

Nov. 19

ECL

Industry
consultations
play

- ① Thank you for invite
- ② Gene has outlined J's plan - I'll just give brief update on state of play diplomatically.
- ③ Last full mtg. was Bonn in late Oct. meeting in Tokyo 10 days ok. much activity.
- ④ Some sense of progress on certain issues, but substantial differences among key parties, esp'ly EU & developing countries
- ⑤ 4 main issues
 - a. Targets
 - EU still at 15% reduction
 - Japan & Canada near where we are
 - Disc's w/ EU re extent of our effort; re 6 vs. 3 phases etc.



b. Emissions trading in Annex 1

EU still opposing through
~~just~~ ~~cost~~ of support.
among JUSCANZ &
opp'n by EU not that strong

c. Joint Implementation V/LOCS

(i) this is win-win
cheaper for us, tech.
transfer for them.

(ii) So far much opp'n -

- avoid our own obligations
- take the low hanging fruit
- take the credits, be nation

(iii) working hard to persuade
members of this kind of
mechanism

d. ^{Other} Developing Country: obligations

(i) P has said we would
assume binding obligations
until ~~key~~ key LOCS
in & we're working
at that.

(b) For term over - work to do
Trying hard

11/15 notes

Env. Tech CEO meeting with Conf.
Center

① Thank you for interest & support

② Let me take a few minutes to
tell you about P'' plan &
current state of play.

③ Plan developed over several
months with ^{lot of} input -- I
headed up outreach -- & intensive
invol. of many, in partic.
President. Very tough & complex
I said one of toughest

④ Proposal is ~~strong~~ env'ly strong &
economically sound. It makes
sense int'lly & domestically.

⑤ Internationally, built around 3
key elements -

- Binding T & T
- flexible, mkt-based measures:
 - Int'l trading
 - Joint implementation
- Particip'n of w/1 nations
nec'y ^{to solve} for env'l problem

- (uncertainty)
- ⑤ Domestically, a vigorous balanced approach that reflects P's belief that ^①in market based tools; ^②in the great potential for improvements in energy efficiency available right now; ^③in the need to get started immediately (irrespective of Kyoto); & ^④in the need to proceed in a pragmatic fashion that regularly reviews where we stand on economy & science.

⑥ In particular:

(A) 1st stage

- \$5 b R&D & incentives to promote energy efficiency, alternatives, etc.

~~Further plan~~

- Reform of federal procurement & usage
- Dereg. of electricity
- Industry by industry plans [Steel; cement]
- Credit for early action

(B) 2nd stage - review, expand, perform emissions trading system

(C) 3rd stage - broader period w/ emissions trading

⑦ Recep't'n: mixed

(a) - Some strong ad'l support right,
U Post ET others
- some criticism for fast
" " " slow

Some
Gov. (GOF)
& mod. bus.
Lehr not too bad

(b) I'd say P has struck
right balance

(1) NOT "Tamed" -- &
BAK → 28% ^{-30%} over 1990
22-23% reduction

(2) BUT smart; not ~~big~~
heavy taxes or command &
control. P believes ~~in~~ in
capacity of Amer bus. &
believes that bus. & consumers
can ~~be~~ respond to incentives
to do what is in own interest

⊗ (3) not 'vol'y' like '93 del.
binding target, & 2005 ~~del~~
permit system]

China institution

⑤ Current Sit'n

- active neg'n with EU, Japan & others
- signif. differences w/ EU on all pts; closer to Japan
- Q will be extent whether EU & others want a deal
- Developing country issue toughest

⑥ What Can you Do?

①

- ② Be as vocal & public as you can suggest as possible.
 - Good plan which is both ambitious & pragmatic. Env'ly strong; econ. sound
- vocal with no in industry plans
- If any ability to encourage reasonableness w/ EU...

③

- Lots of ways to be involved via ind. by ind. & other ~~what~~ you will need for best ideas, partnerships

Statements

- op. eds, etc.

