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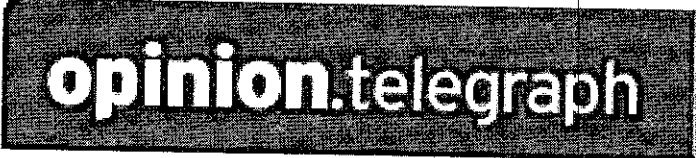
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**CC:**

**Subject:** Climate clips - 8/1/05

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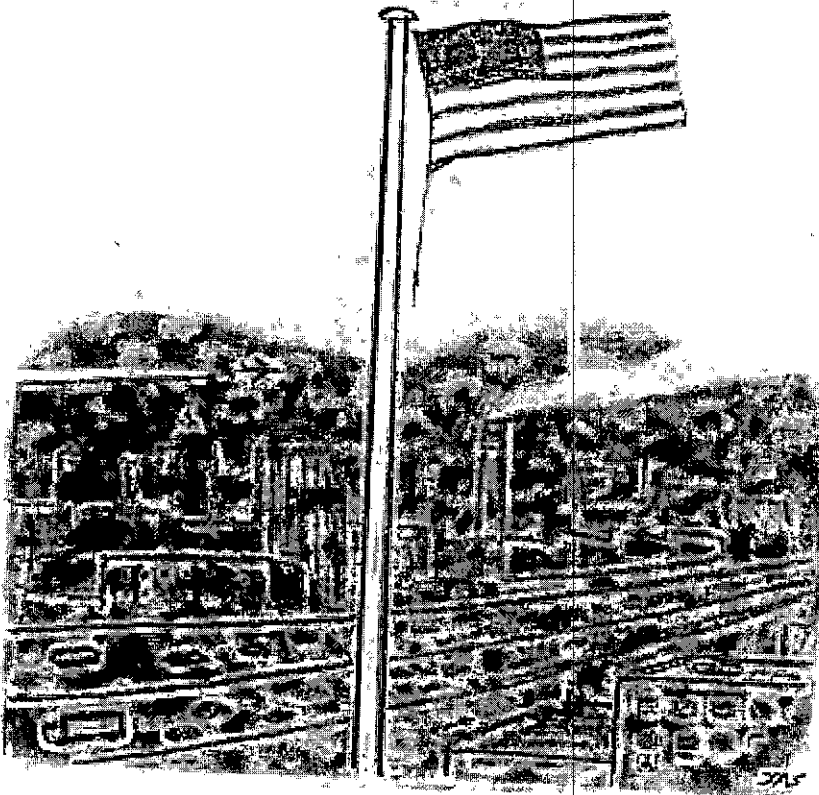


**Perhaps now Europe will come clean about climate change**

By Neil Collins  
(Filed: 01/08/2005)

(DAILY TELEGRAPH, UK) Wednesday, July 6 was a day to bury good news. The members of the House of Lords select committee on economic affairs could hardly have anticipated the bizarre decision of the International Olympic Committee, which did so much to help their report on "The Economics of Climate Change" to pass unnoticed - and we all know what happened the following day.

In fact, the report is a sensational document. It is, in effect, an attack on the Kyoto accord through its weakest point, the underlying science. The committee savages the Intergovernmental Panel on Climate Change (IPCC), the body on whose "research" Kyoto is built. The language, as befits their lordships, is suitably restrained.



"We have some concerns about the objectivity of the IPCC process," they write, "with some of its emissions scenarios and summary documentation apparently influenced by political considerations. There are significant doubts about some aspects of the IPCC's emissions scenario exercise. . . the Government should press the IPCC to change their approach. There are some positive aspects to global warming and these appear to have been played down in the IPCC reports . . ."

There's much more, but you get the general idea. It's the nearest the Lords ever comes to blowing a raspberry. So who are these people to come up with such heretical ideas? The 13 committee members include two former chancellors of the Exchequer, a former governor of the Bank of England and three distinguished economists. Unlucky for some, you might say, including Sir David Wallace, the vice-president of the Royal Society.

He's the man who wrote, in his official capacity, to journalists in April warning that "there are some individuals on the fringes. . . who have been attempting to cast doubt on the scientific consensus on climate change". He appealed for us "to be vigilant against attempts to present a distorted view of the scientific evidence".

Their lordships have taken him at his word, but their attempt at scientific rigour has produced quite the wrong answer, at least from his point of view. Let's hope he doesn't find himself in the position of that individual on the fringe he's urging us to avoid.

Coincidentally, the very day the Lords report came out, his position and that of the other Kyoto believers was already looking a little shaky. The environment was high up the agenda of the G8 meeting in Gleneagles, and the participants were faced with the choice of either casting America as a polluting pariah or signalling that the Kyoto accord was a blind alley, as President Bush had always maintained. To the surprise of many, they chose the latter.

