China-EU Cooperation on Environment and Climate

Progress and Prospects

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May 2024

Preamble

Humanity has only one Earth, our one and only home. In the face of environmental challenges, all countries are in a community with a shared future, and no country can stay immune. Chinese President Xi Jinping has stated that the international community needs to boost cooperation and work with one heart and one mind to build a community of all life on Earth. As the largest developing country and the largest union of developed countries, China and the European Union (EU) must take on their responsibilities, carry out cooperation on environment and climate and maintain the sustainable development of our planet Earth with joint efforts.

China gives high priority to ecological conservation, writing it into the nation's constitution and comprehensively incorporating climate change response into the overall national strategy for economic and social development. It has scaled up its Nationally Determined Contributions (NDCs) and adopted more effective policies and measures to respond to climate change. The EU has been promoting green transition globally, viewing the global challenges associated with the environment and climate as opportunities for economic development. The EU is working to strengthen its economic competitiveness in the green and low-carbon market with the aim of transforming itself into a more modern, competitive, and resource-efficient economy.

China-EU collaboration on environment and climate is a new highlight, new pillar, and new engine of the China-EU comprehensive strategic partnership and China-EU cooperation. The two sides have similar views and broad consensus on promoting green and low-carbon

development, which serves as a solid foundation for cooperation. They are also highly complementary in the field of environment and climate, with excellent prospects for future cooperation. China-EU environmental and climate cooperation not only benefits both parties but also has strategic significance in today's world as the climate crisis intensifies and the world economy remains lackluster.

While reviewing the history of China-EU cooperation on environment and climate, this report summarizes the achievements and effectiveness of their cooperation and offers a view of what the future may hold.

This report concludes that green is the distinctive color of China-EU cooperation, represented by the cooperation on environment and climate between the two sides, which has been in-depth, pragmatic and fruitful, a model of bilateral green cooperation. Such cooperation has not only enriched and advanced the China-EU comprehensive strategic partnership, but also contributed directly to environmental governance, trade, and investment for both sides, benefiting the entire world.

This report calls for further enhanced China-EU green partnership, reinforced cooperation mechanisms, innovated cooperation models, wider coverage and more diverse formats of the cooperation, which is aimed at jointly building a community of all life on Earth and promoting joint efforts toward making the world cleaner and more beautiful.

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I. China-EU Joint Efforts to Build a Community of All Life on Earth

Green and low-carbon development is a common pursuit of China and the EU. After more than 30 years of development, China-EU cooperation on environment and climate has a solid foundation and made outstanding achievements.

i. Shared views on green and low-carbon development

Green and low-carbon development is a major pillar for dynamic China-EU relations and a key linking point in deepening cooperation. It has great demonstrative value for cultivating new growth drivers in green development cooperation between the two sides, jointly responding to global challenges, and promoting global sustainable development. For years, China and the EU have held fast to being partners rather than competitors and having far more cooperation than competition. They have promoted green and low-carbon transition of the economic and social development paradigm with concrete efforts, and reached broad, solid consensus.

Green development and prosperity are the shared pursuit of China and the EU. Lucid waters and lush mountains are invaluable assets. This is not only a development consensus in contemporary China, but also a concept that has drawn close attention and raised expectations from the international community. China is committed to the belief that a good environment holds high economic value and can create composite benefits and contribute to sustainable economic and social development. The EU has been driving the clean transition of Europe's economy, as evidenced by the European Green Deal, which emphasizes that development should be in line with the demands of the green transformation. This idea is on the same page as China's new development philosophy which advocates innovation-driven, coordinated, green, open, and shared development.

Making the world clean and beautiful is a shared vision of China

and the EU. Building a green living environment is humanity's common aspiration. China has always viewed the future of mankind from a global perspective, pursued green transition as the driver behind global sustainable development, and aimed at coordinated economic and environmental progress. The EU has a long-term strategic vision of "a clean planet for all," which is quite similar to China's vision of building a clean, beautiful and prosperous world. They may follow different paths but look to the same destination. Both China and the EU start from their own positions but adopt a global perspective, devoting their efforts to realizing economic growth, benefiting the people, and boosting people's sense of fulfillment, happiness, and security while balancing social and environmental benefits and the principles of fairness and justice.

Practical and effective action is the common choice for China and the EU. To pursue green and low-carbon transition, both China and the EU act instead of just paying lip service. Both sides have always embraced multilateralism and upheld the purposes and principles of the UN Charter. While taking action on their own, they have also been working to deepen the China-EU comprehensive strategic partnership and implement the UN's 2030 Agenda for Sustainable Development. China adopted the "1 + N" policy framework for carbon peaking and carbon neutrality and comprehensively advanced the Beautiful China Initiative. The EU issued the European Green Deal and the Fit for 55 package of emissions reduction proposals. These are all concrete steps toward green transformation and they have injected stability and certainty into the practical international cooperation on climate change response and biodiversity conservation.

ii. A solid foundation for China-EU cooperation on environment and climate

China and the EU have a long history of high-level and institutionalized environmental and climate cooperation, which has

transformed from a development assistance donor-recipient relationship to a green partnership, and the cooperation mode has extended from dialogue and exchanges to multilateral practical cooperation in various areas. Overall, China-EU cooperation on environment and climate can be roughly divided into the following three stages.