THE WHITE HOUSE

ACTPN 9-25-97

- ① Intro (umbrella)
- ② ^{Vo} Developing position → Kyoto
- ③ Policy Process: game, Dan, Kative. T+T; sub-issues
- ④ Outreach/Education: TDS
P: CEVs, ENVISAD
others: Elec. for; mtg;
bi-tech etc.
big 3
- Cabinet
- Weather forecasts
- WH Conf. - panels
- ⑤ No decisions yet -
4 guiding principles
- science
- T+T
- flexible
- LDCs

⑥ Amplety

②^{on} Science - some clear
some not but
Pres. respons. to act
MIT article: smoke in house

⑥^{on} T+T - broad debate.
Valcom ideas - espilly
communicated w/ pen
not scissors.

⑤ LDCs - have to
participate; working
on that since July.

⑦ Schedule
Conf. Oct. 6
 Bonn Oct. 20
 Kyoto Dec. 1

⑧ Q's ?

China
hydro
nuclear / coal

PHOTOCOPY
PRESERVATION

ACTPN REMARKS

9-25-99

D

① Thank you.
Direct update

I know ^{here} some think of weather
only as matter of whether
to take umbrella to work.

I admire that.

3 months ago I
was like that too.

But since P asked me
to get involved after
his UN speech in June,
I have been deeply
engaged in this
complex, challenging issue.

① Thank you for rpp. to give
brief update on climate change.

I know some of you felt
enough to only have to worry
about 2034 issues like f.t.
so I'll be brief.

^{see the} I know ~~for~~ some of you ^{the}
~~concern about~~ weather ^{on days} it ~~limited to~~ weather
^{note} ~~to take~~ your umbrella to
work, not as a matter of
high int'l politics.

~~you focus on weather~~
~~it a matter of bringing~~
~~you time~~

And I admire that
I ~~was~~ 3 months ago I
was like that too.

But ~~see~~ since
time of P's speech to me
in June I've been
deeply involved in this
highly complex & challenging
issue of CC.

①

② In process of developing
US position

③ Intensive Policy Process

④ Outreach / Education

②

② As most of you know, we
are engaged in process of developing
US position for Kyoto Climate
Conf - where a 2 year mtg'n
is ~~supposed to~~ scheduled to
conclude w/ agmt to reduce ghg.
em's.

③ Intensive policy process run
out of WH - Spending Priority
Tarullo. Working on T & T
& sub issues involving implement'n
int'lly & domestically, dev. interest
etc.

④ I managing outreach & public
educ'n. ~~P~~^{P+VP} have met with
top CEOs & top enviro's.
science summitable. many
mtgs. below ~~CEO~~ P level:
electrify per last wk; mtg &
high tech tomorrow; big 3
VP's yesterday & Potus mtg
next week.
- Cabinet events around energy
- Weather forecasts next week
- WH Conf: Georgetown
Science; Tech;
int'l; economics. Breakfasts

⑤ No decisions yet

⑥ 4 principles

- science
- T & T
- flexible
- LDC participation

a. science

smoking house ^{metaphor} and

③ What I can tell you right now is no decisions yet.

~~P committed to branding T & T, but there is great room for debate about what T & T = implementation.~~

~~That dis...~~

⑥ there are guiding principles:

① P believes science clear enough to warrant action

② committed to branding T & T

③ flexible implementation

④ LDC participation

⑦ Amplify for just a minute

② A lot of wasted words about whether science is "certain" or "uncertain". Truth is, ^{some} aspects are pretty clear - ghs building, strong ltr, bdr correlation, likelihood of warming if B.A.W. Some much less clear - how much warming; impacts. But whether 75% chance of serious problem or 35%, if you're in dual resp. to take balanced action.

(4)

I am reminded of
~~Smoke~~ a fine metaphor
 from MIT article BRT
 sent. Smoke from hose. Crazy
 to ignore; crazy to blast hoses.

b. Targets & timetables / implement'n
 broad debate

welcome input

pen not scissors

(b) Targets & timetables, ^{permitted} yes
 to them but broad debate on
 what T & T & what
 implement'n so foolish
 for anyone to throw up
hands. P: jobs & economy is core
 economics, stupid.

