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To ~~Karl~~?

3/11

Does this letter
deserve a response?
If not, FYI

Thanks

DT

WD
RESPONSE
NECESSARY?
SHOULD TIE UP
8/2 TIPS?

NORM DICKS
6TH DISTRICT, WASHINGTON
COMMITTEES:
SELECT COMMITTEE ON
INTELLIGENCE
APPROPRIATIONS
SUBCOMMITTEES:
DEFENSE
INTERIOR
MILITARY CONSTRUCTION



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Congress of the United States House of Representatives

March 1, 1994

Vice-President Al Gore
Old Executive Office Bldg.
Room #274
Washington, D.C. 20501

Dear Vice-President Gore: *al*

I want to express my great appreciation to you for making yourself available to attend the Watershed Restoration Conference which I hosted in Tacoma, Washington on February 16th and 17th. You were an outstanding dinner speaker, and the participants at the conference greatly appreciated your positive message of working together and moving forward with a greater commitment to the Northwest Region's environment.

As you are well aware, the Region continues to face many challenges and a great deal of transition, particularly in dealing with how to balance the demands on our natural resources for human activity and as habitat for various species. I believe that a comprehensive multi-year watershed restoration program can put us ahead of the curve on many of the major concerns. Watershed restoration can serve as a basis for effective ecosystems management, help avoid future listings of salmon, and create "family wage" jobs that will help sustain communities.

The conference demonstrated that an effective watershed strategy must genuinely involve many perspectives, including: federal, state, and local governments, community leaders, Indian Tribes, conservationists, the scientific community, and private industry. I am committed to ensuring that everyone with a stake is involved, and that watershed restoration is one of the great successes of the Clinton/Gore Administration.

Thanks again for your support and friendship.

Sincerely,

A handwritten signature in cursive script that reads "Norm".

NORM DICKS
Member of Congress

P.S. I really appreciate your help and friendship.

7/29
Katie has met w/ him several
times since he sent the
letter. I'd say no response —

DC
7/29

How are
things going?
w/ these guys?
need reconciliation?
Ask David.
(Alunno)

July 13, 1993

Mr. Michael Draper
Western Council of Industrial Workers
721 S.W. Oak Street
Portland, OR 97205

Dear Mike:

Thank you for your recent note and the copy of Mr. David McCarthy's letter to the President. It was good to hear from you, and I appreciate your continued interest in working towards a solution of these very important issues.

As you know, President Clinton recently announced his Forest Plan for a Sustainable Economy and a Sustainable Environment, based on the analytical work of the three working groups. I believe that the Forest Plan is scientifically-sound and legally responsible and will provide a sustainable harvest. This plan also includes a new economic assistance program that helps local workers, businesses and communities in strengthening the region's economy by creating family-wage jobs, offering new economic opportunities, and ensuring the region's long-term economic health.

I appreciate your calling the work of the American Agriculture Movement (AAM) to our attention. I understand your specific concerns about effects of this new forest management policy on the workers in the timber and related industries. Please rest assured that we are aware of your thoughts in this arena and will continue to work toward the resolution of this very important matter.

Again, thank you for sharing your thoughts with me. I hope that we will be able to work together to ensure the success of this Forest Management Plan.

Sincerely,

Kathleen A. McGinty
Director, White House Office on
Environmental Policy

KAM/avl

WESTERN COUNCIL OF INDUSTRIAL WORKERS

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

BLUE MOUNTAIN
CENTRAL CALIFORNIA
CENTRAL OREGON
CENTRAL WASHINGTON
COOS BAY AREA

(503) 228-0235
FAX (503) 228-0245

INLAND EMPIRE
NORTHERN CALIFORNIA
PORTLAND COAST COLUMBIA
PUGET SOUND
WILLAMETTE VALLEY

721 S.W. OAK STREET



PORTLAND, OREGON 97205

June 11, 1993

Ms. Kathleen McGinty
Office of Environmental Policy
Room 360
Old Executive Office Building
Washington, DC 20500

Dear Katie:

Enclosed for your information you will find a copy of a letter on behalf of David McCarty, national president of the American Agriculture Movement (AAM), to President Clinton reminding him of AAM's continued commitment to working with the President to find a balanced resolution to the federal forest management crisis.

As you may know, AAM was founded to champion the concerns of America's family farmers. The 150,000-member organization shares common interests with the Western Council of Industrial Workers surrounding the forest management issue and has joined in our efforts to help President Clinton find a solution to this crisis. AAM supports balanced federal forest management policy that provides for environmental protection while also providing economic fairness and stability for rural workers and their families.

If I can answer any questions regarding AAM, please feel free to call me. I hope all is going well.

Sincerely,

Mike Draper

Enclosure



America Needs Parity!

American Agriculture Movement, Inc.

100 Maryland Ave., N.E., Suite 500A, Box 69, Washington, D.C. 20002
(202) 544-5750

June 10, 1993

The Honorable William J. Clinton
White House
1600 Pennsylvania Ave, NW
Washington, D.C.

Dear President Clinton:

I am writing to thank you for your leadership and initiative in convening the Pacific Northwest Forest Conference, April 2 in Portland, Oregon. On behalf of the American Agriculture Movement (AAM) and the tens of thousands of family farmers throughout the United States, we look forward to a solution to the federal forest management crisis that will ensure protection for rural communities, public forests and forest products-related jobs.

Our members support the five principles you described in your concluding remarks that will guide your administration in developing a forest management plan. And we concur that any plan prepared to resolve this debate must be scientifically sound, economically credible and legally responsible. As you begin to consider various forest management options, we also urge you to consider the impacts of these options on the tens of thousands of men and women who live and work in rural timber communities.

Family farmers, like Pacific Northwest forest products workers, depend on a stable and healthy rural economy for our welfare. In this vein, we strongly support the efforts of the AFL-CIO and its member unions, most notably the United Brotherhood of Carpenters and Joiners of America, as they work with your administration to craft a balanced solution to this debate.

Our members believe you are not only aware of the problems facing timber-dependent rural communities, but are acting to resolve these issues. We fully support your endeavor to solve the federal forest management debate.

AAM is committed to working with you to find a resolution to this prolonged crisis that will ensure economic fairness and stability for rural workers, their families and communities throughout the country while upholding the sanctity of private property rights.

Sincerely,

David McCarty
National President

no
response

per PDM
already met/
called



PRIME MINISTER · PREMIER MINISTRE

January 22, 1993

PERSONAL

Dear Al,

Congratulations again on your remarkable achievement.

I write to report pursuant to your letter of September 30 expressing concern over the proposed Windy Craggy copper mine in the Alsek Tatshenshini Rivers' region of northern British Columbia.

While he was Canada's Ambassador to the United States, Mr. Derek Burney informed Senator Wirth that the Province of British Columbia has suspended its review of the proposed mine while a land use study is undertaken by the British Columbia Resources and Environment Commissioner. The study will determine whether mining is compatible with the wilderness character and other land uses in the region. No new claims or mine developments will be allowed in the region while the study goes forward.

The Commissioner's mandate includes full public consultation with all interested parties. On a recent visit to Washington, the Commissioner made it clear in briefings on Capitol Hill that your contribution would be most welcome. This process should be given the opportunity to function. Accordingly, in my view any decision on further action or review, including a possible reference to the International Joint Commission, is premature.

The Honorable Al Gore, Jr.
Vice-President of the United States of America
Washington, DC

Thank you for bringing your concerns to my attention. The Government will be watching closely the progress of the British Columbia land use study.

Yours sincerely,

*And with every good wish
Budi - blackberry*



PRIME MINISTER · PREMIER MINISTRE

January 22, 1993

PERSONAL

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The Honorable Al Gore, Jr.
Vice-President of the United States of America
Washington, DC

Thank you for bringing your concerns to my attention. The Government will be watching closely the progress of the British Columbia land use study.

Yours sincerely,

*And with every good wish
Gordon H. H. H. H.*

no
answer
per km

GEORGE E. BROWN, Jr., California, CHAIRMAN

MARILYN LLOYD, Tennessee
DAN GLICKMAN, Kansas
HAROLD VOLKMER, Missouri
RALPH M. HALL, Texas
DAVE McCURDY, Oklahoma
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U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON SCIENCE, SPACE,
AND TECHNOLOGY

SUITE 2320 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6301

(202) 225-6371

January 29, 1993

ROBERT S. WALKER, Pennsylvania
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SHERWOOD L. BOEHLERT, New York
TOM LEWIS, Florida
PAUL HENRY, Michigan
HARRIS FAWELL, Illinois
CONSTANCE A. MORELLA, Maryland
DANA ROHRBACH, California
STEVEN H. SCHIFF, New Mexico
JOE BARTON, Texas
DICK ZIMMER, New Jersey
SAM JOHNSON, Texas
KEN CALVERT, California
MARTIN HOKE, Ohio
NICK SMITH, Michigan
ED ROYCE, California
ROD GRAMS, Minnesota
JOHN LINDER, Georgia
PETER BLUTE, Massachusetts
JENNIFER DUNN, Washington
BILL BAKER, California
ROSCOE BARTLETT, Maryland

RADFORD BYERLY Jr.
Chief of Staff
MICHAEL RODEMEYER
Chief Counsel
CAROLYN C. GREENFELD
Chief Clerk
DAVID D. CLEMENT
Republican Chief of Staff

The Honorable Albert Gore
Vice President
Old Executive Office Building
Room 274
Washington, D.C. 20501

Dear Vice President Gore:

I am writing to ask that you urge President Clinton to sign an Executive Order establishing a National Biodiversity Center. The Committee on Science, Space, and Technology has been holding hearings on biodiversity since 1987 and passed legislation in the last Congress that established a National Biodiversity Center. A National Center would allow us to catalog our nation's biological resources, and evaluate their properties and status, a prerequisite for sustainable use. Thus we would join countries such as Costa Rica, Mexico, and Indonesia, which have already established such Centers.

An interagency working group has drafted such an Executive Order, to establish a National Biodiversity Center at the Smithsonian Institution, in cooperation with a number of agencies. Former President Bush failed to sign this Order, despite the promises that he made at the Earth Summit in Rio.

The Executive Order is ready for the President's signature and there is no one better qualified than yourself to convince the President of the importance of his doing so. Thank you for taking the time to consider this important request.

