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## **The new climate economy has the momentum to withstand U.S. withdrawal**

***President Trump's decision to withdraw the United States from the Paris Agreement will put poor countries at greater vulnerability, but it won't stop a worldwide shift to renewables and a new climate economy, according to scientists at the Stockholm Environment Institute.***

Trump announced Thursday that he will pull the U.S. out of the Paris Agreement, pledging to stop all implementation of the landmark accord. The decision is a step backwards for the U.S., which will now lose its leadership and credibility on the world stage.

But the decision could also galvanize the action and determination of other nations.

“We lose a step in building the inevitable renewable energy economy of tomorrow,” said Michael Lazarus, Senior Scientist and Director of the SEI U.S. Center. “Renewable energy is already out-competing coal and gas throughout the world, and the U.S. withdrawal won’t change that progress.”

Lazarus added: “China will seize the mantle. India too. They may move even more decisively to shift to renewables and electric vehicles. In the past year, they’ve cancelled dozens of new coal plants, and invested heavily in wind and solar, where prices are now competitive. We’re ceding the economic opportunity of the century.”

SEI’s research in the New Climate Economy project shows that it’s possible to maintain economic growth while curbing emissions. Karl Hallding, Senior Research Fellow at SEI, said economic forces have already begun to support a future with lower emissions.

“Slumping economic growth in China and new opportunities in the energy economy, for example gas and renewables instead of coal in both US and China, have plotted new and lower emission trajectories for both countries,” he said.

Despite Trump’s announcement, the U.S. cannot immediately withdraw from the Paris Agreement.

“U.S. stepping out of the Paris Agreement will take at least three years to complete, resulting in it coming into effect on 4 November 2020, just after the next U.S. Presidential elections” said Dr. Richard Klein, Senior Research Fellow at the Stockholm Environment Institute.

In the meantime, Trump's decision creates an acute challenge for poor countries.

“Developing countries rely on financial and technical support to be able to do their fair share of climate action, and to adapt to the unavoidable impacts of climate change. The United States has been a major contributor to international climate finance, and I doubt other countries are able and willing to make extra payments,” Dr. Richard Klein said.

He continued: “The same goes for the U.S. contribution to the Secretariat of the international climate treaty, the UNFCCC. It accounts for more than one fifth of the Secretariat's core budget, and it is unclear how the Secretariat could meaningfully support the climate negotiations and facilitate the implementation of the Paris Agreement if this were fully cut.”

Climate change will have severe consequences for several countries in Asia as well as small island states in the Pacific. Southeast Asia, for example, will see huge impacts on agriculture, as well as storm surges, inundation and flooding.

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[The New Climate Economy report: Better Growth, Better Climate](#)

[Phasing out U.S. federal fossil fuel leases could yield real climate benefits](#)

[Climate Change Adaptation Readiness in ASEAN Countries](#)

[How to implement the Paris Agreement in Asia](#)

**Article 28 in the Paris Agreement**

1. At any time after three years from the date on which this Agreement has entered into force for a Party, that Party may withdraw from this Agreement by giving written notification to the Depositary.
2. Any such withdrawal shall take effect upon expiry of one year from the date of receipt by the Depositary of the notification of withdrawal, or on such later date as may be specified in the notification of withdrawal.
3. Any Party that withdraws from the Convention shall be considered as also having withdrawn from this Agreement.

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