The Americans had argued that both the science and economics of climate change were highly uncertain; that there was nothing in Kyoto for them other than extra costs; that it would all be pointless if developing countries are excluded from restrictions; and that the solution to global warming lay with technology rather than rationing. The logic of this position overcame the political warm glow that the other leaders might have felt from condemning America (again), and while it's something of an exaggeration to say that the Kyoto accord is dead, it's certainly looking very ill.

It was not helped last week by the US-led coup which launched the snappily named Asia-Pacific Partnership on Clean Development and Climate. Endorsed by Australia, China, India, South Korea and Japan, the plan is to try to find practical solutions rather than don hair shirts. While Robert Zoellick, America's deputy secretary of state, claimed that "we are not detracting from Kyoto in any way", it looked suspiciously as though he was playing Brutus to the Kyoto Caesar.

If so, the European Union countries are playing the other senators, since they have no realistic chance of meeting the targets they have agreed for 2012. Having set themselves unrealistic limits on carbon dioxide emissions, with draconian penalties if they are missed, the outcome promises to be a re-run of the Stability and Growth Pact farce. Breaches of that pact, which was designed to control government deficits for countries in the European single currency, are now so widespread that it's essentially a dead letter.

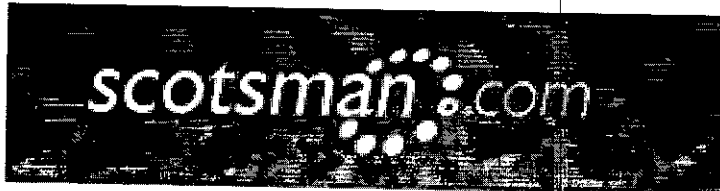
Since signing up to Kyoto, the EU members have actually drifted further away from their targets. Twelve of the 15 original signatories are so far away that they are virtually certain to miss them, and to incur the eye-watering financial penalties as a result. Only Britain and Germany are closer, thanks to the switch from coal to gas here and the closure of East Germany's heavy industry there. The politicians may claim that we are "on track" to meet our targets, but as a whole the EU is already miles off.

Christopher Horner of the Competitive Enterprise Institute - and one of those people Sir David warned us journalists to beware of - goes further: "Given these penalties, Kyoto seems designed to fail. There is the increasing possibility that sufficient greenhouse gas credits will not exist at any price for the EU to try and buy its way to compliance even if it wished."

This is what their lordships seem to have grasped in their little-noticed report. They conclude: "The Kyoto protocol makes little difference to rates of warming, and has a naive compliance mechanism which can only deter other countries from signing up to subsequent tighter emissions targets. We urge the Government to take a lead in exploring alternative 'architectures' for future protocols, based perhaps on agreements on technology and its diffusion."

Hard though it may be for the hair-shirt brigade and the Royal Society to accept, there's an awful possibility that the Americans were right all along. The Kyoto accord looks like yesterday's approach to yesterday's conception of tomorrow's problem.

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## **Economic growth is green**

*FRASER NELSON*

(THE SCOTSMAN, UK) THE Kyoto Protocol? That was so last century. Even the Japanese, who founded it, have moved on to the next big thing. The plastic wristbands aren't yet printed, but the new logo is complete: growth is green.

Last week, a new environment pact was agreed in Laos by India, China, South Korea, Australia, Japan and the US: to go for economic growth and use the proceeds to produce new, clean energy technology.

Rather than see business growth as a rapacious process which fells forests and warms the planet by belching out greenhouse gasses, the Laos deal argues growth is the solution to the environmental problems.

Few saw this coming. The countries had gathered in an Asia-Pacific forum, but Australia and the US had for months been working in secret about a successor deal to Kyoto, which neither of them have signed. Both were concerned that Kyoto was all about slamming on the economic brakes and putting the world on an energy diet - with targets tying the hands of rich countries, while leaving India and China unconstrained.

The Kyoto creed is certainly a snapshot of 1990s world politics. It reflected a centre-left consensus that globalisation and soaring business profits posed a threat to the environment, and that companies had to be reined in.

Its target, to reduce greenhouse gas emissions by 5.2% by 2010, did not affect India and China, who were seen as too small to make any significant contribution towards the problem. Now, better research shows just how backward and dangerous the Kyoto principles were - it would have slowed global warming by six years over the next century. A pitiful result for an economic cost of £200 billion.

The creed behind last week's deal was that economic growth - not placing

shackles on energy consumption - is the best way to helping the environment. Growth is not only good: growth will save the planet.

The White House released a fact sheet spelling it out. "Stagnant economies are one of the world's greatest environmental threats, because people who lack food... cannot be expected to preserve the environment at the expense of their own survival," it said.

A 1995 World Bank study found just this: a "very strong, positive association between environmental indicators and economic development" - when GDP per head reaches the \$10,000 level (where Russia is now) green improvement follows.

This is why the environment has been getting better since the 1970s, quite contrary to the projection given by politicians who have not grasped the facts. In every country, the green revolution has been fuelled by economic growth.

It was prosperity, not regulations, that ditched Edinburgh's "auld reekie" reputation and allowed Glasgow to leave its industrial past while reducing sulphur dioxide emissions by 87% over four decades.

