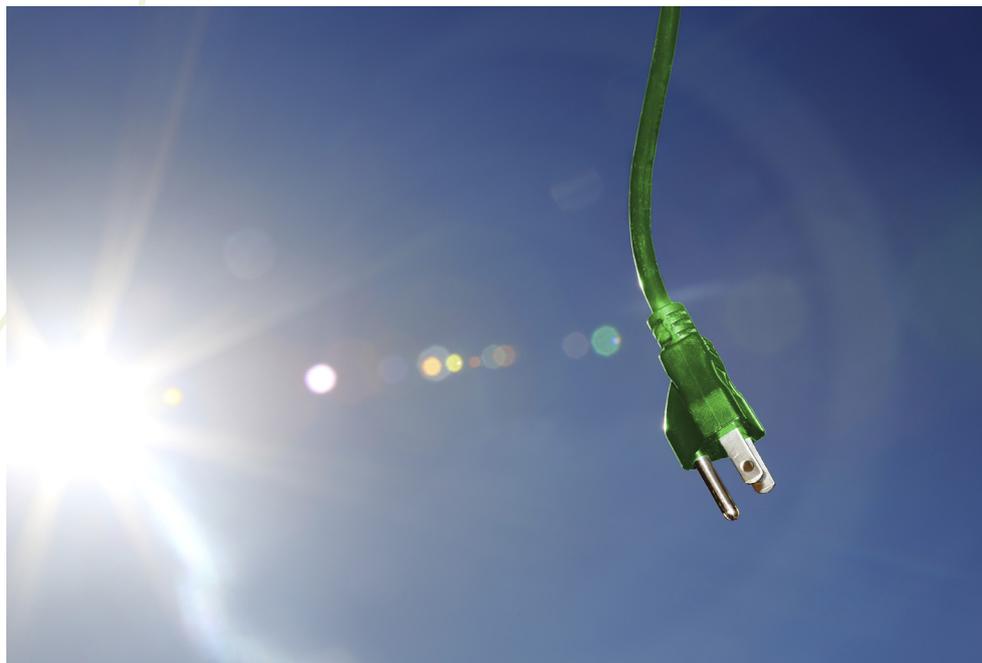




United States of America

## Making Progress on President Obama's Climate Action Plan

Activity	Implementation of actions in order to achieve the 75 climate-related goals outlined in President Obama's Climate Action Plan, which aims at reducing total greenhouse gas (GHG) emissions in the United States by 17% below 2005 levels by 2020.
Country	United States of America
Sector(s) involved	Carbon dioxide emissions: power, transportation, buildings Methane emissions: energy, agriculture, waste, mining
Time frame	2013 – ongoing
Case summary	<p>In 2013, President Obama announced the Climate Action Plan (CAP), the first comprehensive plan of the United States to address climate change. The CAP outlines 75 climate-related goals and respective actions that are subsumed under three pillars: mitigation, adaptation and international cooperation.</p> <p>There has been marked progress on many items in the CAP over the last two years. Major success factors include the high-level political ownership, the long-term nature of the plan, the strategic approach behind the plan, and its high visibility at the national and international level.</p> <p>The CAP sends a strong signal for a new climate agreement to be reached in Paris in 2015.</p>



Energy supply ©iStock.com/MarkPiovesan

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## Background

On the occasion of the 15th Conference of the Parties (COP) to the UNFCCC in 2009 in Copenhagen, President Obama made a pledge that America would reduce its greenhouse gas (GHG) emissions in the range of 17% below 2005 levels by 2020, if all other major economies agreed to limit their emissions as well.

