

Nat Sec

Monday 9:30 pm

NOTE FOR JIM

FROM: DAVID

SUBJECT: Climate treaty/national security exemption

Sometime in the next 48 hours, we need to discuss the questions below with Stu, Walt Slocombe, Todd, Katie, Gene and Dan. Best would be a conference call or meeting; if that can't be arranged, we may need to do several separate calls.

Question 1: Should the administration offer assurance that military operations and training will be protected as part of any domestic implementation regime? If so, how?

Question 2: Should we address military/national security emissions at Kyoto?

A. Process options

- i. Protocol provision
- ii. Decision of the Parties
- iii. Statement by the Chair
- iv. Statement by U.S.

Note: If any of the first three, should we demarche allies? Pursue mil-mil contacts in the week ahead?

B. Substance options

- i. "multilateral operations conducted by militaries for collective self-defense, peacekeeping, peace enforcement, and humanitarian assistance purposes, including operations under United Nations mandates"
- ii. same as foregoing, but add the word "non-routine" at the beginning
- iii. national security emergencies

I spoke about this today with Todd and Katie, and have call into Stu. Todd and Katie have minds open; skeptical that protecting ops and training is necessary but willing to listen; most worried about advancing something at Kyoto that fails.

Also spoke with Jamie Baker and the State lawyers, who say that our inherent authority to claim that national security emergencies are outside scope of the treaty is limited. U.S. has argued that environmental treaties do not apply in time of war, absent express provision to the contrary, but that is not a generally accepted principle of international law. No other doctrine seems to help.

ACQUISITION AND
TECHNOLOGY

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000*National Security*

'97 NOV 7 PM6:11

07 NOV 1997

MEMORANDUM FOR SEE DISTRIBUTION

Subject: National Security Provision in Kyoto Protocol on Global Climate Change

Enclosed is for use at a Deputies Committee meeting to establish a U.S. Government position addressing military concerns in preparation for both the Kyoto Protocol of the United Nations Framework Convention on Climate Change and a Senate Armed Services Committee hearing. This Deputies Committee meeting needs to occur before my Senate Armed Services Committee hearing currently scheduled for 1:00 PM on November 12, 1997.

The discussion paper lays out the background, policy issues, current U.S. position, discussion, options and potential impacts on military readiness of a possible Global Climate Change Protocol. I would appreciate hearing your thoughts after you have read it, and look forward to the Deputies Committee meeting.

Sherri W. Goodman
Deputy Under Secretary of Defense
(Environmental Security)

Enclosure:

As stated

DISTRIBUTION:

Dr. Jeff Frankel, CEA

Peter Orszag, Special Assistant to the President for Economic Policy

Todd Stern, Assistant to the President and Staff Secretary

David Gardiner, Assistant Administrator for the Office of Policy, Planning and Evaluation

Dan Reifsnyder, Director, Office of Global Change

Stuart Eizenstat, Under Secretary for Economic, Business and Agricultural Affairs



11/06/97 19:00 PM

DISCUSSION PAPER

Subject: National Security Provision in Kyoto Protocol on Global Climate Change

Purpose: To frame a discussion to address military concerns about the proposed Kyoto protocol on reducing greenhouse gas emissions. The resultant position should provide the framework for a domestic implementation policy and provide guidance to the negotiating team that will be in Kyoto, 1 to 10 Dec 97.

Background: The 1992 UN Framework Convention on Climate Change (FCCC) committed the US and other signatories to voluntary reductions in greenhouse gas (GHG) emissions. The FCCC has not succeeded and signatories are now negotiating an amendment mandating specific GHG emission reduction goals. These are to be formalized in the Kyoto Protocol in December 1997. The Protocol does not address national security and military activities.

