

# FOIA MARKER

**This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.**

---

**Collection/Record Group:** Clinton Presidential Records  
**Subgroup/Office of Origin:** WH Task Force on Climate Change  
**Series/Staff Member:** Roger Ballentine; Paul Bledsoe; Julie Anderson  
**Subseries:**

---

**OA/ID Number:** 41300  
**FolderID:**

---

**Folder Title:**  
COP5 [Conference of the Parties 5] Statements/Transcripts

---

Stack:	Row:	Section:	Shelf:	Position:
S	100	3	10	1

U.S. DELEGATION TO THE  
FIFTH SESSION OF THE CONFERENCE OF THE PARTIES  
TO THE U.N. FRAMEWORK CONVENTION ON CLIMATE CHANGE  
(BONN, GERMANY)

---

FOR IMMEDIATE RELEASE

November 4, 1999

Statement of Frank E. Loy  
U.S. Under Secretary of State for Global Affairs

Fifth Session of the Conference of the Parties to the  
UN Framework Convention on Climate Change  
Bonn, Germany  
November 4, 1999

Our goal here in Bonn was to achieve steady progress toward completing the work begun by our nations two years ago in Kyoto – to continue building a truly global, cost-effective agreement that protects future generations from the grave risks of global warming.

In the view of the United States, this Conference has met that goal. We have made significant progress across the full spectrum of substantive issues, from emissions trading to sinks to compliance. We have seen continued forward momentum on developing country efforts. And, perhaps most critically, we have resolved to redouble our efforts between now and next year's Conference in The Hague. In short, we have charted a course for the critical year ahead, and have together demonstrated the kind of political will necessary to resolve the major issues before us.

The Kyoto Protocol provides a blueprint for global efforts to meet this profound global challenge. Last year in Buenos Aires, the Parties committed to a two-year action plan to turn the broad concepts of Kyoto into working realities. Here, we began the hard substantive job of actually assembling the very nuts and bolts. We leave Bonn with a mandate to negotiate text that will refine these elements and weave them into an environmentally strong and economically sound agreement. This is absolutely critical. Without these building blocks, we can not get from Kyoto to a fully operational, ratifiable Kyoto treaty.

While progress was made on all the substantive issues before this Conference, the United States is particularly gratified by the growing recognition that the issue of cost-effectiveness must be squarely addressed. Parties that previously were unfamiliar with emissions trading, or dismissed it outright, are coming to understand how it can ensure that we achieve the most environmental gain for every dollar, euro, or yen invested.

What's more, for first time, the broad outlines of an effective international emissions trading system have begun to take shape. There is agreement on what the essential elements must be – strong systems for monitoring and reporting emissions; a common unit for emissions trades; an airtight global accounting system; full private sector participation; and, perhaps most critically, a strong, effective system to ensure compliance.

Over the coming year, we must move toward full agreement on the shape each of these

components will take. And we must reject efforts to impose artificial caps on this emerging trading system. We can only mobilize the capital, ingenuity, and entrepreneurial drive needed to meet our ambitious targets by putting the power of the marketplace to work for the environment. Restraining the market will not only drive up the cost, but heighten the risk to our environment.

We saw progress in Bonn on developing country efforts as well. We applaud Argentina's leadership in becoming the first developing country to announce a binding emissions target. Argentina's action reflects a genuine commitment to participate meaningfully in the international effort to meet this global challenge. And it illustrates how a developing country can fashion a target that benefits the environment while contributing to its sustainable development. We must take up the challenge laid before us by Argentina and develop a process for international acceptance of its target as soon as possible. And we must create what Minister Alsogaray called "a bridge to the Convention" for Argentina and other developing countries that voluntarily adopt appropriate targets so that they may benefit from all the Kyoto mechanisms. We applaud as well Kazakhstan's formal request for inclusion in Annex I and call on the Conference to accept it.

More broadly, we are encouraged by the signs that many other developing countries are taking real measures to address this global challenge. Many made impressive presentations on the concrete domestic actions they are taking to limit greenhouse gas emissions. And, in our negotiations, many developing countries voiced genuine enthusiasm for the Clean Development Mechanism, and participated very constructively in the efforts to forge agreement on other mechanisms, sinks, compliance, and other key issues.

The United States has called for a new dialogue to build on these successes by exploring, at a high level, the full range of market-oriented strategies that can create sustainable development opportunities for developing countries that voluntarily reduce their emissions. In conversations with developing country delegates over the past few days, this approach struck a responsive chord, and we will work in the coming months with other developing country partners to further this important dialogue. With creativity and determination, we can help our partners in the developing world avoid the pitfalls of the past century, and move beyond the outdated notion that pollution is the inexorable product of economic growth.

Finally, we have charted a course for the critical months ahead that considerably raises the prospects for success when we convene next year in the Hague. Specifically, the Parties agreed to more than double the time devoted to negotiations between now and the Hague conference. We will hold two inter-sessional meetings over the next year, one in June and one in October, as well as a series of technical workshops. In addition, the Parties have invested the President of the COP with the authority to take all necessary steps to intensify the negotiating process. Completing the Buenos Aires action plan will still be an extraordinary challenge. That is one of the reasons the United States had preferred to hold COP-6 in early 2001. But, with no consensus for a later date, we are pleased that the Parties joined us in ensuring a focused, accelerated negotiating process over the coming year.

Between now and COP-6, the United States will continue to strengthen its efforts at home to meet the challenge of global warming. And we will continue working with other nations to address the critical issue of cost-effectiveness, and to achieve meaningful participation by key developing countries, so that the Kyoto Protocol can be ratified and enter into force at the earliest possible date.

Two years ago, when our nations assembled in Kyoto, there was until the very final moments of negotiation no certainty at all that agreement would be reached. Fortunately, as the last long night of negotiation gave way to dawn, the remaining differences were bridged. And there emerged an accord that, if we remain steady in our resolve, may well prove one of history's most profound.

Our time in Bonn has not produced such moments of high drama, and the progress we have achieved here is not as easily measured. But the task before us has been no less important. For now we must turn the Kyoto Protocol into a working reality – build on its foundation a concrete agreement that effectively mobilizes our will, our energies, and our resources against the grave risks of global warming.

In short, we are on the right track towards finishing the important work begun in Kyoto – but we must keep going. Today, November 4, is the birthday of the American humorist Will Rogers. Will Rogers once said that "even if you're on the right track, you'll get run over if you just sit there." The world cannot "just sit there" as the planet warms. We must act with determination and resolve. And as we address the very complex and sometimes contentious issues at hand, we all must move forward in good faith, drawing deeply on what Abraham Lincoln called the "better angels of our nature." The United States looks forward to doing so in the year to come.

###

**HOME**

U.S. Department of State  
Bureau of Oceans and  
International Environmental and Scientific Affairs



## Climate Change

---

### The Fifth Session of the UNFCCC Conference of the Parties (COP-5) Bonn, Germany, October 25 - November 5, 1999

The Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC) will hold its fifth session in Bonn, Germany, October 25-November 5, 1999. The parties last met in Buenos Aires, Argentina, in 1998. The U.S. Embassy in Bonn, Germany, is hosting the U.S. Government's official site for the conference:

[The United States of America at COP-5](#)

### Highlight

"The Kyoto Protocol provided a blueprint for global efforts, and we leave Bonn with a mandate to negotiate a text that will refine these elements and weave them into an environmentally sound agreement. ... Between now and COP-6 we intend to intensify our own efforts at home to meet the challenge of global warming. We are going to continue to work with other countries to address the issues of cost-effectiveness and to achieve meaningful participation by key developing countries. These are not new ideas but I think they were given a boost at this Conference and we are going to continue to address them." --Nov. 4 Press Briefing