At the first stage (before 2012), the China-EU cooperation mechanisms were gradually established. The China-EU environmental cooperation started early, virtually coinciding with the founding of the EU, and it was one of the first areas of cooperation between the governments of the two sides. In 1995, the EU published "A Long Term Policy for China-Europe Relations," identifying environmental protection as a priority area of assistance to China. In addition to cooperation at the EU level, China and EU member states started to cooperate long ago. For example, before 1990, Denmark provided DKK30.2 million in grants for a sewage treatment project in Handan City, Hebei Province.¹ China signed a bilateral environmental agreement with Germany in 1994 and a memorandum of understanding on environmental cooperation with Finland in 1995, respectively. Encouraged by Chinese and EU leaders, the EU-China Ministerial Environmental Policy Dialogue and a ministeriallevel dialogue mechanism on climate change were officially established in 2003 and 2010, respectively.

At the second stage (from 2013 to 2020), the China-EU cooperative relationship underwent a transformation. In 2013, the EU terminated its official development assistance (ODA) to China, putting an end to their donor-recipient relationship. Nonetheless, green growth remained a key area of strategic and practical cooperation between China and the EU, which had since advanced as a mutually beneficial partnership

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¹ China Environment Yearbook 1990. edited by Wang Ziqiang and Yang Chaofei, Beijing, China, China Environmental Science Press, 1990, p. 199.

on environmental and climate cooperation. In 2015, the two sides published the EU-China Joint Statement on Climate Change, further highlighting the importance of climate change cooperation to China-EU relations. The two sides agreed to launch a low-carbon cities partnership, among other initiatives. In 2018, the EU-China Leaders' Statement on Climate Change and Clean Energy was issued to deepen practical cooperation in climate change, clean energy, and other areas.

During the third stage (from 2020 onwards), the EU-China green partnership has been forged. In 2020, the Leaders' Meeting via Video Conference decided to establish the EU-China High-Level Environment and Climate Dialogue (HECD) and elevate their relationship to a green partnership. As of the end of 2023, four sessions of the EU-China HECD had been held between the EU Executive Vice President and China's Vice Premier. China-EU cooperation on environment and climate has been further institutionalized and carried out at a higher level and on a wider scale, becoming a key topic at China-EU leaders' meetings. Since 2020, Chinese and EU leaders have stressed many times the need to work together to tackle global challenges such as climate change and advance the EU-China green partnership.

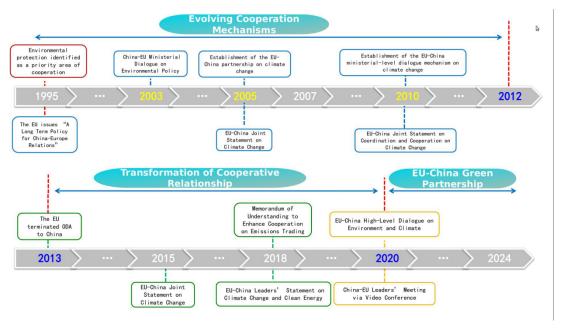


Figure 1. Milestones of China-EU cooperation on environment and climate

iii. Highly effective China-EU cooperation on environment and climate

Based on shared concepts and institutionalized practical cooperation and with support from high-level officials, China-EU cooperation on environment and climate has achieved remarkable results, benefiting not only the two sides but also the whole world.

Enriching the China-EU comprehensive strategic partnership. First, the EU-China green partnership is another important partnership between the two sides in addition to the partnership for peace, growth, reform, and civilization. It is a broader partnership in the fields of environment and sustainable development on the basis of the China-EU partnership on climate change and the Blue Partnership for the Oceans, enriching and advancing the China-EU comprehensive strategic partnership. Second, China-EU cooperation on environment and climate has consolidated the gains of the China-EU comprehensive strategic partnership. Since the fifth China-EU leaders' meeting in 2002, climate change issues, gradually becoming one of the most consensual topics, have been put high on the agenda of EU-China leaders' meetings. EU-China leaders have signed and issued several joint statements on climate change. Third, the areas of China-EU cooperation on environment and climate have been expanded and enriched. As stated in the EU-China 2020 Strategic Agenda for Cooperation, the two sides agree to "cooperate on achieving a strategic policy framework of green and low-carbon development for actively addressing global climate change." In 2023, the Chinese and German governments signed the Memorandum of Understanding on Establishing a Dialogue and Cooperation Mechanism on Climate Change and Green Transition, which included green and lowcarbon transition of key industries in the scope of cooperation. Fourth, the

EU-China High-Level Environment and Climate Dialogue is the fifth bilateral high-level dialogue mechanism between China and the EU, and the highest-level cooperation mechanism for green development among the over 70 cooperation mechanisms between the two sides.

years, China-EU trade has increased by nearly nine times, European investment in China has almost tripled, and Chinese investment in the EU has surged to hundreds of billions of US dollars. These reflect that China and the EU have become economically dependent on each other.² Green trade makes up a growing part of China-EU trade, leading to continuous improvement in trade quality. Cooperation in green investment and other fields has gathered pace. In 2022, CATL's battery cell production facility in Germany achieved mass production of lithium-ion batteries, which will help speed up the development of the local new-energy vehicle industry and reduce carbon emissions in the transport sector, while providing more than 1,500 local job opportunities. The Audi FAW new energy vehicle project, with a total investment of over RMB35 billion, was launched in Changchun of northeast China's Jilin Province, and Volkswagen's electric vehicle plant in Hefei, Anhui Province, began production at the end of 2023.