The President's National Security Strategy of shaping the international environment is composed of three core objectives: "to enhance our security with effective diplomacy and with military forces that are ready to fight and win; to bolster America's economic prosperity; and to promote democracy abroad." Achieving these objectives dictates that the US sustain our active engagement abroad to promote regional security by preventing and reducing the wide range of diverse threats. The US will act in alliance or partnerships when our interests are shared by others, and unilaterally when demanded by compelling national interests. To achieve the NSS, both our domestic implementation strategy and the Protocol must protect national security.

On 30 September 1997 the Deputy Secretary of Defense sent letters to the Deputy Secretary of State and the Assistant to the President for Economic Policy stating that the proposed Protocol must protect national security by preserving the Nation's ability to conduct military operations with trained forces.

In the President's 22 October 1997 remarks on global climate change he noted that US efforts to reduce emissions over the next decade will be reviewed regularly to "see what works best for the environment, the economy, and **national security** (emphasis added)." DoD fully supports the three key elements of the President's framework for the Kyoto Protocol: to commit to the binding and realistic target of returning to 1990 GHG emission levels between 2008 and 2012; to embrace flexible mechanisms for meeting these limits; and to engage both industrialized and developing countries in meeting the challenge of climate change.

Uniformed members of OSD and the Joint Staff participated in the latest Protocol negotiations in Bonn. The negotiating team made the following verbal intervention to all delegations raising the issue of national security and military operations in the protocol and provided a written copy for the record.

Our delegation would appreciate the support of all members of this body in examining how we can protect world peace while preserving our planet through some kind of national security or national emergency provision. This Protocol must not create a conflict between our collective ability to preserve peace and our desire to reduce greenhouse gas emissions. We must pursue both goals. We believe we have an obligation to the world community, our individual nations, and ultimately to the men and women who serve in our military forces to carefully consider how we address military operations in this Protocol. We look forward to discussing this issue further in the preparations for Kyoto.

DoS demarched NATO allies and other selected nations, asking for their reaction to the concept of an NSP. Overall reaction thus far ranges from neutral to firmly supportive. A similar

solicitation will be made via the CINCs on a mil-to-mil level. OSD and Joint Staff representatives will be at the Tokyo ministerial talks and at the Kyoto Conference in December.

Policy Issues:

- Ensure US ability to execute the National Security Strategy with trained and ready forces whose range of operational options is not circumscribed by artificial and unintended consequences of emissions limitations.
- Answer questions and concerns regarding impacts on DoD's ability to execute the National Security Strategy given the undetermined nature of the Protocol and the US implementation

DOD Greenhouse Gas Emission Facts: DOD continues to reduce its energy use.

1. In 1990, the US reported greenhouse gas emissions of 1618 million metric tons carbon equivalent (MMTCE). For 1990, DOD estimates that its greenhouse gas emissions were 28 MMTCE, or about 1.7% of US emissions.
2. By 1996, US emissions grew to 1753 MMTCE, while DOD's emissions dropped to 24 MMTCE, or about 1.4% of US emissions (0.28% world-wide emissions), a reduction of 22%.

Discussion: The following points should be considered in selecting one of the listed options:

1. Mission requirements drive DOD's energy use and associated greenhouse gas emissions.
 - a. DOD's total emissions are divided into 2 categories: facilities and non-tactical vehicles; which accounts for 42% and; operations and training which accounts for 58%.
 - b. DOD achieves its current energy conservation goals through closely monitored energy consumption programs, many of which are driven by budget restrictions.
 - c. Despite surges in operational requirements, DOD currently provides sufficient ready forces to meet national security requirements, but does so by maintaining a delicate balance between ready and non-ready forces.
 - d. Any reduction in access to sufficient fossil fuels caused by emissions limitations could disrupt US military readiness and global access and ultimately contribute to mission failure.
 - e. Sending non-ready forces into any operation is not an option for US forces.
 - f. US military forces can expect to remain forward deployed in accordance with the National Military Strategy. Today the US military is based in nearly 40 countries; deployed in 70 countries; and involved in 11 multi-national exercises. Over the past decade, the US has responded to major regional conflict and conducted an array of major contingency operations that include: UN sanctions monitoring and enforcement (Northern and Southern Iraq); UN, NATO, and other multinational peacekeeping operations (Bosnia, Sinai, Peru-Ecuador, and Macedonia); disaster relief (Indonesia Forest Fires, Operation Sea Angel - Bangladesh); humanitarian assistance (Rwanda, Operation Provide Comfort); noncombatant evacuation operations (Sierra Leone, Liberia, and many others); maritime interception operations (Persian Gulf); migrant rescue and support (Haiti, Cuba); and deployments in support of democratic governments (Haiti).
 - g. DOD weapons systems and equipment are designed for combat performance and have a much longer life cycle than private sector airframes, vehicles, and equipment.

