

PO Box 40723, Ausspannplatz, Windhoek, Namibia • 18 Nachtigal Street, Windhoek, Namibia Tel: +264 (0)61 240 140, Mobile: +264 (0)81 162 5807 • e-mail: info@n-c-e.org • www.n-c-e.org

STATEMENT

Namibian civil society deplores the US President's decision to abandon the Paris Climate Agreement

US President Donald Trump announced on Thursday 1 June 2017 that the United States, one of the world's largest emitters of greenhouse gases that cause climate change, will withdraw from the Paris Climate Agreement.

The USA joins only two countries in the world that have not signed the Paris Agreement. The other two are Syria, which is in the midst of a civil war, and Nicaragua, which felt the goals were not ambitious enough. In the view of the Namibian Chamber of Environment, this decision is short-sighted. It will have negative consequences for the US economy and for the international community, to which Namibia will not be immune.

What is the Paris Agreement?

The Paris Agreement, adopted by 196 countries at the global climate negotiations (or more formally, the Conference of Parties to the UN Framework Convention on Climate Change) in Paris in December 2015, is the result of years of difficult and contentious negotiations among global leaders. It sets a path towards addressing climate change, a major global challenge which threatens to undermine progress towards sustainable development and exacerbate instability, disproportionately affecting the world's poorest people and countries. It also represents an unprecedented achievement in international diplomacy: it is the first international climate change agreement that includes voluntary commitments for all countries to take actions to address climate change. These commitments, known as "nationally determined contributions", are to be reviewed every five years to allow for a gradual increase in the level of ambition.

The Paris Agreement entered into force in November 2016, after 55 countries representing at least 55% of global emissions agreed to join. The United States, under the Obama administration, played a key role in the international negotiations that led to the historic agreement. In October 2016, the US and China – the world's two largest emitters who together account for 38% of global greenhouse gas emissions - jointly signed on to the Agreement.

Why did the US pull out?

Trump's decision to pull the US out of the Paris Agreement, in line with his campaign promise, is based on the argument that the Agreement 'disadvantages the United States, to the exclusive benefit of other countries, leaving American workers and taxpayers to absorb the cost in terms of lost jobs, lower wages, closed factories and vastly diminished economic production'. The decision has received widespread criticism, both domestically and internationally. Furthermore, the claims Trump made to support the decision have been <u>called into question</u>.

What are the implications for the US?

The claim that US commitments to address climate change will cost the US as much as 2.7 million lost jobs by 2025, is based on a <u>highly disputed study</u> by the conservative consulting firm *National Economic Research Associates*. In fact, growth in renewable energy investments would provide many more jobs than fossil fuels, and improve economic output. Already, solar power alone employs twice as many workers in the USA than coal, natural gas, oil and the petroleum industries combined. Adding in wind and nuclear, clean energy outpaces fossil fuel jobs almost three-fold.

Staying in the Paris Agreement makes business sense for the US. Actions to put the US economy onto a lower carbon growth path would strengthen competitiveness, stimulate job creation and growth in clean technologies and markets, and reduce business risks such as the impacts of declining water supply and agricultural production on supply chains. <u>Business leaders, including some of the world's major energy companies, view the Paris Agreement as an important signal that will facilitate new opportunities in clean energy and other sectors, and over 1,000 businesses in the US have urged Trump to stay in the Agreement. City and State governments across the US have expressed their support for the Paris Agreement, and several states including California and Hawaii are pushing through measures to advance its objectives despite Trump's announcement. The <u>majority of American citizens are in favour of the US remaining</u> in the Paris Agreement.</u>

The US withdrawal from the Paris Agreement will also have implications for the country's role in international diplomacy, both in the climate negotiations, in which the US will lose its bargaining position, and in other international issues such as trade and security, in which the US stands to lose its credibility as a responsible global power.

What are the implications for the world?

The Paris Agreement is significant because it requires all nations to curb their emissions, including major developing country emitters China and India. In this regard, it differs from its predecessor - the Kyoto Protocol – which only set emissions reduction targets for developed countries, and which the US did not ratify for this reason. Its inclusiveness - the foundation of the Agreement's legitimacy – is thus undermined by the US withdrawal. Nonetheless, although it is undeniably a setback, there is <u>little evidence to suggest that the US withdrawal will have any major impact on the global momentum towards addressing climate change</u>.

