon Action Partnership under World Economic Forum's Centre for Nature and Climate launched a white paper titled *Investing in Mangroves: The Corporate Playbook*. The white paper is an investment guide for corporations that are ready to take mangrove-positive actions. It aims to catalyse corporate engagement in mangrove conservation, present potential avenues for action, help companies manage reputational risk in their sustainability claims, and support innovation aligned with corporate and global goals for people, nature, and climate.

Muir launches Northern Ireland's First Blue Carbon Action Plan

Thursday, April 24

Source: [Department of Agriculture, Environment and Rural Affairs](#)

[The United Kingdom]

Northern Ireland's Agriculture, Environment and Rural Affairs Minister, Andrew Muir, launched the jurisdiction's first Blue Carbon Action Plan. The Plan contains 22 action points as the foundation for the protection of blue carbon habitats. It also provides nature-based solutions to mitigate climate change through the absorption of carbon dioxide in the Northern Ireland inshore area.

Ireland's 'Blue Economy' Making Waves in Jobs and Growth

Tuesday, April 4

Source: [Irish Examiner](#)

[Ireland]

Ireland's marine industries have demonstrated resilience and steady expansion, with turnover up 20%, GVA rising 31%, and employment growing 8% between 2019 and 2023, according to a report by the Marine Institute and the University of Galway. The findings underscore the sector's strategic importance and ability to adapt to climate and sustainability policies. New initiatives like the launch of the Irish Seaweed Association and growing interest in regenerative ocean farming illustrate Ireland's shift toward a sustainable blue economy. Tourism, which remains a major contributor to ocean GVA, along with emerging sectors such as seaweed and blue carbon-linked activities, is positioned to support future low-carbon, sea-based development.

Entering the Carbon Credit Business Through Mangrove Reforestation in Madagascar and Mozambique

Tuesday, April 1

Source: [Sumitomo Corporation](#)

[Madagascar, Mozambique]

Japan's Sumitomo Corporation will enter two carbon credit projects for mangrove reforestation in Madagascar and Mozambique. The Madagascar project will procure blue carbon credits by funding a mangrove reforestation project developed by Singapore's Value Network Ventures and local reforestation enterprise Bondy. The Mozambique project will invest in a blue carbon project through French carbon project developer Removall. Both projects aim to generate carbon credits from the growth of mangroves and will be sold to companies in Europe, the Americas, and Asia.

Environmental Protection

The UN Ocean Conference Strengthens Global Marine Governance Amid Ecological Urgency

What is Happening

- At the One Ocean Science in Nice, over 2,000 experts warned of worsening ocean health due to rising temperatures, overfishing, and pollution. The event, held ahead of the U.N. Ocean Conference (UNOC3), called for urgent action and stronger marine protections, especially in vulnerable areas like the Mediterranean. ([Inside Climate News](#), June 4)
- A scientific committee from the One Ocean Science Congress released 10 key recommendations to address the dual climate and ocean biodiversity crisis. The proposals include phasing out fossil fuels, halting deep-sea mining and harmful fishing practices, ending subsidies for overfishing, and recognizing legal personhood for marine ecosystems. Scientists also called for greater investment in ocean science, more integration of Indigenous knowledge, and a cautious approach to ocean-based carbon removal technologies. The aim is to turn science into actionable marine policy under U.N. Sustainable Development Goal 14. ([Inside Climate News](#), June 5)
- At UNOC3, UN Secretary-General António Guterres emphasized the severe strain on oceans from heat absorption, overfishing, pollution, and acidification. He urged countries to act urgently, warning against unregulated deep-sea exploitation and highlighting the need for greater funding for ocean protection. Guterres called for funding for SDG 14 and international cooperation, stressing that ocean recovery is still possible with bold, collective action. ([UN News](#), June 9)
- Thousands of scientists gathered earlier to finalize science-based recommendations during UNOC3. Yet, a major absence cast a shadow over the gathering: U.S. federal science agencies such as NOAA and NASA were barred from attending under the Trump administration, drawing concern from international researchers who rely on their long-term data. While over 140 U.S. scientists from private institutions participated, experts noted that the lack of official U.S. representation weakened global coordination, especially on deep-sea and climate research. ([npr](#), June 9)
- During the UNOC3, 18 new countries ratified the High Seas Treaty, bringing the total to 49 out of the 60 needed for it to enter into force. This legally binding agreement aims to protect marine biodiversity in international waters. It will enable the designation of marine protected areas, regulate activities like deep-sea mining, and establish a multilateral governance framework. UN Secretary-General Guterres called the pace of ratification “a record” and urged remaining countries to join swiftly. ([AP News](#), June 9)
- At the UNOC3, Tonga announced plans to become the first country to recognize whales as legal persons, granting them rights like life, migration, and habitat protection. The proposed 2025 legislation includes a guardianship system to represent whales in court and enforce their rights. This initiative reflects a broader global movement to recognize the rights of nature. ([Inside Climate News](#), June 10)
- At UNOC3, Costa Rica, co-hosting with France, called for a moratorium on deep sea mining and stronger ocean protections. President Chaves Robles emphasized Costa Rica’s success in protecting

30% of its waters and integrating local fishers into conservation via environmental service payments. He backed financing ocean science, enforcing real marine protections, and ratifying the High Seas Treaty. As COP30 approaches, Chaves urged global action, saying Costa Rica is “walking the walk” on ocean and climate policy. ([Inside Climate News](#), June 12)

- The UNOC3 in Nice closed with a strong show of global momentum, producing the Nice Ocean Action Plan, which includes a political declaration and over 800 voluntary commitments on marine protection, pollution control, and financing for coastal states. 18 countries ratified the High Seas Treaty during the summit. Major pledges included €1 billion from the EU and commitments from countries like Germany, Spain, New Zealand, and Indonesia. Small island nations pushed hard for stronger loss and damage language and a moratorium on deep-sea mining. ([UN News](#), June 13)
- At the UNOC3, global leaders made strong but nonbinding commitments to expand marine protected areas (MPAs) to meet the 30×30 biodiversity target—protecting 30% of oceans by 2030. The final declaration outlines goals to reduce marine pollution, decarbonize maritime transport, and accelerate MPA creation. ([Inside Climate News](#), June 18)

Why it Matters

The 2025 UN Ocean Conference (UNOC3) in Nice brought together heads of state, scientists, and civil society actors to confront the deteriorating health of the world’s oceans. As global temperatures rise, marine ecosystems are absorbing over 90% of excess heat from climate change, placing mounting stress on biodiversity, fisheries, and coastal communities. Ocean acidification, overfishing, pollution, and habitat destruction continue to accelerate, while legal protections for international waters remain fragmented. Against this backdrop, UNOC3 served as both a warning and a catalyst for stronger global coordination on ocean governance.

The conference produced several important outcomes. Most notably, 18 more countries ratified the High Seas Treaty during the summit, bringing the total to 49—just shy of the 60 needed for entry into force. This treaty is the first legally binding international framework to protect biodiversity in areas beyond national jurisdiction. Once activated, it will allow the establishment of marine protected areas, regulate deep-sea activities, and require environmental impact assessments for projects in international waters. UN Secretary-General António Guterres called this ratification momentum a “record,” urging further swift action. In addition, the conference launched the Nice Ocean Action Plan, which includes a political declaration and over 800 voluntary commitments ranging from reducing marine pollution to increasing climate finance for coastal nations. Global leaders reaffirmed the 30×30 target to protect 30% of oceans by 2030, and pledged to accelerate MPA designations, decarbonize maritime transport, and end harmful subsidies. Countries like Germany, Spain, Indonesia, and New Zealand joined the EU in announcing major financial contributions, while Costa Rica and France, as co-hosts, emphasized inclusive governance and moratoriums on risky activities like deep-sea mining.

But UNOC3 was more than a diplomatic event. It offered a rare intersection where science, policy, and community voices converge. Over 2,000 researchers convened at the One Ocean Science Congress to provide clear recommendations: halt fossil fuel use, regulate destructive fishing practices, and increase investments in ocean science. They also urged caution on unproven ocean-based carbon removal techniques, reflecting growing concerns over techno-fixes. Importantly, Indigenous knowledge and

ecosystem-centered governance—such as Tonga’s proposal to grant whales legal personhood—entered mainstream policy discourse, signaling a shift toward more inclusive ecological ethics.

The conference also created space for voices that are often sidelined in other multilateral arenas. Small island nations advocated for stronger loss and damage provisions and pushed back against exploitation of ocean resources without adequate protection. Tonga’s legal rights initiative and Costa Rica’s integration of local fishers into marine conservation showed how vulnerable countries are not just asking for help—they are offering leadership and innovation.

The absence of U.S. federal agencies like NOAA and NASA—barred from attending under the Trump administration—underscored how domestic political reversals can limit national-level participation in global environmental dialogue. Yet this also demonstrated the unique value of UNOC3 as a platform: over 140 U.S.-based scientists from academic and private institutions still engaged in the process, ensuring that scientific perspectives from the U.S. were not lost. In fact, the conference facilitated subnational and academic-level contributions even when national governments stepped back, reinforcing the importance of maintaining open channels between science and policy beyond formal diplomatic representation.

Ultimately, the UN Ocean Conference reinforced the centrality of oceans to environmental protection and climate stability. Despite all the divergences on climate ambition, sustained global dialogue on the oceans offers an arena where collective environmental action still appears possible and feasible.

More on Environmental Protection:

- **Botswana, Zambia, Zimbabwe:** Conservationists in southern Africa are working to shift public perception of vultures. Often misunderstood and maligned, vultures play a crucial role in cleaning ecosystems, controlling disease, and supporting anti-poaching efforts. Six of Africa’s 11 vulture species are endangered or critically endangered due to poisoning, collisions with power lines, and belief-based killings. Conservationists hope improved awareness can counter negative stereotypes and promote protection for these vital scavengers. ([AP News](#), April 12)
- **Africa:** A severe and prolonged drought is affecting large parts of northern, southern, central-western Africa, and northern Madagascar. Many areas are experiencing two or more years of low rainfall and high temperatures compared to historic records, and rain patterns are becoming increasingly unstable. ([European Commission, The Joint Research Centre: EU Science Hub](#), April 23; [World Meteorological Organization](#), May 12)
- **Saudi Arabia:** On World Environment Day, Saudi Arabia reaffirmed its commitment to environmental protection and sustainability, highlighting plastic pollution as a global crisis and calling for coordinated action. The Ministry of Environment, Water, and Agriculture emphasized alignment with Vision 2030 and global SDGs. It also pointed to ongoing national efforts to raise public awareness and reduce pollution through community engagement and sustainable practices. ([MSN](#), May 6)
- **Europe:** A new study in *The Lancet Planetary Health* warns that climate change is driving the spread of tiger mosquitoes in Europe northward, raising the risk that tropical diseases like dengue and chikungunya become endemic. The study found that outbreaks have become more frequent and severe since 2010, with

2024 marking a record high in both temperatures and in dengue cases in the EU. Under worst-case climate scenarios, transmission rates could increase fivefold by 2060. ([Politico](#), May 15)

- **Global:** Global forest loss reached a record high in 2024, with fires driven by climate change becoming the leading cause of tropical deforestation for the first time. Brazil's Amazon, hit by its worst drought on record, lost 2.8 million hectares, reversing recent conservation gains. Bolivia saw a 200% surge in forest loss due to drought, wildfires, and agricultural expansion. Experts warn that climate impacts are accelerating faster than current policies can respond, calling for stronger global funding for forest conservation. ([Reuters](#), May 21)
- **Syria:** According to the UN's Food and Agriculture Organization, drought is expected to cause the failure of up to 75% of Syria's wheat crop, threatening food security for millions. Syria's agricultural sector was worsened by years of conflict and poor irrigation. ([Reuters](#), May 20)
- **China:** Exceptionally heavy rains in southern China have triggered deadly landslides in Guizhou province, leaving at least four dead and 17 missing. The disaster is part of a broader pattern of extreme weather intensifying across China, where climate change has led to longer heatwaves and more frequent, unpredictable rainfall. Authorities have issued geological disaster warnings across several provinces and activated emergency response protocols. ([Reuters](#), May 22)
- **Australia:** Australia's New South Wales has been recovering from severe floods that killed five people and damaged over 10,000 properties. The floods were caused by days of heavy rain. They cut off towns and forced mass evacuations, highlighting the country's growing vulnerability to extreme weather. Experts warn that the increasing frequency of such events is linked to climate change, which has brought Australia a series of droughts, bushfires, and floods in recent years. ([Reuters](#), May 24)
- **China:** China has launched the fourth phase of the third round of central environmental inspections targeting five provincial-level regions as well as three major state-owned power companies. Focus areas include the Yellow River Basin and public reporting channels have been opened to collect environmental complaints. ([CGTN](#), May 27)
- **India:** Indian Supreme Court Justices Abhay S. Oka and Sanjay Karol emphasized the need to protect environmental activists and urged stronger collaboration among industry, government, the judiciary, and citizens. Justice Oka argued that environmental activism is integral to upholding constitutional rights. They believe that economic growth and environmental protection are not mutually exclusive and called for grassroots and inclusive approaches to address environmental challenges. ([India Today](#), June 6)
- **Antarctica:** A new satellite analysis reveals that emperor penguin populations in parts of Antarctica have declined by 22% from 2009 to 2024—twice the previously estimated continental decline. The study attributes the drop mainly to climate change reducing stable sea ice, which is essential for breeding and foraging. Scientists warn that early ice breakups may also expose chicks to predators and harsher weather. ([NBC News](#), June 10)
- **Uzbekistan & Saudi Arabia:** Uzbekistan is deepening its environmental partnership with Saudi Arabia,

emphasizing joint action on desertification, biodiversity, and clean energy. Uzbek Minister Aziz Abdukhakimov praised the Kingdom's leadership in regional climate efforts and proposed expanded cooperation in ecosystem protection, academic exchanges, and green innovation. The two countries are also aligning through the Middle East Green Initiative and major clean energy projects led by ACWA Power.

([Arab News](#), June 12)

- **Japan:** Japan successfully launched its climate change monitoring satellite Global Observing SATellite for Greenhouse gases and Water cycle (GOSAT-GW). The satellite is a third series in the mission, and it will track greenhouse gases and provide high-resolution data globally, supporting efforts to mitigate climate change. ([AP News](#), June 29)

Climate Policy & Diplomacy

Global Climate Policy Backlash Lead by the United States

What is Happening

- President Trump has signed executive orders to revive the U.S. coal industry by expanding federal mining leases, loosening emissions rules, and forcing coal plants to stay open. While the administration promotes coal to meet rising electricity demand, market forces still favor cheaper natural gas and renewables. Coal now generates only about 15% of U.S. electricity, down from over 50% in 2001. Experts warn the policy could raise electricity costs and face legal and industry resistance. ([National Public Radio](#), April 17)
- The European Commission proposed further weakening environmental conditions tied to farming subsidies under the EU's Common Agricultural Policy, aiming to reduce bureaucracy and ease economic pressure on farmers. The changes would exempt small farms from baseline green requirements and relax rules on preserving natural ecosystems. The proposals are part of broader efforts to simplify EU regulations and are awaiting approval. ([Reuters](#), May 14)
- The Federal Trade Commission and the Department of Justice filed a Statement of Interest in support of a multistate antitrust lawsuit accusing large asset managers of using their shareholder influence to suppress coal production through coordinated ESG efforts. The case is led by Texas Attorney General Ken Paxton. The move aligns with the Trump administration's broader push to defend coal and challenge ESG-driven financial strategies. ([Federal Trade Commission](#), May 22)
- The European Parliament approved changes to the EU's Carbon Border Adjustment Mechanism (CBAM) to exempt companies that import less than 50 metric tons of covered goods annually. While this excludes over 90% of importers from the scheme, the European Commission notes it will still capture over 99% of emissions linked to CBAM-covered imports. The updated plan delays the start of permit sales to 2027. ([Reuters](#), May 22)
- Japan's Kyushu Electric Power will sign a 20-year deal to buy up to 1 million metric tons of LNG annually from U.S. firm Energy Transfer's Lake Charles project, with imports expected to begin in 2030. This is Kyushu Electric's first long-term LNG contract with the U.S. and aims to enhance supply stability and flexibility. President Trump has been pushing U.S. allies into buying U.S. fossil fuels while threatening tariffs since his second term. ([Reuters](#), May 29)
- The Trump administration's EPA has proposed repealing a climate rule aimed at cutting greenhouse gas emissions from power plants and weakening mercury pollution limits, citing economic burdens and energy reliability. EPA Administrator Lee Zeldin framed the move as a rejection of "climate change cult" policies, but experts and former officials warn it will trigger the largest pollution increase in decades, and disproportionately harm vulnerable communities. ([The Guardian](#), June 11)
- A draft EU climate law proposed to introduce a limited use of international carbon credits with a 3% to meet its 2040 emissions target, set at 90% below 1990 levels. The proposed cap aims to ease pressure on domestic industries. Support for the proposal is growing among member states and member states seek an increase on the cap. Existing emissions targets require countries to achieve those reductions only through domestic means. The final proposal is due July 2. ([Politico](#), June 18)
- At the 2025 UN Ocean Conference in Nice, France, delegates adopted the "Nice Ocean Action Plan", reaffirming the ocean's essential role in regulating climate and calling for urgent, coordinated action to address climate change, biodiversity loss, and pollution. The declaration highlighted the weakened

capacity of marine ecosystems due to global warming and emphasized the need for sustainable ocean-based economies, scientific research, and inclusive governance. It also recognized significant gaps in ocean-related funding and urged stronger global commitments to fully implement SDG 14. ([United Nations](#), June 13)

Why it Matters

The global climate crisis continues to worsen, with extreme weather events becoming more frequent, temperature records being broken, and emerging abnormal weather patterns. Against this backdrop, there has been a growing political backlash that has emerged against climate action that is led by the Trump Administration. Although different regions have their own motivations, a common pattern is emerging: climate commitments are being sacrificed in favor of economic goals.