Sincerely,



GEORGE E. BROWN, JR.
Chairman

Trey - I'll handle
with phone call - but
return this 
letter to me. David D.

David -
could you
give me
some
direction as
to how to
respond
Thx
T

CONSERVATION INTERNATIONAL

April 8, 1993

Kathleen McGinty
Director,
Office of Environmental Policy
The White House
Washington, D.C. 20500

Dear Katie:

I am writing to provide input on the biodiversity component of the Global Environment Facility (GEF). Although the GEF as a whole is being addressed by the Presidential Review Directive, I am concerned that the effectiveness of the biodiversity component be evaluated in terms of the particular needs of biodiversity conservation and the Biodiversity Convention for which it is scheduled to serve as the interim financial mechanism.

The GEF is a critical part of the overall set of Biodiversity Convention issues, but one which may not have gotten the attention it deserves because of the necessity of addressing the more controversial biotechnology-related articles. Nevertheless, I urge you to take these issues into account as the Administration prepares its policy toward both the GEF and the Biodiversity Convention.

My comments reflect the experience Conservation International (CI) has had with the GEF over the last two years both on a policy level and with its biodiversity projects in more than a dozen countries.

- 1. In signing the Biodiversity Convention, the U.S. should also make clear its commitment to contribute its fair share to an effective financial mechanism to support conservation activities under the Convention.**

There is clearly a need for financial support of and technical assistance to biodiversity and ecosystem conservation programs in developing countries. The U.S. meets a part of this need through the bilateral assistance for biodiversity conservation activities it provides through USAID. For a variety of reasons, bilateral assistance alone, however, will not likely meet the full range of needs for biodiversity conservation. The Biodiversity Convention provides for a mechanism to finance certain conservation activities. In signing the Convention, the U.S. should signal its intent to contribute its fair share to a financial mechanism which will provide tangible results and will meet the needs of biodiversity conservation.

2. The U.S. should support an appropriately structured financial mechanism that is tailored to the unique needs of biodiversity conservation.

It is premature for the U.S. to endorse the GEF as a unitary fund for convention-related environmental assistance. The needs of biodiversity conservation are very different from those of, for example, climate change amelioration or elimination of ozone depleting chemicals. CI's experience with the GEF to date has indicated that many of its biodiversity projects are too large, fail to utilize existing NGO expertise and as yet have not produced significant results on the ground. In pushing for an effective multilateral mechanism for programming biodiversity conservation funds, the U.S. should consider the following elements related to the GEF Pilot Phase:

1. Mission: What differentiates the GEF from the existing biodiversity assistance provided by bilateral donors, specialized international agencies and NGOs and their foundation partners? The GEF Pilot Phase has focused on promoting innovation, yet its lack of experience with biodiversity conservation may have led to unintended consequences. For example, the GEF's entry into biodiversity conservation has caused some donors to consider reducing their levels of support, yet due to the operational culture of the GEF Implementing Agencies, the net result may be an overall reduction in effective, small scale, NGO or community-based conservation projects. If the a funding mechanism for biodiversity conservation is to be effective, it have a concise mission which plays to the strength of its Implementing Agencies and does not undermine existing efforts.

2. Incremental Costs: The Biodiversity Convention calls on governments to take national action to conserve biodiversity presumably for their own benefit. Even outside of the context of the Convention, the concept of incremental costs (i.e. incremental international assistance to allow developing countries to put in place conservation programs that provide a "global" benefit) cannot be easily applied to biodiversity. While it may or may not fit with climate change or ozone depletion, when it is applied to biodiversity, it serves to insure the continued marginalization of biodiversity conservation from the current development process. Sustainable utilization of biodiversity yields foremost national, regional and local benefits. The GEF would be better served if it invested in the overhaul of current national income accounting procedures or programs to integrate biodiversity into current World Bank lending, rather than perpetuating a philosophy which ensures its continued marginalization.

3. Project Size and Cycle: Over the last two years, the GEF has disbursed \$11 million out of a work program of \$700 million (of which 40% is for biodiversity projects). Yet while biodiversity conservation remains an urgent priority for funding, the absorptive capacity of the natural resource management sector in GEF recipient countries is often very limited. In CI's view, the GEF project cycle is too elaborate and its projects are generally too large, facts which reflect Implementing Agencies

geared to address other development needs. Rather than requiring an elaborate approval cycle for a \$10 million project, we would prefer to see 10 \$1 million projects or even 100 \$100,000 projects. The GEF should adopt a more flexible funding approach that relies on multiple medium size grants that build capacity at an effective rate and utilize existing expertise in both government and NGOs alike.

4. Trust Funds: Hard currency trust funds, for example, not only provide a hedge against currency devaluation, but endowments could ensure long term continuity in funding and provide a useful channel for large investments. Development agencies and the GEF should make broader use of this approach.

5. NGOs Expertise in biodiversity conservation lies principally with local, national and international NGOs. The GEF must make far greater strides to insure NGO and public participation in its biodiversity projects. Biodiversity conservation is by its very nature a participatory and local endeavor. The MDBs have a poor track record in this area and the GEF has, in many instances, failed to make effective use of NGO expertise and neglected to consult with local communities.

6. Priority Setting: The distribution of the planet's biological resources is uneven. CI has identified the threatened "hotspots" which cover the 3-4% of the planet's land surface, yet are thought to contain 30-40% of the world's threatened terrestrial biodiversity. While all countries need to improve the management of their biological resources, financing mechanisms such as the GEF must recognize that biodiversity does not respect political boundaries. One potential mechanism for setting meaningful priorities is the upcoming Biodiversity Assessment the GEF is to fund over the next year.

Apart from their need for financial support, biodiversity conservation, reduction of ozone depleting chemicals and climate change mitigation have little in common. The U.S. should support effective financial mechanisms for international environmental conventions on a case-by-case basis.

3. The U.S. should actively support a fully independent review of the GEF Pilot Phase.

The GEF will gain significant credibility among signatories to the Biodiversity Convention if it is independently evaluated. The U.S. should insist that the evaluation reflect principally the judgement of the proposed panel of outside experts and that the evaluators be given full access to GEF information. The Implementing Agencies internal evaluation units should only be used to facilitate the work of the independent evaluators. The U.S. should also urge that the evaluation consider each component of the GEF work program separately (i.e. does the biodiversity portfolio meet the specific needs of biodiversity conservation, for example, as mentioned in point 2. above?).

4. **The U.S. should press for a GEF secretariat that is more independent from the current Implementing Agencies and better able to promote a diversified funding approach.**

As pointed out above, the GEF has not yet been able to utilize effectively existing capacity for biodiversity conservation. This is due in large part to the current GEF institutional arrangements, which reflect the dominance of the World Bank, where its secretariat is housed. If the GEF is to be part of the World Bank, then it should be used as a lever to bring biodiversity into the mainstream of that institution.

The GEF, however, was originally conceived to be an organization that acts as a broker to identify high priority conservation projects and potential funders. A funding mechanism, such as the GEF can only facilitate a diversified funding approach, one that uses the strengths of the MDBs, bilateral donors, U.N. agencies, specialized international organizations and the range of NGO project implementers, if its secretariat has a measure of independence from its current Implementing Agencies.

For your interest, I have enclosed another letter CI has written on this subject to Ian Johnson, the GEF Administrator. I have also attached report language from House Report #102-585 accompanying the FY 1993 Foreign Operations Appropriations bill which indicates the Congressional view of the GEF and its biodiversity component. In the next month, Russ Mittermeier and I are also publishing a paper on biodiversity and the GEF, which is based in part on a speech Russ gave on this topic to the GEF Participants meeting in Cote D'Ivoire in December. I will send you a copy when it is complete. Please let me know if I can of further assistance. I can be reached at (202) 973-2251.

Sincerely,



Ian A. Bowles
Director, Legislative Programs

Enclosures

cc: Eileen Claussen
Mark Rentschler
Buff Bohlen
David Harwood

FOREIGN OPERATIONS, EXPORT FINANCING, AND
RELATED PROGRAMS APPROPRIATIONS BILL, 1993

JUNE 18, 1992.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. OBEY, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 5368]

The Committee on Appropriations to whom was referred H.R. 5368, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1993, and for other purposes, report the same to the House with an amendment and with the recommendation that the bill as amended be passed.

The amendment is a complete substitute for the text of the bill and appears in italic type in the reported bill.

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- \$25,000,000 for AID's Office of Energy;
- \$20,000,000 for biodiversity programs in AID of which \$5,000,000 is for the Parks in Peril program;
- \$7,000,000 for elephant conservation; and
- \$15,000,000 for the Montreal Protocol Facilitation Fund.

The Committee has also recommended that AID achieve certain levels of effort designations in funding for various programs. The level of effort designations are:

- \$10,000,000 for CORECT, the Environmental Technology Export Council and the International Fund for Renewable Energy Efficiency; and
- \$55,000,000 for activities consistent with the Global Warming Initiative.

ENVIRONMENT AND MULTILATERAL DEVELOPMENT BANKS

The Committee wishes to emphasize once again that economic growth if it is to be sustainable must be predicated on the sustainable management and use of natural resources, not their exploitation. The role of the multilateral development banks must be to promote that philosophy in all of their lending throughout the world. For the past five years, the Committee has emphasized this imperative through specific policy directives in both the bill and report. Although there has been some level of responsiveness, much remains to be done.

GLOBAL ENVIRONMENT FACILITY

The Committee has included \$50,000,000 for the Global Environment Facility (GEF) to be derived by transfer from the Development Assistance account. These funds may not be made available to the Facility until the Secretary of the Treasury determines and reports to the Committee on the establishment of clear procedures ensuring availability of documentary information on all projects and clear procedures on consultation of affected peoples in recipient countries. The Committee is aware of the U.S. position on the governance of the Facility and the dispute over the project approval process. Since the Facility has been working for sometime to establish acceptable procedures for public availability and consultation, the Committee expects that the Secretary should be in a position to make the required determination by the end of this year. Issues surrounding project approval should not interfere with the timely reporting on the transparency issue, and the subsequent obligation of funds to the Facility.