Contributing to environmental and climate governance in China and the EU. Through environmental assistance programs, dialogues, and cooperation, China has learned advanced environmental and climate policy concepts from the EU and therefore, enhanced its own capacity of environmental pollution control. For example, China has drawn on the EU's experience in environmental policy making and standard setting, in areas such as sewer charges, environmental impact assessment, pollutants discharge permits, chemical management, the carbon market, and climate

² Tian, Huifang. "The Potential and Challenges of China-EU Climate Cooperation in the Context of Carbon Neutrality." *Journal of Eurasian Economy*, no.5 (2022), pp. 78–101 & 126.

investment and financing. This has effectively improved China's decision making on environmental management. In recent years, the EU has also drawn inspiration from China's experiences during bilateral environment and climate dialogue and cooperation. For example, EU officials have on many occasions expressed their interest in drawing on China's experience in climate change adaptation, such as reforestation. For another example, when a Chinese delegation visited France in 2023, French officials and experts in the ecology, environment, and energy said that China's practices in reducing pollution and carbon emissions in the urban transport sector were inspirational to France.

Advancing global environmental and climate governance. From the very beginning, China-EU cooperation on environment and climate has shown the world their resolution and confidence in firmly safeguarding multilateralism and promoting global environmental and climate governance. China and the EU issued the EU-China Joint Statement on Climate Change, providing political support for the conclusion of the Paris Agreement. A new cooperation model of "EU-China +" has produced preliminary outcomes. China, together with the EU and other parties, successfully held the 15th Conference of Parties to the UN Convention on Biological Diversity (COP15), where the Kunming-Montreal Global Biodiversity Framework was adopted to halt and reverse the trend of biodiversity loss.

II. Deepened China-EU Cooperation to Address Climate Change

Taking climate change response as a shared responsibility and mission, China and the EU have worked together to tackle global challenges, established multilateral platforms and mechanisms involving governments, businesses, think tanks and other entities, continuously deepened cooperation on policy, technology, and capacity building in the key fields

of climate change, and constantly contributed to promoting global climate governance.

i. Multilevel and multilateral partnerships

A comprehensive cooperation model has initially taken shape. Led by climate diplomacy between the heads of state and government and guided by intergovernmental cooperation mechanisms, China and the EU have established multilevel, multi-platform, and multilateral communication channels, supported by practical cooperation at regional and local levels and cooperation between think tanks, businesses, and other organizations.

- At the government level. China and the EU have established multilevel bilateral climate cooperation mechanisms at the vice premier, ministerial, and departmental levels, and launched the Low Carbon Cities Partnership. The China-France Carbon Neutrality Center (CNC) was officially inaugurated in November 2023, the first CNC between China and the EU.³ In addition to cooperation at the EU level, China has conducted practical cooperation with Germany, France, Italy, and other EU member states. For example, China and Germany set up a joint environment and climate change working group, implemented the International Climate Initiative (IKI), and carried out dozens of projects in such fields as climate partnership, NDCs, carbon market, low-carbon transport, and climatesmart development.⁴ For another example, China and France launched a joint working group on green and low-carbon economy. Additionally, China and Italy have cooperated on several projects in the fields of climate change adaptation, provincial-level response to climate change, and carbon capture and storage. Between 2012 and 2019, Italy has supported China in organizing annual training courses on climate change and sustainable

³ Launch ceremony of China-France Carbon Neutrality Center held in Beijing. http://me.china-embassy.gov.cn/mon/zgxw/202311/t20231130_11190194.htm

⁴ Responding to Climate Change: China's Policies and Actions (2022)

development.

- At the think tank level. The EU has been involved in the work of the China Council for International Cooperation on Environment and Development (CCICED) since its second phase in 1997, and sent high-level representatives to serve as members of the CCICED. Continued efforts were made to facilitate the Sino-German Track II Dialogue (T2D) on Climate Change and Sustainable Development and promote academic exchanges between Chinese and German climate experts.⁵ The China-EU Environmental Policy Research Center was established in 2021 as a broader platform for communication and cooperation among think tanks.

-At the industry level. The European Union Chamber of Commerce in China and the China Chamber of Commerce to the EU were established in 2000 and 2019, respectively, and eight China-EU ecological parks have been built in China. The China-EU Green Economic Cooperation and Development Summit was held in 2021, and Chinese and EU enterprises launched the Green Action Initiative, strengthening their climate exchanges and cooperation. Since 2016, China and Germany have collaborated on the demonstration project "Energy Saving in the Energy-Intensive Industry through Energy Diagnosis." The project has put forward 97 energy efficiency improvement measures for enterprises in cement, ceramics, paper-making, and other industries, which can save energy equaling 169,300 tons of standard coal and reduce carbon dioxide emissions by about 440,200 tons a year.