In the United States, Trump is dismantling Biden-era policies as part of a broader political strategy, many of them related to climate. This is similar to what he did with Obama's legacy in his first term. His goals include increasing U.S. domestic fossil fuel production, boosting exports, cutting public spending, and reducing the size of government programs that support environmental protection. Much of this agenda is shaped by the interests of his political supporters, many of whom are closely tied to the fossil fuel industry. For example, Kelcy Warren, CEO of Energy Transfer and a key player in the new LNG deal with Japan, was one of the top donors to Trump's 2024 campaign.

Climate actions need commitment over time to demonstrate its effects, which goes against the drastic election swings in the American political environment. There has been an increasing divide between the Republicans and Democrats due to increased political fighting. When party conflict is the most important focus between the two sides, any topic can be a battle ground, climate is one of them. The Trump favoritism on fossil fuels and the loosening of environmental regulations are signals for a fight back from the affected sectors under the previous administration.

Climate policy has traditionally been a key focus of the Democratic Party. The Biden administration reinforced this priority by passing the Inflation Reduction Act, which emphasized climate action primarily through economic incentives rather than penalties. However, such incentives inevitably create winners and losers. Industries that benefit from IRA provisions gain a comparative advantage over those that do not, prompting the disadvantaged sectors to align with the opposing party, in this case the Republicans, to defend their interests. As one side pushes harder, the other resists more forcefully. This escalating dynamic erodes the bipartisan consensus needed for effective climate policy, leading to political stalemates. When partisan conflict becomes the dominant force in governance, all policy agendas, including those critical for addressing climate change, risk becoming casualties of the broader political struggle.

Another global leader in climate policy is the European Union. While still continuing its climate commitments, it is also making climate concessions. Rather than dismantling existing climate regulations, the EU is relaxing certain environmental conditions to reduce bureaucratic burdens. Agriculture is one of the EU's most valued sectors. A recent proposal to scale back requirements under the Common Agricultural Policy allows farming on previously protected land to support farmers' livelihoods, while also offering increased incentives to preserve such areas. Similarly, CBAM exemptions are being introduced to

ease reporting requirements for small importers. Despite the exemptions, 99% of imported carbon emissions will still be covered during the current transitional phase, which targets six carbon-intensive industries. Both policy adjustments are framed as pragmatic decisions that respond to internal socioeconomic needs while continuing to support climate mitigation goals.

The European Union is less likely to experience the drastic swings in its climate policies. Even with leadership changes in its various institutions, there is a broadly recognized common ground on climate and other key issues among its member states and the mass public. This shared foundation supports consistent implementation of long-standing policies and helps maintain the bloc's position as a global leader in climate regulation.

Other international and non-U.S. actors are also trying to hold the line on climate. The United Nations continues to facilitate climate cooperation, most recently through the adoption of the Nice Ocean Action Plan. This underscores a key geopolitical shift: as the United States retreats from climate leadership, others are stepping forward to fill the vacuum.

China Consolidates Domestic Climate Governance And Reaffirms Its Global Leadership Role

What is Happening

- China is set to issue its first-ever global green sovereign bond on April 3, 2025, with a 6 billion yuan (\$825 million) offering on the London Stock Exchange. This is the government's first international green issuance. It is China's first attempt to attract global capital to support China's domestic green and low-carbon development goals. ([Reuters](#), April 1)
- China's Ministry of Ecology and Environment released a finalized work plan to expand its national Emissions Trading System (ETS) beyond the power sector to include cement, steel, and aluminum industries—adding roughly 1,500 companies and 3 billion tonnes of CO₂, or 5% of global emissions. The first compliance deadline is set for end-2025 based on 2024 emissions. The plan includes energy-related and process CO₂, CF₄, and C₂F₆ (for aluminum) but excludes indirect emissions. ([International Carbon Action Partnership](#), April 10)
- Chinese President Xi Jinping stated that China's climate actions will continue undeterred despite global political turbulence, during a UN-Brazil-led video summit on climate and energy transition. While criticizing unilateralism and protectionism, Xi pledged that China would release its updated 2035 Nationally Determined Contributions (NDCs) goals ahead of COP30 in Brazil, though experts caution that Beijing's new NDCs may still fall short of global expectations. ([Reuters](#), April 23)
- Chinese President Xi Jinping committed to setting tougher, economy-wide climate targets covering all greenhouse gases by 2035, signaling continued ambition despite economic headwinds and the U.S. withdrawal from global climate talks. Xi emphasized the importance of addressing non-CO₂ emissions and called for multilateral cooperation. ([Bloomberg](#), April 23)
- China has released a draft of its first unified Environmental Code, marking a major step in consolidating over four decades of environmental legislation into a single legal framework. Submitted to the National People's Congress for review, the 1,188-article code outlines principles for pollution control, ecological protection, and green, low-carbon development. Officials say the code will elevate environmental law, enhance enforcement, and serve as a global legislative model for sustainable development. ([Xinhua](#),

April 27)

- China has released a new guideline to accelerate its green transition by enhancing market-based trading systems for environmental and resource factors. Issued by the Communist Party and State Council, the plan aims to improve carbon, water, and pollutant rights trading mechanisms, with sound systems for carbon and water rights targeted by 2027. ([Xinhua](#), May 30)

Why it Matters

China has unveiled a series of climate-related policies in recent months that reflect not only regulatory ambition but also a broader vision for long-term environmental governance. From expanding its national Emissions Trading System (ETS) to releasing a landmark draft Environmental Code and new market-based guidelines, China is taking a multi-instrument approach to accelerate its transition toward a greener economy. Taken together, these policies form a three-pronged approach: restrict pollution at its source, legally mandate protection of ecosystems, and incentivize environmental performance through market signals. Rather than focusing narrowly on one or two aspects, China is building a layered governance structure that targets systemic change—consistent with its broader governance style of launching major national priorities through integrated top-down policy design.

Internationally, China has also signaled continued climate engagement at a time when many major emitters are stepping back. In April, China issued its first-ever global green sovereign bond on the London Stock Exchange, raising 6 billion yuan to fund domestic low-carbon goals. President Xi Jinping's participation in a UN-Brazil-led climate summit reaffirmed China's support for multilateralism and a commitment to update its 2035 Nationally Determined Contributions (NDCs) before COP30—covering all greenhouse gases for the first time. Though delayed, this declaration offers something valuable: a more realistic, deliverable promise in contrast to overambitious but unenforced targets. Transparency and credibility are increasingly vital in a global climate framework where mutual trust is essential to planning and collective ambition.

China's actions offer a few key takeaways for the world. First, they demonstrate how a large developing economy can build climate ambition into state-led planning and policy reform. Whether other countries prefer top-down governance or bottom-up engagement, China's approach offers a clear reference for the types of tools—carbon pricing, legal enforcement, ecosystem protection—that should be part of any serious climate strategy, along with practical guidance on how such tools can be implemented.

Second, China is embracing its role as a global example-setter. At a time when some other major countries are retreating from climate leadership, China's climate diplomacy serves both to fill the vacuum and to reinforce the idea that major emitters must lead if the world is to stay on track.

Finally, it is worth noting that most of China's new policies are designed with multi-year timelines. This reflects China's preference for long-term, phased implementation. On the one hand, this approach increases policy stability and improves the likelihood of full delivery, especially in a system that prioritizes gradual rollout and institutional capacity-building. But on the other hand, it may invite skepticism about China's pace and urgency, particularly in a global climate context that increasingly demands front-loaded action. Some analysts have already expressed concern that China's delayed NDC update and the lack of more ambition in some cases could weaken global momentum. Yet if China's plans are grounded in

feasibility and are followed through, the reliability of its implementation may ultimately prove more impactful than short-term political declarations. This dual nature—long timelines paired with gradual but credible delivery—presents both a challenge and a model, raising the question of how other countries with different political systems and planning logics might engage with or respond to China’s example.

More on Climate Policy & Diplomacy:

- **The United States:** Trump issued an executive order directing the U.S. attorney general to challenge state-level climate policies, including cap-and-trade systems and fossil fuel accountability laws, calling them threats to “American energy dominance.” The order is considered as a part of a push to expand domestic fossil fuel production and drew criticism from states that vowed to continue pursuing clean energy and environmental protections. ([Reuters](#), April 7)
- **The United States:** According to a draft White House budget document, the Trump administration plans to eliminate NOAA’s climate research office and cut US\$1.67 billion from the agency. The budget cut would end regional climate programs, transfer marine protection duties, and reduce fisheries funding. ([Reuters](#), April 11)
- **Iran & Japan:** Japan has funded a new project in Iran, signed by UNESCO and Iran’s Department of Environment (DOE), to improve disaster preparedness and climate resilience. The initiative focuses on creating flood hazard maps, early warning systems, and drought risk assessments, while empowering local communities. Iranian officials stressed that climate change is already harming agriculture and food security through higher temperatures and extreme weather in the region. ([Tehran Times](#), April 15)
- **Spain:** Spanish Prime Minister Pedro Sánchez announced that 17% of Spain’s €23 billion military budget this year will fund natural disaster relief, making Spain the first European country to explicitly allocate a large share of new defense spending to climate resilience. The move will expand the Disaster Relief Military Unit’s capabilities with new helicopters, bridge-launching vehicles, and airtankers for firefighting, highlighting a shift toward integrating combat climate change into defense efforts. ([Bloomberg](#), May 7)
- **India:** India’s environment ministry has unveiled new construction and demolition (C&D) waste management rules that will take effect in April 2026, introducing mandatory recycling targets and expanded producer responsibilities. Under the rules, developers with projects exceeding 20,000 square meters must submit detailed waste management plans, ensure safe storage, and meet phased recycling targets. The rules also require reusing a minimum portion of processed C&D waste in new projects and allow producers to meet targets via pre-purchased EPR certificates. ([Mongabay](#), May 21)
- **United Arab Emirates:** The UAE has introduced a new law mandating public and private companies to monitor and reduce greenhouse gas emissions, marking the first such requirement in the Middle East. Companies risk fines of up to two million dirhams (US\$545,000) for non-compliance. Greenpeace praised it as a bold and progressive step toward regional climate leadership but urged clearer sector-specific reduction targets. ([France 24](#), May 30)
- **The Philippines:** The Philippines reaffirmed its 2015 Manila Call to Action, emphasizing urgent, inclusive climate action rooted in justice and environmental integrity. Senator Loren Legarda highlighted that the Call has evolved from a statement into a commitment grounded in science and the lived realities of Filipinos,

underscoring the country's dedication to turning policy into tangible action and championing ocean-based climate solutions and maritime governance. ([The Manila Times](#), June 1)

- **The United Kingdom:** Labour government has announced a nearly £8 billion (US\$11 billion) investment over 10 years to strengthen flood defences, aiming to protect homes, businesses, and key infrastructure as climate risks intensify. The plan will include both engineered barriers and nature-based solutions like wetland restoration. This move follows warnings that the UK is unprepared for worsening floods and heatwaves. ([South China Morning Post](#), June 16)
- **Brazil:** Brazil's environment minister Marina Silva proposed that COP30 in Belém adopt a roadmap for a “planned and just transition” to end fossil fuel use, building on the 2023 Dubai deal. Amid stalled talks in Bonn on implementing the Global Stocktake and the lack of progress since Dubai, she urged clear steps to turn promises into action and prevent commitments from fading. ([Climate Home News](#), June 26)

Clean Energy & Technology

China Expands Renewable Energy at Home and Drives Adoption Abroad

What is Happening

- China will continue building coal-fired power plants through 2027 as backup for renewables whose output depends on sunlight and wind, aiming to ensure grid stability and meet peak demand. The new plants are designed to emit 10–20% less carbon per unit of power than the 2024 fleet. Though intended as standby capacity, the plan still raises questions about China’s commitment to phasing down coal during the 2026–2030 period. ([Reuters](#), April 14)
- Nigeria’s Energy Commission signed a strategic MoU with China Energy Engineering Corporation and the Nigerian Governors’ Forum to boost renewable energy development and support power sector reforms in Nigeria. The deal includes plans for a Nigeria-China Renewable Energy Research Centre and emphasizes state-level planning, aligning with Nigeria’s new decentralized electricity framework. ([Solar Quarter](#), April 15)
- According to a Chinese National Energy Administration report released on April 30, China reached 125,000 mt/year of green hydrogen production capacity by end-2024—50% of the global total—driven by its vast renewable power base and 35 new projects last year. Nevertheless, green hydrogen only makes up a small share of energy source, and high logistic cost is the biggest obstacle to market expansion despite falling production prices. ([S&P Global](#), April 30)
- Azerbaijan President Ilham Aliyev identifies green energy cooperation as a priority in the bilateral relations with China, and China plays a significant role in Azerbaijan’s green energy development. He stated that ongoing joint projects between China and Azerbaijan will add 6,500 megawatts of renewable energy to Azerbaijan by 2030, almost doubling Azerbaijan’s power capacity. During Aliyev’s state visit to China, Azerbaijan signed six deals for solar, wind, and energy storage with China. ([Caspian News](#), April 30)
- China has upgraded its Green Electricity Certificates (GEC) system to align with international standards, resolving concerns over double counting and outdated certificates. The reforms—developed with support from RE100, a global initiative of companies committed to sourcing 100% renewable electricity—now allow both domestic and international firms in China to make more credible and verifiable claims about their renewables use. ([The Climate Group](#), May 8)
- According to a recent think tank report, China is now directing 59% of its energy projects in Africa toward renewables, with investments totaling \$66 billion from 2010 to 2024. As exports to the U.S. and EU continue to decrease due to trade barriers, China is increasingly positioning Africa as a major market of its green products. ([South China Morning Post](#), May 11)
- China General Nuclear Power Group (CGN) plans to invest over BRL 3 billion (USD 529 million) in Brazil’s Piauí state to add 1.4 GW of new solar and wind capacity, alongside energy storage and a solar thermal pilot. The move will expand CGN’s projects in the region as well as China’s renewable energy engagement in Latin America. ([Renewables Now](#), May 13)
- China’s solar and wind power capacity rose to 1,482 GW in Q1 2025, overtaking coal for the first time, with a strong 59.7 GW boost in new photovoltaic installations—a 30.5% year-on-year increase. Despite a drop in photovoltaic exports, domestic demand remained strong in the last quarter and continues to drive the sector forward. ([Energy News](#), May 20)
- According to research by Boston University, China’s overseas investments in solar and wind power have surpassed fossil fuels for the first time. This shift allows China to reduce global reliance on fossil fuel

while simultaneously offloading its excess domestic renewable capacity. Although state-led foreign investments have declined, private companies are increasingly driving China's clean energy expansion abroad, particularly in Asia and Latin America. ([Inside Climate News](#), May 26)

Why it Matters

China is accelerating its renewable energy expansion not only to reduce domestic emissions, but also to support global decarbonization and reshape the international clean energy landscape. Its actions reflect a strategic and multifaceted logic: building a secure, low-carbon energy system at home, assuming greater responsibility as a global power, and turning its industrial capacity into a shared asset rather than a source of friction.

Domestically, China's scale is unmatched. In the first quarter of 2025, its installed solar and wind capacity reached 1482 GW, surpassing coal for the first time in history. New solar installation alone increased by 59.7 GW, which significantly powered this shift. At the same time, China is not limiting its focus to mature technologies. It is continuing to expand its green hydrogen production, which now accounts for 50% of global capacity. It is also increasingly investing in nuclear power and energy storage, reflecting a broad and weather-resilient clean energy policy. These developments will not only reduce emissions but also improve grid stability and ensure long-term energy security.