### Remarks

- 11/04/99: Press Briefing by Under Secretary Loy, Mr. Sandalow, and Ambassador Hambley
- 11/04/99: Closing Statement by Under Secretary Loy
- 11/03/99: Press Briefing by Under Secretary Loy and Mr. Ballentine
- 11/03/99: Remarks by Under Secretary Loy
- 11/02/99: Press Briefing by Under Secretary Loy, Mr. Ballentine, Mr. Sandalow, and Ambassador Hambley
- 11/02/99: Opening Statement by Under Secretary Loy
- 10/29/99: Press Briefing by Ambassador Hambley
- 10/27/99: U.S. Statement on Bunker Fuels
- 10/27/99: Press Briefing by Ambassador Hambley, Mr. Seabright, and Mr. Hales
- 10/27/99: U.S. Statement on Proposal to Remove Turkey from Annexes I and II
- 10/27/99: U.S. Statement on the Amendment Proposed by Kazakhstan: To add its name to the list in Annex I
- 10/27/99: U.S. Statement on "Impact of Single Projects on Emissions in the Commitment Period"
- 10/27/99: U.S. Intervention on "Best Practice" in Policies and Measures

- [10/27/99: U.S. Statement on Arrangements for Intergovernmental Meetings: Timing of COP-6](#)
- [10/26/99: Press Announcement by the U.S. Initiative on Joint Implementation](#)
- [10/26/99: U.S. Statement on Mechanisms Pursuant to Articles 6, 12, and 17 of the Kyoto Protocol](#)
- [10/26/99: U.S. Statement on Activities Implemented Jointly](#)
- [10/26/99: U.S. Statement on Capacity Building](#)
- [10/26/99: U.S. Statement on Articles 4.8 and 4.9](#)
- [10/26/99: Press Statement on Climate Change Conference](#)
- [10/26/99: Press Briefing by Ambassador Hambley and Mr. Seabright](#)
- [10/25/99: U.S. Statement on the Guidelines for Inventory Review](#)
- [10/25/99: U.S. Statement on Non-Annex I Communications](#)
- [10/25/99: U.S. Statement on Articles 5, 7 and 8](#)
- [10/25/99: Press Briefing by Ambassador Hambley and Mr. Seabright](#)

## Fact Sheets

- [10/99: President Clinton & Vice President Gore Speak Out On Climate Change](#)
- [10/99: New Climate Science Findings](#)
- [10/99: The U.S. View on the Kyoto Protocol](#)
- [10/99: The U.S. View on Compliance and the Kyoto Protocol](#)
- [10/99: The U.S. View on The Clean Development Mechanism](#)
- [10/99: The U.S. View on Land Use Change Issues](#)
- [10/99: The U.S. View on International Emissions Trading](#)
- [10/99: The U.S. View on Greenhouse Gas Emissions Trading: A Country's- and Company's-Eye View](#)
- [10/99: U.S. Government Activities: Technology Cooperation & Climate Change](#)
- [11/99: Biography of David B. Sandalow](#)
- [10/99: Biography of Mark G. Hambley](#)
- [10/99: Biography of Frank E. Loy](#)

## Related Sites

- [United Nations Framework Convention on Climate Change site for COP-5](#)
- [White House Initiative on Global Climate Change](#)

[End of Document]

---

|| [Issue Spotlight: Climate Change](#) |  
[Oceans and International Environmental and Scientific Affairs](#) |  
[U.S. Department of State](#) | [Disclaimers](#) ||

UNCLASSIFIED

TO: The Secretary

FROM: G - Under Secretary Loy

SUBJECT: Fifth Conference of the Parties (COP-5) of the  
U.N. Framework Convention on Climate Change  
(UNFCCC) a Success

I am pleased to report a positive outcome to last week's climate meeting in Bonn. As you know, COP-5 was an important intermediate step in the hard task of finalizing the implementation framework for the Kyoto Protocol at COP-6 next year. While this COP did not address most of the most difficult issues that divide countries (in particular the EU proposal to "cap" the Kyoto Mechanisms), it was critical that we come away from the meeting with a clear sense of the path to COP-6.

We achieved this, with the COP agreeing on a greatly stepped-up schedule of technical and high-level meetings. As expected, we did not prevail in setting the date of the COP for spring 2001, instead settling for November 13-24 of next year. Nonetheless, strong U.S. support for an intensified process helped send the message to other delegations and our NGOs that the Administration is serious about the Kyoto process, even though we are told that many in both camps remain skeptical.

We found more convergence than expected on many of the substantive elements of the package that will need to be finalized for COP-6. By staying away from the larger political issues, we were able to make substantial progress on such key technical areas as the Kyoto mechanisms, sinks, and compliance.

We were also encouraged by the growing willingness among many G-77 countries to break with the OPEC bloc, which had generally dominated G-77 positions prior to this meeting. As expected, the Saudis sought to block progress at every turn, but were largely unsuccessful in driving the G-77 agenda. We expect that they will continue to be a major obstacle in future meetings, however.

Our efforts to secure greater developing country participation under the Kyoto Protocol continue, although the outlook for broad developing country participation in the near term is not promising. As expected, Argentina announced its desire to take on an emissions mitigation target that appears to be based on sound economic analysis. Kazakhstan proposed an amendment that would allow it to take on developed country obligations. Although the amendment did not find consensus, many countries expressed recognition of Kazakhstan's right to take on greater obligations, and the Kazaks will pursue their intention take on such obligations over the next year. In the U.S. statement on the way forward, we proposed a dialogue on developing country participation, which we expect to pursue over the coming months.

Press coverage in the U.S. was light, but the COP received extensive play in Europe. Coverage largely reflected official EU views, with a good deal of focus on the U.S. support for unrestricted mechanisms as "loopholes" for domestic action. Coverage also addressed the question of whether the U.S. would ever ratify the Protocol, particularly in light of the Comprehensive Test Ban Treaty vote. The delegation spent a good deal of time working to counter this impression.

The COP-5 outcome leaves us with an exceedingly ambitious schedule for next year which will have implications for both personnel and budget. In addition to numerous technical meetings, we expect that there will need to be a number of high-level interactions in order to keep the process on track and help us come to consensus at COP-6. The outlook is as good as it could be, but this issue will be a significant challenge for G and OES to cover during the coming year.

## Greening of the White House Report & ENERGY STAR Promotion Ideas

Here are several ideas for actions the White House could take to promote the “Greening of the White House” Report. These are all still feasible in the late November time frame, although some would need to be committed to in the very near future so that we could work with the ENERGY STAR Partners to get maximum exposure for the campaign.

Some of these activities could be complimentary, but the more activities chosen, the greater the complication in terms of execution.

### **White House Tour**

The President could give a guided tour of the White House, explaining what’s been done, how much it has saved the taxpayers, and highlighting the fact that these actions are easy for citizens to take if they look for the ENERGY STAR label. He could also talk about the number of retailers and manufacturers involved in the Program. The White House may want to go for a harder (e.g., *World News Tonight*) or softer (e.g., *Today*) angle, but the idea could work for either. The news shows could also be provided with information on the website address for consumer follow-up.

The only potential problem with this idea is that there won’t be a lot of obvious visuals that consumers can connect with. The CFLs are great, but the types of bigger consumer products that ENERGY STAR represents (washers, dishwashers, refrigerators) won’t be seen on the tour. Depending on the layout of the West and East Wings of the White House, there may be some possibility that the President could talk about some of the office equipment (computers, monitors, copiers) and/or consumer electronics (TVs, mostly) that are ENERGY STAR compliant. Other than these examples, the other products the White House replaced (central air conditioners, windows) are not ENERGY STAR qualified in the commercial sector. Engaging in the “cross walk” to let consumers know these products are ENERGY STAR-labeled for home use might be somewhat difficult.

### **Web Site Chat or News Item**

A second option would be some combination of an on-line web chat or publicity through one of the popular web portals (AOL) or search engines (Yahoo). Under this plan, the Pres or VP would get on-line and answer screened questions from a selected audience on how the “greening” was done, how much ENERGY STAR and other efficient equipment is saving taxpayers, and what people can do in their own homes, etc. These chats are done all the time and it’s pretty easy to screen out some of the less relevant/friendly questions you get once in a while. I know that Secretary Albright hosted one of these for the Globe Project.

Another option is that we just pitch this to AOL or other service as a “News You Can Use

Angle.” People would be given the option of using hot links to get information on the ENERGY STAR website and/or partner lists. It also provides the advantage to AOL that they could approach ENERGY STAR partners to see if they want to run ads next to the stories to give their take on the story. It would also be another forum to show people that there’s a common-sense way to attack global warming, etc.