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⁵ Sino-German Track II Dialogue (T2D) on Climate Change and Sustainable Development. https://climatecooperation.cn/

Steering committee of Sino-German Track II Dialogue (T2D) on Climate Change and Sustainable Development holds 7th meeting of in Berlin.

https://www.ccchina.org.cn/Detail.aspx?newsId=74533&TId=57

⁶ They are: Qingdao Sino-German Eco Park, Chengdu Sino-French Eco Park, Nongbo Sino-Italy Eco Park, China-Austria Sutong Ecological Park, Sino-Finnish Ecological Innovation Park, Shengyang Sino-French Eco-city, Sino-Swiss Zhenjiang Ecological Industrial Park, and China-Italy Haian Eco Park. https://www.greendev.org.cn/html/1//lvmengdongtai/1246.html

ii. Fruitful cooperation on policy mechanisms

China and the EU have continuously strengthened cooperation on carbon markets, climate investment and financing, and other policy mechanisms. Great headway and achievements have been made in this regard.

Fruitful results have been achieved in cooperation on carbon markets. China and the EU have maintained close communication and cooperation on the construction of carbon markets. The two sides established a mechanism of regular dialogues on carbon markets, signed the memorandum of understanding on emissions trading cooperation, strengthened research and capacity building in carbon quota allocation, carbon market pilots and transition, information disclosure, and other fields. Exchanges and dialogues were carried out under the annual EU-led Carbon Market Workshop as part of the "Florence Process" and the China-led "China Carbon Market Conference." Solid steps have been taken to advance practical cooperation projects. From 2014 to 2020, two phases of carbon market cooperation projects between China and the EU, totaling EUR15 million, were carried out, and training was provided for over 1,000 management and technical personnel, providing strong support for China's endeavor to develop carbon markets. From 2017 to 2022, China and Germany carried out a national carbon market capacity building project and cooperated in carbon emissions verification pilots, emissions trading systems, carbon market mechanisms, and other areas.

Table 1. Selected China-EU and China-Germany cooperation projects on carbon markets

Year	Project
2014	EU-China Carbon Market Capacity Building Project (3 years)
2017	"Support the Platform for Policy Dialogue and Cooperation between EU
	and China on Emission Trading" Project (3 years)

2017	Sino-German Cooperation Project on Capacity Building for the
	Establishment of Emissions Trading Schemes (ETS) in China (2017–2019,
	three phases)
2020	Sino-German Cooperation on Emissions Trading Systems, Carbon Market
	Mechanisms, and Industry-Related N ₂ O Mitigation
2022	"Support the Platform for Policy Dialogue and Cooperation between EU
	and China on Emission Trading" Project, Phase 2

Cooperation on climate investment and financing benefits both sides and the whole world. China and the EU conduct practical cooperation on climate investment and financing, leading the way in sustainable finance. The International Platform on Sustainable Finance (IPSF) was jointly launched, which released the "Common Ground Taxonomy-Climate Change Mitigation" (the CGT) to promote the alignment of green finance taxonomies, improve the comparability and interoperability of China and EU taxonomies, and guide cross-border flows of green capital. This provides a multilateral tool for global sustainable finance regulation. China and the EU are actively involved in the work of the G20 Sustainable Finance Working Group. The jointly released G20 Sustainable Finance Roadmap provides important guidelines for supporting international efforts to deal with climate change. China and Germany have carried out a series of joint research projects, such as research on a climate investment and finance policy framework, transition finance, investing and financing pathways to net zero for key industries, carbon accounting, and carbon-related disclosure. They organized training on climate investment and financing in Beijing and the Tianfu New Area of Sichuan Province and jointly held the China-EU Expert Workshop on Climate Finance and Investment with organizations from Germany. These activities promote sharing of knowledge and practices on climate investment and finance between China and the EU and improve the

capabilities of local governments, enterprises, and financial institutions for climate investment and finance.

iii. Deepening of industrial transition cooperation in all respects

China and the EU attach great importance to cooperation on green and low-carbon industrial transition, adhere to the green development path featuring complementarity and mutual benefit, and seek to deepen bilateral green economic, trade and industrial cooperation.

Cooperation on green and low-carbon development has been fruitful on all fronts. In December 2023, the first China-EU Partnership Dialogue was held, and ten typical cases of China-EU cooperation on green and low-carbon development were selected and released on the occasion. The cases involved Germany, France, Malta, Finland, Switzerland, among others, and covered a wide range of areas such as green energy transition, energy conservation, carbon reduction and efficiency, green and lowcarbon science and technology innovation, and the development of circular economy. CHN Energy Investment Group (CHN Energy) and Electricite de France (EDF) jointly invested in the construction of the 500,000 kW Jiangsu Dongtai offshore wind farm project, which has realized fullcapacity grid-connected power generation and achieved several global firsts in technology. Shanghai Electric Power Company (SEP) holds equity shares of the Maltese energy company Enemalta, which has been investing in new energy projects in Montenegro and Hungary to optimize the energy structure of these countries, effectively lowering electricity prices for users, and receiving high praise from local governments and residents alike.

Country-to-country cooperation on energy efficiency has been gradually expanding. Under the Sino-German Energy Partnership Framework, the Sino-German Demonstration Project on Energy Efficiency in City Quarters was implemented, and comprehensive mid-to-long-term energy efficiency enhancement plans have been formulated. The Sino-

German Energy Efficiency Networks Working Group Project has been fully carried out, and more than a dozen Chinese and German enterprises formed an energy efficiency network group in the Taicang Sino-German Industrial Park in Jiangsu Province, which has saved 40 million kWh of energy within five years. Regional energy and energy-saving retrofit demonstration projects were implemented in regions in China and Denmark, drawing up comprehensive clean heating upgrading plans for the regions involved.

iv. Steady progress in cooperation on climate change adaptation

China and the EU have maintained close communication and cooperation on climate change adaptation and worked together to promote global cooperation in this regard.

