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Climate Action in the APEC Region



Climate change is an international crisis requiring concerted action at every level. While domestic policies and international commitments to reduce greenhouse emissions are crucial, there is significant scope for regional co-operation on climate issues.

The Asia-Pacific region faces significant challenges that underlie the importance of addressing anthropogenic climate change. Economies within the APEC region experience approximately 70% of the world's natural [disasters](#). APEC economies also have many densely populated coastal communities. Climate change is predicted to increase the frequency and severity of extreme weather events. It will also lead to significant rises in sea levels. These challenges make the APEC region particularly [vulnerable](#). Many APEC economies are also still going through the processes of economic development. These economies must navigate mitigating climate change while also raising living standards and managing industrial transformation.

Clearly APEC has significant vested interests in mitigating climate change. APEC has responded to this challenge through policies and programmes that support decarbonisation of the region, while also co-operating to manage regional climate related challenges.



APEC first acknowledged the importance of climate action in their 1993 APEC leader's declaration in [Seattle](#). In the Beijing [Declaration](#) in 2014, APEC Leaders made the important aspirational goal of doubling the region's 2010 levels of renewable energy generation by 2030. The most recent Leader's [Declaration](#) made in Kuala Lumpur in 2020, affirmed the importance of tackling climate change, while also acknowledging the interrelated challenges of enhancing the energy security and disaster resilience of APEC economies.

APEC has further developed a number of specific projects to support its decarbonisation efforts. One such project is the [2015 Environmental Goods List](#) (EGL). The EGL promotes trade in environmental goods such as renewable energy technology and sustainable building materials through co-operative reductions on import tariffs to 5% or less. It has established important research and technical support bodies such as the [APEC Climate Centre](#) and the [APEC Sustainable Energy Centre](#). It has further implemented numerous workshops throughout the APEC region that support [best practices in renewable energy implementation](#) and [sustainable transport deployment](#).

Still, there is room for far stronger commitments and co-operation to achieve carbon neutrality. The Asia Pacific Energy Research Centre released its APEC Energy Outlook to 2050 report in 2019. This report made the sobering prediction that [no APEC economy would meet its Paris commitments](#) without greater action. APEC economies cannot afford to maintain a business as usual approach when considering the existential climate threat facing the region. There is clearly significant scope for APEC to push for further measures to ensure decarbonisation.

This year there has been some promising development of APEC's climate ambitions. As the host of APEC in 2021, New Zealand has a strong sustainability and green recovery agenda. This was reflected in the [2021 APEC Ministers Responsible for Trade \(MRT\) statement](#) released in June affirming the importance of tackling climate change and related environmental concerns. This statement instructs APEC officials to work towards enhancing trade in goods and services that contribute to the regions long-term sustainability. They have further instructed officials to assess the impact of the current Environmental Goods List in addressing climate change. These directives lay the groundwork for an update of the Environmental Goods List to support emergent low-emissions and climate friendly technology.

The APEC Business Advisory Council (ABAC), a group appointed by the Leaders of APEC, has also focused on greater climate action through the work of its Sustainability Working Group. This year, it has been developing a set of [Principles for Climate Leadership](#) which aims to guide both ABAC and businesses in the Asia Pacific region to adopt practices to address climate change. ABAC is also working on a framework to increase trade and investment in renewable energy in the region. This framework is expansive and offers new co-operative approaches to decarbonise the region. This includes technical support and co-operation in trade to develop a regional market for hydrogen, which will assist resource poor economies in their energy transition. ABAC is also supportive of APEC efforts to expand the current Environmental Goods List, to enhance the trade in nascent renewable energy and efficiency technology. If adopted, this new framework would be well positioned to promote a green recovery to the Covid-19 health crisis.