In either guise, these could be pulled off relatively easily and quickly. There may be some hesitation in the White House to suggest this to the President because of the time commitment. However, properly structured, I do not think this would take more of the President’s time than would the tour suggested above. Even so, this is a bit less “controlled” of a medium, and that may make some of the White House press folks a bit nervous.

### **News Magazine Article**

A third option is that we approach one of the major media magazines, such as Newsweek or Time with the story (Business Week might also be good, since I know they have been warming to the idea for some time). The timing’s pretty tight for late November, but if we pitch the same general, common-sense “do good for yourself and the planet” angle, they may bite. The other advantage is that the magazines can easily run side boxes with the ENERGY STAR web address.

The benefits for these magazines are several – they run a story with some policy/issue importance, but it’s also a very practical story for their readers. They can also use the story as a vehicle to solicit advertising from participating manufacturers, which, for obvious reasons, they find very attractive.

The question here is how we would structure the involvement from the President’s office. Would it take the form of an interview, or would it just be a general story from the Press Office? Either way could work very well. However, time would be VERY tight on this option for a late November run and there would need to be immediate action on this if we are to establish a good home for the story and allow them to do the advertising push as well.

### **Partner Involvement**

There would likely be a number of partners that would be quite interested in working with us or doing promotions around this campaign. They include:

*Retailers: Sears, Home Depot, Circuit City*

*Appliance Manufacturers: Maytag, Whirlpool, Frigidaire*

*Air Conditioner Manufacturers: Trane, Carrier, Lennox*

*Electronics Manufacturers: Panasonic, Sony, Sharp,*

*Computer/Office Equipment Manufacturers: Toshiba, Hewlett-Packard, Xerox*

*Window Manufacturers: Andersen*

THE WHITE HOUSE  
WASHINGTON

April 16, 1999

Dear Interested Party:

As Earth Day approaches and environmental issues take center stage, I wanted to take the opportunity to share some information with you about the President's global climate change policy.

Today, a broad consensus of scientific opinion tells us that the problems of climate change are real and that the consequences we face are too serious to ignore. While more research needs to be done to better understand our climate system, the rationale for taking action to address climate change is clear.

The President has put forward an approach that is environmentally and economically sound. On the diplomatic front, the United States has led the international community in developing a treaty—the Kyoto Protocol—that is fundamentally market-based. The Protocol combines strong environmental targets with flexible market mechanisms, ensuring that we get the most environmental benefit at the lowest economic cost. While significant progress has been made to produce a workable climate treaty, more work needs to be done both to develop the market mechanisms in the Protocol and to secure more meaningful participation by key developing countries.

Domestically, we are undertaking an aggressive approach to spur the development of technology to help solve the problem of climate change. The President's plan emphasizes "win-win" initiatives designed to increase energy efficiency, reducing greenhouse gas emissions and cutting consumers' energy bills, and to increase the use of renewable energy technologies. In addition, as we move towards 2008—the beginning of the first commitment period under the Kyoto Protocol—the President's plan calls for a domestic cap and trade program.

I have enclosed a variety of materials to provide more information about the President's plan for addressing climate change. The 4-page overview, entitled "Meeting the Challenge of Climate Change," is the best place to start. I have also enclosed our State of Knowledge brochure on climate science, accompanied by an update of new scientific findings, and fact sheets on:

- FY 2000 Budget Request
- Industry Actions
- U.S. Domestic Climate Change Programs
- Administration's Economic Analysis
- 1998 UN Climate Conference in Buenos Aires
- Carbon Sequestration and Agriculture

I hope that these materials will be of interest to you. If you have any questions, please call Martha Wofford on my staff at (202) 395-2310.

Sincerely,

A handwritten signature in black ink, appearing to read 'Todd D. Stern', with a long horizontal flourish extending to the right.

Todd D. Stern  
Assistant to the President

**Statement of Frank E. Loy**  
**U.S. Under Secretary of State for Global Affairs**  
**Fifth Session of the Conference of the Parties to the**  
**UN Framework Convention on Climate Change**  
**Bonn, Germany**  
**November 4, 1999**

Our goal here in Bonn was to achieve steady progress toward completing the work begun by our nations two years ago in Kyoto – to continue building a truly global, cost-effective agreement that protects future generations from the grave risks of global warming.

In the view of the United States, this Conference has met that goal. We have made significant progress across the full spectrum of substantive issues, from emissions trading to sinks to compliance. We have seen continued forward momentum on developing country efforts. And, perhaps most critically, we have resolved to redouble our efforts between now and next year's Conference in The Hague. In short, we have charted a course for the critical year ahead, and have together demonstrated the kind of political will necessary to resolve the major issues before us.

The Kyoto Protocol provides a blueprint for global efforts to meet this profound global challenge. Last year in Buenos Aires, the Parties committed to a two-year action plan to turn the broad concepts of Kyoto into working realities. Here, we began the hard substantive job of actually assembling the very nuts and bolts. We leave Bonn with a mandate to negotiate text that will refine these elements and weave them into an environmentally strong and economically sound agreement. This is absolutely critical. Without these building blocks, we can not get from Kyoto to a fully operational, ratifiable Kyoto treaty.

While progress was made on all the substantive issues before this Conference, the United States is particularly gratified by the growing recognition that the issue of cost-effectiveness must be squarely addressed. Parties that previously were unfamiliar with emissions trading, or dismissed it outright, are coming to understand how it can ensure that we achieve the most environmental gain for every dollar, euro, or yen invested.

What's more, for first time, the broad outlines of an effective international emissions trading system have begun to take shape. There is agreement on what the essential elements must be – strong systems for monitoring and reporting emissions; a common unit for emissions trades; an airtight global accounting system; full private sector participation; and, perhaps most critically, a strong, effective system to ensure compliance.

Over the coming year, we must move toward full agreement on the shape each of these components will take. And we must reject efforts to impose artificial caps on this emerging trading system. We can only mobilize the capital, ingenuity, and entrepreneurial drive needed to meet our ambitious targets by putting the power of the marketplace to work for the environment. Restraining the market will not only drive up the cost, but heighten the risk to our environment.

We saw progress in Bonn on developing country efforts as well. We applaud Argentina's leadership in becoming the first developing country to announce a binding emissions target. Argentina's action reflects a genuine commitment to participate meaningfully in the international effort to meet this global challenge. And it illustrates how a developing country can fashion a target that benefits the environment while contributing to its sustainable development. We must take up the challenge laid before us by Argentina and develop a process for international acceptance of its target as soon as possible. And we must create what Minister Alsogaray called "a bridge to the Convention" for Argentina and other developing countries that voluntarily adopt appropriate targets so that they may benefit from all the Kyoto mechanisms. We applaud as well Kazakhstan's formal request for inclusion in Annex I and call on the Conference to accept it.

More broadly, we are encouraged by the signs that many other developing countries are taking real measures to address this global challenge. Many made impressive presentations on the concrete domestic actions they are taking to limit greenhouse gas emissions. And, in our negotiations, many developing countries voiced genuine enthusiasm for the Clean Development Mechanism, and participated very constructively in the efforts to forge agreement on other mechanisms, sinks, compliance, and other key issues.

The United States has called for a new dialogue to build on these successes by exploring, at a high level, the full range of market-oriented strategies that can create sustainable development opportunities for developing countries that voluntarily reduce their emissions. In conversations with developing country delegates over the past few days, this approach struck a responsive chord, and we will work in the coming months with other developing country partners to further this important dialogue. With creativity and determination, we can help our partners in the developing world avoid the pitfalls of the past century, and move beyond the outdated notion that pollution is the inexorable product of economic growth.

Finally, we have charted a course for the critical months ahead that considerably raises the prospects for success when we convene next year in the Hague. Specifically, the Parties agreed to more than double the time devoted to negotiations between now and the Hague conference. We will hold two inter-sessional meetings over the next year, one in June and one in October, as well as a series of technical workshops. In addition, the Parties have invested the President of the COP with the authority to take all necessary steps to intensify the negotiating process. Completing the Buenos Aires action plan will still be an extraordinary challenge. That is one of the reasons the United States had preferred to hold COP-6 in early 2001. But, with no consensus for a later date, we are pleased that the Parties joined us in ensuring a focused, accelerated negotiating process over the coming year.