Both China and India have reiterated their commitment to the Paris deal in recent weeks and are investing heavily in renewable energy. China has been reducing its coal consumption for the last three years and plans to build more than 100 new coal-fired power plants have been scrapped. India has also slowed the construction of new coal-fired plants and will likely meet its goal of generating 40% of its electricity from non-fossil fuels by 2022, eight years ahead of schedule. That they are investing in renewables with tens of millions of their people still without electricity and other basic services, shows that renewables are now widely accepted as an economically competitive and financially viable investment option. Diplomatically, China is well positioned to step up to fill the leadership void that the US has left as a major power in the climate negotiations and a leader in green energy technology.

Furthermore, global momentum on tackling climate change is increasing fast. Businesses and investors are increasingly recognising the threat that climate change poses to stability and security to their investments, as well as the enormous opportunities it presents for innovation and expansion. Last month, a coalition of over 280 institutional investors that collectively oversee more than USD17 trillion in assets sent a letter to

the G7 countries urging them to uphold their commitments to tackle climate change.

Perhaps the most critical impact of the US pulling out of the Paris Agreement is that Trump also pulled out of the US pledge of USD 3 billion toward the Green Climate Fund. This fund was set up to support developing countries to transition towards low carbon, climate resilient development pathways, and has already received over USD10 billion in pledges. The US has already transferred USD 1 billion of its pledge.

Why does it matter to Namibia?

As an arid country with a high dependence on climate sensitive sectors such as agriculture, fisheries and tourism, and over three quarters of the population reliant on subsistence agriculture for their livelihoods, Namibia is highly vulnerable to the impacts of climate change. Climate change exacerbates existing development challenges including inequality, poverty and land degradation, and threatens to undermine progress towards sustainable development, a goal which is firmly entrenched in the Namibian constitution, and in our Vision 2030.

Although its contribution to global greenhouse gas emissions is negligible, Namibia punches above its weight in the international climate change arena. Namibia was one of the first countries to access resources through the Green Climate Fund, with the accreditation of the Environmental Investment Fund (EIF) to access funds in 2015 and the first two projects – which advance climate resilient agriculture in north-eastern Namibia and empower rural communities through climate resilient community based natural resource management – last year. Namibia's "nationally determined contribution" sets out ambitious targets to ensure a low carbon development path and to strengthen resilience of communities and ecosystems to climate change through actions across all the key climate sensitive sectors of the economy. However, many of these commitments are contingent on financial support, with the Green Climate Fund identified as a key source of funding for achieving its climate objectives. In this regard, Namibia is not immune to the impacts of the US withdrawal from the Paris Agreement.

Namibia has a long history of constructive partnership with the US to advance sustainable development issues, including through USAID support to CBNRM programmes, the Millennium Challenge Account and more recently the <u>Power Africa initiative</u> which is supporting efforts to advance clean energy investment. The US decision to withdraw from its commitments on climate change is a disappointing signal of what the future of US bilateral engagements on climate issues may hold. Nonetheless, Namibia is committed to addressing climate change, and will continue to build on the strong momentum that exists both nationally and internationally to achieve the objectives it has set.

NCE's response

On behalf of Namibian civil society, the Namibian Chamber of Environment deplores the decision of President Trump to withdraw the US from the Paris Agreement. This decision will undermine the US legitimacy as a partner in advancing sustainable development in Namibia. It undoes the work of years of delicate US diplomacy and leadership that united 196 countries with vastly different interests and circumstances around a common goal to address a critical global challenge. It will impede the achievement of the objectives of the Green Climate Fund, an important funding mechanism for climate compatible development for Namibia and other developing countries. Nonetheless, Namibian stakeholders remain firmly committed to addressing climate change. Namibian civil society and private sector will continue to work closely with government and development partners to strengthen the resilience of communities and ecosystems and to ensure a safer, low-carbon future. The NCE stands ready to work with all partners in the pursuit of this goal.