The Committee notes with some dismay that the U.S. has yet to make an adequate commitment of resources to the Facility. The current position that the U.S. will provide \$50,000,000 as a direct contribution and \$150,000,000 in bilateral aid projects, is simply not enough. Many of the AID projects currently underway for which the U.S. intends to get "credit" in the Facility are projects that have been planned for some time, and therefore do not represent an incremental level of effort. The Administration pledged \$50,000,000 as direct contribution, but failed to submit a formal budget request for these funds. At a minimum the U.S. should

have pledged \$150,000,000 over three years, and continued to fund ongoing AID projects.

The Committee recognizes that the Global Environment Facility, appropriately restructured, will likely play an important role in providing funds to developing countries under the recently negotiated Framework Convention on Climate Change and the Convention on Biological Diversity. The Committee strongly believes that the United States must provide additional financial resources to the developing countries to help meet the incremental costs of compliance with their obligations under these conventions.

The Committee recommends that clear procedures for public access to information include the following elements:

- Operative documents (e.g. project briefs and summaries, staff appraisal reports and project documents, environmental impact assessments, comments of the Scientific and Technical Advisory Panel, and project completion reports and evaluation reports) on all GEF projects, and any associated projects of the Implementing Agencies, should be available to the public in recipient countries and at the headquarters of the implementing agencies.

The Committee recommends that clear procedures for public consultation include the following elements:

- implementing agencies, together with appropriate national authorities, should conduct public consultative processes (e.g. surveys and roundtables) to identify priorities and opportunities for GEF projects. These processes should be the basis for identification of GEF projects and should be open to all interested members of the public.

- After project identification, implementing agencies and proposed recipients should continue to consult regularly with interested and affected members of the public throughout the project cycle via continued public consultative processes and the "notice and comment" procedures.

- Non-governmental observers with relevant experience should be invited to all meetings of the GEF Participants Assembly.

GLOBAL ENVIRONMENT FACILITY—BIODIVERSITY PROJECTS

The Committee urges the GEF, in identifying projects to protect biological diversity, to place particular importance on funding approaches that suit the special characteristic needs of this field. These include long-term sustainability of funding, utilization of expertise in non-governmental organizations (NGOs), emphasis on local capacity building, and project disbursement profiles appropriate to absorptive capacities.

The Committee notes that the U.N. Development Program is administering a Small Grants Program under the GEF pilot stage, which will provide grants of up to \$50,000 at a national level and \$250,000 at a regional level. The Committee commends the Small Grants Program as an important first step and believes that if this program is funded at a sufficient level it will help to develop the capacity of local NGOs in the biodiversity field.

With regard to other GEF biodiversity projects, the Committee urges the GEF to diversify its current approach of funding one large project per country. The Committee urges the GEF to chan-

nel funds through NGOs and national and international agencies via multiple medium size grants (e.g. \$250,000–\$1,000,000) rather than single large grants. Such an approach is typically more appropriate for the absorptive capacity of conservation organizations in the developing countries.

The Committee also urges the GEF, where possible, to channel funds through national-level committees of NGOs and government agencies, which should take responsibility for identification and support of individual projects. In this regard, the Committee notes the merit of endowing trust funds, an approach which the GEF pilot facility has taken in several projects. This approach is particularly beneficial in providing permanent sources of funding, developing in-country institutional capabilities, ensuring NGO participation, and allowing appropriate disbursement profiles. The Committee urges greater use of this innovative approach.

AFRICAN DEVELOPMENT BANK/EUROPEAN DEVELOPMENT BANK

The Committee has included the African and European Development Banks in its policy directives on environmental reforms in the bill. These banks have been singled out for specific attention because they have not been as responsive as other regional banks have been at adapting their lending policies to incorporate environmental concerns. The Committee expects that these banks will move expeditiously to implement the following reforms:

- allow greater public participation;
- develop an overall strategy to integrate environmental and social factors into its lending policies;
- increase staffing of environmental experts;
- emphasize quality lending rather than quantity lending;
- assist developing countries in building national capabilities to address social and environmental problems;
- require systematic review of the Bank's implementation of environmental policies;
- expand cooperative relationships with non-governmental organizations; and
- engage in a systematic review of recent loan approvals to assure environmental soundness.

The Committee expects that the annual report of the Treasury Department will address the Banks' performance related to these policy directives.

ENVIRONMENTAL IMPACT ASSESSMENT PROCEDURES OF THE PRIVATE SECTOR LENDING FACILITIES OF THE MULTILATERAL DEVELOPMENT BANKS

The Committee notes the success of the "Pelosi Amendment," Section 1307 of the International Financial Institutions Act (22 U.S.C. § 262m-7), as amended by Section 521 of P.L. 101-240, in helping to improve and strengthen the environmental impact assessment (EIA) procedures of the multilateral development banks (MDBs). The Committee directs the Treasury Department to continue its efforts to improve and strengthen these procedures.

The Committee is particularly concerned that the private sector lending facilities of the MDBs—the International Finance Corpora-



CONSERVATION INTERNATIONAL

November 10, 1992

Mr. Ian Johnson
Administrator
Global Environment Facility
The World Bank
1818 H St., NW
Washington, D.C. 20433

Dear Ian:

Thanks very much for the opportunity to participate in the WRI/GEF workshop on the 16th. This letter is intended to summarize some of our concerns with the GEF, which can be summarized under mission, priority setting, delivery and expectations, and underlying philosophy. These comments relate principally to the biodiversity component of the GEF, but some are applicable to the other parts of the GEF as well.

Mission: First of all, I have some fundamental concerns about the lack of a clearly articulated mission for the GEF. My understanding is that it was originally conceived to fill a niche that neither the bilateral donors nor the NGOs and their foundation partners occupied. The distinctions, however, seem to have become rather vague. Also, if the GEF is to serve as the funding mechanism for the Rio Conventions, how will this actually be done, and how will it related to and differ from the current work program and other GEF funding activities? Although flexibility is always desirable, some level of definition and greater clarity of purpose would benefit donors and potential recipients alike.

Priorities: How will the GEF set priorities for action in the future? With biodiversity, my impression is that, in the early tranches, the GEF accepted many of the projects submitted to it with what seemed to be political considerations in mind. How will the GEF use objective criteria for setting biodiversity priorities in the future? The simple fact is that biodiversity is by no means evenly distributed on our planet. If the GEF is to be effective, some countries will inevitably receive a larger share of resources than others. Setting priorities is a difficult process because not everyone winds up happy with the results, but some choices will have to be made if the GEF is to really bring about changes in the way we deal with the environmental challenges we face.

Delivery and Expectations: When the GEF was established, there were huge expectations created worldwide. Some of the amounts of money discussed (\$1 billion plus) far exceeded anything invested in this field before. Delivery, however, has been slow and disappointing, with sometimes disruptive results. The huge sums potentially at stake have led to a lot of jockeying and political infighting in some of the developing countries, with more attention being paid to

posturing for possible GEF support than getting the job done. And here in the U.S., several key foundations have thought about moving out of funding biodiversity conservation, for instance, because the GEF and the World Bank were now taking care of it.

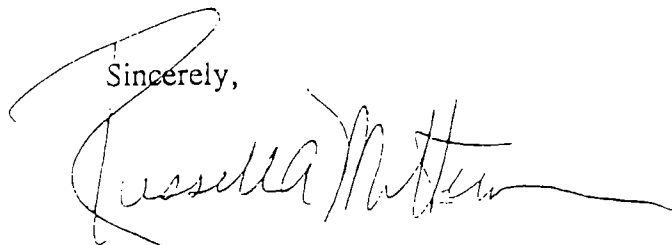
In spite of the expectations, the actual resources hitting the ground have been slow to materialize. Of \$700 million in projects approved, only \$11 million has been disbursed so far. Of that, it is unclear how much has actually been applied in the field. A ten step project cycle involving three major players (World Bank, UNDP and UNEP) is far too cumbersome especially for the size of projects required for biodiversity conservation activities. Rather than an elaborate approval process for a \$10 million project, we would be much better off with 20 \$500,000 projects rapidly implemented. The smaller amounts would be much more in line with the absorptive capacity of the countries and institutions in question. I realize that these scale problems may have less relevance to the climate change component of the GEF, but they certainly apply to biodiversity.

The Small Grants Programme for NGOs is a right step in this direction especially since most of the expertise in biodiversity conservation rests with local, national and international NGOs and not governments. It should be expanded in size and its delivery greatly streamlined as well. It is, however, just one part of a successful approach. The GEF should place emphasis on identifying and supporting existing regional and national mechanisms to deliver funds for biodiversity conservation. Piggybacking on World Bank or UN projects that have little relevance to biodiversity should not be an operational point of departure for the GEF.

Philosophical Underpinning: Finally, I am still troubled by the basic philosophy of incremental costs. This implies that biodiversity conservation and other environmental considerations are principally of global benefit and not in the national interest of a country. This rhetoric perpetuates the belief both in the World Bank and in the developing countries that biodiversity is not fundamental to a nation's economic viability. Nothing could be further from the truth, although I would be the first to admit that the conservation community has failed to adequately document the full scope of environmental values. The GEF should be at the forefront of a new movement to integrate biodiversity and other environmental issues into the mainstream of the development process, not perpetuating a philosophy that ensures its continued marginalization.

All of these things having been said, we think that a properly restructured GEF could have a tremendously important role in biodiversity conservation. We would be pleased to work with you and your staff in any way possible to help bring this about. Thank you again for asking for our input and please keep in touch.

Sincerely,

A handwritten signature in dark ink, appearing to read "Russell A. Mittermeier", with a long, sweeping horizontal line extending to the right.

Russell A. Mittermeier, Ph.D.
President



Donniger

CONSERVATION INTERNATIONAL

April 8, 1993

Kathleen McGinty
Director,
Office of Environmental Policy
The White House
Washington, D.C. 20500

Dear Katie:

I am writing to provide input on the biodiversity component of the Global Environment Facility (GEF). Although the GEF as a whole is being addressed by the Presidential Review Directive, I am concerned that the effectiveness of the biodiversity component be evaluated in terms of the particular needs of biodiversity conservation and the Biodiversity Convention for which it is scheduled to serve as the interim financial mechanism.

The GEF is a critical part of the overall set of Biodiversity Convention issues, but one which may not have gotten the attention it deserves because of the necessity of addressing the more controversial biotechnology-related articles. Nevertheless, I urge you to take these issues into account as the Administration prepares its policy toward both the GEF and the Biodiversity Convention.