Equally important is China's continued role in supporting renewable deployment abroad. Chinese firms are actively investing in renewable infrastructure across the Global South. Over 59% of China's energy projects in Africa now focus on renewables, totaling \$66 billion in investments since 2010. In Nigeria, China is helping establish a Renewable Energy Research Centre in collaboration with subnational governments, while in Latin America and Central Asia, projects like the 1.4 GW solar and wind plant in Brazil and 6,500 MW capacity expansion in Azerbaijan show that China is not merely exporting equipment—it is enabling systemic transformation. These partnerships help developing countries meet rising electricity demand, reduce fossil fuel dependence, and improve resilience through diversified energy sources. In this context, long-standing claims about China's "overcapacity" in renewables deserve closer scrutiny. Overcapacity only exists when global clean energy needs are saturated, and we are far from that point. Most of the world, especially in Africa, South Asia, and Latin America, still lacks adequate access to affordable and sustainable electricity. China's ability to scale up production and export clean technologies, solar panels, wind turbines, grid systems, should be viewed not as a threat, but as a critical contribution to closing this gap. It is not excess—it is exactly what a global energy transition requires.

Challenges remain. China still relies heavily on fossil fuels for base load and peak demand, including the planned construction of coal plants through 2027. These are framed as backup resources, designed to operate only during renewable shortages caused by weather variability. Yet they highlight the urgency of accelerating non-weather-dependent technologies like green hydrogen and nuclear. More importantly, they underscore the importance of long-term structural transition—not short-term balancing acts. To strengthen credibility, China has also moved to upgrade its Green Electricity Certificate (GEC) system to meet international standards. This reform addresses concerns over the aforementioned existence of non-renewable components, as well as long-existing double counting and outdated tracking mechanisms, and allows both domestic and foreign companies operating in China to make verifiable claims about renewable electricity use. It is a small but meaningful step toward improving transparency,

corporate accountability, and international alignment.

Overall, China's renewable expansion reflects more than national ambition. It demonstrates how a large economy can channel industrial capacity, global partnerships, and technological innovation into shared climate gains. As long as the global energy system remains carbon-intensive, the world needs more deployment—not less. China, with its scale and momentum, is proving that renewable overcapacity is not a problem to avoid, but a potential to mobilize.

Republican Leaders Are Driving The U.S. Retreat from Clean Energy

What is Happening

- The Trump administration has ordered a halt to the construction of a major offshore wind project set to power over 500,000 New York homes, citing a rushed approval process under Biden. The move marks a blow to the offshore wind industry, prompting criticism from labor groups and clean energy advocates who warn it threatens jobs, grid reliability, and investment confidence. ([AP News](#), April 16)
- Senate Republicans aim to include provisions that would disqualify clean energy tax credits if projects use components or minerals from countries like China in their tax cut package—potentially crippling the solar, battery, and EV sectors that rely on global supply chains. Industry leaders warn the restrictions could halt ongoing clean energy projects and damage the momentum behind America's clean energy manufacturing boom, while moderate Republicans urge revisions to avoid undermining energy investments and raising electricity costs. ([Bloomberg](#), May 14)
- There is a growing division regarding clean energy policies within the Republican Party. The hardliners seek to gut all clean energy tax credits because they view them as a boost to China, but moderates warn that doing so would harm U.S. manufacturing and job creation. While they mostly agree that the clean energy race has already lost to China, many Republicans see industrial policy and domestic production as key to countering China's dominance in clean energy. ([Politico](#), May 19)
- The Senate voted to overturn California's EPA waiver allowing it to phase out gasoline-only car sales by 2035. The move also targets California's zero-emission truck and low-NOx regulations, and comes alongside broader legislative efforts to dismantle federal EV tax credits and emissions rules. California Governor Gavin Newsom vowed to challenge the vote in court, calling it unconstitutional and harmful to public health. ([Reuters](#), May 22)
- Over \$14 billion in U.S. clean energy investments have been canceled or delayed in 2025 due to uncertainty caused by the House GOP tax bill that guts Inflation Reduction Act credits. According to a public policy analysis, the delays have already cost about 10,000 clean energy jobs as companies grow wary of continuing renewable energy projects under the Trump administration. ([AP News](#), May 29)
- The Trump administration finalized a rule discrediting Biden-era fuel economy standards, claiming they unlawfully relied on high EV adoption projections. Transportation Secretary Sean Duffy said the shift would make vehicles more affordable, as the administration prepares a new rule to ease Resetting the Corporate Average Fuel Economy Program (CAFE) requirements. Senate Republicans also proposed ending penalties for automakers that fail to meet current standards, a move praised by auto groups who argue the rules are unrealistic under today's market conditions. ([Reuters](#), June 6)
- Trump's National Energy Dominance Council is prioritizing fossil fuel expansion and excluding solar from its strategy. At POLITICO's Energy Summit, the Council's Executive Director Jarrod Agen emphasized that President Trump "does not have faith" in renewable energy and is firmly steering U.S.

- energy policy toward fossil fuels, which he views as more affordable and reliable. ([Politico](#), June 10)
- Senate Republicans have proposed a sweeping rollback of the Inflation Reduction Act clean energy tax credits, aiming to end most wind, solar, EV, and home efficiency incentives within six months. While modest carve-outs remain for nuclear, hydropower, and battery storage, critics warn the bill would not only derail U.S. climate goals but also raise energy prices, kill manufacturing jobs, and, especially since 80% of clean energy investments to date have flowed to GOP districts. ([The New York Times](#), June 16)

Why it Matters

The Trump administration has initiated a broad and coordinated rollback of U.S. clean energy policy, halting momentum across the renewable energy, electric vehicle, and energy efficiency sectors. In just the second quarter of 2025, it has canceled tax incentives for wind, solar, EVs, and home upgrades; blocked offshore wind construction in New York; moved to repeal power plant emissions limits; and reversed Biden-era fuel economy standards. Simultaneously, Republican legislators in Congress are pushing bills to gut clean energy tax credits and ban the use of Chinese components in qualifying projects—effectively paralyzing almost all of the domestic battery and solar industries that are still in their infancy.

This retreat is not only sweeping, but also deeply destabilizing. For clean energy companies, these moves eliminate both the financial support and policy certainty needed to plan long-term investments. For consumers, the removal of tax credits raises the cost of choosing cleaner alternatives—slowing market adoption at a time when scale is key. Even worse, this comes at a moment when U.S. clean energy progress is already falling behind. A sustained four-year policy reversal will leave lasting scars on the sector, undermining industrial development, weakening the domestic supply chain, and pushing the U.S. even further behind global competitors like China and the EU.

From a climate standpoint, the implications are dire. As one of the world's top emitters, a full federal rollback of clean energy and climate regulations severely compromises decarbonization efforts both domestically and internationally. For the United States, emissions will rise, international credibility will decline, and clean technology innovation may shift further toward Asia and Europe. This country could have a chance to lead the global clean energy transition—this retreat forfeits that role.

What makes this moment especially concerning is that the backlash is not limited to one part of government. Both the executive and legislative branches are actively working to dismantle existing climate policies. For example, the White House has deprioritized renewables in national energy planning, while Senate Republicans are targeting everything from EV mandates to state-level clean air waivers. This dual-track reversal weakens not only specific programs, but the entire governance framework supporting climate action.

Even so, not all momentum is lost. A number of U.S. states—including California—remain committed to ambitious clean energy targets and are preparing legal challenges against federal overreach. The emerging battle between federal authority and state-level leadership will be critical. In the absence of federal ambition, subnational actors may once again need to lead America's energy transition—but their capacity to do so is limited without federal support and could still be hindered by federal suppresses.

In fact, the economic rationale behind the Trump administration's approach deserves scrutiny. While its

proponents claim the rollback will reduce costs, save government budgets, and improve energy affordability, that narrative ignores the proven economic potential of clean energy. Case studies around the world, including China's EV and solar boom, demonstrate that green sectors can be engines of job creation, investment, and technological leadership. Moreover, more than 80% of clean energy investments under the Inflation Reduction Act have flowed to Republican-held districts—making the recent policy reversals both economically self-defeating and politically risky. Some moderate Republicans have already voiced concern that these rollbacks are actively undermining job creation and investment in their own constituencies, which contradicts the belief that dismantling climate policy would always be economically beneficial.

The danger is not just that the U.S. will miss climate targets—it's that it will miss the 21st century's greatest industrial opportunity. Clean energy is not a liability; it is a strategic asset. If current policies persist, the U.S. may find itself isolated, economically disadvantaged, and increasingly dependent on others for the technologies that define the future.

More on Clean Energy & Technology:

- **The United States & Southeast Asia:** The U.S. has imposed up to 3,521% new tariffs on solar panel imports from Cambodia, Vietnam, Malaysia, and Thailand, following a Commerce Department probe that found manufacturers in those countries were undercutting U.S. firms with unfair subsidies and below-cost pricing. It threatens to disrupt 77% of U.S. solar imports and intensify challenges for renewable developers already navigating policy uncertainty under the Trump administration. ([Bloomberg](#), April 22)
- **The United Kingdom:** At an international energy security summit, UK Prime Minister Keir Starmer announced a £300 million investment to expand offshore wind manufacturing, framing homegrown renewables as essential to escaping fossil fuel market volatility — a direct counter to the U.S. argument that prioritizing clean energy undermines energy security. ([AP News](#), April 24)
- **The United Kingdom & Norway:** The UK and Norway have launched a green industrial partnership to advance offshore wind, carbon storage, and energy grid development, aiming to strengthen energy security and unlock major economic gains. The deal builds on long-standing North Sea cooperation and could support up to 51,000 jobs and £36 billion in growth, while enabling carbon storage of up to 78 billion tonnes in UK waters. ([Energy Monitor](#), May 9)
- **The United States:** South Dakota has become a national leader in clean energy, generating around 77% of its electricity from renewable sources and creating abundant well-paying jobs through its expanding wind and solar sectors. Local technical colleges like Mitchell Tech and Lake Area Tech offer specialized wind and energy tech programs, with 100% job placement and starting salaries averaging \$65k–\$127k depending on the role. ([South Dakota News Watch](#), May 18)
- **France:** Despite dips in wind and hydro, France generated nearly 95% of its electricity from clean sources so far in 2025 thanks to record solar production and a rebound in nuclear output. This is the highest in six years. ([Power Technology](#), May 26)
- **Egypt & Sweden:** Egypt and Sweden held a high-level meeting to deepen energy cooperation, focusing on renewable power generation, energy storage, grid modernization, and green hydrogen development. Egypt

reaffirmed its goal to reach 42% renewables by 2030 and 65% by 2040, highlighting Swedish firms' growing role in the country's clean energy transition and its ambition to become a regional power hub. ([Daily News Egypt](#), May 27)

- **Indonesia:** The World Bank has approved a US\$600 million loan to help develop 540 MW of new solar and wind power in Indonesia under the 'Sustainable Least-Cost Electrification-2' program. The package also includes US\$28 million in grants from the Sustainable Renewables Risk Mitigation Initiative and the IBRD's Livable Planet Fund, aiming to accelerate Indonesia's clean energy transition. ([PV Tech](#), June 17)
- **India:** India's power regulator has proposed new rules to introduce Virtual Power Purchase Agreements (VPPAs), allowing large consumers to meet clean energy targets through financial contracts without taking physical delivery. Under the draft 2025 regulations, VPPAs will be recognized as over-the-counter instruments, with financial settlements based on the difference between contract and market prices. ([Reuters](#), June 17)
- **Germany:** Germany's GEO Group announced a \$50 million investment to build an international-standard renewable energy training and development center in Binh Dinh province, Vietnam. The facility will train thousands qualified technicians annually in wind, solar, and green hydrogen technologies. A manufacturing plant and technology transfer components are also planned. ([The Investor](#), June 18)
- **The United Kingdom:** The UK unveiled a new industrial strategy aiming to cut electricity bills for businesses by 2027 while driving innovation across key sectors. The plan includes £2.8 billion for advanced manufacturing, over £30 billion annually for clean energy by 2035, targeted investments in creative industries and life sciences, and support for AI adoption in professional services. ([Reuters](#), June 23)
- **Rwanda, Democratic Republic of Congo:** The delayed planning of the Ruzizi III hydropower plant on the Ruzizi River between Rwanda and DRC is moving forward as the U.S. supports \$760 million. The 206 MW project aims to boost regional energy security, nearly double Burundi's capacity, raise Rwanda's by 30%, and supply power to eastern Congo. It is set to begin operation by 2030. ([Bloomberg](#), June 25)

Climate Finance

ESG: Another Lost Common Ground in Climate Mitigation

What is Happening

- Dutch activist group *Follow This* is halting its climate resolutions at oil and gas AGMs this year due to declining investor support and rising political hostility. Once backed by major shareholder votes at firms like Chevron and Shell, the group has recently seen support drop to around 20%. Legal backlash, like Exxon's lawsuit last year, has also played a role. As fossil fuel companies walk back climate goals, *Follow This* plans to focus on investor engagement while external campaigners intensify public pressure. ([Euronews](#), April 10)
- U.S. Treasury Secretary Scott Bessent accused the IMF and World Bank of drifting from their core mandates by prioritizing climate, gender, and social issues. Bessent stressed the institutions' enduring value but warned against unfocused agendas and growing alignment with China. He urged the IMF to refocus on global economic stability and called for the World Bank to be "tech neutral" and support fossil fuel investments. ([Reuters](#), April 23)
- Despite political backlash in the U.S., major European pension funds are reinforcing their commitment to sustainable investing. Several have divested from or are reviewing mandates with U.S. asset managers like BlackRock and State Street over concerns about ESG backtracking. A recent report shows a widening performance gap on ESG scores between good-performing European firms and low-scoring U.S. giants. While ESG fund outflows continue, long-term European investors remain focused on climate risk, viewing current retreat as a temporary backlash. ([International Advisors](#), May 21)
- One of Germany's largest asset managers, Union Investment, has divested entirely from ExxonMobil and EOG Resources, citing their lack of sufficient climate targets. The decision marks a clear divergence from U.S. asset managers retreating from ESG commitments under political pressure. Union retained holdings in TotalEnergies and Shell, which have corresponding goals. While exclusions are not its preferred method, the Union emphasized the need to reduce exposure to highly polluting firms to meet its climate-neutral 2050 target. Reinvestment remains possible if companies adjust their strategies. ([Gas Outlook](#), June 2)
- BlackRock has been removed from Texas' fossil fuel boycott blacklist after scaling back its ESG initiatives, including existing climate coalitions like NZAM. The decision ends a three-year standoff, allowing Texas state entities to invest in BlackRock again. The delisting reflects broader industry retreat from ESG amid Republican pressure and highlights shifting priorities in U.S. climate finance policy. ([Bloomberg](#), June 3)
- BlackRock, Vanguard, and State Street urged a federal judge in Texas to dismiss an antitrust lawsuit filed by Republican-led states accusing them of colluding to reduce coal production through ESG strategies. The DOJ and FTC support letting the case proceed. The firms argue the claims lack evidence and misapply antitrust law, emphasizing their passive investor role. The case, led by Texas AG Ken Paxton, alleges illegal coordination via climate alliances. A ruling favoring the states could significantly impact institutional investing and trigger more lawsuits over common ownership practices. ([Bloomberg](#),

June 8)

- Despite record outflows, ESG-focused equity funds are outperforming the S&P 500 in 2025, rising 5.4% versus 2.6%, Bloomberg data shows. The top performer, DFA's DSCLX fund, gained 19.6%. Analysts say ESG's recent returns are notable, but widespread adoption remains unlikely without stronger investor commitment, especially amid political headwinds under Trump's administration. ([Bloomberg](#), June 9)
- Report shows that fossil fuel financing by the world's largest banks surged to \$869 billion in 2024, up \$162 billion from 2023, reversing a multi-year decline. Large U.S. banks led the rise, with JPMorgan alone contributing \$53.5 billion. The increase coincides with the U.S. exit from the Paris Agreement and broader political backlash against climate policies under the Trump administration. Those banks also withdrew from the UN-backed Net-Zero Banking Alliance, while global merger and acquisition activity in the gas sector and weakening of ESG policies further fueled the trend. ([Wall Street Journal](#), June 17)

Why it Matters

Environmental, Social, and Governance (ESG) factors form a framework for evaluating the sustainability and ethical impact of an investment in a company or business. ESG is part of the broader concept of sustainable investing and helps investors assess how companies manage risks and opportunities related to environmental stewardship, social responsibility, and governance practices. ESG risk refers to the potential negative financial impact a company might face from government penalties, negative special responses, or looming market forecast due to poor environmental practices, labor issues, or governance failures. Incorporating ESG risk into private investment decisions is important because it helps identify vulnerabilities that could affect long-term returns. ESG differs from climate impact investing, which primarily seeks to generate measurable environmental benefits, often with less emphasis on financial gain. Nevertheless, ESG integration focuses on reducing risk and enhancing financial performance. Some equity investors also engage in shareholder advocacy, using their stakes to influence corporate behavior. In short, ESG is a neutral risk assessment tool, not inherently ideological or politically charged.

