

CLIMATE ENERGY FINANCE

Tim Buckley, Director  
[tim@climateenergyfinance.org](mailto:tim@climateenergyfinance.org)

## SIM-PAC

**A macro look at the  
global geopolitical  
energy landscape**

**2 December 2024**

# The US Goes Isolationist

## Trump vows tariffs on Mexico, Canada and China on day one

9 hours ago



Peter Hoskins  
Business reporter



Donald Trump says he will hit China, Mexico and Canada with new tariffs on day one of his presidency, in an effort to force them to crack down on illegal immigration and drug smuggling into the US.

The US president-elect said he would sign an executive order imposing a 25% tariff on all goods coming from Mexico and Canada, after being inaugurated on 20 January 2025.

# Outsourcing our Manufacturing

## Deindustrialisation of Western Democracies Continues Despite the lessons we should have learned from Covid

### Thyssenkrupp to cut 11,000 jobs at struggling steel unit

*William Wilkes Nov 26, 2024 Bloomberg*

Thyssenkrupp's steel unit plans to reduce its labour force by about 40% this decade, a move that would shrink a business that's lost billions of euros to [a global steel glut](#) and rising energy prices. The steel division's board has proposed cutting 5000 jobs while moving another 6000 positions off the books by selling operations or moving people to external service providers, the company said. Thyssenkrupp aims to lower personnel costs by about 10% on average over the coming years.



***A worker oversees molten iron flowing from a blast furnace at the ThyssenKrupp steel mill in Germany.***

The proposed measures — which include shuttering two blast furnaces — add to a deepening industrial downturn in Germany, with **Ford Motor** last week announcing thousands of job cuts and **Volkswagen** considering unprecedented factory closures.

The industrial downturn is intensifying political strife, with the right-wing populist Alternative for Germany gaining ground.

# China Going Global

China-India relations This Week in Asia / Economics

 South China Morning Post

## Hope grows for India-China economic ties amid Trump's tariff threats

Will the new-found optimism from their border thaw endure escalating trade tensions with the US?

**Biman Mukherji**

Published: 8:00am, 25 Nov 2024

For years, the frosty aftermath of a flare-up at their [disputed border](#) defined relations between Asia's two largest economies, but a recent thaw in [China-India ties](#) has reignited hopes of renewed economic cooperation – just as [Donald Trump](#)'s return to the White House threatens to upend global trade.

With the US president-elect vowing to impose tariffs of [at least 60 per cent](#) on imports from China and 20 per cent on all other nations, few are expected to escape his “America first” protectionism unscathed.

India is no exception. On the campaign trail, Trump labelled the South Asian nation “[a very big abuser](#)” of trade relations with the US, promising “reciprocal tariffs” against its heavily protected markets.