My comments reflect the experience Conservation International (CI) has had with the GEF over the last two years both on a policy level and with its biodiversity projects in more than a dozen countries.

- 1. In signing the Biodiversity Convention, the U.S. should also make clear its commitment to contribute its fair share to an effective financial mechanism to support conservation activities under the Convention.**

There is clearly a need for financial support of and technical assistance to biodiversity and ecosystem conservation programs in developing countries. The U.S. meets a part of this need through the bilateral assistance for biodiversity conservation activities it provides through USAID. For a variety of reasons, bilateral assistance alone, however, will not likely meet the full range of needs for biodiversity conservation. The Biodiversity Convention provides for a mechanism to finance certain conservation activities. In signing the Convention, the U.S. should signal its intent to contribute its fair share to a financial mechanism which will provide tangible results and will meet the needs of biodiversity conservation.

2. The U.S. should support an appropriately structured financial mechanism that is tailored to the unique needs of biodiversity conservation.

It is premature for the U.S. to endorse the GEF as a unitary fund for convention-related environmental assistance. The needs of biodiversity conservation are very different from those of, for example, climate change amelioration or elimination of ozone depleting chemicals. CI's experience with the GEF to date has indicated that many of its biodiversity projects are too large, fail to utilize existing NGO expertise and as yet have not produced significant results on the ground. In pushing for an effective multilateral mechanism for programming biodiversity conservation funds, the U.S. should consider the following elements related to the GEF Pilot Phase:

1. Mission: What differentiates the GEF from the existing biodiversity assistance provided by bilateral donors, specialized international agencies and NGOs and their foundation partners? The GEF Pilot Phase has focused on promoting innovation, yet its lack of experience with biodiversity conservation may have led to unintended consequences. For example, the GEF's entry into biodiversity conservation has caused some donors to consider reducing their levels of support, yet due to the operational culture of the GEF Implementing Agencies, the net result may be an overall reduction in effective, small scale, NGO or community-based conservation projects. If the a funding mechanism for biodiversity conservation is to be effective, it have a concise mission which plays to the strength of its Implementing Agencies and does not undermine existing efforts.

2. Incremental Costs: The Biodiversity Convention calls on governments to take national action to conserve biodiversity presumably for their own benefit. Even outside of the context of the Convention, the concept of incremental costs (i.e. incremental international assistance to allow developing countries to put in place conservation programs that provide a "global" benefit) cannot be easily applied to biodiversity. While it may or may not fit with climate change or ozone depletion, when it is applied to biodiversity, it serves to insure the continued marginalization of biodiversity conservation from the current development process. Sustainable utilization of biodiversity yields foremost national, regional and local benefits. The GEF would be better served if it invested in the overhaul of current national income accounting procedures or programs to integrate biodiversity into current World Bank lending, rather than perpetuating a philosophy which ensures its continued marginalization.

3. Project Size and Cycle: Over the last two years, the GEF has disbursed \$11 million out of a work program of \$700 million (of which 40% is for biodiversity projects). Yet while biodiversity conservation remains an urgent priority for funding, the absorptive capacity of the natural resource management sector in GEF recipient countries is often very limited. In CI's view, the GEF project cycle is too elaborate and its projects are generally too large, facts which reflect Implementing Agencies

geared to address other development needs. Rather than requiring an elaborate approval cycle for a \$10 million project, we would prefer to see 10 \$1 million projects or even 100 \$100,000 projects. The GEF should adopt a more flexible funding approach that relies on multiple medium size grants that build capacity at an effective rate and utilize existing expertise in both government and NGOs alike.

4. Trust Funds: Hard currency trust funds, for example, not only provide a hedge against currency devaluation, but endowments could ensure long term continuity in funding and provide a useful channel for large investments. Development agencies and the GEF should make broader use of this approach.

5. NGOs Expertise in biodiversity conservation lies principally with local, national and international NGOs. The GEF must make far greater strides to insure NGO and public participation in its biodiversity projects. Biodiversity conservation is by its very nature a participatory and local endeavor. The MDBs have a poor track record in this area and the GEF has, in many instances, failed to make effective use of NGO expertise and neglected to consult with local communities.

6. Priority Setting: The distribution of the planet's biological resources is uneven. CI has identified the threatened "hotspots" which cover the 3-4% of the planet's land surface, yet are thought to contain 30-40% of the world's threatened terrestrial biodiversity. While all countries need to improve the management of their biological resources, financing mechanisms such as the GEF must recognize that biodiversity does not respect political boundaries. One potential mechanism for setting meaningful priorities is the upcoming Biodiversity Assessment the GEF is to fund over the next year.

Apart from their need for financial support, biodiversity conservation, reduction of ozone depleting chemicals and climate change mitigation have little in common. The U.S. should support effective financial mechanisms for international environmental conventions on a case-by-case basis.

3. The U.S. should actively support a fully independent review of the GEF Pilot Phase.

The GEF will gain significant credibility among signatories to the Biodiversity Convention if it is independently evaluated. The U.S. should insist that the evaluation reflect principally the judgement of the proposed panel of outside experts and that the evaluators be given full access to GEF information. The Implementing Agencies internal evaluation units should only be used to facilitate the work of the independent evaluators. The U.S. should also urge that the evaluation consider each component of the GEF work program separately (i.e. does the biodiversity portfolio meet the specific needs of biodiversity conservation, for example, as mentioned in point 2. above?).

4. **The U.S. should press for a GEF secretariat that is more independent from the current Implementing Agencies and better able to promote a diversified funding approach.**

As pointed out above, the GEF has not yet been able to utilize effectively existing capacity for biodiversity conservation. This is due in large part to the current GEF institutional arrangements, which reflect the dominance of the World Bank, where its secretariat is housed. If the GEF is to be part of the World Bank, then it should be used as a lever to bring biodiversity into the mainstream of that institution.

The GEF, however, was originally conceived to be an organization that acts as a broker to identify high priority conservation projects and potential funders. A funding mechanism, such as the GEF can only facilitate a diversified funding approach, one that uses the strengths of the MDBs, bilateral donors, U.N. agencies, specialized international organizations and the range of NGO project implementers, if its secretariat has a measure of independence from its current Implementing Agencies.

For your interest, I have enclosed another letter CI has written on this subject to Ian Johnson, the GEF Administrator. I have also attached report language from House Report #102-585 accompanying the FY 1993 Foreign Operations Appropriations bill which indicates the Congressional view of the GEF and its biodiversity component. In the next month, Russ Mittermeier and I are also publishing a paper on biodiversity and the GEF, which is based in part on a speech Russ gave on this topic to the GEF Participants meeting in Cote D'Ivoire in December. I will send you a copy when it is complete. Please let me know if I can of further assistance. I can be reached at (202) 973-2251.

Sincerely,



Ian A. Bowles
Director, Legislative Programs

Enclosures

cc: Eileen Claussen
Mark Rentschler
Buff Bohlen
David Harwood

FOREIGN OPERATIONS, EXPORT FINANCING, AND
RELATED PROGRAMS APPROPRIATIONS BILL, 1993

JUNE 18, 1992.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. OBEY, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 5368]

The Committee on Appropriations to whom was referred H.R. 5368, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1993, and for other purposes, report the same to the House with an amendment and with the recommendation that the bill as amended be passed.

The amendment is a complete substitute for the text of the bill and appears in *italic type* in the reported bill.

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- \$25,000,000 for AID's Office of Energy;
- \$20,000,000 for biodiversity programs in AID of which \$5,000,000 is for the Parks in Peril program;
- \$7,000,000 for elephant conservation; and
- \$15,000,000 for the Montreal Protocol Facilitation Fund.

The Committee has also recommended that AID achieve certain levels of effort designations in funding for various programs. The level of effort designations are:

- \$10,000,000 for CORECT, the Environmental Technology Export Council and the International Fund for Renewable Energy Efficiency; and
- \$55,000,000 for activities consistent with the Global Warming Initiative.

ENVIRONMENT AND MULTILATERAL DEVELOPMENT BANKS

The Committee wishes to emphasize once again that economic growth if it is to be sustainable must be predicated on the sustainable management and use of natural resources, not their exploitation. The role of the multilateral development banks must be to promote that philosophy in all of their lending throughout the world. For the past five years, the Committee has emphasized this imperative through specific policy directives in both the bill and report. Although there has been some level of responsiveness, much remains to be done.

GLOBAL ENVIRONMENT FACILITY

The Committee has included \$50,000,000 for the Global Environment Facility (GEF) to be derived by transfer from the Development Assistance account. These funds may not be made available to the Facility until the Secretary of the Treasury determines and reports to the Committee on the establishment of clear procedures ensuring availability of documentary information on all projects and clear procedures on consultation of affected peoples in recipient countries. The Committee is aware of the U.S. position on the governance of the Facility and the dispute over the project approval process. Since the Facility has been working for sometime to establish acceptable procedures for public availability and consultation, the Committee expects that the Secretary should be in a position to make the required determination by the end of this year. Issues surrounding project approval should not interfere with the timely reporting on the transparency issue, and the subsequent obligation of funds to the Facility.

The Committee notes with some dismay that the U.S. has yet to make an adequate commitment of resources to the Facility. The current position that the U.S. will provide \$50,000,000 as a direct contribution and \$150,000,000 in bilateral aid projects, is simply not enough. Many of the AID projects currently underway for which the U.S. intends to get "credit" in the Facility are projects that have been planned for some time, and therefore do not represent an incremental level of effort. The Administration pledged \$50,000,000 as direct contribution, but failed to submit a formal budget request for these funds. At a minimum the U.S. should

have pledged \$150,000,000 over three years, and continued to fund ongoing AID projects.

The Committee recognizes that the Global Environment Facility, appropriately restructured, will likely play an important role in providing funds to developing countries under the recently negotiated Framework Convention on Climate Change and the Convention on Biological Diversity. The Committee strongly believes that the United States must provide additional financial resources to the developing countries to help meet the incremental costs of compliance with their obligations under these conventions.

