



Hearing on “China’s Domestic Energy Challenges and Its Growing Influence over International Energy Markets”

April 24, 2025

Opening Statement of Commissioner Carte Goodwin

Good morning, and welcome to the fifth hearing of the U.S.-China Economic and Security Review Commission’s 2025 annual report cycle. Thank you all for joining us today. Thank you to our witnesses for all their hard work and for sharing their expertise in the preparation of their testimonies this morning. I also want to extend our appreciation to the Senate Foreign Relations Committee for use of this hearing room today, as well as the Senate Recording Studio for their assistance in livestreaming this event. For those attending in person or watching online, witness testimonies and a transcript of this hearing will be available on the Commission’s website. Finally, I want to welcome Commissioner Livia Shmavonian, who has been appointed to the Commission by Senator Schumer.

Today’s hearing will examine China’s domestic energy challenges, both market-based pressures and those rooted in policy choices. We will also look at the supply chain and cybersecurity risks posed by China’s growing influence over clean energy products and transmission infrastructure.

Since 2020, China’s demand for electricity has outpaced its GDP growth, a trend that seems set to continue. The electrification of China’s energy-intensive manufacturing sector, households’ movement from coal-based heating to electric climate control, and the rapid rise of electric vehicles all put pressure on China’s energy infrastructure. Even as this pressure on China’s electric grid builds, oil and natural gas still account for over 25 percent of China’s primary energy use. China may have diversified its suppliers, but it is still heavily reliant on imports through the Malacca Strait. While China’s oil imports declined for the first time in 20 years, oil remains central to both domestic industry and China’s military, making it China’s most significant resource vulnerability in a crisis scenario.

China’s concerns about addressing energy security are driving a wedge between what it is doing and what its leadership is saying. China positions itself as a climate champion, but in reality, it has been the world’s largest annual emitter of carbon dioxide for almost 20 years. As of two years ago, it has emitted more carbon historically than the entire European Union. Despite building two-thirds of the solar and wind power under construction globally and bringing nuclear power online faster than any other country, China’s coal consumption continues to grow. China has made misleading promises to stop financing coal-fired power plants globally, and it does not appear to be on track to meet any of its domestic emissions targets for 2025.

The gulf between China’s stated goals and its domestic actions raises questions around whether the Communist Party is putting its finger on the scale to enforce its purported policies, or whether it is letting energy security concerns, political ties to coal producers, and tensions between electricity-producing and electricity-consuming provinces get in the way of doing what it has promised. More importantly, it casts doubt on whether China’s international commitments to peak emissions by 2030 and become carbon neutral by 2060 are credible.

I would like to thank my fellow Commissioners for their participation, our witnesses for their thoughtful testimony, and the staff for their support in organizing today’s hearing. I will now turn the floor over to my colleague and co-chair for this hearing, Commissioner Hal Brands.