- h. We do not seek special treatment for areas where DoD is similar to the private sector - for facilities, non-tactical vehicles, and weapons system manufacturing.

2. Given the multinational characteristic of contingency operations, we should not establish an international system that creates a disincentive to countries where they are forced to choose between national security and meeting global climate change targets. Currently it is unclear how US emissions will be counted when our forces are based in a foreign country during peacetime or deployed during military operations. Under the Protocol, if emissions from fuel purchases are included in the selling country's national totals, the nation may be forced to choose between domestic economic growth and support of international military activities.

3. Airlift is key to US strategic mobility and is dependent on obtaining support from friendly governments in a crisis. How emissions from bunker fuels used in aviation and shipping are allocated may have an impact of the decisions of other governments. For example, during Desert Shield/Desert Storm as part of the air bridge, US forces purchased an average of 2.7 million gallons a day (563 million gallons over a seven month period) of fuel from Spain. This equates roughly to six percent of Spanish daily fuel consumption during that time period.

- a. For 1998, projected annual DoD carbon dioxide emissions from petroleum combustion in several countries are listed below. The figures represent the emissions from US-forces based in each country. The figures do not include facility energy. Host country 1994 annual carbon dioxide emissions from petroleum combustion are also shown.

Country	DoD Emissions MMTCE	Total Country MMTCE	DoD % of total
Germany	0.87	114.8	0.8%
Italy	0.16	73.4	0.2%
Japan	0.58	226.1	0.3%
Korea	0.52	74.0	0.7%

- d. b. Carbon dioxide emissions for several types of contingency operations are listed below. The figures do not include facility energy. For comparison, annual carbon dioxide emissions from fuel combustion in each country are shown.

Operation/Exercise	DoD Emissions MMTCE	Total Country MMTCE	DoD % of total
Desert Storm (Saudi Arabia)	4.91	44.2	11.1%
Restore Hope (Somalia)*	0.21	no data	-
Bright Star (Egypt)*	0.007	17.9	0.04%
Air Expeditionary Force (Jordan)*	0.017	3.26	0.5%

* Figures include all petroleum used in the exercise
(includes transportation to and from exercise site)

- c. Potential host nation restrictions on non-carbon based greenhouse gases (GHG) are also a major concern. For example, HFCs, which are GHGs, are used as cooling and fire protection agents in facilities, ships, submarines, and aircraft. HFCs will be used in weapon systems for 50-plus years and have a global warming potential one hundred times that of carbon dioxide. As such, some countries may ban the use or prohibit the import/export of HFCs (even in US weapon systems). The EU is currently considering new rules that would severely restrict the import and transport of CFCs and Halons. Examples of critical non-carbon based greenhouse gas uses are listed below:

(1) HFCs

HFC-125 V-22 (30 lbs per aircraft), F-22 (3800 lbs per aircraft)
HFC-227ea Carriers (7400 lbs per ship), LPD-17 (3000 lbs)

- HFC-134a All services -- weapon system air conditioning systems
(For example: Navy -- 880,000 lbs installed, life 70+ years)
- (2) PFC-116 Radar systems on Navy and AF aircraft
- (3) SF₆ All ground-based radar control systems

4. Under the President's approach for implementing a climate change protocol domestically, a market-based permit system is envisioned that would include both domestic and international permit trading. The price impacts from a market-based permit system are difficult to estimate.