The Committee recommends that clear procedures for public access to information include the following elements:

- Operative documents (e.g. project briefs and summaries, staff appraisal reports and project documents, environmental impact assessments, comments of the Scientific and Technical Advisory Panel, and project completion reports and evaluation reports) on all GEF projects, and any associated projects of the Implementing Agencies, should be available to the public in recipient countries and at the headquarters of the implementing agencies.

The Committee recommends that clear procedures for public consultation include the following elements:

- implementing agencies, together with appropriate national authorities, should conduct public consultative processes (e.g. surveys and roundtables) to identify priorities and opportunities for GEF projects. These processes should be the basis for identification of GEF projects and should be open to all interested members of the public.

- After project identification, implementing agencies and proposed recipients should continue to consult regularly with interested and affected members of the public throughout the project cycle via continued public consultative processes and the "notice and comment" procedures.

- Non-governmental observers with relevant experience should be invited to all meetings of the GEF Participants Assembly.

GLOBAL ENVIRONMENT FACILITY—BIODIVERSITY PROJECTS

The Committee urges the GEF, in identifying projects to protect biological diversity, to place particular importance on funding approaches that suit the special characteristic needs of this field. These include long-term sustainability of funding, utilization of expertise in non-governmental organizations (NGOs), emphasis on local capacity building, and project disbursement profiles appropriate to absorptive capacities.

The Committee notes that the U.N. Development Program is administering a Small Grants Program under the GEF pilot stage, which will provide grants of up to \$50,000 at a national level and \$250,000 at a regional level. The Committee commends the Small Grants Program as an important first step and believes that if this program is funded at a sufficient level it will help to develop the capacity of local NGOs in the biodiversity field.

With regard to other GEF biodiversity projects, the Committee urges the GEF to diversify its current approach of funding one large project per country. The Committee urges the GEF to chan-

nel funds through NGOs and national and international agencies via multiple medium size grants (e.g. \$250,000-\$1,000,000) rather than single large grants. Such an approach is typically more appropriate for the absorptive capacity of conservation organizations in the developing countries.

The Committee also urges the GEF, where possible, to channel funds through national-level committees of NGOs and government agencies, which should take responsibility for identification and support of individual projects. In this regard, the Committee notes the merit of endowing trust funds, an approach which the GEF pilot facility has taken in several projects. This approach is particularly beneficial in providing permanent sources of funding, developing in-country institutional capabilities, ensuring NGO participation, and allowing appropriate disbursement profiles. The Committee urges greater use of this innovative approach.

AFRICAN DEVELOPMENT BANK/EUROPEAN DEVELOPMENT BANK

The Committee has included the African and European Development Banks in its policy directives on environmental reforms in the bill. These banks have been singled out for specific attention because they have not been as responsive as other regional banks have been at adapting their lending policies to incorporate environmental concerns. The Committee expects that these banks will move expeditiously to implement the following reforms:

- allow greater public participation;
- develop an overall strategy to integrate environmental and social factors into its lending policies;
- increase staffing of environmental experts;
- emphasize quality lending rather than quantity lending;
- assist developing countries in building national capabilities to address social and environmental problems;
- require systematic review of the Bank's implementation of environmental policies;
- expand cooperative relationships with non-governmental organizations; and
- engage in a systematic review of recent loan approvals to assure environmental soundness.

The Committee expects that the annual report of the Treasury Department will address the Banks' performance related to these policy directives.

ENVIRONMENTAL IMPACT ASSESSMENT PROCEDURES OF THE PRIVATE SECTOR LENDING FACILITIES OF THE MULTILATERAL DEVELOPMENT BANKS

The Committee notes the success of the "Pelosi Amendment," Section 1307 of the International Financial Institutions Act (22 U.S.C. § 262m-7), as amended by Section 521 of P.L. 101-240, in helping to improve and strengthen the environmental impact assessment (EIA) procedures of the multilateral development banks (MDBs). The Committee directs the Treasury Department to continue its efforts to improve and strengthen these procedures.

The Committee is particularly concerned that the private sector lending facilities of the MDBs—the International Finance Corpora-



CONSERVATION INTERNATIONAL

November 10, 1992

Mr. Ian Johnson
Administrator
Global Environment Facility
The World Bank
1818 H St., NW
Washington, D.C. 20433

Dear Ian:

Thanks very much for the opportunity to participate in the WRI/GEF workshop on the 16th. This letter is intended to summarize some of our concerns with the GEF, which can be summarized under mission, priority setting, delivery and expectations, and underlying philosophy. These comments relate principally to the biodiversity component of the GEF, but some are applicable to the other parts of the GEF as well.

Mission: First of all, I have some fundamental concerns about the lack of a clearly articulated mission for the GEF. My understanding is that it was originally conceived to fill a niche that neither the bilateral donors nor the NGOs and their foundation partners occupied. The distinctions, however, seem to have become rather vague. Also, if the GEF is to serve as the funding mechanism for the Rio Conventions, how will this actually be done, and how will it related to and differ from the current work program and other GEF funding activities? Although flexibility is always desirable, some level of definition and greater clarity of purpose would benefit donors and potential recipients alike.

Priorities: How will the GEF set priorities for action in the future? With biodiversity, my impression is that, in the early tranches, the GEF accepted many of the projects submitted to it with what seemed to be political considerations in mind. How will the GEF use objective criteria for setting biodiversity priorities in the future? The simple fact is that biodiversity is by no means evenly distributed on our planet. If the GEF is to be effective, some countries will inevitably receive a larger share of resources than others. Setting priorities is a difficult process because not everyone winds up happy with the results, but some choices will have to be made if the GEF is to really bring about changes in the way we deal with the environmental challenges we face.

Delivery and Expectations: When the GEF was established, there were huge expectations created worldwide. Some of the amounts of money discussed (\$1 billion plus) far exceeded anything invested in this field before. Delivery, however, has been slow and disappointing, with sometimes disruptive results. The huge sums potentially at stake have led to a lot of jockeying and political infighting in some of the developing countries, with more attention being paid to

posturing for possible GEF support than getting the job done. And here in the U.S., several key foundations have thought about moving out of funding biodiversity conservation, for instance, because the GEF and the World Bank were now taking care of it.

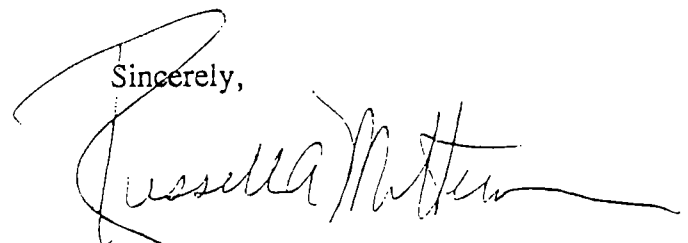
In spite of the expectations, the actual resources hitting the ground have been slow to materialize. Of \$700 million in projects approved, only \$11 million has been disbursed so far. Of that, it is unclear how much has actually been applied in the field. A ten step project cycle involving three major players (World Bank, UNDP and UNEP) is far too cumbersome especially for the size of projects required for biodiversity conservation activities. Rather than an elaborate approval process for a \$10 million project, we would be much better off with 20 \$500,000 projects rapidly implemented. The smaller amounts would be much more in line with the absorptive capacity of the countries and institutions in question. I realize that these scale problems may have less relevance to the climate change component of the GEF, but they certainly apply to biodiversity.

The Small Grants Programme for NGOs is a right step in this direction especially since most of the expertise in biodiversity conservation rests with local, national and international NGOs and not governments. It should be expanded in size and its delivery greatly streamlined as well. It is, however, just one part of a successful approach. The GEF should place emphasis on identifying and supporting existing regional and national mechanisms to deliver funds for biodiversity conservation. Piggybacking on World Bank or UN projects that have little relevance to biodiversity should not be an operational point of departure for the GEF.

Philosophical Underpinning: Finally, I am still troubled by the basic philosophy of incremental costs. This implies that biodiversity conservation and other environmental considerations are principally of global benefit and not in the national interest of a country. This rhetoric perpetuates the belief both in the World Bank and in the developing countries that biodiversity is not fundamental to a nation's economic viability. Nothing could be further from the truth, although I would be the first to admit that the conservation community has failed to adequately document the full scope of environmental values. The GEF should be at the forefront of a new movement to integrate biodiversity and other environmental issues into the mainstream of the development process, not perpetuating a philosophy that ensures its continued marginalization.

All of these things having been said, we think that a properly restructured GEF could have a tremendously important role in biodiversity conservation. We would be pleased to work with you and your staff in any way possible to help bring this about. Thank you again for asking for our input and please keep in touch.

Sincerely,

A handwritten signature in black ink, appearing to read "Russell A. Mittermeier", with a long, sweeping horizontal line extending to the right.

Russell A. Mittermeier, Ph.D.
President



Chupka
Natural Resources
Defense Council

1350 New York Ave., N.W.
Washington, DC 20005
202 783-7800
Fax 202 783-5917

March 12, 1993

Vice President Albert Gore, Jr.
The White House
1600 Pennsylvania Ave., NW
Washington DC, 20500

*no response
per Chupka*

Dear Mr. Vice-President:

As you know, NRDC strongly supports the BTU energy tax as part of your Administration's economic package. We are concerned, however, by reports in yesterday's Wall Street Journal and other information that suggests that the Administration is considering a number of modifications to the proposed BTU tax that could undercut some of the environmental benefits that it was designed to produce. Certainly the Administration should not agree to such modifications gratuitously or without consulting with the environmental community, which is doing all it can to support the economic package.

We believe that two basic principles should guide resolution of implementation issues regarding the BTU tax. First, to encourage energy efficiency throughout the production process, the energy tax should be collected as far upstream as possible and all energy consumed in the U.S. economy should be taxed (excluding only emerging environmentally sound renewable energy sources, such as wind and solar). Second, if it is impossible to collect the tax where a particular fuel is first introduced into the economy, any changes in collection point or coverage should be revenue neutral. Application of these principles to a number of specific proposals is discussed below.

