

4/7/95
FINAL VERSION

TALKING POINTS
BERLIN CONFERENCE

- A mandate for negotiations on next steps under the Climate Convention was agreed to this morning in Berlin by a group of 24 nations working with German Environment Minister Merkel. The full Conference of Parties adopted the mandate later in the morning.

-These negotiations were extremely difficult. However, the US is very pleased by the outcome and believes the Berlin conference has produced a significant step forward to meet the challenge of climate change.

- The US had three primary objectives in Berlin:

-to secure a mandate for negotiating next steps under the Convention;

-to advance the implementation of developing country commitments; and

-to promote joint implementation.

- We believe all 3 objectives were met.

-First, the Parties agreed to a mandate for negotiating next steps.

-This will maintain momentum under the Convention.

-The outcome of the negotiating mandate is broad in scope, and does not preclude the achievement of any US objectives.

-The negotiations will begin with an analytic or assessment phase, including consultations.

-A goal of the mandate is to complete negotiations with a new set of commitments in 1997.

-Negotiations will be conducted by an ad hoc working group of the Conference of the Parties.

-The mandate reflects the President's commitment to continue the trend of reduced emissions of greenhouse gases after the year 2000.

-Second, advancing implementation of developing country commitments will be an important element of the negotiations.

-Under the Convention, those commitments include adopting programs and measures to mitigate climate change.

-Although the mandate specifies there will be no new commitments for developing country Parties, negotiations on such commitments can begin as soon as work under this mandate is completed.

-Third, the Parties adopted a pilot phase for joint implementation. This is of special interest to the US, because it recognizes the opportunity for building new partnerships between developed and developing countries and between the public and private sectors.

-During the pilot, crediting will be tested (although not counted toward meeting the year 2000 aim); the door is left open to credits for reductions from those projects in the post-2000 period.

-The pilot program will be open to all Parties.

-The US has already launched 7 joint implementation demonstration projects, and will be announcing further steps in the coming months.

-Other developments:

-Rules of procedure are not finalized.

-Organizations and mandates for subsidiary bodies under the Convention were agreed to and a first-year schedule of meetings set.

-The groundwork for an effective Convention Secretariat was completed. The Secretariat will be located in Bonn.

NOTE: Early reaction is mixed and predictable:

-environmental groups have generally expressed cautious optimism;

-business reaction ranges from opposition to any action or mandate to recognition of the opportunities and statements of cooperation and support.

Timothy E. Wirth, Undersecretary of State
United States of America
First Conference of the Parties to the Framework Convention on Climate Change
April 5, 1995

Thank you Madame President.

Let me first thank the Government of Germany for its great generosity in hosting the first Conference of the Parties. We have certainly felt warmly welcomed throughout this meeting. I wish to congratulate Minister Merkel for her leadership.

We are engaged today in a great and important mission. The climate change problem is unique in its threat to so many fundamental aspects of our lives. The steady buildup of greenhouse gases in our atmosphere threatens to raise sea levels, change hydrological cycles and damage many of the world's ecosystems. Hurricanes and other storm systems may become more frequent and severe. Every major peer-reviewed study has suggested that the most likely scenario is for a 3 to 8 degree F. warming if carbon dioxide doubles from pre-industrial levels. By increasing the concentration of greenhouse gases in the atmosphere at a rate unknown in all of human history, we are rolling the dice -- gambling with our children's and grandchildren's future.

We must act. In the United States, we are taking action both at home and abroad. Soon after taking office, President Clinton committed the US to return greenhouse gas emissions to 1990 levels by the year 2000 and also stated the US commitment to "continue the trend of ... reduced emissions." Our Climate Change Action Plan contains almost 50 measures, including innovative partnerships with many US industries and companies. In October, we will complete a formal analysis of how well we have done, and will adjust our plan accordingly. In addition, we have launched an ambitious program to develop a new generation of vehicles, and embarked on an initiative to dramatically improve the technologies in our building and construction industries.

Our focus has not only been domestic. Internationally, we are forging partnerships to mitigate climate change. Through our bilateral assistance programs, we are helping countries with projects in energy efficiency, renewable energy, and forest management, and working towards a better understanding of the issues of vulnerability and adaptation to climate change. Through these projects (which will involve more than \$1 billion of assistance) and through the US Country Studies Program and US Initiative on Joint Implementation, we are engaging our neighbors and sharing our knowledge, experience and technology.

The United States is also honored to be an active participant in the joint effort of the OECD countries to launch a Climate Technology Initiative. As our Dutch colleague noted in her presentation of the Initiative, any solution to the climate change problem will rely heavily on technologies. Many climate-friendly technologies face barriers, including lack of information, the absence of economies of scale, the constraints of conventional financial mechanisms and measurements, and the need for further innovation and technological development. As part of the Climate Technology Initiative, the US will work to address these barriers with a variety of programs. Just yesterday, I had the pleasure of announcing more than \$70 million in new regional initiatives to build capacity to address the problem of climate change. Our other contributions to the Climate Technology Initiative will include efforts to explore innovative financial mechanisms, promote regional renewable energy and

energy efficiency centers, support the development of national plans and communications, and more.

These are valuable first steps -- and we are proud to be sharing them today. However, they are not enough, just as the Convention to which we are all Party is not enough. Next steps are required if the problem is truly to be solved. Our goal in Berlin must be to set the right course for these next steps.

The United States believes our paramount objective in Berlin should be to agree to a mandate for negotiating next steps, building on the principles of the Convention and continuing the trend of reduced emissions. Let us work to find a comprehensive approach that combines both policies and measures and a new aim to guide our efforts in the post-2000 period. Let us find ways to share our experiences. Let us base our decisions on careful analysis and assessment, using the learning of our academic communities, the applied expertise of our business communities, and the full efforts and initiative of our citizenry.

We hope to adopt a substantial negotiation mandate here in Berlin with clear terms of reference and a firm commitment to a legal instrument. By 1997, we hope to have reached a climate protection agreement which

- covers all greenhouse gases;
- for developed countries, lays down clear objectives and dates for emission reductions;
- includes policies and measures for all countries;
- encourages a forum for reporting, sharing experiences, and exploring the opportunities of joint implementation; and
- engages all countries, with common but differentiated responsibilities.

In going forward, we must separate what is important from what is not. First, and most fundamentally, climate change is a global problem that requires global solutions. Our negotiations must include the entire global community. This is essential, as Vice-President Gore said just two weeks ago "not so that alone we can do less, but so that together we can do more." The US believes that our negotiations must reflect the "common but differentiated responsibilities" of all Parties under the Convention. We believe there are many opportunities for "win-win" policies -- policies that show how protecting the environment and promoting economic growth go hand-in-hand.

These opportunities should, in our opinion, include joint implementation -- not as a strategy for deferring or avoiding responsibility -- but as a process that over time can help us share technology, avoid mistakes of the past, develop climate-friendly technologies that are also important for achieving other environmental goals, and forge the productive partnerships that will be necessary if we are to stabilize greenhouse gas emissions.

I close today, Madame President, with mixed emotions. I am at once keenly aware that climate change is a long-term problem, and a solution will require decades of effort. But I am also emboldened by how far we have come. Seven years ago, Vice President Gore and I introduced in the US Senate the first legislation to address the problem of climate change. At that time, a Framework Convention, let alone a meeting like this one, was but a distant dream. We have come a long way in a short time. We have a great distance to go.