Open process -- welcome
 input & ideas especially
 those * communicated with
pen rather than
scissors.

or vocal
 chords

c. LOCs - ~~as~~ working on it

(c) LOCs - have to participate
 working on that.

(8) Sched. h

(8) Sched. h:
 Comp Oct 6
 Bonn Oct 20
 Kyoto Dec. 1

Mtg - USTR
9/25/97

Talking Points for Todd Stern
Advisory Committee for Trade Policy and Negotiations (ACTPN)
September 25, 1997
12:00 - 12:15

Background: You will be speaking to a group that includes the CEOs of more than 20 major corporations (latest RSVP list attached). None of the more environmentally inclined members of the Committee are expected to be present. You will be introduced by Mayor Susan Hammer of San Jose, California, who is the Committee's Chairperson. You should speak for no more than 5-10 minutes. Donald Fites, CEO of Caterpillar Corp., was apparently the one who pushed for climate change to be on the agenda. He will speak briefly after you are through. It sounds as if he may focus on the Byrd Resolution. {You should know that Caterpillar was the leading industry advocate for the U.S. to support the Three Gorges Dam project in China (with loans that would have allowed U.S. companies to participate in its construction). We chose not to do so for environmental reasons. Don't be surprised if Fites makes a pitch something like, "if the Administration really cared about climate change, it would have supported the largest renewable energy project in the world and in so doing created thousands of American jobs."}

- Thank you all for the opportunity to take a few minutes to bring you up to speed on the Administration's activities related to global climate change. This issue is a high priority for the President and is getting a lot of attention in the Administration currently.
- As most of you are probably aware, we are in the midst of a policy process aimed at developing a U.S. position for the Kyoto Climate Conference this December, at which the world's nations are hoping to conclude a new agreement on greenhouse gas emission reductions.
- The policy process is being run out of the White House by Gene Sperling and Dan Tarullo of the National Economic Council and Katie McGinty of CEQ. While you all may have a number of questions about where we stand on specific issues, I'm probably not your best resource.
- As the person running the public outreach effort on global climate change, I can tell you that we are doing our best to solicit the advice of as many interests as possible on how to move forward productively. The President has personally met with industry leaders, scientific experts, environmentalists and others on this issue. Members of the Cabinet are traveling around the country and raising climate change with a variety of interested parties. And I can tell you that from the churches to the car companies, I've heard from an awful lot of voices myself.
- The highlight of this effort will be the White House Conference on Climate Change which is coming up a week from Monday. Our goals for the Conference are to improve the basic understanding of climate change among the American people and to explore the technological, international, and economic aspects that would inevitably be a part of any sensible response.

- We recognize that a number of you have real and legitimate concerns about a range of the issues involved here -- whether it is the level of target and timetable we choose, the mechanisms for getting there, the role of developing countries, or the issue of early credit. While I cannot tell you where we will ultimately wind up on any of these points, I assure you that we remain interested in your constructive input.
- The President has laid down several principles that set the parameters for any policy we develop, and these principles remain unchanged. We are committed to binding emissions targets, because we feel they represent the best way to ensure that countries live up to the commitments they make. We are committed to flexible implementation mechanisms, including international emissions trading and joint implementation. And we are committed to a global response that includes meaningful, equitable obligations from all countries.
- Given the focus of this Committee -- not to mention the highly visible advertisement now running on television -- let me just say an additional word on the developing country issue. It has never been the intention of the United States to sign a treaty that would exempt developing countries from meaningful obligations to address climate change. Over the course of the last year, we have been the leading international voice calling for a global response. And when we announce our policy later this fall, you can count on a more specific elaboration of what we feel are appropriate developing country obligations.
- I don't want to add much more other than to give you a brief schedule of the upcoming events. As I mentioned, the White House Conference takes place a week from Monday here in Washington. The final international negotiating session prior to Kyoto will occur in Bonn, Germany from October 20-31. And then the Kyoto Conference comes along the first two weeks of December. The Administration is likely to announce a detailed U.S. policy position sometime around the Bonn meeting.