Between now and COP-6, the United States will continue to strengthen its efforts at home to meet the challenge of global warming. And we will continue working with other nations to address the critical issue of cost-effectiveness, and to achieve meaningful participation by key developing countries, so that the Kyoto Protocol can be ratified and enter into force at the earliest possible date.

Two years ago, when our nations assembled in Kyoto, there was until the very final moments of negotiation no certainty at all that agreement would be reached. Fortunately, as the last long night of negotiation gave way to dawn, the remaining differences were bridged. And there emerged an accord that, if we remain steady in our resolve, may well prove one of history's most profound.

Our time in Bonn has not produced such moments of high drama, and the progress we have achieved here is not as easily measured. But the task before us has been no less important. For now we must turn the Kyoto Protocol into a working reality – build on its foundation a concrete agreement that effectively mobilizes our will, our energies, and our resources against the grave risks of global warming.

In short, we are on the right track towards finishing the important work begun in Kyoto – but we must keep going. Today, November 4, is the birthday of the American humorist Will Rogers. Will Rogers once said that “even if you're on the right track, you'll get run over if you just sit there.” The world cannot “just sit there” as the planet warms. We must act with determination and resolve. And as we address the very complex and sometimes contentious issues at hand, we all must move forward in good faith, drawing deeply on what Abraham Lincoln called the “better angels of our nature.” The United States looks forward to doing so in the year to come.

###

**Statement of Frank E. Loy**  
**U.S. Under Secretary of State for Global Affairs**  
**Fifth Session of the Conference of the Parties to the**  
**UN Framework Convention on Climate Change**  
**Bonn, Germany**  
**November 4, 1999**

Our goal here in Bonn was to achieve steady progress toward completing the work begun by our nations two years ago in Kyoto – to continue building a truly global, cost-effective agreement that protects future generations from the grave risks of global warming.

In the view of the United States, this Conference has met that goal. We have made significant progress across the full spectrum of substantive issues, from emissions trading to sinks to compliance. We have seen continued forward momentum on developing country efforts. And, perhaps most critically, we have resolved to redouble our efforts between now and next year's Conference in The Hague. In short, we have charted a course for the critical year ahead, and have together demonstrated the kind of political will necessary to resolve the major issues before us.

The Kyoto Protocol provides a blueprint for global efforts to meet this profound global challenge. Last year in Buenos Aires, the Parties committed to a two-year action plan to turn the broad concepts of Kyoto into working realities. Here, we began the hard substantive job of actually assembling the very nuts and bolts. We leave Bonn with a mandate to negotiate text that will refine these elements and weave them into an environmentally strong and economically sound agreement. This is absolutely critical. Without these building blocks, we can not get from Kyoto to a fully operational, ratifiable Kyoto treaty.

While progress was made on all the substantive issues before this Conference, the United States is particularly gratified by the growing recognition that the issue of cost-effectiveness must be squarely addressed. Parties that previously were unfamiliar with emissions trading, or dismissed it outright, are coming to understand how it can ensure that we achieve the most environmental gain for every dollar, euro, or yen invested.

What's more, for first time, the broad outlines of an effective international emissions trading system have begun to take shape. There is agreement on what the essential elements must be – strong systems for monitoring and reporting emissions; a common unit for emissions trades; an airtight global accounting system; full private sector participation; and, perhaps most critically, a strong, effective system to ensure compliance.

Over the coming year, we must move toward full agreement on the shape each of these components will take. And we must reject efforts to impose artificial caps on this emerging trading system. We can only mobilize the capital, ingenuity, and entrepreneurial drive needed to meet our ambitious targets by putting the power of the marketplace to work for the environment. Restraining the market will not only drive up the cost, but heighten the risk to our environment.

We saw progress in Bonn on developing country efforts as well. We applaud Argentina's leadership in becoming the first developing country to announce a binding emissions target. Argentina's action reflects a genuine commitment to participate meaningfully in the international effort to meet this global challenge. And it illustrates how a developing country can fashion a target that benefits the environment while contributing to its sustainable development. We must take up the challenge laid before us by Argentina and develop a process for international acceptance of its target as soon as possible. And we must create what Minister Alsogaray called "a bridge to the Convention" for Argentina and other developing countries that voluntarily adopt appropriate targets so that they may benefit from all the Kyoto mechanisms. We applaud as well Kazakhstan's formal request for inclusion in Annex I and call on the Conference to accept it.

More broadly, we are encouraged by the signs that many other developing countries are taking real measures to address this global challenge. Many made impressive presentations on the concrete domestic actions they are taking to limit greenhouse gas emissions. And, in our negotiations, many developing countries voiced genuine enthusiasm for the Clean Development Mechanism, and participated very constructively in the efforts to forge agreement on other mechanisms, sinks, compliance, and other key issues.

The United States has called for a new dialogue to build on these successes by exploring, at a high level, the full range of market-oriented strategies that can create sustainable development opportunities for developing countries that voluntarily reduce their emissions. In conversations with developing country delegates over the past few days, this approach struck a responsive chord, and we will work in the coming months with other developing country partners to further this important dialogue. With creativity and determination, we can help our partners in the developing world avoid the pitfalls of the past century, and move beyond the outdated notion that pollution is the inexorable product of economic growth.

Finally, we have charted a course for the critical months ahead that considerably raises the prospects for success when we convene next year in the Hague. Specifically, the Parties agreed to more than double the time devoted to negotiations between now and the Hague conference. We will hold two inter-sessional meetings over the next year, one in June and one in October, as well as a series of technical workshops. In addition, the Parties have invested the President of the COP with the authority to take all necessary steps to intensify the negotiating process. Completing the Buenos Aires action plan will still be an extraordinary challenge. That is one of the reasons the United States had preferred to hold COP-6 in early 2001. But, with no consensus for a later date, we are pleased that the Parties joined us in ensuring a focused, accelerated negotiating process over the coming year.

Between now and COP-6, the United States will continue to strengthen its efforts at home to meet the challenge of global warming. And we will continue working with other nations to address the critical issue of cost-effectiveness, and to achieve meaningful participation by key developing countries, so that the Kyoto Protocol can be ratified and enter into force at the earliest possible date.

Two years ago, when our nations assembled in Kyoto, there was until the very final moments of negotiation no certainty at all that agreement would be reached. Fortunately, as the last long night of negotiation gave way to dawn, the remaining differences were bridged. And there emerged an accord that, if we remain steady in our resolve, may well prove one of history's most profound.

Our time in Bonn has not produced such moments of high drama, and the progress we have achieved here is not as easily measured. But the task before us has been no less important. For now we must turn the Kyoto Protocol into a working reality – build on its foundation a concrete agreement that effectively mobilizes our will, our energies, and our resources against the grave risks of global warming.

In short, we are on the right track towards finishing the important work begun in Kyoto – but we must keep going. Today, November 4, is the birthday of the American humorist Will Rogers. Will Rogers once said that “even if you're on the right track, you'll get run over if you just sit there.” The world cannot “just sit there” as the planet warms. We must act with determination and resolve. And as we address the very complex and sometimes contentious issues at hand, we all must move forward in good faith, drawing deeply on what Abraham Lincoln called the “better angels of our nature.” The United States looks forward to doing so in the year to come.

###

**Statement of Frank E. Loy**  
**U.S. Under Secretary of State for Global Affairs**  
**Fifth Session of the Conference of the Parties to the**  
**UN Framework Convention on Climate Change**  
**Bonn, Germany**  
**November 4, 1999**

Our goal here in Bonn was to achieve steady progress toward completing the work begun by our nations two years ago in Kyoto – to continue building a truly global, cost-effective agreement that protects future generations from the grave risks of global warming.