Responsible investors may wish to avoid supporting sectors they find ethically or financially risky, and ESG metrics provide a structured way to make those decisions. Profit-driven investors may choose to invest in firms that have seemingly less return in the short-run but are well aligned with ESG criteria to maximize long-term returns and reduce the associated risks. Long-term investors, particularly pension funds, are more likely to incorporate ESG risks as they look for stable, long-horizon returns.

Whether or not to incorporate ESG risk into investment decisions has become a polarizing issue, especially in the United States. Recent developments show how politicized the ESG concept has become. A growing number of U.S. private investors are retreating from ESG strategies in response to political pressure from the current administration and conservative leaders. Unlike their interventions in other areas, such as keeping coal plants open or blocking climate regulations, their influence on ESG has worked largely through disincentives. For example, Texas implemented a blacklist in 2022 targeting financial firms that "boycott" fossil fuels and filed an antitrust lawsuit in 2024 against firms for shareholder actions tied to ESG goals. Under this pressure, BlackRock, the largest asset managing firm in the United States and the world, has pulled back from ESG commitments to regain access to state-managed investments, culminating in its removal from the blacklist in 2025.

Meanwhile, without governmental pressure, European and international investors are maintaining and reinforcing their commitment to sustainable investing. Germany's Union Investment divested from ExxonMobil and EOG Resources over their lack of climate targets. European pension funds like PME and PGGM have explicitly cited ESG considerations in reevaluating mandates with U.S. asset managers, while also maintaining or increasing climate-related investment targets. European investors' continual choice on ESG proves a market decision free of political interference. Both American and European markets are open to ESG, but in the United States, political pressure has driven investors away from it.

The divergence in investment strategies between European and American asset managers highlights deeper strategic and political differences. Republican-led states in the U.S. often rely heavily on the fossil fuel economy, believing ESG investments will hinder the development of those major industries, leading them to resist ESG frameworks that could discourage investment in key local industries. From their perspective, eliminating ESG allows more flexibility in funnelling funds toward politically and economically favored sectors. However, abandoning ESG is short-sighted. The framework is not just about reducing greenhouse gas emissions; it also covers other aspects of environment, social equity, and sound governance. Investing in environmental measures doesn't inherently threaten fossil fuel jobs, it may also support infrastructure resilience, energy diversification, and economic modernization.

Under the current political environment in the United States, ESG has become another battleground in the wider debate over climate policy. Once a shared tool for responsible investing developed by the investment market is now being politicized and weaponized in partisan disputes. The result is a fragmented landscape in which long-term climate mitigation efforts face new obstacles, as consensus on what constitutes prudent investment erodes under the weight of political agendas. Governments should not interfere with the market order for their own political purposes.

More on Climate Financing:

- **Global:** The BRICS has approved the BRICS Framework Declaration for Leaders on Climate Finance, marking a significant step toward coordinated climate action among member countries. As the bloc's first joint climate finance framework, the nonbinding agreement outlines shared priorities such as reforming multilateral development banks, scaling up concessional finance, and mobilizing private capital to support climate efforts in the Global South. The framework is also intended to help build consensus and accelerate climate negotiations. ([South China Morning Post](#), May 30)
- **China:** The New Development Bank (NDB), a multilateral development bank established by the BRICS nations, signed a RMB 1.2 billion syndicated loan agreement to fund environmental infrastructure projects in China in collaboration with the Bank of China and Haitong Unitrust Financial Leasing. The funds will be used to support projects such as wastewater treatment, solid waste management, and converting waste gas into power. This marks the NDB's first syndicated loan involving private capital and reflects its strategy to promote green finance in local currency and attract diverse funding sources to bridge the infrastructure investment gap. ([New Development Bank](#), June 6)
- **European Union:** EU lawmakers are proposing major rollbacks to ESG reporting rules, including raising the

Corporate Sustainability Reporting Directive (CSRD) threshold from 250 to 3,000 employees and scrapping mandatory climate transition plans from the due diligence directive. The changes, led by MEP Jorgen Warborn, are part of a broader response to competitiveness concerns, especially from Germany and France. Critics warn these revisions risk undermining the EU's sustainability agenda. Warborn also suggests limiting reporting demands on small suppliers and giving firms flexibility in addressing ESG risks without penalties for less significant harms. ([Bloomberg](#), June 12)

- **Global:** At the third UN Ocean Conference in France, several financial commitments were announced to support ocean protection. Major pledges included €3 billion from development banks like the EIB and ADB to combat plastic pollution, \$2.5 billion from CAF for sustainable marine investments, and targeted funding for coastal resilience in Guinea, North Africa, and Costa Rica. Private investment also gained traction, with Swen Capital Partners raising €160 million for its ocean biodiversity fund, aiming to reach €300 million. ([Reuters](#), June 16)
- **Canada:** La Caisse, Canada's second-largest pension fund, pledged to invest \$400 billion by 2030 in climate-aligned companies and technologies after meeting its sustainability targets early. CEO Charles Emond called it a fiduciary duty, while its sustainability head stressed the move is profit-driven. This comes as the Canada Pension Plan and RBC scale back ESG goals. However, funds such as Ontario Teachers', OMERS, and BCI continue to uphold long-term net-zero commitments, signaling a divide in Canadian institutional investment approaches to climate strategy. ([Bloomberg](#), June 19)
- **The United Kingdom, Kenya, Singapore:** The three countries have launched a new coalition to rebuild corporate trust in carbon markets by establishing clearer buyer guidelines. Backed also by France and Panama, the initiative aims to stimulate demand for carbon credits, which have seen stagnation in use amid fears of greenwashing and unclear standards. Officials from the UK and Standard Chartered stressed the need to align business incentives with climate goals to unlock billions in potential finance for developing countries. ([Reuters](#), June 24)
- **Slovenia:** Slovenia is the first European government to issue a sovereign sustainability-linked bond (SLB), tying €1 billion of 10-year debt to national climate targets. The bond's coupon rate adjusts depending on Slovenia's 2030 emissions: it rises 50 basis points if Slovenia fails to reduce emissions by 35% (from 2005 levels), and drops by the same margin if emissions fall by at least 45%. The issuance has attracted €6.5 billion in orders, and marks a milestone in sovereign climate finance and could serve as a model for other nations. ([Bloomberg](#), June 24)
- **Mozambique:** Mozambique's President Daniel Chapo proposed a Global Partnership for Results-Based Climate Finance prioritizing vulnerable countries at the UN's Fourth International Conference on Financing for Development in Seville. Emphasizing the need for an inclusive financial architecture, Chapo underscored Mozambique's commitment to structural reforms and economic transformation grounded in good governance and environmental sustainability. ([Club of Mozambique](#), June 30)

Climate Risks & Adaptation

The Looming Food Crisis is Exacerbated by Climate Change

What is Happening

- Agricultural ministers of BRICS countries attended the BRICS Agriculture Working Group (AWG) to create the BRICS Partnership for Land Restoration and to finalize the 2025–2028 BRICS Agricultural Action Plan. The Plan will support sustainable trade, agricultural innovation, and climate-resilient practices across member nations. Agriculture is identified as a key driver of sustainable development and environmental preservation. ([Government of Brazil](#), Apr 15)
- New research published on *The Lancet* warns that climate change may make rice more toxic. Higher carbon dioxide levels and temperatures are projected to increase arsenic accumulation in rice, posing serious public health and food security risks. It also warns that current food policies fail to address this emerging threat on the staple food for half the world's population. ([Inside Climate News](#), April 16)
- As a part of the third South-South Parliamentary Dialogue Forum, the African-Latin American Parliamentary Forum (AFROLAC) identified the urgent need to address the critical links between conflicts, environmental disasters and food security both regionally and intraregionally. ([Food and Agricultural Organization of the United Nations](#), April 28)
- China's northern wheat-growing regions experienced hot and dry weather during the wheat grain-filling stage. This is a crucial stage for the crop, as it transfers nutrients into developing grains, determining both yield and quality. There has been a 90-day rainfall deficit, and is expected to worsen. ([Reuters](#), May 6)
- Migratory pests are moving from mainland Southeast Asia into southern China, causing rice yield losses and threatening food security. The pests thrive under the warm and humid weather of El Niño, and similarly under the continued warming global climate that exacerbates outbreaks. Scholars call for international cooperation on pest management strategies to ensure food production security. ([South China Morning Post](#), May 6)
- The climate change induced prolonged drought in Africa is expected to worsen through mid-2025, threatening food security, water resources, and livelihoods across the region. East Africa is experiencing a delayed start of the February to May rainfall season, adversely affecting the planting, sowing and growing of main cereal crops for this season. ([European Commission, The Joint Research Centre: EU Science Hub](#), April 23; [World Meteorological Organization](#), May 12)
- Nineteen months into the conflict, the Gaza Strip still faces a critical risk of famine that is projected to continue from May to September, according to the Integrated Security Phase Classification (IPC). Existing food supplies have been running out. Ongoing blockage of humanitarian aid and commercial goods into the region and new strikes on UN relief and works agency (UNRWA) makes it difficult to ease the current situation. ([United Nations](#), May 12)
- The 2025 Global Report on Food Crises (GRFC) indicated that there has been a steady increase in global food insecurity across the 53 countries/territories studied. Conflict is the main driver of the

worsening of Phase 5 conditions and acute food insecurity overall. Besides conflict, climate change-related extreme weather events were the primary drivers of acute food insecurity. These factors also exacerbate each other's impacts when put together, creating vicious cycles of disruption. ([International Food Policy Research Institute](#), May 16)

- In light of the release of the 2030 Global Biodiversity Framework, Egyptian Minister of Environment, Yasmine Fouad, emphasized that food security presents a golden opportunity to connect topics of climate adaptation, biodiversity, and desertification. She noted that food security is especially important under the growing global food crisis that is intensified by climate change. ([Egypt Today](#), May 25)

Why it Matters

Historically, food insecurity was largely the result of production shortfalls. Before the Green Revolution, the world simply didn't grow enough food to feed its population. That changed with significant advances in agricultural productivity, shifting the primary challenge from production to distribution and storage. However, climate change is reversing that trend.

Agricultural production is inherently dependent on stable weather conditions. It is becoming increasingly vulnerable to climate change. Shifting weather patterns, more frequent extreme events, and rising temperatures are making farming less predictable and more difficult. While technological solutions exist to reduce dependency on natural climate cycles, such as irrigation, fertilizers, pesticide, herbicide, and improved crop varieties, these often require large external energy or chemical inputs, which themselves contribute to environmental degradation and greenhouse gas emissions. Agriculture is now the largest user of water and the second-largest source of global emissions after energy, meaning it is both a victim of and a contributor to climate change. There can only be an "or" between ensuring ample food production and safeguarding the environment throughout the process.

Food security is a multifaceted issue influenced by food production, supply chains, and economic conditions. In many cases, it is not a lack of food that drives insecurity but rather failures in distribution. When food cannot be delivered to the right place at the right time, the consequences can be severe. Farmers without adequate storage are often forced to sell their crops at peak supply and low prices, only to buy them back during shortages at high prices, undermining their financial sustainability.

Conflicts and poor infrastructure similarly disrupt food access for prolonged periods of time. However, conflicts tend to cause acute shocks, while weak infrastructure imposes chronic barriers. In conflict zones, political instability and safety concerns make food delivery especially difficult, for example the worsening famine in the Gaza strip.

Unlike distribution problems, which are technical and logistical, production challenges are tied to natural systems that are harder to control. With climate change worsening, the risk of insufficient food production is reemerging as a core cause of food insecurity. Prolonged droughts in Africa, rising temperatures, and shifting rainfall patterns are already altering or shrinking viable agricultural zones. Unpredictable weather leads to delayed planting, unfavorable growing conditions, or disrupted harvests, all of which will cause sudden supply shocks that ripple through the entire food system.

To safeguard food security, climate-related risks must be closely monitored and addressed. Without sufficient production, even the most efficient distribution systems cannot ensure food access. As the BRICS and FAO dialogues have highlighted, international collaboration, adaptive strategies, and sustainable land restoration are essential to building a food system that can withstand the growing threat of climate instability.

More on Climate Risks & Adaptation:

- **The United States:** Flooding between April 2 through April 5 with the equivalent of three months of expected rainfall hit Arkansas, bringing a total loss of at least \$78.9 million in agriculture to the state. The estimate currently only included replanting costs. It will continue to increase as calculations include costs from late planting, damage to farm structures, and unreported flooded acreage. Many of the corn, rice, and soybeans needed to be replanted. ([Arkansas Advocate](#), April 16)
- **Argentina:** Above normal level rain flooded Buenos Aires, Argentina's agricultural heartland. This delayed the ongoing harvesting of soybeans and corn, and posed significant risk to the storage of harvested crops. ([Reuters](#), May 19)
- **European Union:** The European Commission's new farm policy reform package aims to reduce bureaucracy and offer faster disaster relief to farmers but risks weakening core environmental protections under the Green Deal. The proposal loosens green standards tied to subsidies while emphasizing flexibility and financial compensation for climate-related losses. Critics argue the move could undermine the EU's climate goals, even as the Commission frames it as a balance between sustainability and resilience. ([Politico](#), May 9)
- **European Union:** The latest study published by the European Investment Bank (EIB) and the European Commission demonstrates the losses brought by adverse weather such as droughts on the EU agriculture sector, and urges a stronger EU risk-management system for the sector. The losses are more than €28 billion (\$31.5 billion) a year, and average annual losses could increase as much as 66% by 2050. Those increasing sources of uncertainty for food production are not properly mitigated, as climate-induced farm losses are oftentimes under insured. ([European Invest Bank](#), May 20)
- **China:** China has allocated 1.4 billion yuan in central government funds to support disaster prevention and relief in agricultural production across 30 provinces. The funding will go toward subsidies for pesticides, equipment, and coordinated services aimed at mitigating the impact of climate-related disasters. ([Reuters](#), May 23)
- **China:** Chinese authorities have warned that floods in northern China are expected to be more severe this summer, threatening densely populated areas and key grain-producing regions. The water resources ministry noted the trend of more frequent and intense extreme storms, driven by accelerating global warming. These climate disruptions are pushing mitigation efforts even in northern areas that have traditionally been drier. ([Reuters](#), June 5)
- **Côte d'Ivoire:** Below-average rainfall and persistent cloud cover are raising concerns among cocoa farmers in Ivory Coast about the quality and volume of the mid-crop harvest. While current soil moisture supports growth, farmers warn that continued weather irregularities could disrupt the critical final stages of the

season and delay the start of the next crop cycle. ([Reuters](#), June 9)

- **Global, Europe:** This May was the world's second-warmest May based on historical records, and was 1.4 degrees Celsius above preindustrial average levels. This was preceded by the second-warmest April. This Spring in northwestern Europe was also drier compared to historical records, with the lowest precipitation and soil moisture levels since 1979. ([Politico](#), June 11)
- **Italy:** Extreme weather events caused by climate change could cost Italy more than 5% of its GDP by 2050 if no further action is taken. There is increasing damage from floods, droughts, and heatwaves, which have devastated agriculture in southern regions, harming crops and livestock. Coordinated global action toward carbon neutrality could substantially reduce these impacts. ([Reuters](#), June 11)
- **Morocco:** Morocco is increasing its investments in desalination, dam construction, and water transfer projects to address prolonged drought and rising water demand from agriculture and urban areas. The country aims to reach 1.7 billion m³ of desalination capacity by 2030. Officials acknowledged a mismatch between agricultural and water policy, worsened by climate change, and are now restricting water-intensive crops in arid regions. A major waterway project will also be expanded to support drought-hit inland farms. ([Reuters](#), June 13)

BCCC Commentary of the Quarter

Hybrid Cars Offer America a Greener and Cheaper Road Forward

By Zhangchen Wang

June 16, 2025

In the aftermath of sweeping budget “One Big Beautiful Bill Act” negotiations, it is becoming almost certain that the GOP aims to press Congress to [eliminate federal tax credits on electric vehicles \(EV\)](#), reigniting new debates about America’s future clean transportation strategy. In fact, rather than framing the policy choice of the United States as an all-or-nothing leap toward fully electric vehicles, hybrid electric vehicle (HEV)—which combines an internal combustion engine with an electric motor to simultaneously improve fuel efficiency and reduce emissions—actually present a more pragmatic and effective middle path toward a more sustainable future in many aspects. Beyond delivering immediate reductions in greenhouse gas emissions and improving energy efficiency, HEV provides the American automobile industry a more feasible pathway towards sustainability, both environmentally and economically, without requiring massive new infrastructure or perpetual government subsidies while still preserving the potential for greater levels of electrification in the future. Given the current political and fiscal realities of the United States, HEV deserves more consideration as a central pillar in America's future climate and industrial strategy.