Since President Obama took office in 2009, the United States has made considerable progress towards achieving this pledge:

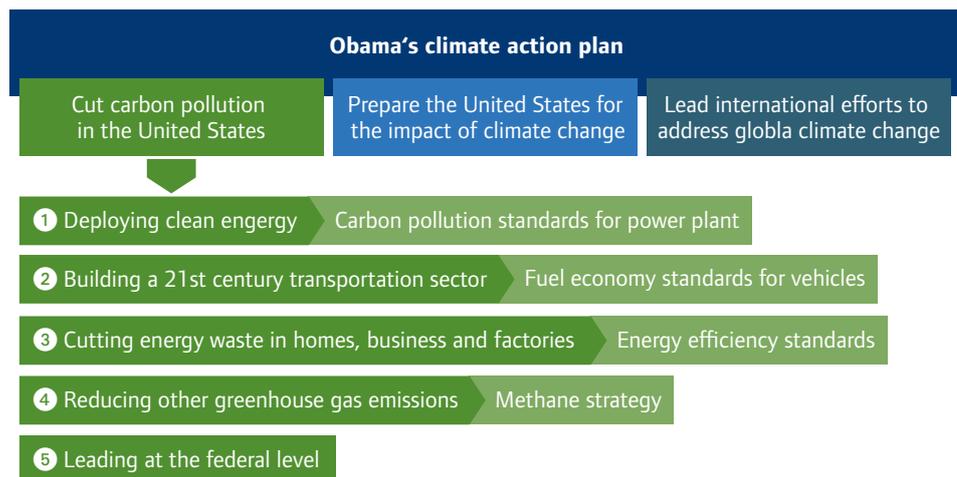
- » In 2012, new fuel economy standards were set for cars and light trucks that are expected to double the efficiency of these vehicles by 2025;
- » Between 2009 and 2013, solar generation increased ten-fold and electricity production from wind power tripled;
- » By 2013, 35 states put renewable energy targets in place, and more than 25 states set energy efficiency targets;
- » Between 2007 and 2013, absolute GHG emissions were reduced by 10% (in 2012, carbon emissions fell to the lowest level in 20 years).

Building on this progress, on June 25, 2013, President Obama announced the [Climate Action Plan](#), the first comprehensive plan of the United States to address climate change.

The Climate Action Plan (CAP) outlines 75 climate-related goals and respective actions that are based on three pillars: (1) mitigation: cut carbon pollution in the United States; (2) adaptation: prepare the United States for the impacts of climate change; and (3) international cooperation: lead international efforts to address climate change.

This case study focuses on the mitigation pillar of the CAP (cf. Figure 1).

## Goals and Actions Under the CAP Mitigation Pillar



Source: Authors' own compilation.

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The goals and respective actions outlined in the Plan vary considerably in scope and ambition. Some can be embedded in existing policies and programmes, others involve amendment of these policies and programmes, and still others require new and additional rule making.

While President Obama had increased support from a Democratic majority in the legislature for the first two years of his second term, he faces political opposition in Congress during his final two years as President. Under these circumstances, the current implementation of the CAP relies to a large extent on the Administration's capacity to circumvent Congress and act under existing laws and regulations.

Despite the difficult political constellation, two years after the launch of the CAP **marked progress** on some items can be observed (including emission reductions from power plants, in particular the Clean Power Plan or CPP; new energy efficiency standards; actions to reduce methane and hydrofluorocarbon emissions and a joint announcement with China concerning new GHG emission reduction targets), and at least **initial progress** on the other items has also taken place.

Notably, the CPP – a central element of the mitigation pillar of the CAP – recently received a significant boost. In early August 2015, President Obama announced the final version of the CPP which was more ambitious than its earlier versions, increasing emission reduction targets from 30% to 32% below 2005 levels in 2030, and renewable shares in electricity generation from 16% to 20% in 2030 (CAT, 2015). Being placed as an executive order, the CPP takes immediate effect.

The Climate Action Plan sends a strong signal towards the negotiations on a new climate agreement to be reached in December 2015 in Paris.