In the view of the United States, this Conference has met that goal. We have made significant progress across the full spectrum of substantive issues, from emissions trading to sinks to compliance. We have seen continued forward momentum on developing country efforts. And, perhaps most critically, we have resolved to redouble our efforts between now and next year's Conference in The Hague. In short, we have charted a course for the critical year ahead, and have together demonstrated the kind of political will necessary to resolve the major issues before us.

The Kyoto Protocol provides a blueprint for global efforts to meet this profound global challenge. Last year in Buenos Aires, the Parties committed to a two-year action plan to turn the broad concepts of Kyoto into working realities. Here, we began the hard substantive job of actually assembling the very nuts and bolts. We leave Bonn with a mandate to negotiate text that will refine these elements and weave them into an environmentally strong and economically sound agreement. This is absolutely critical. Without these building blocks, we can not get from Kyoto to a fully operational, ratifiable Kyoto treaty.

While progress was made on all the substantive issues before this Conference, the United States is particularly gratified by the growing recognition that the issue of cost-effectiveness must be squarely addressed. Parties that previously were unfamiliar with emissions trading, or dismissed it outright, are coming to understand how it can ensure that we achieve the most environmental gain for every dollar, euro, or yen invested.

What's more, for first time, the broad outlines of an effective international emissions trading system have begun to take shape. There is agreement on what the essential elements must be – strong systems for monitoring and reporting emissions; a common unit for emissions trades; an airtight global accounting system; full private sector participation; and, perhaps most critically, a strong, effective system to ensure compliance.

Over the coming year, we must move toward full agreement on the shape each of these components will take. And we must reject efforts to impose artificial caps on this emerging trading system. We can only mobilize the capital, ingenuity, and entrepreneurial drive needed to meet our ambitious targets by putting the power of the marketplace to work for the environment. Restraining the market will not only drive up the cost, but heighten the risk to our environment.

We saw progress in Bonn on developing country efforts as well. We applaud Argentina's leadership in becoming the first developing country to announce a binding emissions target. Argentina's action reflects a genuine commitment to participate meaningfully in the international effort to meet this global challenge. And it illustrates how a developing country can fashion a target that benefits the environment while contributing to its sustainable development. We must take up the challenge laid before us by Argentina and develop a process for international acceptance of its target as soon as possible. And we must create what Minister Alsogaray called "a bridge to the Convention" for Argentina and other developing countries that voluntarily adopt appropriate targets so that they may benefit from all the Kyoto mechanisms. We applaud as well Kazakhstan's formal request for inclusion in Annex I and call on the Conference to accept it.

More broadly, we are encouraged by the signs that many other developing countries are taking real measures to address this global challenge. Many made impressive presentations on the concrete domestic actions they are taking to limit greenhouse gas emissions. And, in our negotiations, many developing countries voiced genuine enthusiasm for the Clean Development Mechanism, and participated very constructively in the efforts to forge agreement on other mechanisms, sinks, compliance, and other key issues.

The United States has called for a new dialogue to build on these successes by exploring, at a high level, the full range of market-oriented strategies that can create sustainable development opportunities for developing countries that voluntarily reduce their emissions. In conversations with developing country delegates over the past few days, this approach struck a responsive chord, and we will work in the coming months with other developing country partners to further this important dialogue. With creativity and determination, we can help our partners in the developing world avoid the pitfalls of the past century, and move beyond the outdated notion that pollution is the inexorable product of economic growth.

Finally, we have charted a course for the critical months ahead that considerably raises the prospects for success when we convene next year in the Hague. Specifically, the Parties agreed to more than double the time devoted to negotiations between now and the Hague conference. We will hold two inter-sessional meetings over the next year, one in June and one in October, as well as a series of technical workshops. In addition, the Parties have invested the President of the COP with the authority to take all necessary steps to intensify the negotiating process. Completing the Buenos Aires action plan will still be an extraordinary challenge. That is one of the reasons the United States had preferred to hold COP-6 in early 2001. But, with no consensus for a later date, we are pleased that the Parties joined us in ensuring a focused, accelerated negotiating process over the coming year.

Between now and COP-6, the United States will continue to strengthen its efforts at home to meet the challenge of global warming. And we will continue working with other nations to address the critical issue of cost-effectiveness, and to achieve meaningful participation by key developing countries, so that the Kyoto Protocol can be ratified and enter into force at the earliest possible date.

Two years ago, when our nations assembled in Kyoto, there was until the very final moments of negotiation no certainty at all that agreement would be reached. Fortunately, as the last long night of negotiation gave way to dawn, the remaining differences were bridged. And there emerged an accord that, if we remain steady in our resolve, may well prove one of history's most profound.

Our time in Bonn has not produced such moments of high drama, and the progress we have achieved here is not as easily measured. But the task before us has been no less important. For now we must turn the Kyoto Protocol into a working reality – build on its foundation a concrete agreement that effectively mobilizes our will, our energies, and our resources against the grave risks of global warming.

In short, we are on the right track towards finishing the important work begun in Kyoto – but we must keep going. Today, November 4, is the birthday of the American humorist Will Rogers. Will Rogers once said that “even if you're on the right track, you'll get run over if you just sit there.” The world cannot “just sit there” as the planet warms. We must act with determination and resolve. And as we address the very complex and sometimes contentious issues at hand, we all must move forward in good faith, drawing deeply on what Abraham Lincoln called the “better angels of our nature.” The United States looks forward to doing so in the year to come.

###

---

# UNION OF CONCERNED SCIENTISTS

## PRESS RELEASE

FOR IMMEDIATE RELEASE  
NOVEMBER 4, 1999

CONTACT: ALDEN MEYER  
MOBILE: 0173-427-2837

### BONN TALKS REINVIGORATE KYOTO NEGOTIATIONS

**Bonn, Nov 4, 1999** – The Union of Concerned Scientists today welcomed the outcome of the latest round of negotiations on global warming as a step forward towards realizing the promise of Kyoto.

Two significant developments marked the two-week climate summit in Bonn. First, ministers agreed that negotiations on the unresolved issues around the Kyoto Protocol must be intensified if a successful conclusion is to be reached by the next summit meeting in November, 2000. Even more important was the emergence of a leadership group of countries that have committed to ratify the Kyoto Protocol before the 10<sup>th</sup> anniversary of the 1992 Rio Earth Summit.

“This meeting has breathed new life into the Kyoto process,” said Alden Meyer, Director of Government Relations for the Union of Concerned Scientists. “The decision by the European Union, Japan, and New Zealand to set a 2002 deadline for ratification and entry into force of the Kyoto Protocol is a vital new element in the debate. It holds out the prospect of breaking the stranglehold of the fossil fuel polluters and their allies in the US Senate over the international effort to address the severe threat of global warming.”

It takes ratification by industrialized countries representing 55% of the developed world’s 1990 carbon dioxide emissions for the Kyoto Protocol to enter into force, or become legal. The countries who have already committed to the 2002 deadline represent 41% of these emissions. The US represents 36%. The Russian Federation represents 17.4%, and whether the EU and Japan can persuade Russia to join them in ratification by 2002 now becomes a key political consideration. If they can, Kyoto could take effect even without US Senate ratification.

Major issues remain to be negotiated over the next year, including rules for emissions trading and the other so-called “flexibility mechanisms” in the Kyoto Protocol, procedures to ensure compliance with countries’ emissions reduction commitments, the role of land use change and forestry measures in meeting these commitments, and ways to speed the transfer of clean renewable energy and efficiency technologies to developing countries. “These issues are not easy ones, but the political commitment made in Bonn to complete the negotiations by next November will spur substantive negotiations, rather than the procedural game-playing that has often characterized this process,” Meyer said.

Meyer called on the US to respond to the new dynamic created by the Bonn talks. “The United States can not afford to be left behind as Europe, Japan, and other industrialized countries move forward to address global warming,” Meyer said. “Global warming is not only the greatest environmental threat of the 21<sup>st</sup> Century, it is a tremendous economic opportunity for those countries and companies that take the lead in developing and marketing clean energy and transportation technologies. The US will be missing the boat if it lets the fossil fuel dinosaurs of the past block its participation in the clean energy markets of the future.”