Although HEV still partially relies on fossil fuels, it already delivers measurable reductions in emission. Researchers [found](#) that HEV can reduce average fuel consumption by 39.3% on freeways and expressways and by 58.0% on arterial roads compared to its conventional counterpart. These improvements nearly doubles fuel efficiency of HEV, equating to roughly 2 fewer tons of gasoline per car per year—a compelling difference that prompts American families to seriously consider choosing a hybrid over a traditional gasoline car. Currently, automobiles account for roughly [20%](#) of total greenhouse gas emissions in the United States. Besides economic benefits, a shift toward hybrid electric vehicles would also reduce vehicle-level CO₂ and nitrogen oxide (NO_x) emissions by [33% and 61%](#), respectively—already a meaningful step toward cleaner transportation. Crucially, these gains are achieved without requiring regular American drivers to alter their behavior or make additional expenditures.¹



¹ Image Source: Getty Image, Royalty-free

These savings stem not only from the additional electric motor but also features distinctive to EV and HEV, such as regenerative braking, idle start-stop systems, and higher energy efficiency. Regenerative braking alone can recover up to [60-70%](#) of the kinetic energy typically lost during deceleration. When sitting in traffic, HEV is also capable of shutting the engine off at idle to reduce fuel burn and emissions while still operating normally. Moreover, these technologies are common to both EVs and HEVs. While the latter offers a more practical and immediately scalable solution given the current limitations in the U.S. market, investing in HEV adoption also helps build the technical foundation for a more fully electrified future—if and when EVs become more viable at scale.

In terms of overall energy efficiency, given that renewables currently account for only about [21%](#) of U.S. electricity generation, the electricity currently used in HEV still primarily comes from fossil fuel-based power plants. However, even when grid electricity is sourced from coal or oil, HEVs benefit from the higher thermal efficiency of centralized power plants compared to internal combustion engines. Conventional gasoline vehicles operate at an average energy efficiency of around [20.5%](#), whereas power plants—even those in regions with the lowest performance—typically achieve efficiencies above [36%](#). This difference means that HEVs can cut the fuel cost and greenhouse gas emission almost in half when traveling that same distance. In areas with better grid management, that efficiency advantage can be even more dramatic—up to a fourfold improvement.

This gradual shift toward electrification also brings a less discussed but deeply impactful benefit: it creates durable, market-driven demand for electricity. Unlike temporary demand spikes triggered by subsidies, HEVs reflect real consumer motivation—each hybrid vehicle saves nearly two tons of gasoline per year, which are tangible economic relief and emissions reduction driven by performance rather than policy incentives. As a result, new power generation and grid infrastructure will likely receive stronger investment, which not only supports economic growth across sectors—such as construction, raw material supply chains, and energy equipment manufacturing—but also expands the share of renewable sources, even if renewables make up only part of the additional capacity. More importantly, this evolution lays the foundation for a more resilient and electrified transportation system. The feedback loop is clear: more HEVs lead to more electric miles, which encourage more power infrastructure, which in turn supports deeper electrification—including the eventual feasibility of full EVs.

Indeed, as [mentioned before](#), job redistribution that merely shifts workers from one sector to another without generating new value should be avoided. At first glance, the rise of HEVs might appear to threaten the livelihoods tied to traditional combustion-engine manufacturing. However, this shift is not about dismantling one sector to prop up another—it is about genuine innovation. Improving energy efficiency, reducing emissions, and creating new technical capabilities are not redistributive moves—they are forward-looking transformations. Resisting such progress in the name of short-term employment stability risks missing the broader opportunity. HEV is not only a solution but also a key to a wide range of meaningful, future-oriented reforms for the automobile industry of the next generation.

In the long run, HEV offers a vital model for decarbonization by accelerating battery innovation and enabling broader emission reduction across vehicle types. One of the key reasons the U.S. cannot yet fully embrace EV is its comparative weakness in high-performance battery technologies. HEV provides a practical platform for automakers to enhance their battery systems gradually—starting with modest capacities and moving toward advanced chemistries such as sodium-ion. These incremental improvements are not just industrial milestones; they are climate enablers, allowing more efficient energy through deeper electrification. At the same time, HEVs offer a scalable model for decarbonizing heavy-duty vehicles and public fleets, which together account for roughly [one-third](#) of total vehicle-related emissions. Lessons learned from hybrid passenger cars—including energy recovery, fuel optimization, and dual-power system design—can be directly transferred to larger platforms such as buses and trucks. In this way, HEVs are not a detour from climate goals, but a stepping stone toward decarbonizing the broader transportation system.

Across all these functions, HEV does not represent a fallback or resistance to electrification but rather a forward-looking step toward it. They deliver immediate emission reductions, lower fuel consumption, and reduce fossil fuel reliance—all while fitting the existing contours of America’s geographic and industrial landscape. Crucially, they support the gradual development of technologies—batteries, electric components, and grid integration—that will define the next era of transportation. In short, they reflect a hybrid mindset in more than just engineering: pairing realism with ambition, transition with transformation.

In fact, China already has meaningful experience with HEV that could offer an instructive example for the U.S. In recent years, sales of HEV in China have grown [faster](#) than those of full battery EVs, reflecting a consumer preference for incremental, reliable solutions that reduce fuel use without requiring full electrification upfront. This suggests that hybrid technologies can serve as a practical bridge for countries aiming to achieve cleaner and more affordable transportation through electrification. As the U.S. reconsiders its own path forward, it can draw lessons from China’s pragmatic approach. At the same time, Chinese policymakers should also be cautious about shifting their emphasis solely to EVs and allowing HEVs to be governed entirely by market forces. Moreover, given HEV’s proven benefits, it remains a valuable tool not only for China and the U.S., but also for countries like Japan, South Korea, and Germany—each of which has a robust auto industry and potential in renewable energy that could support a hybrid-centered transition strategy.

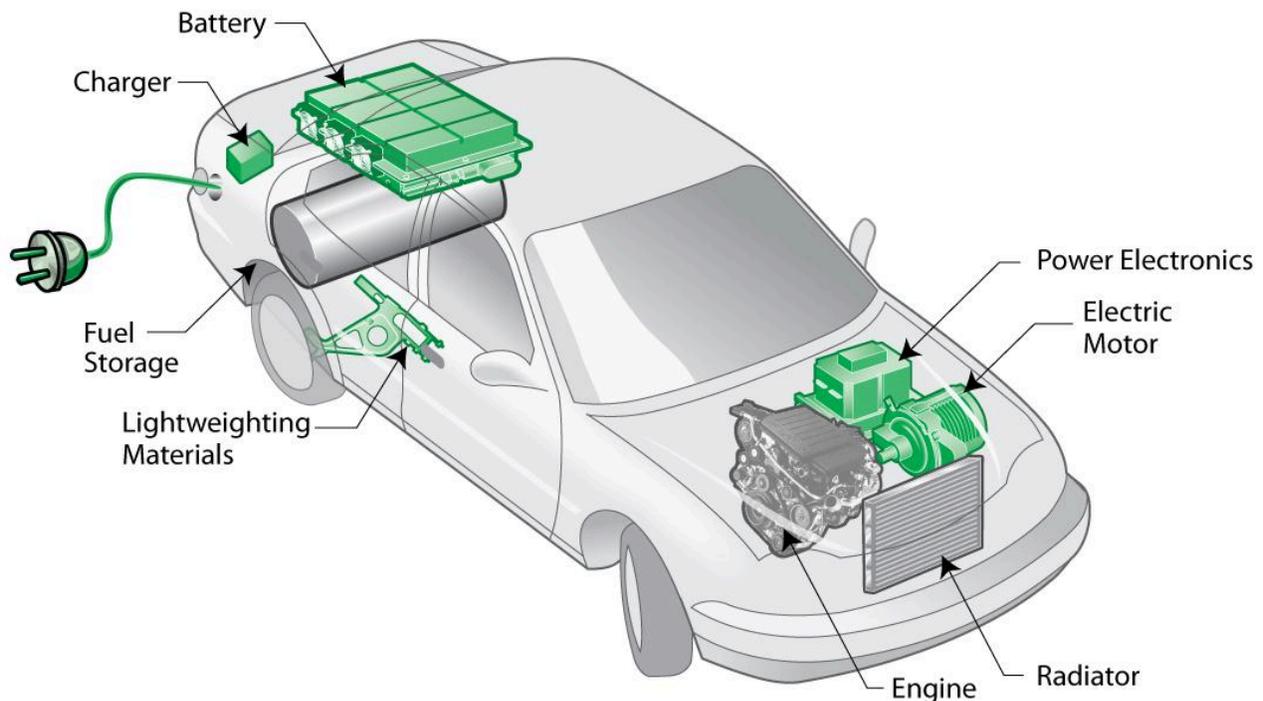
As Congress revisits major climate and tax legislation, including reforms to the Inflation Reduction Act and likely renewals of the Tax Cuts and Jobs Act, the question should not be whether to support clean vehicles, but how to support the ones that deliver meaningful and scalable results. HEV deserves recognition—not as a half-measure, but as a strategic asset in today’s economic and environmental landscape of the U.S. They cut emissions in the near term, enable industrial innovation, and extend the reach of limited public dollars through market-based growth. Supporting HEV would not only strengthen climate outcomes—it would reinforce the pro-growth principles of the TCJA by leveraging stronger initiative to meet long-term national goals. In a moment demanding both fiscal discipline and climate leadership, hybrid vehicles may well be the most sensible and sustainable way to drive America forward.

This season's BCCC Commentary was written by Zhangchen Wang, Research Assistant at the Institute for China-America Studies.

Climate Change Project Profile: Hybrid Electric Vehicle (HEV)

A. Understanding Hybrid Electric Vehicle (HEV)

Hybrid electric vehicles (HEV) combine an internal combustion engine with one or more electric motors and a rechargeable battery, allowing the vehicle to switch seamlessly between gasoline and electric power to improve overall efficiency and lower emissions. Unlike fully electric vehicles, HEV is capable of being plugged in to charge and can also generate electricity internally, while still relying on a combustion engine when needed. At the same time, it differs from traditional internal combustion engine vehicles by incorporating a battery that enables partial electric driving, typically covering 30 to 100 kilometers of all-electric driving range. By helping reduce roughly one-third of total vehicle-related emissions, HEVs already deliver significant climate benefits today.²



As a topic for climate discussion, HEV stands out because they offer an immediate, tangible way to lower transportation emissions without demanding a rapid, large-scale transformation that many countries and

² Image: Plug-in hybrid electric vehicle (PHEV) diagram. (Source: Photo by Argonne National Laboratory via Flickr, CC BY-NC-SA 2.0)

consumers are not yet prepared for. They provide a realistic and scalable bridge between conventional fuel vehicles and fully electric models, allowing policymakers to set more ambitious emission targets without straining infrastructure or alienating consumers. HEV also helps build early market familiarity with electric driving and battery management, which in turn supports long-term development of charging networks, battery supply chains, and complementary technologies such as smart grid integration. By encouraging gradual behavioral and industrial shifts, HEV represents not just a transitional technology but a concrete, strategic step toward a future that is both economically viable and climatically sustainable. Their ability to balance environmental ambition with practical feasibility makes them a powerful tool for any country seeking a steady, inclusive path to decarbonized mobility.

B. What is HEV

Main Types of HEV

Hybrid vehicles come in several forms, each with varying degrees of electrification and climate relevance. The three main types are Mild Hybrid Electric Vehicles (MHEVs), Conventional Hybrids, and Plug-in Hybrid Electric Vehicles (PHEVs). While they all pair electric elements with an internal combustion engine, their long-term utility in sustainable transport transitions varies significantly.

MHEVs rely on a small electric motor to assist engine functions such as coasting and acceleration but cannot drive on electricity alone. Their fuel savings are modest—typically 10–15%—and they contribute little to electric mobility infrastructure or battery development. As such, they are widely seen as a temporary optimization rather than a forward-looking solution. Conventional Hybrids incorporate a battery and motor capable of low-speed electric propulsion. They improve fuel efficiency substantially, especially in urban driving. However, their batteries are not designed for external charging or sustained electric driving.

PHEVs, by contrast, are structured to support both electric and gasoline propulsion, and can be recharged externally. With electric ranges from 30 to over 100 kilometers—often enough for daily commutes—they allow many users to operate primarily in EV mode, while retaining the gasoline engine for longer trips. This flexibility reduces emissions without requiring immediate, full-scale EV infrastructure or more advanced EV batteries. PHEVs also build user familiarity with electric driving and help stimulate demand for charging systems and battery innovation. In that sense, they serve not only as a low-carbon option but also as a technological bridge—positioned to ease consumers, industries, and governments toward a more electric future. Many countries now recognize the transitional value of PHEVs. China's 2024 policy revisions integrated PHEVs more fully into its fuel consumption credit system, while Japan and Germany continue to offer targeted incentives tied to electric range and real-world performance. Automakers are also responding: Toyota, BYD, and Hyundai have all scaled up plug-in hybrid production in response to consumer demand for flexible, cleaner vehicles. These shifts suggest that PHEVs are not just a stepping-stone—they are an active part of industrial and environmental strategy in diverse markets.

The Hybrid Power Chain of HEVs

At their core, all HEVs share a basic architectural goal: to combine an internal combustion engine with an electric system that improves energy efficiency, reduces emissions, and enhances driving performance. Whether modest or advanced, hybrid powertrains rely on the same essential components: an internal combustion engine, one or more electric motors, a battery pack, and a control unit that manages the interaction between these systems.

The electric motor plays a dual role. It assists the engine during acceleration and low-speed driving, helping to reduce fuel consumption, and it also captures energy during deceleration through regenerative braking. In this process, the motor operates as a generator, converting kinetic energy into electricity that is stored in the battery for later use. This closed-loop design—where energy is recovered and reused—makes hybrid systems especially efficient in stop-and-go urban conditions. Depending on the vehicle's design, the battery may be charged exclusively through regenerative braking and engine surplus, or, in more advanced configurations, may also accept power from the electric grid.

The ability to plug in and recharge the battery externally is a defining feature of plug-in hybrid electric vehicles (PHEVs). This extension of capability allows for sustained electric-only driving—often enough to complete daily commutes without engaging the gasoline engine—before reverting to hybrid mode for longer trips. This provides an intermediate option to reduce energy consumption and emissions without fully implementing pure electric vehicles that requires more advanced technologies and facilities.

Modern hybrids are also increasingly equipped with sophisticated control units. While the power control unit is not yet the “intelligent brain” of hybrid vehicles, it has begun integrating early forms of smart functionality. HEVs are already equipped with the necessary electrical and control architecture to support smarter driving systems that potentially enables auto driving in the long run. Research in vehicle control systems suggests that traditional rule-based energy strategies are gradually giving way to model predictive control and data-driven optimization—technologies that could enable intelligent energy decisions based on real-time environmental input or driving history. In this sense, HEVs are not yet fully “smart,” but they are structurally aligned with where smart mobility is heading. Their enhanced electric architecture provides the essential groundwork for future AI-enabled driving systems, making them not only a cleaner alternative to internal combustion vehicles but also a natural entry point into the next phase of intelligent transport.

C. How HEV is Making A Difference

Reducing Emissions and Saving Costs

HEV achieves meaningful reductions in fuel consumption and emissions not by eliminating internal combustion entirely, but by using energy more efficiently. At the heart of this efficiency is the vehicle's ability to recover power and draw power from electricity, rather than relying solely on burning gasoline, which leads to both lower emissions and lower operating costs.

One of the most important mechanisms enabling this efficiency is regenerative braking, which captures kinetic energy that would otherwise be wasted as heat and redirects it to recharge the battery. Research shows that regeneration can recover 20% of total trip energy in urban cycles. In some systems, up to 60–70% of braking energy—which would otherwise be lost as heat—is converted back into electrical energy. In city driving, where stop-and-go traffic is common, this closed energy loop is particularly effective. By continually cycling energy back into the system, hybrids reduce the need to burn fuel during frequent acceleration, which is traditionally the most energy-intensive phase of driving. Beyond regenerative systems, hybrids benefit from the higher efficiency of electric powertrains. While internal combustion engines convert only about 16–25% of fuel energy into movement, electric drivetrains can achieve well-to-wheel efficiencies of 80–91%. Even when electricity is generated from fossil fuels, centralized power plants are more efficient than small gasoline engines, making electricity use inherently more effective from an emissions standpoint.

Beyond emissions reduction, this efficiency translates directly into tangible cost savings for users. Hybrid versions of popular vehicle models typically consume 30–40% less fuel than their internal combustion engine (ICE) counterparts, resulting in comparable reductions in fuel expenses. While most consumers may not prioritize environmental performance when making purchasing decisions, the prospect of lower operating costs offers a powerful incentive. In this way, cost competitiveness not only increases consumer acceptance of hybrid vehicles, but also indirectly contributes to broader emissions reductions.