Promoting global cooperation on climate change adaptation. China, the Netherlands, and other countries jointly launched the Global Commission on Adaptation (GCA), and the first regional office of the GCA—the China Office—was established in 2019. The China Office of the GCA serves as an important bridge connecting China and the EU and plays an active role in disseminating knowledge on adaptation, promoting exchanges and mutual understanding, and carrying out international cooperation. In January 2021, the Netherlands and the GCA co-hosted the first Climate Adaptation Summit.

Strengthening bilateral exchanges and cooperation. China and the EU organized the Strategic Dialogue on Climate Change Adaptation, the EU-China Online Workshop on Urban Adaptation to Climate Change, the China-EU Expert Dialogue on Climate Risk, Impact and Adaptation, and other high-level events to share experience and results in climate change adaptation, climate risk management and resilience enhancement, and explore the pathways for cities to achieve carbon neutrality and enhance

climate resilience.

v. Joint efforts in global climate governance

Contributing to the positive outcomes of COP. China and the EU made a joint push for the adoption, signing, entry into force, and implementation of the Paris Agreement. In 2015, the EU-China Joint Statement on Climate Change and the China and France Joint Presidential Statement on Climate Change were issued, stressing the need to help bring to success the 21st session of the Conference of the Parties to the UN Framework Convention on Climate Change (COP21) and providing a political impetus for the adoption of the landmark Paris Agreement. During each COP, the heads of delegation and negotiators from China and the EU communicate and coordinate closely to put forward bridge-building proposals, playing a positive role in helping COP deliver on its aims.

Pooling strength for global climate governance through the Ministerial on Climate Action. In response to the tough challenges facing global climate governance, China, the EU, and Canada jointly launched the Ministerial on Climate Action (MoCA) in 2017. It brought together ministers of major economies and relevant countries, as well as high-level representatives of the UN to exchange views on key issues in the multilateral process in international climate efforts and build consensus and seek solutions for promoting global climate governance. As of the end of 2023, MoCA has been held seven times, sending positive signals for safeguarding multilateralism, upholding the UN Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, and advancing climate action and international cooperation. It has become a globally recognized mechanism in the multilateral process.

Launch of the "EU-China +" triangular climate cooperation initiative. China and the EU are both committed to helping developing countries improve their capacity to combat climate change. The two sides

Jointly launched a triangular expert cooperation initiative with Southeast Asia aimed at addressing climate change, which facilitated communication among the three sides and enhanced consensus on the implementation of the Paris Agreement. In 2022, the "EU-China + Southeast Asia" triangular initiative pilot was launched. Two seminars were held to discuss topics such as emissions modeling, carbon pricing and emissions trading, and synergy between policies and initiatives, and to help Southeast Asian countries improve their ability of climate policy making and implementation, GHG emissions modeling, and GHG inventory reporting.

III. Concrete Progress in China-EU Cooperation on Eco-Environment

China and the EU have an established partnership in the field of ecoenvironment. The cooperation, with a wide coverage, has been pragmatic and fruitful, contributing significantly to environmental governance and sustainable development in both China and Europe, as well as in the whole world.

i. Fruitful cooperation in biodiversity conservation

The EU gathers a large number of state parties to the Convention on Biological Diversity, while China represents developing countries and countries with great biodiversity. Both are important in the global efforts for biodiversity conservation, serving as leading forces.

There are many highlights in China-EU biodiversity conservation cooperation. China and the EU have launched a series of effective cooperation projects in the field of biodiversity conservation since 2005.

- Continued government-level cooperation carried out to a high standard, at high level and with a high profile. Cooperation in the field of biodiversity has been an important topic in the dialogues between leaders of China and the EU. Both China's Policy Paper on the European

Union and the EU-China Strategy of 2021 ⁷ covered the topic of biodiversity. Through mechanisms such as the HECD and the China-EU Ministerial-Level Environmental Policy Dialogue, the two sides have had in-depth exchanges on biodiversity policy and technology, and forged consensus on biodiversity conservation. In 2018, the Joint Declaration from the fifth German-Chinese Intergovernmental Consultations made it clear that the two sides would promote exchanges and cooperation between the two countries on the protection and sustainable use of wild fauna and flora. In 2019, the heads of state of China and France jointly issued the Beijing Call for Biodiversity Conservation and Climate Change, calling for coordinated solutions to biodiversity loss, climate change mitigation and adaptation, and land and ecosystem degradation. The Joint Declaration between the People's Republic of China and the French Republic issued in 2023 then further clarified that climate, biodiversity and land degradation control are issues of priority for both countries.

- Exchanges between think tanks are increasingly extensive. The two sides carried out the "EU-China Cooperation on Environment and Green Economy" project within the framework of the EU Partnership Instrument. As part of this project, China and the EU organized seminars on biodiversity policy legislation, and on the implementation of the Convention on Biological Diversity, providing support for decision-making by policy makers. Within the framework of the CCICED, the EU supported biodiversity-related policy research such as the research project on strategic topics on ecosystem services and management.

