

## **IN FOCUS**

June 12, 2015

## **President Obama Pledges Greenhouse Gas Reduction Targets as Contribution to 2015 Global Climate Change Deal**

# U.S. Pledge to Reduce Greenhouse Gas Emissions

On March 31, 2015, the Department of State formalized a U.S. pledge, its "intended nationally determined contribution (INDC)," that the United States *intends* to reduce U.S. greenhouse gas (GHG) emissions by 26-28% by 2025 compared to 2005 levels. The United States stated it will "make best efforts to reduce its emissions by 28%."

The United States submitted this INDC under the United Nations Framework Convention on Climate Change (UNFCCC) as a step in negotiating a new global agreement by the end of 2015 to address climate change in 2020 and beyond. All Parties are invited to submit INDCs as early as they are prepared to do so before the December negotiations. The U.S. INDC covers only GHG mitigation though some countries seek commitments to cover financing, support for adaptation to climate change, compensation for loss and damage, and additional issues.

The U.S. INDC is not explicitly conditional on other countries' actions. The statement alludes, however, to the continuing U.S. policy that GHG reductions be part of a collective global effort.

The United States notes that its INDC is supported by domestic policy actions that place the nation on a course to reduce GHG emissions by 17% by 2020 below 2005 levels.

The INDC also states that the U.S. 2025 target is consistent with a straight-line emission reduction path to "deep decarbonization" of 80% or more by 2050 (**Figure 1**). The Administration has not produced a quantitative explanation of what assumptions and measures would lead the United States to achieve its INDC. Some observers believe that the United States could commit to deeper reductions with existing authorities, while others doubt that the Administration has a quantitative plan to achieve the target.

#### **Relevant Law, Regulations, and Measures**

The U.S. INDC identifies regulations and authorities that are "relevant" to implementing the target. Existing regulations under the Clean Air Act (CAA) include fuel economy standards for vehicles. The Energy Policy Act (EPAct) and the Energy Independence and Security Act (EISA) include energy conservation standards for appliances and equipment and a building code determination for commercial buildings. Regulations and measures under development include the following:

• The Environmental Protection Agency's (EPA) proposal of carbon dioxide emission standards for new electricity generating units (EGUs) under CAA §111(b) and for existing EGUs under CAA §111(d);



Figure I.

**Source:** CRS, with data from U.S. Environmental Protection Agency. Based on U.S. Government. "U.S. Cover Note, INDC and Accompanying Information." March 31, 2015. Available at http://www4.unfccc.int/submissions/indc/Submission%20Pages/submissions.aspx.

**Notes:** These estimates are of net human-related emissions, comprising gross emissions from energy and other sectors, net removals of CO2 from the atmosphere by "land use, land use change, and forestry" and sequestration of carbon in harvested wood products.

• Post-2018 fuel economy standards for heavy-duty vehicles under the CAA;

- Standards to limit methane emissions from landfills and the oil and gas sector under the CAA;
- Reduction of hydrofluorocarbons use and emissions under the CAA Significant New Alternatives Program under CAA §605(a);
- Further energy conservation standards for buildings, appliances, and equipment under EPAct and EISA;
- Actions under Executive Order 13693 (March 15, 2015) to reduce GHG emissions from federal operations by 40% below 2005 levels by 2025.

#### **Not Legally Binding**

The United States and almost all other countries already have legally binding, *qualitative* obligations under the UNFCCC. The UNFCCC is an international treaty that is legally binding on the United States because the parties intended it to be so, the United States ratified it in 1992, and it entered into force.

This INDC is not legally binding. Still to be negotiated is whether its embodiment in, or association with, the new agreement ultimately will be binding. The mandate for the new agreement specifies that it should have "legal force ... applicable to all Parties."

U.S. negotiators have promoted a proposal that not all elements of the agreement need be legally binding. Rather, U.S. climate envoy Todd Stern stated, "We think the most interesting proposal on the table is New Zealand's, under which there would be a legally binding obligation to submit a 'schedule' for reducing emissions, plus various legally binding provisions for accounting, reporting, review, periodic updating of the schedules, etc. But the content of the schedule itself would not be legally binding at an international level."

Many experts expect that, if the United States were to sign a new agreement that contains binding, quantitative GHG targets, the President would send it to the Senate or the full Congress for its approval. To the degree that a new agreement is not legally binding or does not contain new substantive commitments, U.S. acceptance of the arrangement may not legally require Senate advice and consent.

#### **Other Countries' Targets**

Other Parties have announced specific GHG targets or actions to contribute to the evolving post-2020 regime. The European Union (EU) and several countries have submitted their INDCs, and others are expected to provide them midyear or later. The EU pledged to reduce its GHG emissions to 40% below 1990 levels by 2030. Canada's INDC stated its intention to reduce its GHG emissions by 30% below 2005 levels by 2030. Russia offered an "indicator" of limiting GHG to 25-30% below 1990 levels by 2030, subject to "maximum possible account of absorbing capacity of forests."

Mexico was a developing country party in 1992 when the UNFCCC was signed. Now Mexico has pledged an INDC to "peak" its GHG emissions by 2026. As of June 1, 2015, INDCs had also been submitted by Switzerland, Norway, Gabon, Lichtenstein, and Andorra. Parties that have submitted INDCs together account for more than a third of global GHG emissions but include only four of the top 10 emitters.

In November 2014, China announced its intent to peak its carbon dioxide emissions around 2030 and increase the non-fossil share of its primary energy supply to 20% by 2030. Its formal INDC is expected mid-year. India has been less forthcoming about when it may submit its INDC or what the content may be. Indian officials have stated that the government will submit its INDC "well before" the December meeting when the new agreement is due.

#### A 2° Celsius Goal

President Obama and other leaders of the Group of Seven nations confirmed in their Declaration of June 8, 2015, their support for a goal of avoiding a global temperature increase greater than 2° Celsius (C) (3.6° Fahrenheit) above pre-industrial levels. Some nations, particularly island states and low-lying nations, have called for a stronger goal of 1.5° C instead.

The G7 also agreed to support sharing with all Parties a reduction of global GHG emissions to the upper end of the range of 40-70% below 2010 levels by 2050 without specifying how that ambition might be shared among countries or groups of countries. Such pledges are not legally binding. The leaders also committed to "develop long-term, national, low-carbon strategies," including "developing and deploying innovative technologies striving for a transformation of the energy sectors by 2050." Observers at the meeting reported that German Chancellor Angela Merkel, who hosted the session, sought stronger commitments from other leaders, including a long-term goal of zero-carbon economies. Leaders from Canada and Japan were most reticent to set such a target, resulting in the moderated language.

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