Flexibility and Long-Distance Capability

HEVs deliver immediate gains without requiring lifestyle changes, making them an accessible and cost-effective solution toward cleaner and cheaper driving experiences in both developed and emerging markets. This is one of the most underappreciated strengths of hybrid technology: it does not demand new behaviors, charging infrastructure, or regional upgrades to deliver measurable climate and economic benefits. Instead, HEVs combine traditional vehicle usability with modern electrification, creating a pathway that works with current conditions.

While fully electric vehicles are often cheaper to operate and cleaner in principle, they remain difficult for many consumers to adopt. A key reason is the limited range and slow charging time of current EV batteries. Additionally, EV infrastructures such as charging stations in many countries are still scarce, unreliable, or nonexistent outside major cities. Concerns around range anxiety and the inconvenience of long charging times limit EV adoption and acceptance rate. In contrast, hybrid vehicles offer a much more adaptable experience. A HEV may only deliver 50 or 60 kilometers of electric driving range, but that range is enough for most daily commutes and urban errands. For longer journeys, the internal combustion engine takes over without disruption. This built-in redundancy gives drivers peace of mind: they can use electric power where it makes sense and gasoline where it's necessary. In practical terms, HEVs act like traditional cars with an electric bonus, rather than electric cars with traditional limitations.

Enabling Battery Development

As mentioned in the previous section, battery technology is central to vehicle electrification, but most countries do not yet possess advanced battery capabilities. In this context, hybrid electric vehicles help create a practical market incentive for improving battery systems. Although HEVs require smaller and more accessible batteries than fully electric vehicles, their growing adoption contributes meaningfully to overall battery production by enabling manufacturers to increase scale, reduce costs, and refine technologies. This steady demand encourages automakers and suppliers to invest in more durable, cost-effective, and energy-dense batteries—a development pathway critical for all countries aiming for the future expansion towards fully electric fleets.

Additionally, considering that many countries are lagging behind in lithium-ion battery innovation or access to raw materials, the success of HEVs could motivate broader research and investment into alternative chemistries. Technologies like sodium-ion batteries—which are gaining interest due to lower material costs and greater supply security—may only become commercially viable with a sustained and scalable market like that created by HEV adoption. In this way, HEVs are not only reducing emissions today—they are also shaping the battery innovation ecosystem that will define the electrified mobility landscape of tomorrow.

D. The Latest on HEV And What It Means

Australia's Hybrid Surge Reflects Consumer Preference for Practical Transition

In the first quarter of 2025, Australia saw a reverse in its EV trend. Fully electric vehicle sales fell to a two-year low, with just 17,914 units sold—down from both Q1 2023 and Q4 2024. At the same time, sales of conventional hybrids increased to 46,115 units, and plug-in hybrids (PHEVs) nearly doubled to 13,698 units, holding 4.8% of total market share, up from 2.6% in Q4 2024. These figures come shortly after Australia introduced a new Vehicle Efficiency Standard aimed at reducing emissions from new vehicles by 60% by 2030.

This shift highlights the growing consumer preference for vehicle options that combine efficiency with flexibility. Regulatory pressure can nudge consumers toward cleaner vehicles, but also how that shift is shaped by infrastructure readiness and technological trust. The new national emissions standard clearly encouraged more climate-friendly purchases—but instead of driving a surge in EVs, which remain hampered by range anxiety and charging limitations, it led to a boom in hybrid sales. This divergence validates the advantages and concerns discussed in the previous section: Consumers are willing to adopt cleaner technologies, but as long as they view EVs as immature, they tend to prefer options that do not require major changes to driving habits or charging behavior. HEV meets the demand with their dual-mode flexibility. While it is too early to predict outcomes with certainty, Australia's policy shift could signal a broader acceleration in EV technology development, supply chain localization, and even infrastructure upgrades tailored to full electrification.

Honda and Mercedes-Benz Made Strategic Shift Towards Hybrid

In May 2025, Honda announced a significant recalibration of its electric vehicle strategy. The company scaled back its EV investment by 30%, reducing planned spending from ¥10 trillion (\$69 billion) to ¥7 trillion (\$48 billion) by 2031, and postponed its planned \$11 billion EV manufacturing facility in Ontario, Canada. Honda also revised its 2030 sales target, lowering the projected BEV contribution from 30% to approximately 20% of global sales. Instead, the automaker will focus on launching 13 new hybrid models by 2027 and aims to sell 2.2–2.3 million hybrids by 2030. This will be a substantial leap from the 868,000 hybrids sold in 2024. Honda emphasized that while pure EVs remain central to its 2040 carbon-neutral goals, hybrids will play a crucial role in its near-to-mid-term strategy.

This middle-path approach is not limited to Japan. Mercedes-Benz also introduced two new plug-in hybrid models. According to the company, plug-in hybrids are better suited to the current market than EV, both due to price sensitivity and consumer readiness. Mercedes-Benz explicitly framed PHEVs as a “gap measure” for markets not yet ready to fully leap into EVs.

The two major automobile companies’ strategic shift highlights the growing recognition of HEVs as a critical midpoint in the broader transition to electric mobility. As full EV adoption proves more complex and uneven than anticipated, even major automakers are reconsidering their electrification timelines. For companies facing technological, supply chain, or market disadvantages in the EV space, HEV always offers a viable and competitive alternative that delivers lower emissions and incentivizes transformation. Both Honda’s multi-year hybrid ramp-up and Mercedes-Benz’s targeted PHEV deployment in emerging markets illustrate how hybrids are enabling a smoother, more inclusive global shift. These cases reinforce the idea that HEVs are not a detour, but a foundation for more inclusive and resilient pathways toward zero-emission transportation.

As Other Countries Surges Ahead, U.S. Policy Uncertainty Stalls HEV Progress

Global sales of both EV and HEV reached 1.6 million units in May 2025, marking a 24% year-over-year increase. China led the surge with over 1 million units sold in a single month for the first time this year. This surge is driven by robust domestic demand and a wave of exports to emerging markets in the Global South. Europe also performed strongly, with Germany’s fleet vehicle incentives and stable Southern European demand contributing to a 36.2% regional sales increase. In contrast, North America recorded a muted 7.5% increase, with Canadian sales hurt by expiring subsidies and U.S. demand dampened by recent regulatory reversals, new tariffs, and general market uncertainty.

The contrasting trajectories between the United States and the rest of the world underscore the importance of consistent policy support in sustaining clean vehicle adoption. The rollback of emission regulations under the Trump administration and new tariffs on imports have combined to stall both consumer interest and manufacturer planning. In a context where flexible, mid-transition vehicles like HEV could help stabilize the market, the U.S. is instead sending mixed signals that slow investment and erode consumer confidence. This stagnation is not just a missed environmental opportunity but also a strategic setback. As China consolidates its role as a global HEV and

EV exporter, the U.S. risks ceding technological and industrial leadership in one of the world's fastest-growing markets.

E. What's Next for HEV...

While HEVs represent a clear step toward cleaner, more economical transport, their real value ultimately depends on whether they can drive deeper structural change. Ideally, widespread hybrid adoption should accelerate advancements in battery technologies, expand charging infrastructure, and encourage the growth of renewable electricity generation. However, it remains uncertain whether consumers and producers will fully embrace this transition mindset. There is a risk that drivers and automakers may treat HEVs merely as a more fuel-efficient gasoline alternative, focusing only on cost savings rather than actively using electric modes or supporting broader decarbonization efforts. If this happens, hybrids could unintentionally delay the shift toward fully electric vehicles and a truly zero-emission future. This potential pitfall highlights the importance of strong policy incentives and public education to ensure that hybrids serve as a stepping stone rather than a comfort zone.

At the same time, even if such conservative patterns prevail, it does not mean the end of progress toward clean transport. By retaining an internal combustion engine, HEV keeps the door open to alternative clean fuels, such as hydrogen and advanced biofuels. In this sense, choosing hybrids today is not merely about taking one linear path; it is about keeping multiple technological avenues viable for future decarbonization. Our collective future will likely include a strong electric foundation, but it may also be supported by complementary clean combustion options. Thus, adopting HEV now can also be viewed as a strategic choice to maintain flexibility, balance near-term emission cuts, and prepare for a diversified, sustainable mobility landscape.

Main Sources & Expanded Reading

[The Advantages and Disadvantages of Mild Hybrid \(MHEV\) Cars](#), Keith Michaels PLC, November 13, 2023

[The Development of The Fuel Saving Control Strategy for 48 V P0 System: Design And Experimental Investigation](#), *Advances in Mechanical Engineering*, January 10, 2024

[Could Extended-Range Evs Nudge More Car Buyers Toward Full Electric?](#), McKinsey & Company, February 10, 2025

[Mild-Hybrid Vehicles: A Near Term Technology Trend for CO2 Emissions Reduction](#), International Council on Clean Transportation, July, 2022

[China Extends NEV Tax Reduction and Exemption Policy to 2027](#), China Briefing, June 28, 2023

[Electric Vehicle Benefits and Considerations](#), U.S. Department of Energy, last visited on June 28, 2025

[Gas or Electric? Splitting the Difference Could Energize Chinese Automakers](#), *Wall Street Journal*, July 30, 2024

[A Rule-Based Control Strategy of Driver Demand to Enhance Energy Efficiency of Hybrid Electric Vehicles](#), *Applied Sciences*, August, 2022

[Towards a Smarter Energy Management System for Hybrid Vehicles: A Comprehensive Review of Control Strategies](#), *Applied Sciences*, May 16, 2019

[Artificial Intelligence Algorithms for Hybrid Electric Powertrain System Control: A Review](#), *Energies*, April 14, 2025

[The Analysis of Energy Recovered during the Braking of an Electric Vehicle in Different Driving Conditions](#), *Energies*, December 10, 2022

[Electric Vehicle Benefits and Considerations](#), U.S. Environmental Protection Agency, last visited on June 28, 2025

[CATL Naxtra: Sodium-Ion Batteries Take Center Stage](#), Sodium Battery Hub, May 5, 2025

[Electric vehicle sales hit two-year low in Australia as hybrid cars boom](#), *The Guardian*, May 21, 2025

[Bev. Ice Sales Fall as Hybrids and Plug-Ins Accelerate](#), Australian Automobile Association, May 22, 2025

[Honda Pulls Back On EV Strategy for Now and Will Push Hybrid Sales](#), *AP News*, May 20, 2025

[Mercedes-Benz Ph Rolls Out First Plug-In Hybrid EV Cars](#), *GMA News*, June 14, 2025

[Electric Vehicles Are Soaring—Unless You're in America](#), *msn*, June 16, 2025

This season's Climate Change Projects Profile on Hybrid Electric Vehicle (HEV) was primarily researched and written by Zhangchen Wang, Research Assistant at the Institute for China-America Studies.

Climate Change Actor Profile: BRICS Environment Ministers' Meeting

A. Understanding The BRICS Environment Ministers Meeting

The BRICS Environment Ministers Meeting is an annual high-level forum where environment ministers from all BRICS nations gather to coordinate their climate and environmental strategies. While the meeting has no formal institution with a standing secretariat, it has become a vital venue for aligning policy stances across a diverse bloc representing over 40% of the global population and more than a quarter of global GDP. It is also a strategic political platform that reflects the priorities and developmental needs of the Global South. As an organization that is increasingly perceived as a leading voice and representative of the developing world, BRICS offers a more suitable and context-aware pathway for developing countries, drawing on the bloc's own experience in balancing economic growth, poverty reduction, and environmental sustainability. Guided by the rotating presidency, the forum issues joint ministerial declarations that shape its agenda on climate finance, biodiversity, just transition, and green development.³



Since its inaugural meeting in 2015, the BRICS Environment Ministers' platform has steadily matured from coordinating declarations to shaping concrete institutional cooperation. The 2015 statement emphasized sustainable development, poverty eradication, pollution control, and the launch of a working group to explore green financing via the New Development Bank. In 2016, ministers formalized a Memorandum of

³ Brazil's Environment Minister Marina Silva speaks during a press conference after the BRICS Environment Ministers meeting in Brasilia on April 3, 2025. (Source: Photo by EVARISTO SA/AFP via Getty Images)

Understanding and established a Joint Working Group to begin managing the issues related to air and water pollution, waste management, and biodiversity more formally. Starting in 2021, the forum began to more actively situate BRICS environmental cooperation within broader multilateral frameworks—such as the UNFCCC, the Convention on Biological Diversity (CBD), and the 2030 Agenda for Sustainable Development—reflecting a growing sense of responsibility for contributing to global environmental governance. The ministers jointly emphasized cooperation in the lead-up to key events like COP26 and COP15, and articulated shared concerns over proposals such as unilateral carbon border adjustments. From that point onward, the forum has increasingly aligned its priorities with multilateral instruments and launched dedicated programs like the BRICS Clean Rivers Programme, the Partnership for Urban Environmental Sustainability Initiative (PUESI), and the BRICS Resource Efficiency and Circular Economy Dialogue. In 2024, the 10th meeting further institutionalized these efforts by supporting joint youth and technology networks and platforms for forest monitoring, marine plastics, and sustainable urbanization.

At the 11th meeting in Brasília, ministers reaffirmed their commitment to climate action, biodiversity, and environmental justice, while expanding cooperation on carbon markets, plastic pollution, desertification, and ecosystem services. Notably, they endorsed proposals for a BRICS Climate Research Platform and debated new institutional initiatives, signaling the bloc's intent to play a greater role in shaping global environmental governance, and also marking a milestone in the bloc's efforts to transform political consensus into actionable roadmaps and public declarations ahead of COP30.

B. How Does The BRICS Environment Ministers Meeting Work

Rotating Presidency

The BRICS Environment Ministers Meeting is hosted annually by the country holding the BRICS presidency, which leads on setting that year's thematic focus. This rotating structure allows each member to shape the agenda based on its environmental priorities and comparative strengths, offering a built-in flexibility that has proven valuable for keeping the platform relevant, diverse, and politically cohesive. Over the years, this flexibility has helped BRICS expand its environmental cooperation horizon. For example, China in 2017 was the first to formally raise air pollution control as a major item; South Africa in 2018 introduced the themes of circular economy and recycling; and Brazil in 2019 placed a new emphasis on biodiversity conservation. These initiatives were not treated as one-time proposals. Once introduced, they were repeatedly reaffirmed and absorbed into the group's shared priorities—forming the basis for long-term cooperation. In this way, the rotating agenda not only showcases national leadership but also promotes collective ownership of issues that often originate from developing world realities.

Bridging Dialogue and Consensus

The BRICS Environment Ministers Meeting serves as the political authority for turning technical discussions into coordinated policy commitments. While working-level cooperation is handled throughout the year by the Environment Working Group (EWG), it is the ministers who formally review, approve, endorse, and elevate these outputs into joint declarations and strategic direction. For example, the 2025 Joint Statement

explicitly approved the 2023–2027 Work Plan developed by the EWG, granting it political backing and setting the course for implementation. Initiatives such as the Clean Rivers Programme, the BEST platform, and urban sustainability cooperation—though often shaped at the technical level—all value the endorsement from the ministerial statements highly. In this structure, the ministers’ meeting plays a decisive role in transforming proposals into shared platforms and sending clear political and diplomatic signals to domestic agencies and international partners.

C. How The BRICS Environment Ministers Meeting is Making A Difference

Advancing Southern-Led Environmental Solutions

Beyond diplomacy, the ministers meeting plays a key role in advancing pragmatic, context-specific solutions to environmental challenges faced by developing countries. The promotion of circular economy approaches, South-South technology sharing, and localized adaptation strategies reflects BRICS’s bottom-up approach to sustainability. Initiatives like the BRICS Clean Rivers Programme and forest conservation proposals show how BRICS is investing in applied solutions with both regional and global benefits.

Coordinating Within and Speaking Beyond

As a platform of several diverse but also similar countries, the BRICS Environment Ministers’ Meeting plays an essential role in internal coordination. It helps reconcile differing national circumstances through shared principles like common but differentiated responsibilities (CBDR-RC) and flexible cooperation models. This internal alignment enables smoother implementation of joint work plans and reduces fragmentation within the group.

Externally, the meeting also serves as a collective voice for the Global South within multilateral environmental frameworks. Ministerial declarations consistently reaffirm commitment to the UNFCCC, the Paris Agreement, the Convention on Biological Diversity (CBD), and the 2030 Agenda for Sustainable Development. At the 2025 meeting, for instance, ministers expressed full support for Brazil’s COP30 presidency and the UNCCD’s land restoration goals. Through such coordinated messaging, BRICS provides a platform for developing countries to articulate shared concerns, promote reform in global climate finance, and influence the evolution of climate governance structures on more balanced and inclusive terms.

Reinforcing Issue Continuity and Strategic Memory

The platform also enables institutional memory by revisiting and reinforcing earlier priorities. Issues introduced by individual presidencies have been repeatedly reaffirmed in later meetings. This continuity helps embed specific environmental challenges into the long-term BRICS agenda, ensuring that topics of concern to one member gradually become shared strategic commitments.