- a. For FY96, DOD's operations and maintenance budget was \$82.5 billion. Total energy expenses amounted to approximately \$5.6 billion. Of this, about \$3.0 billion was spent on operational fuels. The remaining \$2.6 billion purchased facility and non-tactical vehicle energy.
- b. The potential incremental costs that could result from a greenhouse gas permit systems are listed below.

Carbon Price (per ton)	Total costs with "tax"	Incremental cost
\$10	\$5.73B	\$143M
\$25	\$5.92B	\$334M
\$50	\$6.26B	\$671M

5. In considering how to address the potential impacts to DOD operations and training that may result from a new climate change protocol, individual issues can be addressed either in the protocol or in domestic implementation. Since decisions on the protocol must be made now, USG policy is needed for issues that can best be resolved internationally in the protocol or in subsequent meetings of the parties. The following matrix displays the key criteria for considering operations and training issues in US only (unilateral) and multilateral military operations.

	Unilateral	Multilateral
Operations	Protocol*	Protocol
Training	Protocol or US policy	Protocol

* Note: There are some operations that take place within the US that could be addressed in US policy.

Options and Potential Impacts:

1. **Total exemption for operations and training (international and domestic).** Achieved in Kyoto Protocol language

Impact:

- Preserves US ability to execute National Military Strategy by excluding operations and training from protocol requirements
- Maintains full readiness
- Emissions limitations would not be a disincentive for US and allied military commitments including basing, deployments, operations and training
- US readiness could remain independent of other nations' domestic implementation
- Compliance of other nations may be inconsistent and asymmetrical to US.

2. **Exempt international operations and training (unilateral and multilateral) in protocol language.** Domestic training and operations would be addressed in US domestic implementation policy

Impact:

- Emissions are less of a decision factor for international military commitments
- Emissions would not be a factor in host country decisions on basing, deployments, operations and training
- Allows host country to exclude foreign military emissions within host country
- Overseas operations and training - unilateral/multilateral - are exempted from protocol requirements
- US readiness overseas remains independent of other nations' domestic implementation policies
- Preserves US ability to fulfill international commitments
- Would not exempt domestic operations and training from protocol requirements

3. Exempt multilateral operations and training in the protocol language. Domestic training and operations and overseas unilateral operations and training would be addressed in US domestic implementation policy

Impact:

- Emissions are less of a decision factor for multilateral international military commitments
- Emissions would not be a factor in host country decisions on basing, and multilateral deployments, operations and training
- Allows host country to exclude foreign military emissions within host country when engaged in multilateral activities
- Overseas multilateral operations and training are exempted from protocol requirements
- US readiness overseas will be dependent on host nations' domestic implementation policies as they impact unilateral US activities
- Preserves US ability to fulfill multilateral international commitments
- Would not exempt domestic operations and training or unilateral overseas operations and training from protocol requirements

4. Exempt multilateral operations in the protocol language. All other training and operations would be addressed in US domestic implementation policy

Impact:

- Provides exemption for some exceptional circumstances - multilateral operations
- Impacts US ability to conduct unilateral operations
- Lack of a training exemption degrades allied interoperability and US capability to fulfill international commitments

5. No protocol exemption. Operations and training addressed in US domestic implementation only.

Impact:

- Emissions would be a decision factor for military commitments by US and other nations
- US operational capability and flexibility overseas would be dependent on other nations' domestic implementation policies

6. No relief in Protocol or in US implementation policy

Impact:

- Emissions could be a significant decision factor for military commitments by US and other nations
- US readiness would be dependent on US implementation policies as well as those of other nations
- Incremental costs of this option are not fully identifiable but could be expected to be relatively substantial when applied to a declining DoD resource base.