ACTPN Meeting
Carlton Hotel
Chandelier Room
Thursday, September 25, 1997
10:00 a.m. - 2:00 p.m.

CAN ATTEND:

Lester M. Alberthal	Electronic Data Systems Corporation
George Ariyoshi	Watanabe, Ing & Kawashima
<u>Roger J. Baccigaluppi</u>	RB International
Curtis H. Barnette	Bethlehem Steel Corporation
James Camerlo	National Milk Producers
John Chambers	Cisco Systems
Robert J. Eaton	Chrysler Corporation
Walter Y. Elisha	Springs Industries
George M. C. Fisher	Eastman Kodak Company
Donald V. Fites	Caterpillar, Inc.
Ralph J. Gerson	Guardian International Corporation
Maurice R. Greenberg	American International Group
Mayor Susan Hammer	City of San Jose
D. George Harris	Harris Chemical Group
Rhoda Karpatkin	Consumer's Union of the United States, Inc.
W. David Leak	Pain Net Education, Inc.
Jack J. Valenti	Motion Picture Association of America, Inc.
Jeanette Sarkisian Wagner	Estée Lauder International, Inc.
Terry K. Watanabe	Oriental Trading Company

9/17/97

THE WHITE HOUSE

DPL

① Thank you. Int'l
prog. on important issue
& priority.

①a) My
role is
outreach/
education.
I just came
to issue
few months
ago & it
is int'l
& important.
people
complain
when
not

② Speakers: science,
impacts, solutions-
what is it
- why should I care
- what can we do

③ 1st - why on agenda
now.

④ In less than 3
months nations to
Kyoto to conclude
treaty to limit ghg.

⑤ Latest step in
process started
in mid 1992
FCCC.
Goal: stabilize
concentrns.
several steps.

⑥ 1992 - required all nations
take steps to mitigate.
Goal 1990/2000.

⑦ 1995 - nations
met for post-
2000. most All following short-
ly will be 13'12 despite
C. Ch. Action Plan.

⑧ '95 neg in process → Kyoto

⑨ Pres committee: protect
env. & maintain econ growth
do thru mkt mechanisms.
responsible, balanced.

WH

⑩ Intensive Policy

⑪ Outreach mtgs.

⑫ Events - Club.
Pres & VP.

⑬ Con - Oct 6
3 panels & breakfast.

⑭ Bonn Policy

Todd
speeches

THE WHITE HOUSE

WASHINGTON

**Talking Points for Todd Stern
Rosenzweig Event
October 14, 1997**

Finals
in
P.N.G.V.

- Thank you all for the invitation to be here this evening.
- Many of you were at last week's White House conference and let me in particular say how successful I thought that event was. Even in the few months that I have been working on this issue, I think there has been a positive change in the way people are thinking and talking about it. That was reflected at the Conference, and I feel the Administration gained a good deal from listening to the range of views expressed.
- As for other issues, I have to be honest in saying that I probably don't have an awful lot to tell you that will come as news.
- As you know, the Administration continues its process aimed at developing a U.S. proposal for Kyoto. I anticipate that there is a good chance that we will be ready to announce our position at some point during the negotiations which commence in Bonn next week.
- While no final decisions have yet been made, we are making progress in zeroing in on the key elements of a policy position. Unfortunately, I can't elaborate on the specifics very much.
- You all heard the President when he outlined the four principles that will underpin our position, and those haven't changed.