- Full attention was paid to project implementation. In China-EU cooperation projects in other areas, attention has also been paid to biodiversity conservation. For example, during the construction of the

⁷ https://www.europarl.europa.eu/doceo/document/TA-9-2021-0382_EN.html

Hungary-Serbia Railway, a signature cooperation project between China and Central and Eastern European countries, biodiversity was a major consideration, which laid a good foundation for cooperation between the two sides.

Panel 1 Biodiversity Conservation in the Construction of the Hungary-Serbia Railway

The Hungary-Serbia Railway is a signature cooperation project between China and Central and Eastern European countries, and the first railway line constructed by Chinese teams in Europe. ⁸ During construction, high priority was given to ecological and environmental protection, including biodiversity conservation. In the early assessment stage, after 10 months of in-depth exchanges with local governments and experts and on-site surveys, the Chinese project team completed an environmental impact assessment report of more than 1,300 pages. Special measures were adopted to protect Hungary's national bird, the great bustard. For example, some bird nests along the railway line were moved during construction and restored after project completion. While using traditional bird control devices, tall trees were planted on both sides of the railway to form a green barrier to protect birds and new safety nets were installed on all electric equipment along the railway line to protect birds from electric shocks.⁹

Fruitful China-EU joint efforts for global biodiversity governance.

With strong support from the EU and other state parties to the Convention on Biological Diversity, China successfully hosted the 15th meeting of the Conference of Parties to the UN Convention on Biological Diversity

⁸ Hungary-Serbia Railway: A Flagship Project of the Belt and Road Initiative. https://www.gov.cn/xinwen/2015-11/26/content_5017234.htm

⁹ Hungary-Serbia Railway: Ecological Civilization in Central and Eastern Europe. https://new.qq.com/rain/a/20230923A011HG00

(COP15) as Presidency, and the Kunming-Montreal Global Biodiversity Framework was adopted. The Framework clarifies long-term goals for 2050 and targets for 2030, forming a new blueprint for global biodiversity governance for the foreseeable future. 10 At the fourth HECD, both sides pledged to take swift action to implement this Framework in their own country and around the world. The EU has been actively working to implement the Framework by comprehensively reviewing policies and laws to ensure that they meet the new requirements. China has incorporated biodiversity conservation into the entire process of its ecological conservation, making progress in terms of policies and regulations, in-situ conservation, ex-situ conservation, and ecological protection and restoration. Such efforts have contributed to addressing global biodiversity challenges. 11 Currently, both China and the EU have submitted their revised national biodiversity conservation strategies and action plans based on the Framework to the Secretariat of the Convention on Biological Diversity. China joined hands with Germany and other parties to the Convention, as well as international organizations such as the United Nations Environment Programme and the Secretariat of the Convention on Biological Diversity, to launch the Action Initiative for Kunming-Montreal Global Biodiversity Framework, further consolidating the political willingness to implement the Framework. 12

ii. More extensive and in-depth cooperation on pollution control

Remarkable results have been achieved in cooperation to control air, water, and soil pollution. Since the launch of the China-EU Ministerial Environmental Policy Dialogue, both sides have been engaged in pragmatic exchanges and cooperation in areas such as the prevention

¹⁰ China's National Biodiversity Conservation Strategy and Action Plan (2023-2030).

¹¹ China's National Biodiversity Conservation Strategy and Action Plan (2023-2030).

¹² China initiates the Action Initiative for Kunming-Montreal Global Biodiversity Framework. https://www.gov.cn/yaowen/liebiao/202312/content 6919525.htm

and control of air and water pollution, solid waste management, and environment monitoring. This not only enhanced the environmental governance capacity of both sides, but also plays a positive role in promoting green and sustainable development.

– The cooperation has achieved abundant results. China and the EU, as well as Germany, Italy, France, and other countries, have jointly implemented over 200 environmental cooperation projects. The "EU-China Cooperation on Environment and Green Economy" project, including its phase I (2018-2021) and phase II (2021-2024), has provided strong support for China's environmental protection efforts. The International Environmental Convention Center, built with support from the Italian government, was launched in 2009 as a hallmark of green and eco-friendly building, featuring energy conservation. In 2016, China joined hands with Greece to promote green port construction. The environmental standards of Piraeus Port were upgraded with sensors to support environmental protection at the port. Among the 18 cases announced in 2023 as representatives of innovative concepts and practices marking the 10th anniversary of green Belt and Road cooperation, four are China-EU cooperation projects.

- China-EU cooperation on environmental industry and technology has a solid foundation. Several EU-based environmental protection companies, such as Veolia, Suez, and Siemens, have been working in China on water treatment, air pollution control, solid waste treatment, and related instruments and equipment, providing technological support for environmental governance in China. With funds raised from green sovereign panda bonds issued in China, Hungary has built a large number of green projects including wind power generation and

 $^{^{13}}$ Cases of innovative concepts and practices marking the 10^{th} anniversary of green Belt and Road cooperation. http://world.people.com.cn/n1/2024/0117/c1002-40160423.html

environmental protection facilities, which supported Hungary's green development and energy transformation, bringing tangible green benefits to local people. Since 2014, China and Germany have alternately hosted four sessions of the China-Germany Economic and Technical Cooperation Forum, which includes a sub-forum on energy efficiency. The China-Germany Energy Efficiency Working Group has had eight meetings. These occasions offer participants opportunities to exchange experience and practices in carbon peaking, carbon neutrality, energy conservation, and energy efficiency.