### Activities

- » **Development of proposed carbon pollution standards for new and existing power plants:** At the heart of the CAP is a Presidential Memorandum that directs the Environmental Protection Agency (EPA) to develop and finalise carbon emission limits for new, modified and existing power plants. In September 2013, the EPA issued proposed carbon pollution standards for new power plants and, in June 2014, for existing power plants under the CPP. In August 2015, the EPA released final carbon pollution standards for new, modified, and existing power plants. The final version is more ambitious than the earlier ones: envisaged reductions increased from 30% to 32% below 2005 levels in 2030 and the envisaged share of renewables in electricity generation increased from 16% to 20% in 2030. The updated CPP makes a difference of 530 MtCO<sub>2</sub>e in 2030 (compared to a scenario without the CPP) and reduces the expected emissions of the USA by roughly 10% in 2030 (CAT, 2015).
- » **Acceleration of the development of renewable energies:** Between January 2013 and December 2014, renewable energy generation from wind and solar increased by 38%. This was achieved mainly by means of acceleration of clean energy permitting and by expansion and modernisation of the electric grid. According to the Energy Information Administration Annual Energy Outlook 2015, wind and solar generation are expected to have increased by 97% by 2020, compared to 2013.
- » **Development of light-, medium- and heavy-duty fuel economy standards:** In 2012, EPA and the Department of Transportation's National Highway Traffic Safety Administration (NHTSA) launched a national programme for GHG emissions and fuel economy standards, which applies to light duty cars and trucks in model years 2012-2016 (first phase) and 2017-2025 (second phase). In June 2015, the EPA and NHTSA responded to the CAP by proposing further standards for medium- and heavy-duty vehicles for model years after 2018 (proposed standards to begin in 2021 and culminate in standards for model year 2027). These standards are expected to reduce GHG emissions an additional 24% by 2027, compared to 2010 levels.

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- » **Development of energy efficiency standards for appliances, commercial equipment, and federal buildings:** In 2014, the Department of Energy (DOE) finalised energy efficiency standards for 10 products, including commercial clothes washers, commercial refrigeration equipment, walk-in coolers and freezers, electric motors, general service fluorescent lamps, metal halide lamp fixtures, furnace fans, and automatic commercial ice makers. With these standards, DOE is more than two-thirds of the way to achieving the CAP's goal to reduce carbon pollution by at least 3 billion metric tons cumulatively by 2030.
- » **Reduction of barriers to investment in energy efficiency:** In November 2013, the Department of Agriculture (USDA) announced funding for rural energy efficiency projects and awarded US\$263 million to eight states for projects. In December 2013, the Rural Utilities Service finalised an update to its Energy Efficiency and Conservation Loan Program to provide US\$250 million for rural utilities to finance private efficiency investments.
- » **Reduction of other GHG emissions:** In December 2014 and April 2015, EPA issued final rules to offer five acceptable alternatives to hydrofluorocarbons (HFCs) and to prohibit specific uses of HFC-134a in applications where more climate-friendly alternatives are available. In March 2014, the White House released a strategy to reduce methane emissions, outlining measures and timelines for the oil and gas industry, agriculture, new and existing landfills, and coal mines. For the energy sector, the EPA is developing emission standards for new and modified oil and gas wells. The standards are expected to cut methane emissions from oil and gas wells by 40 to 45% from 2012 levels by 2025. For the agriculture sector, the USDA, EPA and DOE developed a biogas opportunities roadmap, which identifies voluntary actions for the dairy industry to reduce methane emissions. The roadmap is expected to support the dairy industry to reduce its GHG emissions by 25% by 2020. For the waste sector, the EPA proposed updates to the standards for new landfills and solicited feedback on whether to update guidelines for existing landfills. For the mining sector, the Department of the Interior (DOI) gathered input on reducing emissions from coal mines on public lands.

## Institutions involved

- » President and his administration (lead)
- » Governmental departments and agencies: Environmental Protection Agency (EPA); Department of Energy (DOE); Department of Transportation (DOT)/ National Highway Traffic Safety Administration (NHTSA); Department of Agriculture (USDA); Department of the Interior (DOI)
- » Industry leaders: partnership between the dairy industry and USDA

## Cooperation with

- » Institutes and research organisations: e.g. the Centre for Climate and Energy Solutions (C2ES)
- » Industry organisations and business communities: e.g. power companies that implement the CPP
- » Other governmental and non-governmental organisations

## Finance

- » The activities of the CAP are funded through the federal budget. There is no specific line for the CAP in the budget, but financing is integrated into the funds for the implementing government agencies, such as EPA and DOE. This makes it easier to allocate resources to activities under the CAP without the need for Congressional approval. Hence, as long as funding for activities can be justified under existing legislation, financing of these activities is ensured through the federal budget.