- We believe the science is solid and justifies responsible action.
- We believe the U.S. must be prepared to commit to realistic + binding targets and timetables for emissions reductions.
- We believe flexibility of implementation is key. And let me be clear. We are continuing to push strongly for international emissions trading and joint implementation.
- And lastly, we believe developing countries must play a meaningful role.
- There are, of course, other issues floating around.
- I know many of you are very much interested in the issue of early credit. As you heard from the Vice President, we're very interested in finding a good way to do it.
- Technology will also be a key component of any policy we announce. I applaud you for your work in thinking about a technology strategy to answer the challenge of climate change and hope we can find ways of working together in this regard as well.

- Industry consultations are best
ways they can reduce

⇒

PHOTOCOPY
PRESERVATION

OPL Day - Remarks 9-11

- ① Thank you all for coming.
~~This~~ This is going to be
an int'l affair -
good program on a very
important issue -- one of
pl's key priorities.

- ② ~~Before we move on to other~~
speakers who will discuss
basic science ^{impacts} possible solutions
~~on the topic~~ ^{First, then} let me back up
& explain for a minute
Why Climate Change is on the
agenda right now.

i.e. What is it
cc?
why should
I care?
What can
we do
about it.

- ③ In less than 3 mos. over
~~50~~ nations convene in
Kyoto, Japan to complete
neg's on treaty to limit ghg.

- ④ This is latest step in
process that goes back to
1992 when over 150 nations
signed treaty in Rio -- F.C.C.C.
Goal: stabilize concentrations
of ghg to ~~prevent~~ at level prevent
dangerous consequences.

⑤ US-Climate Change
Action Plan -
host of vol'ing
activities

⑤ 1992 Treaty req'd 171
nations to begin steps to
limit em's & set a goal
for indus. nations to hit
1990 levels by 2000.

⑥ 1995 parties met to begin
focussing on steps for
after 2000. Recognizing
most countries including
US fall short of goal,
agreed more needed
to be done.

~~In 1995 agreed ^{developed} countries~~
In 1996 - binding targets.

⑦ The neg'n set up in '95
is ~~the~~ the one sched'd to
conclude in Dec. in Kyoto.

⑧ Pres. Clinton committed
to developing a US policy
that both protects env.
while continuing maintaining
econ. growth.

What's going on at UH

⑧ Intensive policy process

⑩ Outreach

⑪ Communications

- Cab.
- these mtgs.
- PCSD
- UH Court.

⑫ Conf. Oct 6

3 panels

- Science
- Domestic Policy
- Int'l
- Breakfast

⑬ Brown - probabk policy

Talking Points for Todd Stern
September 11, 1997
Opinion Leaders Presentation

- This afternoon you will hear presentations on the science of climate change, the impacts of climate change, and the possible solutions for climate change, or to put it another way: what is it? why should I care? and what can we do about it?
- One fundamental point to recognize about climate change is that it is a truly global issue. All countries emit the gases that cause the problem.
- Recognizing this, over 150 nations, including the U.S., signed the Framework Convention on Climate Change in 1992. This Convention's goal is ultimately to stabilize the concentrations of greenhouse gases in the atmosphere at a level that prevents dangerous human interference with the climate system.
- Achieving this goal is something that cannot be accomplished overnight and requires a series of steps.
- The first step, which was agreed to in 1992, obligated all countries to begin taking actions to mitigate their emissions of greenhouse gases. It also contained the specific aim for industrialized nations of limiting their emissions to 1990 levels by the year 2000.
- In 1995, the Parties to the Convention met again to begin negotiating the second step which would kick in after the year 2000. Recognizing the increasingly serious scientific evidence on the nature of the problem and also the fact that many countries would not meet the first agreed step, it was concluded that more needed to be done.
- This negotiation -- Phase 2, if you will -- is scheduled to conclude this December in Japan with an agreement to limit emissions after the year 2000. President Clinton is committed to developing a U.S. policy that both protects the environment and ensures continued economic growth.
- While the specific policy is still being decided, you will hear today about the broad principles that we are using to guide us.
- I hope this leaves you convinced that climate change is a serious issue that demands our attention and that you will join us in trying to communicate this message to the American public. Furthermore, as we continue thinking about and developing sensible policies, we

welcome your participation.