D. The Latest on The BRICS Environment Ministers Meeting And What It Means

Broader Institutional Agenda and Renewed Governance Vision

The ministers adopted a new Memorandum of Understanding on Environmental Cooperation for the Period of 2023-2027 with a new impetus in 2025, covering about 50 activities in priority areas such as air quality, biodiversity, environmental education, marine and coastal protection, and pollution control. BRICS also reaffirmed support for its institutional mechanisms, including the BRICS Clean Rivers, Urban Environmental Sustainability Initiative, and the Environmentally Sound Technology Platform (BEST). Brazil proposed forming a Youth Environmental Network, and ministers called for deeper engagement with civil society, Indigenous Peoples, and local communities in policymaking. This signals a deeper engagement from ad hoc environmental dialogue to a more coordinated architecture of cooperation through formalizing activities and expanding participation.

Climate Finance, Carbon Markets, and Leadership for a Just Transition

Climate finance also took center stage. Ministers backed the “Baku to Belém Roadmap to \$1.3 Trillion” as a new mobilization goal under the New Collective Quantified Goal (NCQG), called for developed countries to meet their finance obligations, and supported a potential Leaders’ Framework Declaration to push this at COP30. They also welcomed the BRICS Carbon Markets Partnership, the proposed Climate Research Platform, and the idea of a BRICS Laboratory on Trade, Climate Change, and Sustainable Development. This marks BRICS’s move beyond reacting to financial shortfalls and starting to propose its own frameworks. This positions the bloc as a proactive rule-shaper in climate finance and carbon governance—two areas normally dominated by OECD structures.

Biodiversity

The ministers reaffirmed their commitment to implementing the Kunming-Montreal Global Biodiversity Framework and welcomed Brazil’s proposed Tropical Forests Forever Facility (TFFF) as a specialized forest finance instrument. They also encouraged expansion of Payments for Ecosystem Services (PES) programs, recognizing BRICS countries’ role in stewarding 43% of the world’s forests and a significant share of global biodiversity. In this case, BRICS is providing a unique voice from rainforest-rich countries that are often underrepresented in global conservation finance design aimed at enhancing tropical forest governance.

Plastic Pollution, Waste, and Circular Economy

The ministers reaffirmed BRICS’s collective commitment to tackling plastic pollution through active engagement in the ongoing United Nations Environment Assembly (UNEA) negotiations for a legally binding global treaty. They emphasized that the agreement must include robust means of implementation, including a dedicated multilateral fund and strengthened cooperation in technology transfer, innovation, and environmental education. At the domestic level, BRICS committed to expanding circular economy

approaches and improving waste governance. This includes promoting Extended Producer Responsibility (EPR) schemes, boosting technical capacity for recycling and reuse, and enhancing awareness campaigns on single-use plastics. The statement also reaffirmed support for SDG 12 and SDG 14, and highlighted the role of academic collaboration in addressing the climate co-benefits of better plastic management.

Environmental Education and Cultural Change

In addition, the meeting emphasized the need for cultural and societal transformation in parallel with technological shifts. They pledged to increase investment in environmental education, youth engagement, and public awareness campaigns, while calling for inclusive participation in environmental governance. This reflects a broader understanding of climate and environmental action—where lasting change depends not only on policy and finance but also on values, norms, and education. By promoting public-facing initiatives, BRICS is anchoring its environmental agenda in social resilience.

E. What's Next for The BRICS Environment Ministers Meeting...

The BRICS Environment Ministers' Meeting has steadily evolved into a strategic platform for South-South climate cooperation. Its value lies in providing high-level coordination, issuing joint declarations, and reinforcing shared principles like equity, development-based sustainability, and multilateralism. Despite the increasingly broad and strategic scope of the BRICS Environment Ministers' Meeting, a key challenge remains: the gap between high-level declarations and tangible on-the-ground outcomes. Without a stronger mechanism to ensure follow-through—such as dedicated working bodies, funding pipelines, or timelines for implementation—it risks becoming primarily symbolic.

A second concern lies in the non-binding nature of the declarations, with many initiatives remaining aspirational or politically symbolic. Without clearer mechanisms for translating agreements into implementation—through dedicated task forces, cross-country pilot projects, or strengthened mandates for the Environment Working Group—there is a risk that the platform could lose momentum or become decoupled from real-world impact.

Third, the recent expansion of BRICS could bring new challenges of internal coordination. BRICS' growing diversity presents both a strength and a coordination challenge. As the group now includes a wider range of economic structures, governance models, and environmental priorities, ensuring alignment across all members will be more complex. What worked well for a group of five relatively cohesive countries may no longer be suitable for a larger bloc. The Environment Ministers' Meeting must adapt its coordination mechanisms to accommodate new voices while preserving unity.

Looking ahead, the meeting's success will depend on its ability to bridge the gap between principle and practice. Institutional tools already exist—the EWG, multi-year work plans, technical platforms like BEST and Clean Rivers—but they require greater political follow-through and operational resources. Reinforcing

this vertical chain between ministerial vision and on-the-ground delivery will be essential if BRICS hopes to shape the global environmental agenda not just in words, but in results.

Main Sources & Expanded Reading

[Statement: First Official Meeting of BRICS Environment Ministers](#), BRICS Information Centre, April 22, 2015

[Goa Statement on Environment: Second Meeting of BRICS Environment Ministers](#), BRICS Information Centre, September 16, 2016

[Third Meeting of BRICS Environment Ministers Tianjin Statement on Environment](#), BRICS Information Centre, June 23, 2017

[Joint Statement for the Fourth BRICS Ministers of Environment Meeting](#), BRICS Information Centre, May 18, 2018

[Joint Statement for the 5th BRICS Ministers of Environment Meeting: Contribution of Urban Environmental Management to Improving the Quality of Life in Cities](#), BRICS Information Centre, August 15, 2019

[Statement of The 6 BRICS Environment Ministers Meeting](#), BRICS Information Centre, July 30, 2020

[New Delhi Statement on Environment 7 th Meeting of BRICS Environment Ministers](#), BRICS Information Centre, August 27, 2021

[Joint Statement issued at the BRICS High-level Meeting on Climate Change](#), BRICS Information Centre, May 13, 2022

[Statement of The 10 th BRICS Environmental Ministers Meeting](#), BRICS Information Centre, June 28, 2024

[Ministers approve BRICS Environment declaration](#), BRICS 2025, April 3, 2025

[Declaração conjunta da 11ª Reunião de Ministros de Meio Ambiente do BRICS](#), Government of Brazil, April 3, 2025

[Brics Approves Environment Declaration with Priorities for Cop 30](#), COP30 Brazil, April 4, 2025

[Iran taking part in BRICS Environment Working Group meetings](#), *Tehran Times*, April 2, 2025

[UAE participates in BRICS Tourism Ministers' Meeting to enhance collaboration for sustainable tourism development](#), United Arab Emirates Ministry of Economy, June 22, 2024

[Forestry, Fisheries and Environment on 9th BRICS Environment Ministers Meeting](#), South African Government, June 28, 2023

This season's Climate Change Actor Profile on the BRICS Environment Ministers Meeting was primarily researched and written by Zhangchen Wang, Research Assistant at the Institute for China-America Studies.

Climate Research, Analysis, and Beyond

Scientific Research Results & Releases

April 2025

- Review Article: [Drought to Flood to Drought: A Review of Definitions of Precipitation Whiplash Events, What Causes Them and Their Impacts Over the Continental United States](#), *International Journal of Climatology*
- Research Article: [Global Floating Kelp Forests Have Limited Protection Despite Intensifying Marine Heatwave Threats](#), *Nature Communications*, Volume 16, Number 3173
- Journal Article: [Higher Precipitation in East Asia and Western United States Expected with Future Southern Ocean Warming](#), *Nature Geoscience*, Volume 18, page 313-321
- Journal Article: [Trade Risks to Energy Security in Net-Zero Emissions Energy Scenarios](#), *Nature Climate Change*, Volume 15, page 505-513
- Research Article: [European Breeding Bird Declines Associated With Narrower Climatic Niches](#), *Journal of Biogeography*
- Research Article: [Global Warming Drives A Threefold Increase in Persistence and 1 °c Rise in Intensity Of Marine Heatwaves](#), *Proceedings of the National Academy of Sciences*
- Research Article: [How Is Climate Science Used to Inform National-Level Adaptation Planning in Southern Africa?](#), *Climate Policy*, page 1-16
- Research Article: [Internal Variability Effect Doped by Climate Change Drove the 2023 Marine Heat Extreme in the North Atlantic](#), *Nature Communication earth & environment*, Volume 6, Number 291
- Research Article: [Understanding Six “Key Truths” About Climate Change Predicts Policy Support, Discussion, And Political Advocacy](#), *Springer Nature Link*, Volume 178, Number 89

May 2025

- Research Article: [Emerging Trans-Eurasian Heatwave-Drought Train in A Warming Climate](#), *Science Advance*, Volume 11 Issue 18
- Research Article: [Climate-Induced Physiological Stress Drives Rainforest Mammal Population Declines](#), *Global Change Biology*, Volume 31, Issue 5
- Journal Article: [High-Income Groups Disproportionately Contribute to Climate Extremes Worldwide](#), *Nature Climate Change*, Volume 15, page 627-633
- Report: [Insurance and Risk Management Tools for Agriculture in the EU](#), European Investment Bank
- Journal Article: [Impact of Climate Change on Arsenic Concentrations in Paddy Rice and the Associated Dietary Health Risks in Asia: An Experimental and Modelling Study](#), *The Lancet*, Volume 9, Issue 5
- Review Article: [Natural Hydrogen Resource Accumulation in The Continental Crust](#), *Nature Reviews Earth & Environment*, Volume 6, page 342-356
- Journal Article: [Irreversible Glacier Change and Trough Water for Centuries after Overshooting 1.5 °c](#), *Nature Climate Change*, Volume 15, page 634-641
- Research Article: [From Drought to Displacement: Assessing The Impacts of Climate Change on Conflict and Forced Migration in West Africa's Sahel Region](#), *ScienceDirect*, Volume 23
- Data Descriptor: [Climate Risk Expressions of Public Views And Government Responses in China](#), *Nature Scientific Data*, Volume 12, Number 877

June 2025

- Research Article: [Increased Terrestrial Ecosystem Carbon Storage Associated with Global Utility-Scale Photovoltaic Installation](#), *Nature Geoscience*
- Research Article: [Projected Increases in Climate Extremes Across Global Vertebrate Diversity Hotspots](#), *Global Change Biology*, Volume 31 Issue 6
- Journal Article: [Rainfall Seasonality Changes and Underlying Climatic Causes in Global Land Monsoon Regions](#), *Atmospheric Research*, Volume 325
- Research Article: [Global Heatwaves Dynamics Under Climate Change Scenarios: Multidimensional Drivers and Cascading Impacts](#), *Earth Future*, Volume 13, Issue 6
- Research Article: [Observed Trend in Earth Energy Imbalance May Provide A Constraint for Low Climate Sensitivity Models](#), *Science*, Volume 388, Issue 6752, Page 1210-1213
- Research Article: [Global Warming May Increase The Burden of Obstructive Sleep Apnea](#), *Nature Communications*, Volume 16, Number 5100
- Research Article: [Battery Electric Vehicles Show The Lowest Carbon Footprints Among Passenger Cars Across 1.5–3.0 °C Energy Decarbonisation Pathways](#), *Nature Communications Earth & Environment*, Volume 4, Number 476
- Research Article: [Greener Green And Bluer Blue: Ocean Poleward Greening Over The Past Two Decades](#), *Science*, Volume 388, Issue 6753, Page 1337-1340
- Research Article: [A 2°C Warming Can Double The Frequency of Extreme Summer Downpours in The Alps](#), *npj Climate And Atmospheric Science*, Volume 8, Number 216

Third-Party Views on Climate Change

Cooperation, confrontation and replacement intertwine as the U.S. and China shape the global green order.

- [Trump's Climate Denial Is A Gift To China](#) (Noema, April 15)
- [How the U.S.-China Trade War Could Derail the Energy Transition](#) (Carnegie Endowment for International Peace, April 15)
- [Climate Resilience through Cooperation: U.S.-China Joint Action](#) (*Modern Diplomacy*, June 2)
- [China Can Lead Global Climate Push In US Absence. Cop29 Host Says](#) (*Nikkei Asia*, June 9)
- [Cruz Sees Chinese Influence in Climate Lawsuits](#) (*Politico*, June 26)

Renewables power China's industrial ascent and global reach.

- [Analyzing the Impact of the U.S.-China Trade War on China's Energy Transition](#) (Center for Strategic and International Studies, April 22)
- [China Builds €87 Billion 'Great Solar Wall': Mega-Project of The Century](#) (*NEWS.AZ*, May 6)
- [China's Pragmatic Sustainability Development](#) (Allianz, May 22)
- [Opinion: China's Green "Overcapacity" Is The Climate Solution The World Asked For](#) (*Dialogue Earth*, May 30)
- [China Powers Pakistan's Green Energy Ambitions Amid IMF's Loan Conditions](#) (*Business Standard*, June 2)
- [How Electric Scooters Are Driving China's Salt Battery Push](#) (*BBC*, June 2)
- [How China Won the Clean-Energy Race](#) (*Project Syndicate*, June 4)

Trump's second-term agenda threatens to unravel climate progress at home and abroad.

- [The Climate Cost of America's Infinite Tariffs](#) (*Bloomberg*, April 24)
- [Ineffective Energy Trade with The EU Is Costing us A Fortune](#) (*BusinessGreen*, April 28)
- [Trump's First 100 Days: US Walks Away from Global Climate Action](#) (*Climate Home News*, April 29)

- [In His First 100 Days, Trump Launched an 'All-Out Assault' on the Environment](#) (*Inside Climate News*, April 30)
- [Solar Squeeze: Us Tariffs Threaten Panel Production And Jobs in Thailand](#) (*Climate Home News*, May 6)
- [IRA Tax Credits Are Crucial for U.S. Geothermal Leadership](#) (Center for Strategic and International Studies, May 19)
- [With Americans Facing Utility Bill Increases This Year, the One Big Beautiful Bill Act Threatens To Drive Costs Even Higher](#) (Center for American Progress, June 13)
- [Repealing Tech-Neutral Tax Credits Will Raise Energy Costs for Farmers, Harming Reliability and Affordability in Rural America](#) (Rocky Mountain Institute, June 17)

Renewable energy policy, fossil fuel resistance, and climate denial collide in the race for a cleaner future.

- [This Climate Change Has Not Been Going On Forever](#) (*Adirondack Daily Enterprise*, April 9)
- [Understanding 45V and Clean Hydrogen's Importance to U.S. Energy Leadership](#) (Center for Strategic and International Studies, April 23)
- [We Must Rethink Energy Security for Today's Complex World](#) (*The New Statesman*, April 24)
- [Clearing the Air: How a Buyers Alliance Is Creating Clean Jet Fuel](#) (Rocky Mountain Institute, April 30)
- [The Global Trend of Turning Power Plants Into Clean Energy Hubs](#) (Carnegie Endowment for International Peace, May 1)
- [The True Cost of Pretending Climate Change Doesn't Exist](#) (*Inside Climate News*, May 24)
- [How Un Climate Negotiations Can End Fossil Fuel-Industry Influence](#) (*Inside Climate News*, June 26)

Money and climate are colliding in decisions about risk and return.

- [From Crisis to Sustainable Impact at Scale: Rethinking Global Development](#) (Brooking Institution, May 16)
- [The Economic Consequences of Ignoring Climate Change](#) (*Inside Climate News*, May 30)
- [The Compelling Investment Case for Climate Adaptation](#) (World Resource Institute, June 3)
- [Homeowners Insurance in An Era of Climate Change](#) (Brooking Institution, June 17)
- ['This Is A Fight for Life': Climate Expert on Tipping Points, Doomerism and Using Wealth as A Shield](#) (*The Guardian*, June 24)

From coasts to forests, people are rebuilding their ties to a changing environment.

- [How Climate Change Makes Wildfires More Dangerous](#) (Center for American Progress, May 20)
- [Ethiopia Invests Big in Restoring Degraded Land](#) (World Resource Institute, May 29)
- [Blatten, Langtang, and Disasters Yet to Come?](#) (*Stimson Center*, June 6)
- ['Reimaanlok' Puts Indigenous Voices at The Heart of Ocean Conservation](#) (*Dialogue Earth*, June 13)
- [Can The Seaweed Sector Revitalise Chile's Coastal Communities?](#) (*The Fish Site*, June 20)

Clean transport is advancing, with hybrids as a vital part of the mix.