## People

- » President Obama and his key advisors
- » Representatives and technical experts from the institutions mentioned above

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### Impact of activities

- » **Provision of a focal point for climate action:** The Climate Action Plan bundles Federal and State initiatives developed under the Administration, and establishes a focal point for climate action throughout the country. The initiatives expand or refine already existing policies and programmes and develop additional ones. In this context, the CAP also represents a platform where important information comes together and is again distributed through different networks at the federal and state level.
- » **Accounting for the two major sources of GHG emissions in the United States:** The largest source of GHG emissions in the United States is the power sector, which accounts for roughly one third of all domestic emissions. The proposed standards for new and existing power plants are expected to reduce emissions from the power sector in the range of 32% by 2030. The second largest source of emissions is the transportation sector. New fuel economy standards put forward under the CAP (applying to light-duty vehicles for model years 2017 through 2025) are expected to reduce emissions in the range of 2 billion metric tons by 2025. By accounting for these two major sources of emissions, the CAP puts the country on track to achieve its international emission reduction pledges.
- » **Promoting partnerships with states, local communities, and the private sector:** The CAP explicitly calls for collaborative efforts from states, local communities, and the private sector. In the case of the CAP, for example, States are asked to develop state-specific implementation plans in coordination with the power companies. In the transportation sector, the CAP summons the administration to leverage public-private partnerships to deploy cleaner fuels and to work with state and local authorities to improve transportation options.
- » **Driving the transition to a low-carbon economy:** The initiatives outlined in the CAP lay the foundation for many of the key drivers of low-carbon economic growth, including more efficient use of energy and natural resources, smart infrastructure investments, and technological innovation. As a consequence, these low-carbon investments reduce total energy consumption, cut down energy costs for households and businesses, create new job opportunities, and improve public health.

### Why is it good practice

- » **High-level political ownership:** The CAP is directly supported by the President and can count on strong political leadership and appropriate financial resources (as long as activities are based on existing legal authorities and implemented across government agencies).
- » **Establishment of a course of action:** After years of standstill, the CAP outlines a strategy to reduce GHG emissions by 17% below 2005 levels by 2020 and puts the country on track to reduce emissions further in the range of 26-28% below 2005 levels by 2025. The CAP's strategy is based on long-term actions that are initiated under existing legal authorities and difficult to reverse once they have been launched.
- » **Approach towards political opposition:** The CAP stimulates climate action in spite of the difficult political constellation. In the current situation, where Congress constantly blocks new climate legislation (at the time of writing this case), the CAP focuses on Executive Branch action under existing legislation. This enables the President to bypass Congress in order to promote climate action.
- » **Collaborative and inclusive approach:** The CAP intends to unify different climate related programmes, projects and initiatives that are currently pursued in the United States under one roof. Thus, it involves a wide range of public and private actors at the federal and state level, including business communities, governmental and non-governmental organisations, industry associations, research institutes etc. Many of the goals and respective actions proposed in the CAP involve stakeholder dialogues and/or are open to public consultation. This raises awareness in the broader public and enhances political feasibility.

