

I thank Senator Menendez for convening this important hearing on deforestation issues. It is through forests that our planet breathes. Over their life cycles, trees absorb carbon dioxide; when they die, they release it. Preserving and adding to our forest cover can compensate for our industrial carbon dioxide emissions. Cutting forests removes that protection and adds to the global buildup of greenhouse gases that are the driving force of climate change.

That is why forests are now a key feature of international climate change negotiations. Nations with significant forest cover have an asset that helps the whole planet in the long-term fight against global warming. But those same forest assets are worth money today. For many of those nations, with tens of millions of people to feed, the economics are compelling – cutting and selling those trees for short term economic gain beats preserving them for long term global benefits.

We must change that equation. We must make preserving and restoring forests profitable – not just for the rest of the world, but for those countries, too. The basics of the trade-off are clear. In the simplest case, protecting forests can offset emissions from industrial activities. If we make it costly for industries to emit carbon dioxide, we can make it profitable for them to pay for the protection of forests that help to compensate for those emissions.

But we have a long way to go before that simple transaction can become part of the global effort to slow, stop, and reverse the increase in the concentration of greenhouse gases that threaten our climate. We will need a domestic cap and trade system that is part of a wider global carbon trading system. We will need an international system of measurement and verification for that trading system to work. We will need to build the technical capacity in developing countries, and the financial markets in developed countries, to bring buyers and sellers together.

If we succeed, there are will be many additional benefits. Tropical rainforests – our richest carbon sinks – are also our richest harbors of biodiversity. They are the sources of life-saving drugs, they protect against floods and the erosion of agricultural lands, and they are crucial to both fresh and salt water fishing. I'm proud to have authored, with Senator Lugar, debt-for-nature swaps through the Tropical Forest Conservation Act. We have written a reauthorization of that successful program again this year, and I hope we can finally get it passed and signed into law. In the past ten years, this legislation has protected 47 million acres of vital tropical habitat.

This hearing is exactly what I hoped to see when Senator Lugar and I encouraged Committee members to focus their energies and attention on climate change. The United States continues to participate in international negotiations on a post-2012 climate agreement. As those discussions go forward, this Committee must keep pace with those discussions. We must make sure that the Senate itself will be prepared to give informed consideration to any international agreement that may be reached. The United States, the largest historical source of the greenhouse gases now in the atmosphere, is essential to

that process. We, as a nation, must be prepared to lead in the search for a global response.

Today's witnesses bring broad expertise. Ambassador Eizenstat has a distinguished career in public service, and today in private practice continues to contribute to important international debates, from climate change to Holocaust reparations. He was the lead U.S. negotiator in Kyoto and thus knows the process and the policy intimately. He is joined today by former Deputy Secretary Hayes who spent his time at the Department of Interior working on many closely related issues. Dr. Kevin Gurney from Purdue University is a leader on the measurement and verification that will prove essential to make any deforestation deal work. Dirk Forrister represents the carbon traders who deal with carbon on trading markets day in and day out and has also been part of our country's official climate change negotiating team.

I hope that this hearing will bring some much needed focus to questions of deforestation. As much as one fifth of human carbon emissions are from deforestation and land use changes – more than the entire global transportation sector. That means every car, bus, train, airplane in the world. We can't solve this problem without taking into account the role of forests.

Again, I thank Senator Menendez for convening this hearing and for his intention to hold a series of hearings exploring the challenges and opportunities of a post-2012 climate framework. The science is clear that climate change must be addressed, and that it must be addressed now, and I hope these hearings and other Committee efforts will advance our understanding of the role that the United States can and will play in the coming years.