- **Enhanced oil recovery.** We understand that the Administration is considering an exemption for field energy used in the field to produce oil. We strongly oppose any such exemption. All forms of energy consumption should be taxed. Failure to do so will invite all other energy producers to ask for exemptions for their process energy. Taxing both the oil and gas consumed in producing heavy oil at the appropriate rates will also encourage these producers to rely more on gas, improving local air quality in the producing regions.
- **Refinery energy consumption.** We understand that the Administration is considering an exemption for energy consumed in the refinery. We strongly oppose any such exemption. The first principle implies that the specified oil tax rate of 59.9 cents/million BTU applies to crude oil and should be collected at the wellhead or the input to the refinery. Applying it only to refined products would reduce the incentive to increase refinery efficiency. Refined products imported

into the U.S. should be charged a rate adjusted upward by the average refinery energy consumption required to produce that petroleum product. If this approach proves unworkable and the Administration decides to collect the tax at the output of the refinery, then a "use" tax should be assessed on energy consumed in the refinery or all products should be charged a rate adjusted upward by the average refinery energy consumption required to produce that petroleum product.

- **Alcohol fuels.** We understand that the Administration is still debating the rate to apply to Alcohol fuels. We believe that Alcohol fuels should be taxed at the petroleum rate of 59.9 cents/million BTU. Failure to do so will distort the liquid fuels market. Ethanol is already heavily subsidized (\$7.90 per million BTU) and its production through current methods is extremely damaging environmentally. (An exemption could be considered for the emerging technology for producing ethanol from woody biomass [lignocellulose]). A lower tax rate for alcohol fuels could also lead to imports, particularly of methanol, undermining the national security justification for the oil supplement.
- **Collection point for natural gas.** We understand that the Administration is considering collecting the tax from Local Distribution Companies plus industrial and utility end-users. We believe that it would be better to collect the tax at the wellhead or the beginning of the pipeline to provide an incentive to make pipeline operations more efficient and minimize losses. We do not believe that the existence of some fixed-price contracts is a persuasive argument for moving the collection point. Certainly taxpayers should not be able to insulate themselves from federal taxation by entering into fixed-price contracts that do not allow adjustment in response to changes in tax policy. If the collection point is moved to the downstream end of the pipeline or distribution system revenue neutrality and efficiency requires that a "use" tax be applied based on the gas lost or consumed to operate those systems. As long as this is done accurately there is no environmental rationale for making the LDC rather than the final consumer the taxable party.
- **Hydropower.** Hydropower should be taxed at the average BTU content of fossil-fired electricity. This is appropriate because of hydropower's harmful impacts on the environment and the need to ensure regional equity in the tax package. Because no combustion is involved in generating hydroelectricity the BTU number assigned to it is by definition somewhat arbitrary, and must be determined by considerations of policy, not physics. Hydro is a mature technology that has varying environmental impacts depending on site specific circumstances which should be considered through local and regional Integrated Resource Planning. In general, hydropower can not be considered a clean renewable energy source. It

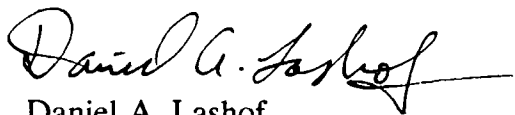
Vice President Albert Gore, Jr.
March 12, 1993
Page 3

has contributed to dramatic declines in fisheries, species diversity, riparian habitat, and river water quality.

- **Treatment of feedstocks.** Specific rebates should be provided only when a fuel is used as a material rather than a source of energy. The appropriate test is whether the chemical elements in the fuel end up in the final non-fuel product. For example, a manufacturer of polyethylene should be entitled to a rebate to the extent that the hydrogen and carbon from petroleum is incorporated into this product. On the other hand, Metallurgical coal and electricity used to produce aluminum should not be exempt from the BTU tax. Most of the BTU value of metallurgical coal goes to produce process heat and fuel chemical reactions; only a small fraction of the carbon in metallurgical coal is actually incorporated into the steel. Steel producers could be given a rebate on a per ton of raw steel produced basis to reflect the fraction of metallurgical coal actually used as a feedstock. Failure to tax metallurgical coal would allow industrial firms to evade the tax by substituting metallurgical coal for steam coal in a variety of applications. Similarly, there should be no exemption for electricity used in aluminum production. Electricity is used to drive a chemical reaction, similar to electrolytic processes used in a wide variety of industries, and is in no sense a material incorporated in aluminum produced.
- **Coal-seam methane.** Methane extracted from a coal-seam as part of a mining operation should be exempt from the tax. If not captured this methane would be released to the atmosphere, contributing to global warming. Thus, taxing coal seam methane would tend to increase, rather than reduce, pollution.

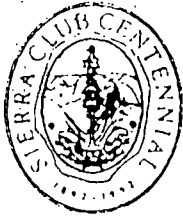
We look forward to continuing to work with you to pass the economic package.

Sincerely,



Daniel A. Lashof
Senior Scientist

NATURAL RESOURCES DEFENSE COUNCIL



**FRIENDS OF
THE EARTH**

May 7, 1993

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

American Rivers, the Sierra Club, and Friends of the Earth would like to bring to your attention an important and immediate opportunity to improve the survival of endangered Snake River salmon. Under the Endangered Species Act, the National Marine Fisheries Service will shortly be deciding how federal dams and reservoirs should be operated in 1993 to protect these fish. Last year, NMFS approved hydropower operations which, by its own estimates, resulted in mortalities of most juvenile and approximately half of adult fish. NMFS has stated, and we agree, that greater protection is needed in 1993.

The central issue for endangered salmon is instream flows and velocities in the Snake and lower Columbia Rivers, particularly during the biologically critical juvenile fish migration season, the spring and the summer. For approximately 15 years, fishery experts from NMFS, the U.S. Fish and Wildlife Service, State fishery agencies, and Columbia Basin treaty fishing tribes have been advocating the adoption of specific instream flows for migrating fish as biological objectives for the Columbia and Snake Rivers. The failure to adopt these biological objectives is a major reason why Snake River salmon stocks had to be listed under the Endangered Species Act.

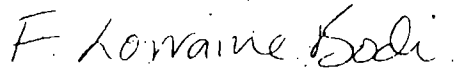
Those who oppose flow objectives for salmon, including some members of the Northwest Congressional delegation, are leading us down the same tangled path we have traveled in the spotted owl controversy. Despite listing under the ESA, salmon are still facing politically based, as opposed to biologically sound, solutions. We can put endangered salmon stocks on the road to recovery by adopting spring and summer flows in 1993. If we avoid this fundamental need of the fish, however, we will be headed only for further litigation and gridlock.

The flows objectives we are urging will do more than benefit the fish -- they will also benefit the commercial, recreational, and tribal economies that depend on these fish. Because Snake

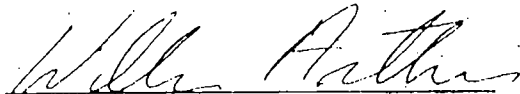
River salmon migrate through Idaho, Oregon, Washington and as far north as Canada and Alaska, restoration of wild salmon stocks is key to sustainable development in many communities.

Thank you for your consideration. We would be happy to provide more detail if you have further questions.

Sincerely,



F. Lorraine Bodi
American Rivers
4518 University Way NE
Seattle, WA 98105
(206) 545-7133



William Arthur
Sierra Club
1516 Melrose Avenue
Seattle, WA 98122
(206) 621-1696



Shawn Cantrell
Friends of the Earth
4512 University Way NE
Seattle, WA 98105
(206) 633-1661

cc: Ron Brown
Katie McGinty



HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

HOWARD "BUCK" MCKEON
CALIFORNIA

7-26-93

Dear Mr. Vice President,

During the Easter recess, I was speaking to a citizens group from Santa Clarita. I told them we had discussed Elmore Canyon, and they asked me to give you this T-shirt.

We're hoping you'll be able to help us save the canyon from being used as a landfill.

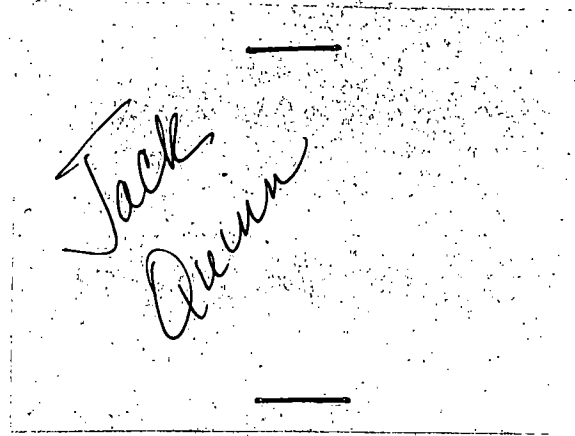
Sincerely,
Buck McKeon

Heather responded



Natural Resources
Defense Council

1350 New York Ave., N.W.
Washington, DC 20005
202 783-7800
Fax 202 783-5917



February 1, 1993

Vice-President Albert Gore, Jr.
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. Vice President:

Attached is a letter signed by the heads of thirteen national environmental and energy policy organizations regarding the important subject of the Clinton Administration's procedures for review and coordination of federal regulatory actions. If your staff wishes to contact me, to coordinate follow-up to our requests, I can be reached at 202-624-9337 or 202-783-7800.

Sincerely,

David G. Hawkins
Senior Attorney
Air & Energy Program Coordinator

DGH/dsf

Enclosure

*Defenders of Wildlife • Environmental Defense Fund • Friends of the Earth
Greenpeace • Izaak Walton League • National Audubon Society
National Parks and Conservation Association
Natural Resources Defense Council • Sierra Club
Sierra Club Legal Defense Fund • The Wilderness Society
Union of Concerned Scientists • USPIRG*

February 1, 1993

Vice-President Albert Gore, Jr.
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. Vice President:

Congratulations. We know you are confronted with a long list of actions requiring your immediate attention. However, we write to urge you to place a high priority on replacing existing Reagan-Bush Executive Orders relating to government regulation with a new program to address this important issue.

Reform of the existing procedures for Administration review and coordination of executive agency actions is a critical need. The Reagan-Bush regulatory review program has violated laws, damaged health and the environment, increased uncertainty for business and for States, and caused many to question the validity of any White House review program. The existing Reagan-Bush Executive Orders must be replaced promptly to ensure that the abuses that occurred under those Orders do not return.

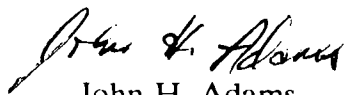
We believe a centralized review and coordination effort can gain the confidence and even support of our community and others but major changes are required to create a program that will serve the President, the public, and regulated interests. We urge you to assist in creating a new program that is --

- * Affirmative in purpose
- * Manageable in scope
- * Conducted without secrecy
- * Carried out without waste and delay
- * Clear in assigning responsibility for decisions
- * In harmony with the spirit and letter of the law
- * Reliant on reason not threats to achieve results.