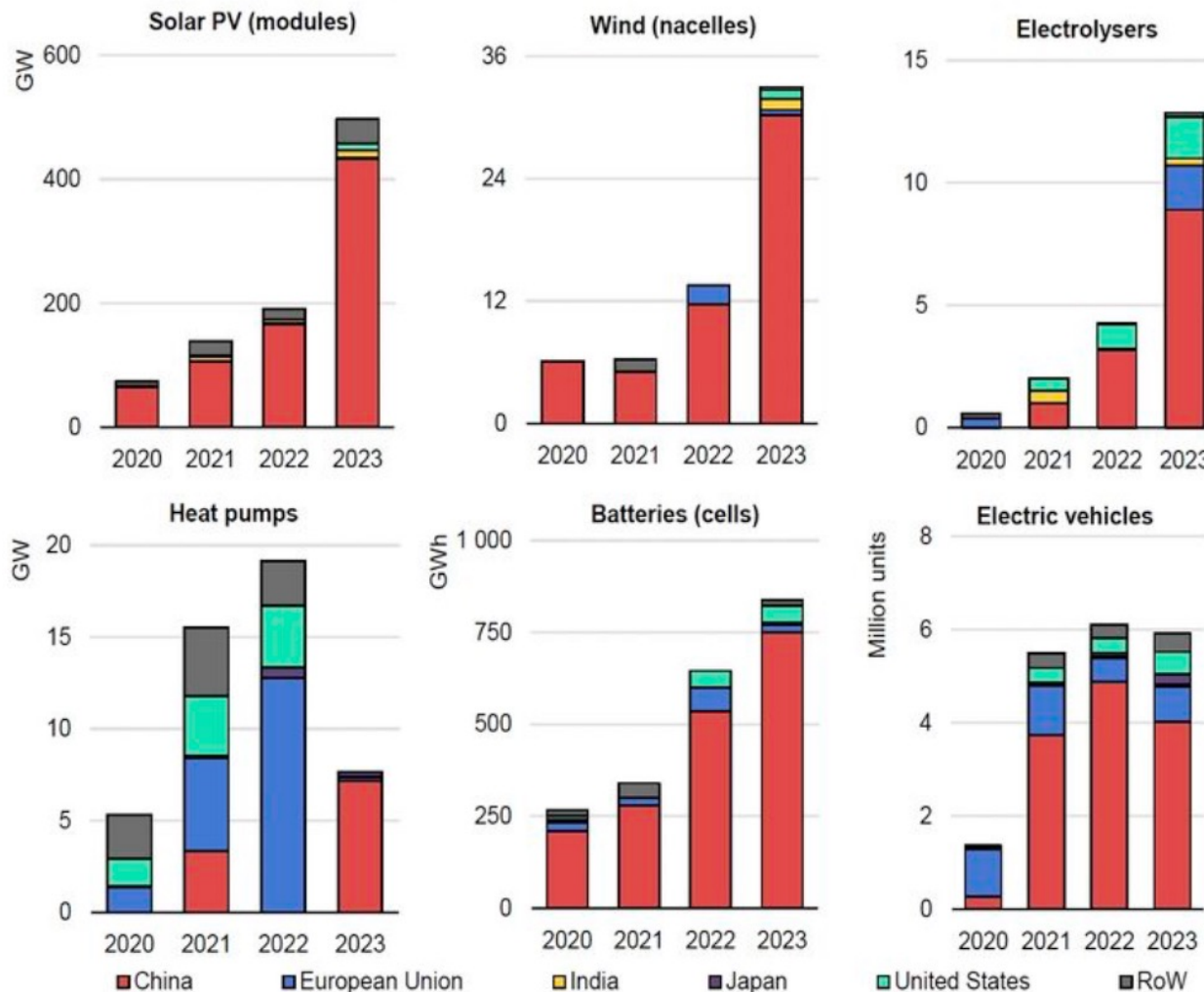


Last year, China edged out the [United States](#) as India's top trade partner, but economic ties have been hamstrung since [a deadly 2020 border clash](#) that resulted in casualties on both sides. Direct flights have yet to resume post-pandemic, and the fallout from the incident brought intensified scrutiny of Chinese visa applications and investments in India.

# China's Cleantech Manufacturing Dominance

## Global Cleantech Manufacturing Capacity Expansions by Year

Figure 1.6 Net manufacturing capacity additions for selected clean energy technologies by country/region, 2020-2023



# China is installing 22GW per month of RE

RE Momentum in 9MCY2024 has Slowed, it is 'only' +22% yoy

The month of September 2024 saw 27.8GW of RE commissioned

## New Capacity Installed in China in Jan-Sep 2024

		Jan-Sep 2024	Share of new adds (%)	Change (yoy %)	Sep-24	Share of new adds (%)
Thermal Power	GW	33.4	14%	-15%	4.8	15%
Hydropower	GW	8.0	3%	1%	1.4	4%
Nuclear Power	GW	1.2	0%	0%	0.0	0%
Wind Power	GW	39.1	16%	17%	5.5	17%
Solar Power	GW	160.9	66%	25%	20.9	64%
<b>Total capacity added</b>	<b>GW</b>	<b>242.6</b>	<b>100%</b>	<b>15%</b>	<b>32.6</b>	<b>100%</b>
Renewable Energy adds	GW	208.0	86%	22%	27.8	85%
Zero Emissions Capacity Adds	GW	209.2	86%	22%	27.8	85%
Investment in Completed Power Grid Project	1 billion yuan	398.2		21%	144.2	

Source: NBS, CEF Estimates

## Xi Jinping's Great Economic Rewiring Is Cushioning China's Slowdown

*Advances in EV, solar and semiconductors are helping the nation navigate its property slump*