[www.ucsusa.org](http://www.ucsusa.org)

**Washington Office: 1616 P Street, NW Suite 310 Washington, DC 20036 202-332-0900 FAX: 202-332-0905**  
Cambridge Office: 26 Church Street Cambridge, MA 02238 617-547-5552 FAX: 617-864-9405

PRINTED ON RECYCLED PAPER

**U.S. Public Affairs at COP 5  
Hotel Maritim  
Phone: +49 (228) 377 - 1096  
Fax: +49 (228) 377 - 1098**

# Fax

To: Kimberley Escobar  
Fax: 202 456-2710 Pages: 1  
Phone: \_\_\_\_\_ Date: \_\_\_\_\_  
Re: \_\_\_\_\_ CC: \_\_\_\_\_

Urgent     For Review     Please Comment     Please Reply     Please Recycle

● Comments:

Kimberly - FAX LIST FOR LOY  
STATEMENT w/out #'s, I'm  
Afraid. Thanks for your  
help.  
Paul Blodson

Following is the list of confirmed RSVPs for the teleconference tomorrow. Given the strong line-up and the fact that we were unable to get hold of many of our high-profile regulars, I expect the list will grow somewhat.

Bonn Conference Call - November 10

WILL ATTEND

Cristiana Fabiani, Agence France Presse  
Tom Hayden, Newsweek  
Margie Kriz, National Journal  
Sebastian Malaby, Washington Post (Editorial Page)  
Nancy Dunne, Financial Times (will write from a political angle as the enviro is being covered out of London)  
Erin Kelly, Gannett  
Colin Macilwain, Nature  
Tim Breen, E&E Weekly  
Eric Kronenwetter, Oil Daily  
Danielle Knight, Inter Press  
L.J. Headlee, Air, Water, Pollution Report  
Bette Hileman, Chemical & Engineering News  
Pamela Najor, BNA's Environmental Compliance Bulletin  
Jim Colombo, E-Town

STRONG MAYBE

Bill Stevens, NYT  
Mike Schmidt, The Energy Report  
Bill Dawson, Houston Chronicle  
Laura Iiyama, Pacifica Radio  
Harry Stofer, Automotive News  
Claudia Assis, Capital News Service  
Doug Obey, Clean Air Report  
Jim Stinson, Daily Environment Report  
George Lobsenz, The Energy Daily

SOFT MAYBE

Jocelyn Kaiser, Science

CAN'T ATTEND, WANTS MATERIALS

Dan Murphy, Inv Biz Daily- wants tape  
Dan Fagin, Newsday (not tape but other materials)  
Karen Font, National Geographic - wants NET report



**The United States of America**  
at the Fifth Conference of the Parties (COP-5)  
United Nations Framework Convention on Climate  
Change  
October 25 - November 5, 1999  
Bonn, Germany

• **Remarks As Delivered by Frank E. Loy**  
U.S. Under Secretary of State for Global Affairs & Head of the  
U.S. Delegation. November 3, 1999 | [Deutsch](#)

• **Opening Statement by Frank E. Loy,**  
U.S. Under Secretary of State for Global Affairs & Head of the  
U.S. Delegation. November 2, 1999 | [Deutsch](#)



Under Secretary Loy      Press Briefing, November 2, 1999

### U.S. Press Briefings

Mon	Tue	Wed	Thur	Fri
<i>no briefing</i>	<b>Nov. 2</b>	<b>Nov. 3</b>	<b>Nov. 4</b>	
<b>Oct. 25</b>	<b>Oct. 26</b>	<b>Oct. 27</b>	<i>no briefing</i>	<b>Oct. 29</b>

### U.S. Statements at COP-5

• [U.S. Statement on Bunker Fuels](#) - Subsidiary Body for Scientific and Technological Advice, Session 11, Agenda Item 9(c): Emissions Resulting from Fuel for International Transportation, Oct.27.99

• [U.S. Statement on the Amendment Proposed by Kazakhstan: To add its name to the list in Annex I](#) - Plenary Meeting of the Conference of the Parties, October 27, 1999

[earlier statements ....](#)

### Related Press Statements

• Press Announcement by the U.S. Initiative on Joint Implementation, October 26, 1999

• Press Statement by James P. Rubin, Spokesman, U.S. Dept. of State, October 26, 1999

### Backgrounders

- U.S. Programs Help Developing Countries Cope with Climate Change (Nov.1,99)
- Leading Businesses Are Taking Climate Change Seriously (Nov.1, 99)
- Decline in U.S. Carbon Emissions Viewed as Positive Sign (Oct.27,99)

### U.S. Delegation

- [Bios](#)

### U.S. Policy

- [COP- 5 Press Kit](#)
- [United States Taking Action on Climate Change, Oct 1999](#)
- [Dossier on Climate Change](#)

### Fact Sheets

- [New Climate Science Findings.](#)
- [Fact Sheet on the Kyoto Protocol: The U.S. View.](#)
- [International Emissions Trading: The U.S. View.](#)
- [The Clean Development Mechanism: The U.S. View.](#)
- [Land Use Change Issues: The U.S. View.](#)
- [Compliance and the Kyoto Protocol: The U.S. View.](#)

### Mailing List

Subscribe to **COP5 Mailing List** for latest news and transcripts from the U.S. Government on the UN's COP5 Climate Change conference

### Related Websites

- [UNFCC COP5 Website](#)
- [Climate Change. U.S. Dept. of State, Office of International Information Programs](#)
- [Environmental Protection Agency. Global Warming Site](#)
- [U.S. Dept. of State. Climate Change Spotlight](#)
- [White House Initiative on Climate Change](#)
- [Additional Links & Resources](#)

### COP- 4 & COP- 3 Documents

- [COP-4, Buenos Aires 1998](#)
- [COP-3, Kyoto, 1997](#)

**JOINT STATEMENT  
ON COOPERATION IN ENERGY  
AND RELATED ENVIRONMENTAL ASPECTS**

1. The United States of America and India, the two largest democracies in the world and endowed with abundant natural, scientific and skilled human resources, have a long history of mutually beneficial cooperation in the fields of science and technology, industry and trade, health and environment and culture and education. The two countries, recognizing the immense promise for advancing their social and economic goals through cooperation in the energy sector, have decided to intensify their cooperation in this area.
2. The two countries recall past cooperation that established the framework for several joint initiatives between the two Governments and their agencies for research and development in the energy sector, as well as stimulated private cooperation in conventional energy projects in India.
3. The two Governments, noting progress made in these collaborative projects, and recognizing the immense opportunities for fruitful cooperation in the energy sector, have decided to further enhance their cooperation in the energy sector such as conventional energy projects, renewable energy, clean coal technology, energy efficiency and related environmental aspects.
4. They also recognize that future development of the energy sector must take into account the growing demand for energy, the importance of judicious utilisation of limited resources of the planet in the most efficient and equitable manner and the need to protect our environment.
5. India, which was the first country to establish a full-fledged Ministry for Non-conventional Energy Sources, is working to make renewable energy sources a viable and significant part of India's energy supply.

India is one of the largest users of wind energy and solar energy in the world and has also made impressive advances in generating energy from wastes. In the field of conventional energy, India is increasingly making fossil fuel energy clean and more efficient.

6. The United States is taking several major initiatives to meet its energy requirements in an increasingly climate friendly manner. For example, the US Government has set a goal of tripling US use of bio-energy and bio-projects by 2010, which may reduce greenhouse gas emissions by 100 million metric tonnes of carbon. The US Government has ordered every federal agency to reduce greenhouse emissions from buildings by 30% by 2010 from 1990 levels. The US Government continues to invest billions of dollars in clean energy and energy efficient technologies and is working with American industry and communities to reduce pollution and greenhouse gas emissions and move to cleaner and healthier energy sources.
7. The two Governments, in the spirit that characterizes their own initiatives to mitigate the impact of energy production on environment and climate, accord high importance to these aspects in their bilateral energy cooperation.
8. They also resolve to work closely together and with other countries, in keeping with the principle of common but differentiated responsibilities, to advance the goal of protecting

the people of the world from the threat of climate change, while promoting economic growth.