Natl Security

FAX

Date: 7 Nov 97

Number of pages including cover sheet: 7

37 NOV 97 12:28

**To: Jeffrey Frankel
Todd Stern
Peter Orzag**

Phone:

Fax phone: 202 395-6958
202 456-2215
202 456-2223

CC:

**FROM: COL Kurt Kratz
Office of the
Deputy Under Secretary of Defense
(Environmental Security)**

Phone: (703) 697-1013

Fax phone: (703) 693-7011

REMARKS:☐ Urgent☒ For your review☐ Reply ASAP☐ Please commentGentleman,
Ms Sherri Goodman asked me to forward a bcc to you.
Colonel Kurt Kratz



ACQUISITION AND
TECHNOLOGY

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

Mr. David Sandalow
Council on Environmental Quality
Old Executive Office Building, Room 365
Washington, DC 20501

Dear Mr. Sandalow

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cc:
Mr. Rafe Pomerance
MG David Weisman

Environmental Security



Defending Our Future

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4. Under the President's approach for implementing a climate change protocol domestically, a market-based permit system is envisioned that would include both domestic and international permit trading. The price impacts from a market-based permit system are difficult to estimate.

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* Note: There are some operations that take place within the US that could be addressed in US policy.

Options and Potential Impacts:

1. **Total exemption for operations and training (international and domestic).** Achieved in Kyoto Protocol language

Impact:

- Preserves US ability to execute National Military Strategy by excluding operations and training from protocol requirements
- Maintains full readiness
- Emissions limitations would not be a disincentive for US and allied military commitments including basing, deployments, operations and training
- US readiness could remain independent of other nations' domestic implementation
- Compliance of other nations may be inconsistent and asymmetrical to US.

2. **Exempt international operations and training (unilateral and multilateral) in protocol language.** Domestic training and operations would be addressed in US domestic implementation policy

Impact:

- Emissions are less of a decision factor for international military commitments
- Emissions would not be a factor in host country decisions on basing, deployments, operations and training
- Allows host country to exclude foreign military emissions within host country
- Overseas operations and training – unilateral/multilateral – are exempted from protocol requirements
- US readiness overseas remains independent of other nations' domestic implementation policies
- Preserves US ability to fulfill international commitments
- Would not exempt domestic operations and training from protocol requirements

3. Exempt multilateral operations and training in the protocol language. Domestic training and operations and overseas unilateral operations and training would be addressed in US domestic implementation policy

Impact:

- Emissions are less of a decision factor for multilateral international military commitments
- Emissions would not be a factor in host country decisions on basing, and multilateral deployments, operations and training
- Allows host country to exclude foreign military emissions within host country when engaged in multilateral activities
- Overseas multilateral operations and training are exempted from protocol requirements
- US readiness overseas will be dependent on host nations' domestic implementation policies as they impact unilateral US activities
- Preserves US ability to fulfill multilateral international commitments
- Would not exempt domestic operations and training or unilateral overseas operations and training from protocol requirements

4. Exempt multilateral operations in the protocol language. All other training and operations would be addressed in US domestic implementation policy

Impact:

- Provides exemption for some exceptional circumstances – multilateral operations
- Impacts US ability to conduct unilateral operations
- Lack of a training exemption degrades allied interoperability and US capability to fulfill international commitments

5. No protocol exemption. Operations and training addressed in US domestic implementation only.

Impact:

- Emissions would be a decision factor for military commitments by US and other nations
- US operational capability and flexibility overseas would be dependent on other nations' domestic implementation policies

6. No relief in Protocol or in US implementation policy

Impact:

- Emissions could be a significant decision factor for military commitments by US and other nations
- US readiness would be dependent on US implementation policies as well as those of other nations
- Incremental costs of this option are not fully identifiable but could be expected to be relatively substantial when applied to a declining DoD resource base.