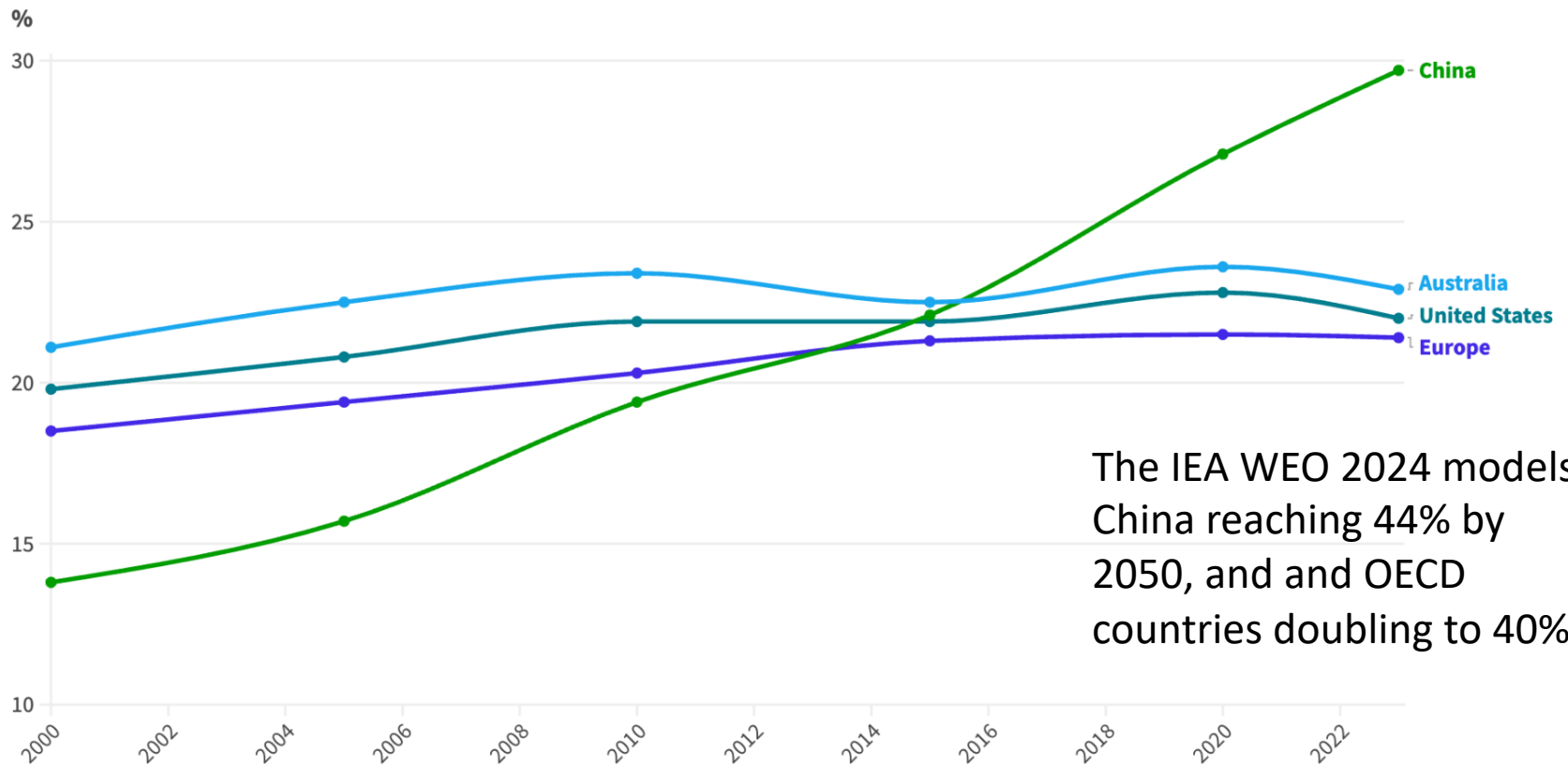
By Bloomberg News 16 July 2024

# China's Electrification of Everything

## China Leads the world on Progressive Electrification of Everything

### Share of final energy from electricity

China has leapfrogged United States, Europe and Australia in electrification



The IEA WEO 2024 models China reaching 44% by 2050, and and OECD countries doubling to 40%.