Cooperation regarding marine environment protection has delivered results.

- China and the EU have strengthened cooperation in the field of marine plastic pollution control, seeking progress in this regard with joint efforts. A bilateral dialogue mechanism has been created. The two sides have had regular exchanges on important agenda items of international negotiations on plastic pollution treaties, actively promoted cooperation relating to the methods and standards for marine plastics monitoring, practice management, research on marine litter management policies, and social participation.

and marine protection. China and the EU have played constructive roles in the negotiation of the Agreement on the Conservation and Sustainable Use of Marine Biodiversity of Areas Beyond National Jurisdiction (BBNJ). In 2023, the fourth round of China-EU High-level Dialogue on Law of the Sea and Polar Affairs was held, and participants exchanged views on topics such as the BBNJ agreement and the establishment of marine protected areas in Antarctica.

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 $^{^{14}\,}$ Cases of innovative concepts and practices marking the 10^{th} anniversary of green Belt and Road cooperation. http://world.people.com.cn/n1/2024/0117/c1002-40160423.html

Efforts have been made to institutionalize exchanges in the field of chemical management. China and the EU attach great importance to chemical environmental management and have taken active measures to promote the implementation of related Sustainable Development Goals in the 2030 Agenda for Sustainable Development. The two sides have had technological exchanges and cooperation, sharing ideas on topics such as the Strategic Approach to International Chemicals Management (SAICM) and a framework for sound management of chemicals and waste beyond 2020. Efforts have been made to promote the establishment of a bilateral cooperation and exchange mechanism and jointly enhance the assessment and control of chemical environmental risks.

Panel 2 China Steps up Environmental Cooperation with Major European Countries and Regions

Environmental cooperation between China and France. Since signing the environmental cooperation agreement in 1997, China and France have been engaged in exchanges and cooperation in various fields such as air pollution, soil pollution remediation, household waste treatment, and environmental industry cooperation. In 2018, China-France Environment Year was launched. In 2019, the heads of state of China and France jointly issued the Beijing Call for Biodiversity Conservation and Climate Change. In 2023, China and France issued the Joint Statement of the People's Republic of China and the French Republic, reaching multiple consensuses on pollution control, biodiversity, and other issues.

Environmental cooperation between China and Denmark. In 2023, China and Denmark jointly released the Joint Green Work Plan of the Government of the People's Republic of China and the Government of the Kingdom of Denmark (2023-2026), strengthening cooperation in

air pollution control, solid waste and wastewater treatment, and chemical management, and promoting biodiversity conservation and marine environment protection, as well as advancing sustainable urban development.

Environmental cooperation between China and Central and Eastern European countries. The environmental cooperation mechanism was established between China and Central and Eastern European countries in 2018, with a framework document signed for environmental cooperation, a "green consensus" reached, and two China-Central and Eastern European Countries Ministerial Meetings on Environmental Cooperation held. In 2021, the China-Central and Eastern European Countries Cooperation Year on Green Development and Environmental Protection was celebrated. Through high-level meetings, exhibitions, and other activities, cooperation on environmental protection has deepened. The ecological environment cooperation mechanism has become a multilateral platform that is open, inclusive, and mutually beneficial, and one that consolidates consensus and adds new content to cooperation between China and Central and Eastern European countries.

IV. Steady Long-Term Development of China-EU Cooperation on Environment and Climate

As the global climate crisis escalates, the evolution of the international landscape accelerates, and the international order is reshaped, China and the EU, as two major forces promoting multipolarity, should have new positioning for their cooperation on environment and climate and take some new measures in practice.

i. Current situation and challenges

China and the EU have motivations to enhance their cooperation on

environment and climate, and at the same time face forces that impede their cooperation.

On the one hand, as global climate change is a pressing reality and crisis, China and the EU have a shared vision and realistic demands for strengthening their cooperation on environment and climate. Reports from the Intergovernmental Panel on Climate Change (IPCC) show that from 2011 to 2020, the global average temperature increased by about 1.1°C compared to pre-industrial levels, and the average temperature over the past 50 years is the highest in nearly two millennia. The report European State of the Climate 2023 released by the World Meteorological Organization and others indicates that Europe is the continent that sees the fastest warming, with a rate approximately twice the global average. In 2023 alone, extreme weather caused economic losses of about 13.4 billion euros in Europe. China is also severely affected by climate change, with a clear overall warming trend on its mainland and an increase in the frequency and intensity of extreme weather and climate events. Faced with the global climate crisis, China and the EU share consensus on the overarching trend of global green and low-carbon transition and innovation established by the Paris Agreement and the United Nations 2030 Sustainable Development Agenda. They share a common vision for green development and have the demand and possibility for extensive practical cooperation to address climate change and energy transformation.