- [Electric Vehicles Are Key to Winning China's Climate Fight](#) (Rocky Mountain Institute, April 20)
- [What's Missing from the U.S. Debate on Electric Vehicles](#) (Center for Strategic and International Studies, May 29)
- [How Helping Carmakers Turn Electric Vehicles into Hybrids Is Good for The Environment: Automotive CEO](#) (*Fortune*, June 4)
- [These Countries Are Electrifying Their Bus Fleets the Fastest](#) (World Resource Institute, June 25)
- [Electric Vehicles Are on the Road to Mass Adoption](#) (Rocky Mountain Institute, June 27)

Climate-Focused Conferences & Events

Multinational Conferences & Global Forums

Global Youth Climate Summit 2025

Global Youth Leadership Center

April 2-5

Belo Horizonte, Minas Gerais, Brazil

- **From the Organizer:** Global Youth Climate Summit brought together young leaders—primarily from the Global South—to tackle the urgent challenges of climate change, deforestation, and biodiversity loss. The event aimed to expand participants' knowledge of climate science, equip them with leadership tools, and empower their community-based climate actions through training, networking, and seed funding.
- **Primary Themes:** The summit emphasized youth-driven solutions to environmental crises, centering on ecosystem preservation, climate justice, and intergenerational equity. Participants engaged in workshops on biodiversity, climate policy, and project design, culminating in the co-drafting of the Belo Horizonte Youth Climate Declaration.
- **Forum Outcome:** The summit concluded with a strong youth call to action through the Belo Horizonte Declaration, outlining priorities on climate finance, just transitions, and recognition of Indigenous knowledge. Several champion-led projects were initiated in vulnerable regions, and GYLC committed to long-term mentorship and resource support for the awardees. As COP30 approaches, the summit positioned youth voices from the Global South as influential contributors to global climate and biodiversity negotiations.

2025 UN Ocean Conference (UNOC3)

United Nations

June 9-13

Nice, France

- **From the Organizer:** How can countries track and accelerate progress on climate adaptation while enhancing transparency and ambition? As the world gears up for COP30, negotiators and experts gathered in Paris to reflect on lessons from the UAE-Belém work programme and biennial transparency reports. The goal: sharpen adaptation indicators, refine NDCs, and unlock finance for climate action.
- **Primary Themes:** The Conference explored the theme of accelerating action and mobilizing all actors to conserve and sustainably use the ocean. It aims to support further and urgent action to conserve and sustainably use the oceans, seas and marine resources for sustainable development and identify further ways and means to support the implementation of SDG 14. It will build on existing instruments to form successful partnerships towards the swift conclusion and effective implementation of ongoing processes that contribute to the conservation and sustainable use of the ocean.
- **Forum Outcome:** 175 UN Member States from all sea basins and representing more than 90% of the world's exclusive economic zones, attended the Conference. The Conference adopted the declaration titled "Our Ocean, Our Future: United for Urgent Action" in consensus. The declaration called on governments to do more to prevent, reduce, and eliminate marine plastic litter by contributing to comprehensive life-cycle approaches, encouraging recycling and environmentally sound waste management.

Bonn 2025 Climate Change Conference (62nd Sessions of the Subsidiary Bodies of the United Nations Framework Convention on Climate Change)

United Nations Framework Convention on Climate Change

June 16-26

Bonn, Germany

- From the Organizer:** As the last major technical meeting before COP30, the 2025 Bonn Climate Change Conference (SB 62) convened delegates from nearly 200 countries to advance negotiations on climate mitigation, adaptation, and finance. The conference, hosted by the UNFCCC in Bonn, Germany from June 16–26, aimed to finalize key frameworks and build consensus ahead of the pivotal climate summit in Belém, Brazil. The SB62 will discuss among others elaboration and revision of National Determined Contributions (NDCs) and National Adaptation Plans (NAPs), include the recently developed Draft updated NAP technical guidelines as well as the ongoing process on developing indicators within the UAE–Belém work programme on the development of indicators.
- Primary Themes:** Central to the discussions were efforts to operationalize the Global Goal on Adaptation, enhance transparency under the Paris Agreement, and lay the groundwork for a new post-2025 climate finance goal. Negotiators focused on clarifying carbon market rules under Article 6, tracking progress on nationally determined contributions (NDCs), and supporting just transition strategies. The conference also elevated equity concerns, including calls for greater inclusion of vulnerable countries, indigenous communities, and youth voices. Finance took center stage with preparatory work for the "Baku to Belém" roadmap aiming to mobilize \$1.3 trillion annually by 2035.
- Forum Outcome:** Negotiations on the "Baku to Belém" climate finance roadmap continued, but progress on concrete delivery and public finance obligations remained limited. A key decision under Article 6.4 clarified that UN-issued carbon credits (A6.4ERs) may only be used for meeting countries' NDCs and not for voluntary corporate offsetting. Technical work advanced on adaptation monitoring frameworks, transparency guidelines, the Warsaw Mechanism's third review on loss and damage, and the just transition work programme. However, deep disagreements over finance responsibilities—particularly under Article 9.1—delayed the agenda and were postponed to further consultations.

Public Events & Panel Discussions

-Upcoming Events-

Webinar – From Space to Site: Empowering Localized Methane Action

Event by Rocky Mountain Institute | July 10

Geothermal Energy's Global Breakthrough

Event by Carnegie Endowment for International Peace | July 10

Remittances and the Climate Finance Crisis

Event by Carnegie Endowment for International Peace | July 2

Financing and Scaling Net-Zero Carbon and Resilient Buildings

Event by World Resources Institute | July 2

Major New Book - "We Are Eating the Earth" - A Conversation with Author Michael Grunwald

Event by World Resources Institute | July 1

-Past Events-**DC Climate Week (2025)**

Event Series by DC Climate Week | April 28-May 2

From Cop 30 to Belem+10: Shaping The Next Decade of Global Climate Action

Event by Center for Climate and Energy Solutions | June 21

Building Resilience: How Structural Innovations Can Help Communities Defend Against Disasters

Event by Brookings Institution | June 17

Climate Policy at a Crossroads: Insights and Next Steps

Event by Center for Climate and Energy Solutions | June 17

How the Loss of Agricultural Biodiversity Threatens National Security

Event by Center for Strategic and International Studies | June 11

Open Source in Energy Access Symposium 2025

Event by World Resources Institute | June 11-13

Emerging Practice for Integrating and Implementing Early Warning Systems in NAPs and NDCs

Event by Center for Climate and Energy Solutions | May 29

Managing the Climate Change-Fueled Insurance Crisis

Event by Center for American Progress | May 8

Webinar – Reforming Energy Efficiency Incentive Programs to Increase Heat Pump Adoption

Event by Rocky Mountain Institute | April 22

The Post-Post-Paris World: Evaluating Options for Global Climate

Event by Center for Strategic and International Studies | April 22

2025 Carnegie International Nuclear Policy Conference

Event by Carnegie Endowment for International Peace | April 21

Stronger NDCs With Cities, States, and Regions

Event by World Resources Institute | April 15

Risks and Opportunities for Climate Mitigation and Adaptation in the MENA Region

Event by Carnegie Endowment for International Peace | April 9

Global Energy Outlook 2025: Headwinds and Tailwinds in the Energy Transition

Event by Resources for the Future | April 9

ICAS BCCC Program Updates

BCCC Event

Community Building & Networking: Exploring the Future of "Chinese Elements" in the U.S. Climate Initiatives

April 29, 2025



The Institute for China-America Studies (ICAS) convened a panel discussion on April 29 as part of DC Climate Week 2025, exploring how public, private, and international actors can find new pathways for cooperation on climate action especially amid growing geopolitical divergence between the United States and China. The panel highlighted China's advantages in scaling green infrastructure and the U.S.'s strengths in innovation and subnational momentum, noting both countries' pivotal roles in driving global decarbonization despite political tensions. Speakers emphasized the need for sustained engagement, including modest channels like climate hotlines, and stressed that joint U.S.-China climate action remains critical given their combined share of

global emissions. The conversation also underscored the importance of climate finance for vulnerable nations and the EU's growing influence as both a partner and regulatory driver.

Read Event Summary:

<https://chinaus-icas.org/event/community-building-networking-exploring-the-future-of-chinese-elements-in-the-us-climate-initiatives/>

Academic Engagement

Xinhua Institute Delegation Discusses U.S.-China Engagement with ICAS Scholars

June 13, 2025

On Friday, June 13, 2025, a delegation from the Xinhua Institute (XHInst) visited with ICAS scholars to discuss a variety of topics in U.S.-China relations. The two sides engaged in a thoughtful exchange on the current state of U.S.-China relations, with particular attention to the status and challenges of people-to-people exchanges, the implications of the U.S.-China tariff dispute, and the difficulties and potential surrounding bilateral climate cooperation. Participants agreed that enhancing transparency, fostering grassroots dialogue, and seeking common ground could help build a constructive bilateral relationship.



Academic Engagement

Shanghai Universities Delegation Discusses Cross-Strait Relations with ICAS Scholars

June 13, 2025

On Friday, June 13, 2025, three expert scholars from two Chinese universities visited ICAS for a discussion with ICAS scholars on cross-Strait relations. The discussion focused on the Taiwan Strait, including the current U.S. administration's policy toward Taiwan, China's position on the issue, and Taiwan's evolving economic and financial landscape. Participants also exchanged views on Taiwan's industrial structure. The dialogue also included a brief but constructive discussion on the prospects of U.S.-China climate cooperation.



ICAS Expert Voices Initiative (EVI)

EVI Arctic Series: Dr. Nong Hong Interviewing Experts from The Five Arctic Littoral States And Other Stakeholder Nations

The Institute for China-America Studies (ICAS) launched a new Expert Voices Initiative (EVI) series dedicated to exploring the Arctic. This series brings together leading experts from the five Arctic littoral states and other stakeholder nations to share their research and perspectives on a wide range of Arctic-related topics. These include geopolitics, international law, shipping, environmental conservation, resource management, mining, the rights of Indigenous peoples, climate change, and multilateral cooperation.

Rasmus Gjedssø Bertelsen on the Arctic: Norway

June 4, 2025

On June 4, 2025, Dr. Nong Hong conducted an in-depth discussion with Dr. Rasmus Gjedssø Bertelsen, a leading Arctic expert from Norway. Norway plays a key role in the Arctic as both a NATO member and an Arctic coastal state with strong environmental, economic, and strategic interests in the region. Its Arctic policy emphasizes sustainable development, scientific research, and a rules-based international order, while balancing security concerns amid growing great-power competition. Since 2022, Norway has taken a more cautious stance toward Russia, enhancing defense cooperation with NATO allies and reinforcing its military presence in the High North. At the same time, it continues to advocate for dialogue and cooperation through institutions like the Arctic Council. This EVI explores how Norway navigates its dual priorities of security and sustainability, manages relations with Arctic and non-Arctic actors, and positions itself within the evolving Arctic governance landscape.

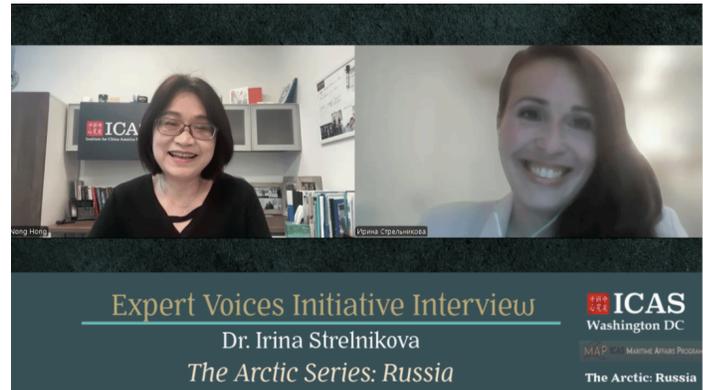


[Watch The Full Interview:](https://www.youtube.com/watch?v=mO_-TkGYyL4) https://www.youtube.com/watch?v=mO_-TkGYyL4

Irina Strelnikova on the Arctic: Russia

April 29, 2025

On April 29, 2025, Dr. Nong Hong conducted an in-depth discussion with Dr. Irina Strelnikova, a leading Arctic expert from Russia. Russia remains a central actor in the Arctic due to its expansive northern territory, longstanding infrastructure, and resource-driven economic interests. Since the escalation of the Ukraine conflict in 2022, its Arctic strategy has continued to evolve in response to shifting geopolitical and economic conditions. Sanctions and changes in global energy dynamics have prompted Russia to strengthen partnerships with non-Western countries, particularly China, in areas such as energy and infrastructure. At the same time, increased NATO activity and renewed U.S. engagement in the region have influenced Russia's strategic calculations. This EVI examines how Russia is adapting its Arctic policies, managing its bilateral and multilateral relationships, and navigating challenges related to governance, security, and cooperation in a complex and rapidly changing Arctic environment.



[Watch The Full Interview:](https://www.youtube.com/watch?v=EBO57P8JUvc) <https://www.youtube.com/watch?v=EBO57P8JUvc>

[Learn More About the ICAS Expert Voices Initiative:](https://chinaus-icas.org/media/expert-voices-initiatives/) <https://chinaus-icas.org/media/expert-voices-initiatives/>

MAP Ocean Governance Tracking Series

Charting the Blue Future: Reflections on the 2025 UN Ocean Conference in France

By Nong Hong

June 24, 2025

Held from June 9 to 13, 2025, in Nice, France, the Third United Nations Ocean Conference (UNOC3) convened at a critical juncture for global ocean governance. Facing mounting pressure from climate change, rampant overfishing, accelerating biodiversity loss, and the emerging challenges of deep-sea mining, the conference brought together world leaders, scientists, civil society, and the private sector. Under the unifying theme of “Accelerating action and mobilizing all actors to conserve and sustainably use the ocean,” and jointly hosted by France and Costa Rica, this pivotal event sought to renew political momentum for fully implementing Sustainable Development Goal 14 (Life Below Water) and accelerate the ratification and enforcement of newly adopted international frameworks. The urgency was palpable, especially as the 2024 Sustainable Development Goals Report revealed that only 16% of the SDG targets are on track for achievement by 2030—while SDG 14 is among the goals showing the least progress...



[Continue Reading:](#)

<https://chinaus-icas.org/research/charting-the-blue-future-reflections-on-the-2025-un-ocean-conference-in-france/>

BCCC Commentary

How Hybrid Thinking Can Bridge America's Budget and Climate Goals

By Zhangchen Wang

May 23, 2025



The private sector's role in addressing climate change has attracted significant attention in recent years, particularly as an alternative force amidst the volatility of governmental climate policies in democracies. Frequent shifts in climate priorities between administrations have intensified the search for more consistent and long-term efforts, elevating private actions to a prominent position in combating climate change. Indeed, largely driven by profit incentives, the private sector often demonstrates a sustained commitment to climate change mitigation. However, this profit-driven nature also reveals the inherent limitations of private climate actions, which cannot replace the comprehensive leadership and regulatory capacity

of governments. To achieve transformative and widespread climate goals, government intervention remains indispensable, pushing efforts beyond the upper limits of private sector initiatives and ensuring maximum effectiveness in addressing the climate crisis...

Continue Reading: <https://chinaus-icas.org/research/private-climate-action-needs-government-leadership-to-be-truly-successful/>

Issue Brief

Halfway There: Tracking the Global Momentum for the BBNJ Treaty

By Nong Hong

April 29, 2025

The adoption of the Agreement on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ) in June 2023 marked a historic milestone in international ocean governance. Often referred to as the “High Seas Treaty,” the BBNJ Agreement fills a critical legal gap in the governance of the vast ocean spaces that lie outside national jurisdictions. It offers a framework for protecting biodiversity by introducing measures such as area-based management tools—including the establishment of marine protected areas (MPAs)—regulating access to marine genetic resources (MGRs), conducting environmental impact assessments (EIAs), and ensuring equitable benefit-sharing. Yet, while the adoption was momentous, the treaty's effectiveness hinges on ratification. Sixty countries must ratify the treaty for it to enter into force, and as of April 2025, just 21 have completed this process. This issue brief examines six key dimensions of the BBNJ Agreement's evolving trajectory and its implications for global and regional governance....



Continue Reading: <https://chinaus-icas.org/research/halfway-there-tracking-the-global-momentum-for-the-bbnj-treaty/>

The Institute for China-America Studies (ICAS) is an independent think tank in Washington D.C. ICAS focuses on the evolving dynamics in the U.S.-China relationship to promote greater collaboration and mutual understanding through sincere exchanges of fresh ideas, objective policy-oriented research, and fair assessments of this critical bilateral relationship.

We aim to provide a window into the worldviews of both the United States and China, and thereby serve as a vehicle to promote greater understanding between these two countries and societies.

ICAS is a 501(c)3 nonprofit organization

© 2025 Institute for China-America Studies. All rights reserved.

ISSN (Print): 2837-3952 ISSN (Online): 2837-3979



ICAS

Institute for China-America Studies

1919 M St. NW Suite 310
Washington, DC 20036
202 968-0595 | www.chinaus-icas.org