# China's US\$115bn Cleantech ODFI since 2023

## China's response to the growing US and EU anti-China trade barriers

Investment						Date of	Expected	
US\$m	Technology	Company	Investment Partner	Location	news	Product	start of production	Confirmed / FID
8,100	Battery	CATL	n.a.	Debrecen, Hungary	May'2024	Battery Mfg, 100GWh	2025	Yes
5,600	NEV	Human Horizons	Ministry of Investment	Saudi Arabia	Jun'2023	NEV Mfg - MoU	n.a.	No
4,200	Hydro	Power China	n.a.	Tanzania	Feb'2024	Hydro-electricity - 2,115MW	2024	Yes
3,300	Grid T&D	China State Grid	n.a.	Brazil	Apr'2024	2*1,500km grid transmission lines	n.a.	Yes
2,600	Solar Farms	CEEC	ACWA & Aramco	Saudi Arabia	Feb'2024	2,600MW of solar farm	2024	Yes
2,450	Wind Farm & BESS	Goldwind	Omni Energy	NSW, Australia	Aug'2024	1.4GW wind, 200MW-2hr BESS	2028	No
2,360	Battery	Gotion	n.a.	Michigan, US	Aug'2024	Battery Mfg	n.a.	No
2,200	Battery	CALB	n.a.	Portugal	Jan'2024	Battery Mfg, 15GWh	2026	No
2,100	Solar Mfg	TCL Zhonghuan	RELC & Vision	Saudi Arabia	Jul'2024	20GW solar wafers pa	n.a.	No
2,000	Wind Farms	CEEC	ACWA Power	Uzbekistan	Aug'2024	to construct a 1GW wind farm	2026	Yes
2,000	Solar Farms	CGN	n.a.	Laos	Aug'2024	2,000MW of solar across 3 farms	2026	Yes
2,000	Hydro	CEEC	China Energy	Pakistan	Aug'2024	Hydro-electricity - 884MW	2025	Yes
2,000	BESS	Sungrow	Algihaz	Saudi Arabia	Jul'2024	BESS - 7,800MWh	2025	No
1,575	Battery	EVE Energy	n.a.	Coventry, UK	Mar'2024	Battery Mfg	n.a.	No
1,550	Battery Materials	Huayou Cobalt	n.a.	Acs, Hungary	Jul'2024	Cathodes, 100,000tpa	2026	Yes
1,500	Solar Farms	Jinko Solar	EDF & TAQA	Dhafrah UAE	Aug'2024	1,500MW solar farm	2024	Yes
1,500	Grid T&D	Southern Power Grid	Chilean partners	Chile	Apr'2024	1,342km grid transmission line	n.a.	No
1,500	Battery Materials	Shanghai Putailai	n.a.	Sundsvall, Sweden	May'2023	Graphite anodes, 100,000tpa	n.a.	No
1,500	BESS	BYD	Grenergy	Atacama, Chile	Sept'2024	BESS - 3,000MWh	2025	Yes
1,450	Battery	Envision AESC	n.a.	Kentucky, US	Sep'2023	Battery Mfg, 30GWh	2024	Yes
1,450	Battery	Envision AESC	n.a.	Douai, France	Nov'2023	Battery Mfg, 9GWh	n.a.	Yes
1,400	Battery	EVE Energy	n.a.	Debrecen, Hungary	Nov'2023	Battery Mfg, 28GWh	2025	Yes
1,400	Battery Materials	CATL	YLB Mining	Bolivia	Jan'2024	Lithium hydroxide, 50,000tpa	n.a.	Yes
1,350	Battery Materials	Shanghai Shanshan	n.a.	Finland	Oct'2023	Graphite anodes, 100,000tpa	n.a.	No
1,332	NEV	Geely's Volvo	n.a.	Košice, Slovakia	Jul'2022	NEV Mfg - 250,000 units pa	2026	No

Source: CEF Report: [China Outbound FDI, Oct'2024](#)