9. As the world's largest emitter of greenhouse gases, the United States recognizes its responsibilities to help lead international efforts to address the challenge of climate change. The Kyoto Protocol sets forth a binding emissions target for the United States, which would result in a reduction of roughly 30% from the projected levels in 2008-2012.
10. The Government of India recognizes the need for voluntary "no-regrets measures" at the national level, which will have the additional benefits of dealing with air and water pollution, urban transportation and other important sectors of the domestic economy.
11. The two Governments agree to cooperate and to work together in appropriate forums for advancing the goals of the UN Framework Convention on Climate Change, in accordance with the decisions of the Conference of the Parties to the UN in its various sessions.
12. The Governments of the United States and India agree to cooperate within the framework of the Conference of the Parties and its subsidiary bodies of the UN Framework Convention on Climate Change, to work towards early agreement on the elements of the Kyoto Mechanisms.
13. In particular, the Governments of the United States and India agree that the Kyoto Mechanisms could offer the opportunity to achieve mutually beneficial partnerships between industrialized and developing nations. The Governments of the United States and India resolve to work closely together with other countries to develop agreed international rules and procedures for the Kyoto mechanisms, including the Clean Development Mechanism.
14. The Governments of the United States and India, guided by the objective of using the immense opportunities and their vast pool of resources and skills for fruitful cooperation in the energy sector, in both bilateral and international context, resolve to take appropriate measures to foster private sector energy ventures, cooperation in research and development, and greater utilization of environment enhancing and climate friendly energy sources and technology for balanced and sustainable economic development

FOR THE GOVERNMENT OF THE  
UNITED STATES OF AMERICA:

FOR THE GOVERNMENT  
REPUBLIC OF INDIA:

---

Bill Richardson  
Secretary of Energy

---

Jaswant Singh  
Minister for External Affairs

NEW DELHI, October 26, 1999



# WIN A BOND ADVENTURE!

**Hotmail** [pbledsoe@hotmail.com](mailto:pbledsoe@hotmail.com)

Passport  
sign out

**Inbox**

**Compose**

**Addresses**

**Folders**

**Options**

**Help**

Folder: Inbox

**From:** David\_Gardiner@ceq.eop.gov [Save Address](#) [Block Sender](#)

**To:** Roger\_S\_Ballentine@who.eop.gov, John\_D\_Gibson@whcctf.eop.gov,  
David\_B\_Sandalow@ceq.eop.gov, Elliot\_J\_Diringer@ceq.eop.gov, Julie\_M\_Anderson@whcctf.eop.gov,  
Janet\_Anderson@whcctf.eop.gov, Jacqueline\_Krieger@whcctf.eop.gov, Angela\_C\_Mizeur@who.eop.gov,  
Shelley\_N\_Fidler@whcctf.eop.gov, pbledsoe@hotmail.com [Save Addresses](#)

**Subject:** Gore Q&A re: climate from last night's town hall meeting

**Date:** Thu, 28 Oct 1999 09:47:18 -0400

**Reply**

**Reply All**

**Forward**

**Delete**

**Previous**

**Next**

**Close**

A little change of direction here. I'd like to ask a question that deals with energy conservation, and I'd be interested in your comments on possible federal incentives dealing with organizations, companies, businesses that are building new facilities, or upgrading or retrofitting their processes to make them more energy efficient to reduce the long-term demand and need for our non-renewable energy resources.

GORE: I strongly support it. Some of you may know that a centerpiece of my efforts in public life has been to try to protect the environment much more effectively.

And incidentally, Secretary of Energy Bill Richardson is here in Hanover tonight, having just returned from India where yesterday there was an historic breakthrough with the signing of an agreement between the United States and India that is a major advance in securing their participation in the Kyoto protocol to combat global warming. It may sound like a technical issue, but getting India on board there is a huge advance. And I want to thank Secretary Richardson for the great job that he did.

We, in our country, have a lot of work to do. Global warming is a real problem. Air pollution is a real problem. Water pollution is a real problem. We've got to clean up the toxic waste sites.

And you know, a president of the United States who is committed to cleaning up the environment and fighting for all of the families that now suffer with asthma or other health problems because of a dirty environment -- a president can make a huge difference.

Look at the companies who have recently changed their position and agreed to be a part of the solution instead of a part of the problem. And we can give those companies incentives in the form of tax credits, federal purchasing procurement policies.

I have already proposed a package of such incentives

to try to speed up the introduction of new technologies for renewable sources of energy that will cut down on pollution, cut down on emissions, help us address the problem of global warming and clean air.

**Reply** **Reply All** **Forward** **Delete** **Previous** **Next** **Close**

Move To (Move to Selected Folder) ▾

**Inbox** **Compose** **Addresses** **Folders** **Options** **Help**

Get notified when you have new Hotmail or when your friends are on-line. Send instant messages. [Click here](#) to get your **FREE download of MSN Messenger Service!**

[Buy Books](#) | [Buy Music](#) | [Cars](#) | [Clothes](#) | [Download Music](#) | [Entertainment](#)  
[Free Games](#) | [Free Home Pages](#) | [PC Downloads](#) | [Travel Agent](#) | [Yellow Pages](#) | [More...](#)

Search the web: \_\_\_\_\_ Search

© 1999 Microsoft Corporation. All rights reserved. [Terms of Service](#) [Privacy Statement](#)

Bilateral Meeting with T.R. BAALU, Indian Minister of  
Environment and Forests

November 2, 1999, 4 - 4:45p.m., Room 178 (bilat room)

Background:

AmEmbassy New Delhi has reported that the recently-appointed BAALU was previously Minister of State for Petroleum and Natural Gas from 1996-8. Although he holds degrees in both engineering and science, AmEmbassy reports BAALU did not seem fully up to speed on climate change issues in the initial call paid to his office.

A Joint Statement on Cooperation in Energy and Related Environmental Aspects (attached) was signed by DOE Secretary Bill Richardson and GOI Minister of External Affairs Jaswant Singh on October 26 in New Delhi.

Talking Points:

- Do not agree on all issues, but believe we have opportunities for cooperation.
- The Joint Statement signed last week by Secretary Richardson and Minister of External Affairs Singh signals one possible avenue for cooperation.
- Vice President Gore very enthusiastic about the Joint Statement - indicative of the high priority he and President Clinton place on climate change.
- Both the U.S. and Indian business communities are expressing greater interest in taking action on climate change, including cooperating on the CDM.
- We are encouraged by progress made at COP-5 on critical aspects of the Buenos Aires Plan of Action, including the Kyoto Mechanisms, Compliance, and Sinks.
- In spite of this progress, tremendous amount of work needed by COP-6.
- Must use ministerial segment to give momentum to the process, including vigorous intersessional work between COPs 5 and 6.
- Need to work together to ensure that other Parties do not succeed in their efforts to block the process.
- We are faced with a difficult political choice: whether to be practical and keep Kyoto moving forward, or be ideological and know that Kyoto will wither on the vine.

- If you are prepared to work with us to move the Protocol forward, we are prepared to work toward creative solutions on all issues.
- To demonstrate our interest in addressing your concerns too, let me suggest an approach that we could pursue together between now and COP-6.
- Developing countries have demonstrated in their enthusiasm for the CDM that when the international process serves their sustainable development goals, they are willing to reduce greenhouse gas emissions.
- We must build upon the success of the CDM by finding new market-oriented ways within the international process for developing countries to reap rewards for taking steps to limit emissions.

Drafted: DBalzer 11/1/99

Doc: A:\India TPs.doc

Cleared: OES/EGC:JAMiotke  
OES:MGHambley  
G:NPurvis  
OES:SGordon, info

**Remarks by**  
**Dennis H. Reilley**  
**Vice President and Chief Operating Officer - DuPont**  
**Pew Center Conference, Washington, DC**  
**September 13, 1999**

For the past 10 years DuPont has been on a remarkable environmental journey. In 1989, then-chairman and CEO Ed Woolard announced that CEO stood for "chief environmental officer" and that he was going to make environmental leadership a priority of his tenure. Ed's successors - Jack Krol and Chad Holliday - each accepted that same accountability.

During that period of time, we went from a mindset that said environmental performance was defined by external regulations, to a fuller perspective that says environmental performance is part of an all-encompassing internal drive toward true sustainable growth.