On the other hand, challenges such as geopolitical issues and the sluggish global economy have introduced many uncertainties to China-EU cooperation. First, there are strategic divergences at the policy level. The EU is changing its strategic stance toward China, viewing China as a cooperation partner, an economic competitor, and a systemic rival. It emphasizes the need to manage risks and reduce dependency and has launched a series of regulations and policies to promote the localization of

European industries. China believes that there are no geopolitical conflicts or fundamental conflicts of interest between the two sides. China sees the EU as a partner, not a competitor, even less a rival, especially in a systemic sense. Secondly, the EU prioritizes the independence of its industrial and supply chains, establishing a carbon border adjustment mechanism, initiating anti-subsidy investigations against Chinese electric vehicles using foreign subsidies regulation, and reviewing European investments in China. These actions may cast shadows on China-EU relations and affect China-EU cooperation on environment and climate.

ii. Actions and prospects

Facing new situations and challenges, China and the EU should strengthen their green partnership, effectively leverage the important role of China-EU cooperation on environment and climate, making it a new engine for China-EU strategic cooperation, a new highlight of China-EU economic and trade cooperation, a new bond for China-EU cultural cooperation, and a new model for global environmental and climate cooperation.

Adhere to a mechanism-led approach. The China-EU High-Level Environment and Climate Dialogue should become the leading mechanism to further cooperation mechanisms involving multiple entities, levels, and areas. First, efforts should be made to deepen and consolidate the China-EU High-Level Environment and Climate Dialogue and make full use of this platform to steer other existing cooperation mechanisms such as the China-EU Ministerial-Level Environmental Policy Dialogue and the China-EU Ministerial-Level Climate Change Dialogue, so as to strengthen communication and coordination, enhance mutual understanding and trust, consolidate consensus, explore cooperation potential, clarify the direction of China-EU green cooperation, build influence, and accumulate positive outcomes for the healthy development of China-EU relations and major

international agendas. **Second**, environment and climate topics may be covered in other high-level mechanisms. For example, there may be dialogues and exchanges related to environmental products and services and green trade at the China-EU High-Level Economic and Trade Dialogue (HED). **Third**, relevant parties should be encouraged to establish China-EU exchange platforms for different entities, including local governments, think tanks, experts, and enterprises. Local governments of China and the EU member states should be encouraged to carry out environmental and climate cooperation, establishing more sister provinces and sister cities. Climate partnerships could be established and Track II dialogues carried out between cities with similar industrial structures. Universities of the two sides may explore ways to establish China-EU environment and climate institutes, while the China-EU Environmental Policy Research Center may play its role fully and build platforms for dialogue and cooperation between Chinese and European environment think tanks.

Continue to pursue innovations in form. To deepen and expand China-EU cooperation on environment and climate, there should be more forms of cooperation. First, while consolidating existing cooperation, efforts should be made to reach out to other fields, such as clean energy, carbon-reducing technology, advanced energy-saving and green transportation, green buildings, methane, marine litter, key areas of pollution reduction and carbon reduction, circular economy, environmental technology, and environmental trade, strengthening dialogue and exchanges. Second, the China-EU Green Action should be launched to strengthen coordination and connection in fields such as the digital economy and artificial intelligence, stimulating new momentum for China-EU green cooperation. **Third**, in conjunction with the implementation of China-EU cooperation projects, more activities may be organized, including policy dialogues, seminars, training sessions, visits and

exchanges, and more, to deliver more practical outcomes in China-EU environment and climate cooperation.

Further expand the coverage of the cooperation. Work needs to be done to promote the "EU-China +" cooperation model to expand the scope of the cooperation. Triangular cooperation should be encouraged such as "EU-China + Southeast Asia" or "EU-China + Africa" cooperation, organizing training seminars, pilot and demonstration projects, and other activities to accumulate experience and promote the cooperation models, broadening "EU-China +" cooperation. In conjunction with South-South cooperation on climate change, the green Belt and Road Initiative and other programs, new forms of China-EU cooperation may be explored, bringing in other parties from within the framework of South-South cooperation and the Belt and Road Initiative. Considering that developing countries face the dual tasks of pollution control and carbon reduction, cooperation projects may be designed to address both environmental and climate issues, achieving greater effectiveness and efficiency and making the triangular cooperation more fruitful.

As Chinese President Xi Jinping pointed out, amid the increasingly turbulent international situation, the China-EU relationship has strategic significance and implications for global peace, stability, and prosperity.

Looking back, the stabilization of China-EU cooperation on environment and climate is not only bilaterally relevant, but also globally significant. It is in our interest, and more importantly our responsibility, to make the world more stable and add more impetus to development.

Looking ahead, China-EU cooperation on environment and climate has broad prospects and is full of opportunities. Currently, China has embarked on a journey toward the great rejuvenation of the Chinese nation through Chinese modernization in the new era. As President Xi Jinping stated, the modernization China is pursuing is not for China alone. China is ready to work with all countries to advance global modernization featuring peaceful development, mutually beneficial cooperation, and common prosperity, and to build a global community with a shared future. A sound ecological environment is a key part of modernization. As an important part of the China-EU comprehensive strategic partnership, China-EU cooperation on environment and climate not only serves the interests of both parties but will also play a positive role in setting a good example for global sustainable development. China and the EU should join hands to deepen their cooperation in a pragmatic manner, work to dovetail their environment and climate policies through high-level dialogue and cooperation mechanisms, establish a long-term cooperation framework, promote global environmental governance and climate action, and contribute to building a community of all life on Earth and a clean and beautiful world.