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	<ul style="list-style-type: none"> <li>» <b>Creation of a foundation for INDC implementation:</b> The US Intended Nationally Determined Contribution (INDC), submitted in March 2015, formalises the commitment of the US to cut emissions by 26% to 28% below its 2005 levels by 2025, but does not provide a detailed plan for meeting this target. Still, it is made clear that the INDC will rely on core aspects of the CAP. If final strategies and standards across all aspects of the CAP are sufficiently ambitious, the plan will make a significant contribution to the implementation of the INDC (WRI 2014).</li> </ul>
Success factors	<ul style="list-style-type: none"> <li>» <b>High-level government leadership</b> – There is strong commitment by President Obama and the involved federal agencies, demonstrating a high degree of political willingness and dedication to follow through.</li> <li>» <b>Well-resourced and long-term vision</b> – The long-term character of the CAP provides planning security, reduces opportunities for future policy reversals, and facilitates adequate financial resourcing in the budgetary process. Moreover, it increases the ambition of private stakeholders to engage in enhanced climate action.</li> <li>» <b>Strategic approach</b> – The deployment of a strategic approach, including a clear definition of targets and the identification of measures to achieve the targets, ensures transparency and efficiency of the process.</li> <li>» <b>Enforcement at the Federal and State level</b> – The involvement of actors at the Federal and State levels allows for a vertically and horizontally integrated implementation of climate actions and provides ownership at both the planning and the implementation levels.</li> </ul>
Overcoming barriers/challenges	<p><b>What were the main barriers/challenges to delivery? How were these barriers/challenges overcome?</b></p>
Financial	<p>Funds for new climate legislation require congressional approval. Given political opposition in Congress, this was difficult to achieve.</p> <p>Funding for activities under the CAP is integrated into the budget lines of the implementing agencies and takes place in the framework of existing legislation.</p>
Institutional	<p><b>Meaningful legislative action on climate change is difficult in the US.</b></p> <p>By focusing on executive branch action under existing legislation, the CAP effectively bypassed the need for Congressional approval for most of its actions.</p>
Capacity	<p><b>The CAP includes a wide range of different activities that require specific expertise.</b></p> <p>Most of the activities chosen in the CAP are integrated into already ongoing policies and programmes. The activities can thus build on previously assembled capacities within the implementing agencies.</p>
Lessons learned	<ul style="list-style-type: none"> <li>» <b>Ensure alignment with existing policies and programmes:</b> The CAP aligns with existing climate policies and programmes and initiates reforms of existing rules and standards. This facilitates the use of synergies and creates important momentum for climate policy at the federal and state levels, without having to start from scratch.</li> <li>» <b>Roadmap character:</b> The CAP embraces an overarching objective and outlines subordinate goals and actions to reach this objective. It prescribes a clear strategy and structure for progressive climate action throughout the country.</li> <li>» <b>Integrative and inclusive approach:</b> The CAP follows an integrative approach by including strategies for mitigation, adaptation, and international cooperation as important pillars in tackling climate change. Under the mitigation pillar, the most relevant sectors are accounted for with regard to both carbon dioxide emissions (power, transport, buildings) and methane emissions (energy, agriculture, waste, mining).</li> </ul>

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# Making Progress on President Obama's Climate Action Plan

## How to replicate this practice

» **Combining national and international efforts:** The CAP is nationally and internationally useful. Domestically implemented measures support the global target and give a strong signal regarding the commitment of the United States to climate action. This is also of particular relevance in the context of a new climate agreement to be reached in 2015 in Paris.

» **Use synergies.** Take existing policies and programmes as a starting point. Use existing networks to distribute information and gather support for implementation.

» **Ensure ownership.** Make sure that there is broad political backing in the government to have sufficient leverage in difficult political situations. Ownership is important at the highest political level but also at the implementation level to ensure an integrated and coordinated process.

» **Ensure long-term, inclusive vision.** A Climate Action Plan should carry a long-term vision that brings a large number of different stakeholders on board. Once a broadly supported process has been unleashed, it is difficult to reverse this process even under adverse political conditions.

» **Ensure visibility at the national and international level.** Make sure that effective channels of communication provide information and transparency at the national level and also reach out to the international level in order to establish both in-country and cross-border networks that provide a platform for exchange and support.

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## Website(s)

» [www.c2es.org/publications/president-obamas-climate-action-plan-two-years-later](http://www.c2es.org/publications/president-obamas-climate-action-plan-two-years-later)

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