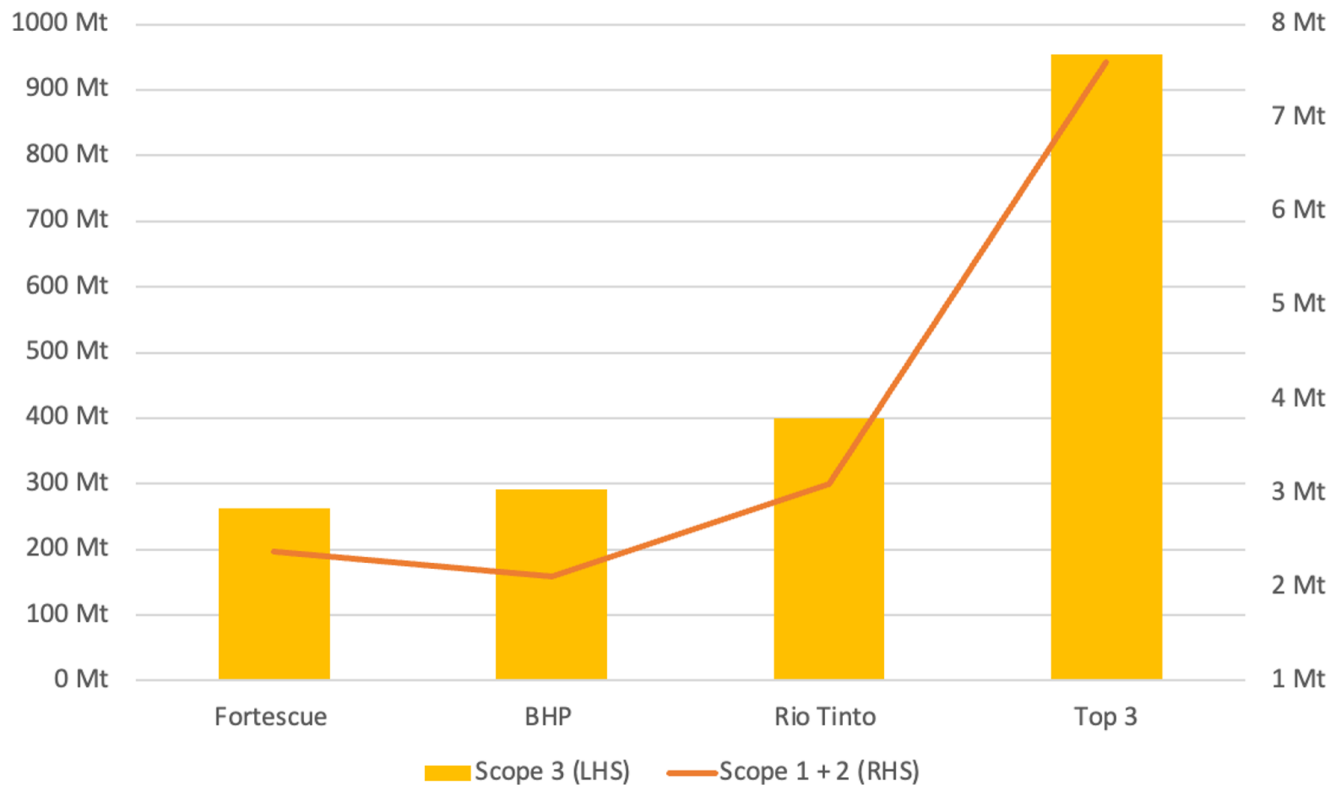
<https://climateenergyfinance.org/wp-content/uploads/2024/10/final--CEF-Report-China-Outbound-FDI-2-October-2024-2.pdf>



# Australia's Green Iron Challenge

## Low-Emission iron making – a 1Bn tpa opportunity for Oz-Asia

**Figure 8.4: Domestic Emissions Compared to Exported Emissions in Australian Iron Ore**



FMIA and greater collaboration with our key Asian Trade Partners are key initiatives for Australia.

CEF advocates for an Asian CBAM to leverage the EU CBAM.

Source: CEF Report: **Green capital tsunami, Nov'2024**

<https://climateenergyfinance.org/wp-content/uploads/2024/10/final--CEF-Report-China-Outbound-FDI-2-October-2024-2.pdf>