Operationally, we began by proposing a series of numerical goals that included reducing levels of hazardous waste at the source; major reductions in airborne emissions, especially carcinogens; and land "set asides" for wildlife habitat. Later we set a goal to eliminate discharges to deep wells. Eventually we adopted a zero waste and emissions goal as a direction in which to move.

Although those goals were concrete, our ultimate objective was to make environmental protection a value that would be on the same level as the value that we had assigned to safety for nearly two centuries. We wanted environmental protection to become an enduring part of our company's culture, and an integral part of all business decisions.

In many respects we succeeded - so much so that in the past few years we have been able to turn our focus to the ultimate challenge that faces all of us: How can we achieve sustainable growth? We are trying to

envision what sustainability would look like for a company such as ours which continues to grow and transform itself in a global economy that is itself dynamic and unpredictable.

For many industrial companies, the creation of value is still linked to the throughput of materials and increased pounds of production made possible by the expenditure of large amounts of energy in the form of fossil fuels. A sustainable growth company, by contrast, builds value for shareholders and society while decreasing its environmental footprint. It sees the marketplace and civil society as integral to business decisions, not as external entities that we simply interact with. And it fulfills the needs of a growing world population using the best and most advanced forms of modern technology while minimizing risk and environmental impact.

For a company like DuPont, there are several factors to consider as we seek sustainable growth. One of the most important is the one I want to address today - energy, and its impact on global climate.

Our experience with atmospheric science issues goes back to the 1970s. So we are not newcomers to the climate change issue. In 1991, we concluded that there was sufficient evidence linking greenhouse gas emissions to global climate change that we needed to take action. And, in 1993 we became the first company to volunteer under the U.S. Environmental Protection Agency/ Department of Energy Climate Wise program.

Since 1991, we have spent over \$50 million to achieve a goal of reducing greenhouse gas emissions from our global operations (on a

carbon-equivalent basis) by 45 percent by the year 2000. We have done this primarily by reducing point sources - nitrous oxides and fluorochemicals. During that same past decade our production volumes increased by over 35 percent while we held total energy consumption flat. About half of that flat energy profile came from the classic energy efficiency items of equipment, yield and uptime improvements. The rest came from changes in our mix of products and processes and from significant powerhouse improvements.

During the same time period, our shareholder return increased by a factor of four. We have been able to demonstrate that performance in at least one key area of sustainability can be consistent with a growing business and solid return to our shareholders.

When we think about energy use and climate change at DuPont, we take a very long view. The long-term view is nothing new to DuPont. We have been in business for nearly 200 years and we have undergone several transformations. We are in the midst of another transformation now - one in which information science and biology are just as key to our outlook and plans as chemistry and chemical engineering were through much of the 20<sup>th</sup> century. In this process, we continually ask ourselves, do the businesses and technologies that we are building lend themselves to sustainable models? What actions must we take now to make sure that we are able to maintain sustainable growth over the next 100 years?

Of course, we don't have any special means for predicting the future. It is humbling for us at DuPont in 1999 to think about our predecessors in corporate management back in 1899. How would they have gone about planning for the uncertain and largely unimaginable industrial developments of the century ahead? The answer is that they did not wait for certainty. Nor can we. No business leader can afford to do that. We make decisions in the face of uncertainty all the time. We rely on good science and tried

and true values to make plans and decisions in the face of uncertainty.

One thing that we do have as a result of being in business for two centuries is a very real understanding of what it means to have a legacy and what it means to leave a legacy. It is not an easy thing for a business focused on the next quarter's earnings to make costly decisions to ensure that our children's children and the generations after them do not live in a world of collapsing ecosystems. But that is the ethical response we must make to the situation we currently face.

Such a long-term view is obviously relevant to the discussion of climate change, because climate change scenarios will play out over that time frame - the next century and beyond. To give you an idea of the order of magnitude of what we face, consider this: to achieve atmospheric carbon dioxide levels, currently being considered as possible stabilization targets - between 1.6 and 3 times pre-industrial levels - per capita global carbon emissions will have to be one-tenth that of the U.S. today and *falling rapidly* 75 to 150 years from now.

From this perspective, the Kyoto Protocol represents only a signal that global leaders are taking the issue of climate change seriously. Given the global challenge before us, the Kyoto goals have an effect, but do not, over the course of the next 100 years, alter the curve. They may shift it downward, but not to any degree that makes a difference. Moreover, they arguably are a negative, because they set an extremely challenging short-term target, and that target now dominates political discussion.

From our point of view, what matters is not whether we are for Kyoto or against Kyoto. Our bias should be for prompt and meaningful *action* where there is reasonable cause for concern. And there is no question in our minds about whether there is reasonable cause for concern.

From that point of view and in addition to our actions of the past decade, we have set for ourselves three goals for the year 2010:

First, we will reduce our global carbon-equivalent greenhouse gas emissions by 65 percent using 1990 as a base year. For the purposes of our "scorecard," we will use the Kyoto basket of gases.

Second, we will hold total energy use flat using 1990 as a base year. While this continues the progress we have already made, this is clearly a stretch goal for us. To achieve this goal in the future will require that our business growth be much more "knowledge intensive" and much less "raw material and energy" intensive than in the past - a move that is very consistent with our stated corporate direction.

Third, we will source 10 percent of our global energy use in the year 2010 from renewable resources. We want to show that we are serious about the need for renewable energy to be a part of our future, and to provide a strong "market signal" that there will be at least one major energy consumer ready to buy. We also want to indicate that we are prepared to work with energy suppliers and others to develop renewable energy.

To put this goal in perspective, DuPont's renewable energy demand in 2010 will require 300 megawatts of capacity, which represents 17 percent of the present U.S. commercial capacity and 4 percent of the present world commercial capacity for renewable wind energy. However, with the projected double-digit growth for renewable energy, we expect that our demand will be a small, but not insignificant, part of the available supply in 2010.

We know that we will need help to achieve these goals if we are to achieve them in a way that is good for our business. This help will need to come from the commitment and creativity of our employees, from alliances with global energy providers, and from responsible public policy. That is why I am

very pleased that you are talking about "credit for early action" at this conference.

As we look at our own goals and consider what needs to be done by industry more broadly, it becomes critically important that incentives are provided. Equally important is making sure that disincentives are not put in place. If a primary objective is to reduce our dependence on fossil fuel technologies and to encourage renewable energy technologies, incentives for early action will surely help.

For example, our goal of 10 percent sourcing of renewable energy by the year 2010 may bring with it a significant cost penalty. If we bought the best-priced renewable energy today, we would pay 2+3 cents per kilowatt hour more than the most attractive fossil fuels. This would increase our energy costs by \$60-90 million dollars per year - a change that would, obviously, not be good for business.

"Credit for early action" and other incentives offer the possibility of eliminating cost penalties and encouraging, and possibly accelerating, the growth of cost-effective sources of renewable energy. The absence of incentives, and the continuance of subsidies for our fossil fuel based global economy, will only serve to strengthen the status quo - a scenario that shows increasing carbon concentrations in the atmosphere with unknown, but potentially significant, changes in our global climate.

As a company, we believe that action is warranted, not further debate. We also believe that the best approach is for business to lead, not wait for public outcry or government mandates. From our experience of the past ten years, we know that integrating environmental considerations into our business strategies enhances our ability to achieve sustainable growth. But, we have also learned that the transition to sustainable growth is accelerated when the economics are positive, a critical factor that can be highly influenced by responsible public policy.

DuPont has already weighed in on the side of prudent action. We are convinced that the key to lower long-term concentrations of carbon in the atmosphere will be a fundamental change in energy technology - one that will take several decades to achieve. However, we also believe that several important steps need to be taken now, and we have learned during our environmental journey of the past decade to face reality squarely and to respond with creative action.

The goals I have announced today are to challenge us as a company, and to show the world that we are serious about the changes we need to make. We believe that our response satisfies our scientific understanding and ethical standards. We also believe that it can be good for business. And, we believe that meeting these goals will be a step towards creating a world that is more sustainable for future generations.

8/24/99