While we appreciate the demands on your time, we believe neither the country nor the new Administration would be well-served by a continued reliance on the Reagan-Bush Executive Orders to coordinate government actions.

We would welcome the chance to meet briefly with you to discuss the need for immediate action on these Orders.

Sincerely,



John H. Adams
Executive Director
Natural Resources Defense Council



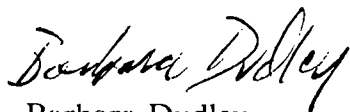
Jane Perkins
President
Friends of the Earth



Peter A. A. Berle
President
National Audubon Society



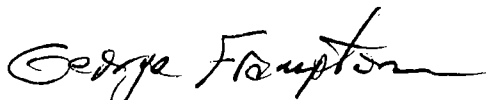
Carl Pope
Executive Director
Sierra Club



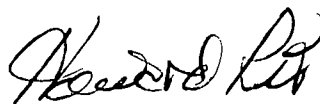
Barbara Dudley
Executive Director
Greenpeace



Paul Pritchard
President
National Parks &
Conservation Association



George T. Frampton, Jr.
President
The Wilderness Society



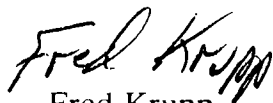
Howard Ris
Executive Director
Union of Concerned Scientists



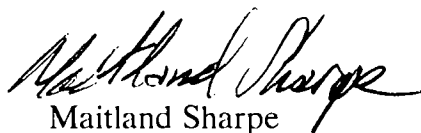
Gene Karpinski
Executive Director
USPIRG



Roger Schlickeisen
Executive Director
Defenders of Wildlife



Fred Krupp
Executive Director
Environmental Defense Fund



Maitland Sharpe
Executive Director
Izaak Walton League



Vawter Parker
Acting Executive Director
Sierra Club Legal Defense Fund



United States Department of State

Bureau of Oceans and International
Environmental and Scientific Affairs

Washington, D.C. 20520

TELEFAX COVER SHEET

DATE: June 25, 93 TIME: _____

NUMBER OF PAGES TO FOLLOW: 1

TO: Ms. Katie McGinty TEL.# 456-6615

OFFICE: White House FAX# 456-2710

FAX FROM: David A. Colson, Deputy Assistant Secretary

TELEPHONE: 202-647-2396 FAX# 202-647-0217

OFFICE: OCEANS AND FISHERIES AFFAIRS

MESSAGE:

Katie -

At this stage, I recommend that you not respond to Fortier's letter of May 28. However, if you wish to do so a draft response is attached.

Dave Colson

cc: Eileen Claussen, NSC
BY FAX: 395-1590

*Ram -
your
suggestion
I would just
go w/ no letter per
Colson's suggestion,
but hold this for
future.
Ram*

Ambassador L. Yves Fortier, C.C. Q.C.
President & Senior Partner
Ogilvy Renault
1981 McGill College Avenue
12th Floor
Montreal, Canada
H3A 3C1

Dear Ambassador Fortier:

Thank you for your letter of May 28, 1993.

I was disappointed to learn that the early June government to government meeting was unable to reach an agreement for 1993, but I now understand that the difficulties have been overcome and an agreement is in place.

It is important for both of our countries to remain focussed on the need to conserve the West Coast salmon resource and to acknowledge that this objective can only be met through international cooperation.

Sincerely,

Katie McGinty

cc: Ambassador John G. D. de Chastelain



OGILVY RENAULT

BARRISTERS AND SOLICITORS

MONTREAL

OGILVY RENAULT
1981 MCGILL COLLEGE AVENUE
MONTREAL, QUEBEC, CANADA H3A 3C1
TELEPHONE (514) 847-4747
FAX (514) 286-5474

OTTAWA

OGILVY RENAULT
50 O'CONNOR STREET, SUITE 1015
OTTAWA, ONTARIO, CANADA K1P 6L2
TELEPHONE (613) 230-8661
FAX (613) 230-5459

QUEBEC

OGILVY RENAULT
500 GRANDE-ALLÉE EST, SUITE 520,
QUEBEC, QUEBEC, CANADA G1R 2J7
TELEPHONE (418) 640-5000
FAX (418) 640-1500

DIRECT DIAL

(514) 847-4463

Montreal, May 28, 1993

Ms. Katie McGinty
Deputy Assistant to the President, and
Director, Office on Environmental Policy
The White House

Dear Ms. McGinty:

Subject: Pacific Salmon Treaty Negotiations

I am writing to thank you for meeting with me last March to discuss the Canada-United States Pacific Salmon Treaty negotiations. As you will recall, I expressed concern at the time about the lack of progress in those negotiations and sought your support in persuading the United States delegation to come forward with a more unified and reasonable position.

Subsequent negotiations between Canadian and American delegations, as well as informal contacts between Ambassador David Colson and myself, unfortunately have not resulted in substantial progress. In order to bring the United States back to the table following the failure of the Third (and final) Round of scheduled PSC negotiations in Bellevue, Washington, Canada accepted the U.S. suggestion to defer for the time being many crucial questions and to focus instead on a 1993-only arrangement. Bilateral meetings in Vancouver from April 13-16 failed to result in even the limited 1993-only agreement being contemplated and on

OGILVY RENAULT
MONTREAL OTTAWA QUEBEC

OSLER RENAULT LADNER
LONDON PARIS HONG KONG NEW YORK

SWABEY OGILVY RENAULT
MONTREAL OTTAWA

OSLER RENAULT LADNER IS AN INTERNATIONAL PARTNERSHIP OF OGILVY RENAULT, OSLER, HOSKIN & HARCOURT AND LADNER DOWNS
SWABEY OGILVY RENAULT : PATENT AND TRADE-MARK AGENTS

April 30, 1993, after several informal attempts to bridge the gap between our respective positions, Ambassador Colson informed Canada that the United States delegation had reached an impasse and that further progress was not possible.

Canada was not, and is not, yet prepared to accept a failure to reach agreement, which can only have a destabilizing effect on both Canadian and American fisheries and resources in 1993 and beyond. Canada has therefore decided to request the United States federal government to engage in direct government-to-government negotiations on a one-year arrangement for 1993. To this end, Canada's Secretary of State for External Affairs wrote to and met with the U.S. Secretary of State, and the Canadian Minister of Fisheries and Oceans, Mr. John Crosbie, travelled to Washington, D.C. on May 17 and 18, 1993 to seek support for a government-negotiated settlement.

Toward the end of Minister Crosbie's visit to Washington, our respective Governments agreed to conduct informal negotiations at the government-to-government level, with a view to developing an arrangement for 1993.

As I mentioned to you when we met, and as Minister Crosbie reiterated during his visit to Washington, Canada is prepared to help the United States address its conservation problems with respect to Washington State salmon stocks. In response to U.S. concerns, we have offered to reduce our catch of coho off the west coast of Vancouver Island by up to 200,000 fish in the context of a 1993 arrangement; this would mean significant additional returns to U.S. rivers as well as increased harvests for U.S. fishermen. Unfortunately, unrealistic demands for increased access to Fraser River sockeye by some elements within the United States delegation and the inability of the U.S. delegation to respond formally to Canada's numerous proposals on issues of concern have made it impossible to conclude an agreement.

Canada is indeed encouraged by the Administration's agreement to pursue informal negotiations. For such discussions to be successful, however, both sides must come to the table prepared to be flexible in seeking solutions to the specific issues which must be resolved prior to the 1993 season. I believe that it is still possible for Canada and the United States to reach an agreement in 1993 that is in the best interest of Canadian and American fishermen and that will set a positive tone for future negotiations - provided that we are serious in our efforts to seek common ground.

I would therefore ask once again for your support, to ensure, and to urge the Administration to ensure, that the United States delegation to any further talks is equipped with the necessary instructions and has the willingness to explore all options so that an agreement can be reached in 1993. At this stage, I believe that the two sides should meet only if they are prepared to continue to negotiate - and negotiation implies compromise. I can assure you that Canada remains prepared to negotiate seriously.

On behalf of the Government of Canada and all those who have an interest in the health of west coast salmon stocks, I would like to thank you for your attention to this important issue.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Yves Fortier', with a stylized flourish at the end.

L. Yves Fortier, C.C., Q.C.

LYF/sd

ROBERT F. (BOB) SMITH
2nd District
Oregon



COMMITTEE ON AGRICULTURE
SUBCOMMITTEES
Department Operations and Nutrition
RANKING MEMBER
General Farm Commodities
Livestock

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES

April 30, 1993

COMMITTEE ON
NATURAL RESOURCES
SUBCOMMITTEES
Oversight and Investigations
RANKING MEMBER
National Parks, Forests,
and Public Lands

Ms. Katie McGinty
Director
Office of Environmental Policy
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

*Katie
I just rec'd a copy of
this today from
an unknown
source.
Letter rec'd
includes no
response to
be sent.
Your
thoughts?
Ayesha*

Dear Ms. McGinty:

I appreciate the opportunity to give my perspective on elements that should be included in President Clinton's resolution of the timber supply crisis in the Pacific Northwest.

As I discussed in detail with Secretary Babbitt at the State Capitol in Salem, nearly 80% of the federal forest land in the Pacific Northwest is protected and off-limits to timber production.

Accordingly, I have long been critical of proposals that will draw lines around 6-10 million acres of forest land and permanently withdraw all but 5% of the federal timber base in the Pacific Northwest. Instead, I support forestry practices that will manage the ecosystem over the entire landscape, rather than the traditional manner of withdrawing acres for owls, marbled murrelets and salmon.

Moreover, I am concerned about speculation that the protection levels provided in the Administration's solution will closely resemble the Scientific Analysis Team's report or option 10-A of the Gang of Four report. The Allowable Sale Quantity allowed in these two strategies is unacceptable to the timber communities in the Pacific Northwest.

For the Bureau of Land Management, this represents a 60% reduction in the ASQ in their draft 10-year Resource Management Plan, and an 80% reduction from historical levels. Clearly, the timber economy in southwestern Oregon cannot withstand the precipitous reduction without severe economic dislocation.

The Administration's decision to explore the establishment of old-growth reserves on the eastside of the Cascade crest is of particular interest to my constituents. While most of the protected old-growth westside ecosystems are in a relatively stable condition, the vulnerable ecosystems on the eastside are in a highly unstable and deteriorating state because of damage caused by fire, insects and diseases.

WASHINGTON OFFICE:
108 Cannon Building
Washington, D.C. 20515
(202) 225-6730

BURNS OFFICE:
771 Ponderosa Village
Burns, Oregon 97720

MEDFORD OFFICE:
259 Barnett Road, Suite E
Medford, Oregon 97501
(503) 776-4646
Toll Free: 1-800-533-3303

Ms. Katie McGinty
April 30, 1993
Page Two

During the debate on this issue in the 102nd Congress, I wrote the Forest Service about their position on an eastside old-growth reserve system. In his April 1992 response, Chief Robertson wrote, "We do not support the establishment of old-growth reserves through legislation similar to the options presented by the so-called Gang of Four."

Chief Robertson went on to add that "Given the history of eastside forests, the most likely scenario that we envision is that such forest reserves would incur a great deal of pest-caused mortality and that the dead trees would provide fuel for future catastrophic wild fires."

The Chief concluded the letter by stating, "Unlike the westside, the exclusion of timber harvest will have major adverse impacts in restoring and maintaining the health of the affected ecosystems on the eastside." I have enclosed a copy of this letter for your review.

As you know, the land management options presented by the Gang of Four were based on an eastside ASQ of approximately 850 million board feet (mbf). However, the National Forests in the Blue Mountains have sold only 161 mbf this year (19% of their target), primarily because of appeals or delays due to consultation with the National Marine Fisheries Service. I urge the Administration to take steps to accelerate this harvest activity.

Any resolution to this crisis needs to include legal sufficiency, similar to legislative language in the Federal Lands and Families Protection Act (HR 2463, S.1156) that was considered in the 102nd Congress. The current injunctions have not been based on the merits of protection provided by the land management agencies for the owl. On the contrary, they have been based on failures in agency procedures.

No one who follows these issues believes the preservationists will cease looking for procedural problems to tie up the federal timber program in the Northwest, or that the courts will stop enjoining agency activities until all the perceived procedural problems are remedied. Accordingly, I cannot support any proposal that does not provide some legal certainty for the Northwest's timber economy.

Thank you again for the opportunity to add my perspective to this extremely important issue. Please let me know if I can provide you with any additional information.

Very truly yours,


ROBERT F. (BOB) SMITH
Member of Congress



United States
Department of
Agriculture

Forest
Service

Washington
Office

14th & Independence SW
P.O. Box 96090
Washington, DC 20090-6090

Reply To: 2420

Date:

Honorable Robert F. (Bob) Smith
118 Cannon House Office Building
Washington, DC 20515

Dear Congressman Smith:

Thank you for your letter of April 20 regarding the establishment of old-growth forest reserves on the National Forests on the eastside of the Cascade Range crest in California, Oregon, and Washington. Our responses to your six questions are in the order they were posed as follows:

We do not support the designation and establishment of old-growth reserves through legislation similar to the options presented by the so-called Gang of Four. We believe the land and resource management planning process is the appropriate and best way to identify and establish any such reserves because involvement of a broad spectrum of public views and interests is a significant part of the decision-making process. Further, the process provides future flexibility for management to respond to changing public needs and the dynamics of forest succession or dramatic changes in forest health, as evidenced by the situation on the eastside, through forest plan amendments or revisions.

Our research on the eastside is directed toward a better understanding of the current situation and the dynamics and unique characteristics of the forests. Several studies relate directly to future management strategies for ponderosa pine and mixed conifers based upon their species composition; susceptibility to drought, insects and fire; productivity; stability and other characteristics which make them very different from westside forests. The Blue Mountains Natural Resources Institute, in cooperation with over 70 partners and the Pacific Northwest Forest and Range Experiment Station, is planning and initiating research to address the questions of sustainability, old growth, forest health and related issues. We are not doing any forest or region-wide assessments at this time that would lead to a set of Gang of Four-type alternatives for the eastside. Such an endeavor is more difficult due to less information and the complexity of the eastside ecosystems.



The old-growth inventory is scheduled for completion on all eastside National Forests by mid-1994. However, we cannot wait until then to address the forest health situation and the implications relative to the establishment of old-growth reserves. In this regard, a task group comprised of various disciplines has been established to conduct a study and prepare a report by July on the influence of insects and disease and the social and economic implications of the forest health situation in the Blue Mountains in eastern Oregon. It is expected that some of their conclusions and recommendations will have application to other areas on the eastside. This study, coupled with forest plan monitoring and other ongoing efforts, will provide information relatively soon for consideration in determining necessary courses of action to manage old-growth and other forests and the need to change forest plans.

The effects of legislation on our ability to rehabilitate the forest ecosystem would depend on the management direction prescribed for the old-growth reserves. If, for example, no management activities such as timber harvesting or prescribed burning are permitted, our rehabilitation efforts would be severely hampered. Further, the likelihood of wildfire and the spread of insect and disease infestations on the National Forests as well as to other ownerships would be greatly increased. Significant adverse impacts on the basic soil, water and vegetative components of the ecosystem, along with attendant values such as wildlife and fisheries habitat, aesthetics, biodiversity and threatened or endangered flora and fauna, can be expected. Consequently, the current forest health situation would be exacerbated on all forest ownerships on the eastside.

The exclusion of silvicultural treatments and other pest prevention activities from an old-growth reserve system would make the control of insect and disease problems extremely difficult. Restrictions on the use of prevention programs that rely on techniques such as timber harvesting, planting of pest resistant stock and use of prescribed fire would mean that only short-term protection tactics could be used. Because much of the eastside forests are in such poor health and under regular attack by native forest pests, frequent suppression programs would be needed to provide even limited protection. These programs are costly and their constant use might prove to be economically inefficient and environmentally unacceptable without any prospect of restoration of long-term health. Given the history of eastside forests, the most likely scenario that we envision is that such forest reserves would incur a great deal of pest-caused mortality and that the dead trees would provide fuel for future catastrophic wild fires.

Honorable Robert F. (Bob) Smith

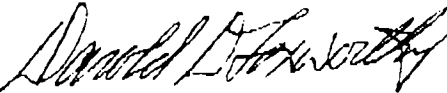
3

The reserve system contemplated on the westside forests, as represented by the Gang of Four alternatives, prohibits the commercial harvest of timber but allows such activities as prescribed burning. The extension of such a restriction on timber harvest to eastside forests would have very different consequences due to the forest health situation. Whereas most of the protected westside old-growth forest ecosystems are in a relatively healthy and stable condition and can reasonably be expected to remain so for long into the future, the more complex and vulnerable ecosystems on the eastside are either in a highly unstable and deteriorating state or at high risk for becoming so in the near future.

Unlike the westside, the exclusion of timber harvest will have major adverse impacts as discussed previously in restoring and maintaining the health of the affected ecosystems on the eastside.

We appreciate the opportunity to present our views regarding potential legislation.

Sincerely,



for
F. DALE ROBERTSON
Chief

DBE

Trey

October 5, 1993

The Honorable Sam Farr
U.S. House of Representatives
Washington, D.C. 20515

OK - (might) be good
to ask will one day
as he walks by
if he knows
this guy.
(if really good
or bad)
BS

Dear Congressman Farr:

Thank you for your recent letter regarding the appointment of Mr. William Kier to Assistant Administrator for Fisheries at the National Oceanic and Atmospheric Administration (NOAA). It was good to hear from you.

As you know, the preservation of our environment continues to be one of this Administration's highest priorities. I certainly appreciate learning your thoughts about Mr. Kier's past work for the State of California, as well as his current efforts on fisheries management and restoration planning issues. I have forwarded a copy of your letter to Dr. James Baker for his review as well.

Again, thank you for sharing your views with me.

Sincerely,

Rollie
Schmitter

Kathleen A. McGinty
Director, White House Office on
Environmental Policy

KAM/avl

Trey

The appointment
has already been
made to another person
so this response is NOT accurate.
Will

DISTRICT OFFICES
380 ALVARADO STREET
MONTEREY, CA 93940
(408) 649-3555
100 WEST ALISAL
SALINAS, CA 93901
(408) 424-2229
701 OCEAN STREET
ROOM 318
SANTA CRUZ, CA 95060
(408) 429-1976

SAM FARR

17TH DISTRICT, CALIFORNIA

COMMITTEE ON AGRICULTURE

SUBCOMMITTEES

ENVIRONMENT, CREDIT, AND RURAL DEVELOPMENT
SPECIALTY CROPS AND NATURAL RESOURCES
DEPARTMENT OPERATIONS AND NUTRITION

COMMITTEE ON ARMED SERVICES

SUBCOMMITTEE

MILITARY FORCES AND PERSONNEL

COMMITTEE ON NATURAL RESOURCES

SUBCOMMITTEE

ENERGY AND MINERAL RESOURCES

Congress of the United States
House of Representatives
Washington, DC 20515-0517

September 17, 1993

Ms. Kathleen A. McGinty
Deputy Assistant to the President and
Director of the White House Office on Environmental Policy
The White House
Washington, DC 20500

Dear Ms. McGinty:

I understand that Mr. William M. Kier is under consideration for appointment as Assistant Administrator for Fisheries at NOAA. Mr. Kier is well qualified for the post and I hope you will give him your fullest review.

I have known Bill Kier for many years -- both professionally and personally. I have found him to be expert in the field of fishery management plans and conservation issues. Over his career, he has served the California government with distinction, advising the Department of Fish and Game, the Resources Agency of California and the California Legislature on matters pertaining to fishery biology. He is well known for his command of the issue but also for his ability to integrate the needs of fishery management and planning with other natural resource needs.

Currently, Mr. Kier operates his own firm that specializes in fisheries management and restoration planning. He holds degrees in zoology, ecology and chemistry and is well-published in those fields.

Mr. Kier is a superb candidate for the post of Assistant Administrator for Fisheries at NOAA. I hope you will give his candidacy the attention it deserves.

Sincerely,



Sam Farr
Member of Congress

SF/rsd