By contrast, desert is spreading in the Sahara because nomads are exploiting the fertile lands then moving on to the next target. Rainforests are felled in Latin America because, for many, it is the only means of making a living.

As the Brazilian economy progresses, its people will rise from their agrarian knees and its government can afford controls on wastewater and greenhouse gas emissions. As the world's richest country, the US now wants a replacement for fossil fuel.

America is now investing far more than Europe in researching hydrogen fuel cells, clean coal, excavating methane from coal beds, "carbon capture" recycling technology - costly and ambitious schemes shared by the Laos countries.

This is not because George Bush is a closet Greenpeace member. He just hates America's reliance on oil producers such as Saudi Arabia: the sooner he can come up with an all-American hydrogen device, the better.

It is hard to overstate how serious the Bush administration is about the project.

Being reliant on "foreign sources of energy" is repeated every week by the White House like a curse the president is desperate to fight off.

A generation ago, China was told it could never hope to have telephones for all its people because there was not enough copper in the world to wire up its houses - and copper, it was feared, could one day run out.

Wireless technology provided the answer. And so it may prove with energy: the US federal government is working harder than anyone else to come out with the energy equivalent to mobile phones.

There is a good reason that the Laos deal wasn't struck at the G8 summit in Gleneagles. That involved France, Germany and Italy: countries who specialise in wagging their finger at America while duly delivering low economic growth.

This has many lessons for Scotland. We are one of the greenest countries on earth: our woodland cover has trebled since 1947, and glass recycling has trebled since 1987. Our problem is too little economic growth, not too much pollution.

Yet political opinion in the Scottish Parliament is way behind. The MSPs were reared on the 1980s green arguments and remain more concerned with making life difficult for motorists than asking why one in three Glasgow adults are jobless.

Last week, we learnt Scotland's economic growth fell stagnant at the start of the year: the price of this is felt by the low-paid, kept on poor wages, and zones of joblessness in Dundee, Glasgow and Edinburgh.

Growth produces health, wealth and clean environments. It arms countries for social problems, it is the reason why the average black American (the most deprived group) is better-off than the average European.

The political debate in Holyrood still regards growth as something which primarily benefits business, or the rich - and while publicly groaning about Scotland's slow growth they still impose the highest business tax in the UK.

But MSPs' failure to grasp the importance of economic growth in Scotland reflects a larger failure among Britain's political elite to understand its many

benefits on a wider - and, ultimately, ecological - scale. Kyoto was from the old era. Laos is from the new. This message is being grasped by Asia and America, which is why they are first with the new green agenda. Going for growth will produce the green tools to tackle head-on the problems which Kyoto simply seeks to defer.

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**THE**  **ONLINE**  
**EDITION**  
**INDEPENDENT**

## **Brown counters Bush global warming snub with own global study**

**By Geoffrey Lean, Environment Editor**

**Published: 31 July 2005**

Gordon Brown is launching an unprecedented investigation into the damage global warming will do to Britain and the world, and the cost of bringing it under control, in a direct challenge to President George Bush.

The inquiry, which marks the Chancellor's growing preoccupation with climate change, will examine the President's assertion that tackling it would ruin economies and wipe out jobs.

It comes on the heels of a snub to Britain, and Tony Blair, by Mr Bush, who last week announced a new "partnership" on tackling global warming with Australia, India, China, South Korea and Japan. He kept this initiative secret from Mr Blair, failing even to mention it at the Gleneagles summit three weeks ago.

The initiative, widely seen as an attempt to destabilise negotiations on a successor to the Kyoto Protocol, which expires in 2012, avoids targets for cutting the pollution that causes climate change, preferring vague undertakings about the exchange of cleaner technologies.



Mr Brown, who has become increasingly concerned about the impact that droughts and floods are having on deepening Third World poverty, has asked Sir Nicholas Stern, the Second Permanent Secretary at the Treasury, to head the investigation.

It will examine the economic cost to Britain, particularly in increased flood defences and insurance against extreme weather, as the climate heats up, and attempt to quantify the devastating effects on developing countries, and the world as a whole.

And it will scrutinise the many studies around the world which conclude that tackling global warming costs far less than letting it occur unhindered, and may even create jobs and boost economies.

Unusually, Sir Nicholas will report to both Mr Blair and Mr Brown - the only investigation to do so apart from the Commission on Africa this year.

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Independent on Sunday (London)

July 31, 2005, Sunday

**SECTION:** First Edition; COMMENT; Pg. 30

**LENGTH:** 648 words

**HEADLINE: NO THANKS, MORE A SLAP IN THE FACE**

**BYLINE:** GEOFFREY LEAN

**HIGHLIGHT:**

The US snubs attempts at curbing pollution REUTERS

**BODY:**

Has Tony Blair finally got his payback from George Bush for his support over Iraq? The President has at last made a move on global warming. But it's not a cut in the United States' profligate discharges of carbon dioxide, the main cause of the **climate change**. Nor is it an admission that Mr Blair's famed powers of persuasion have eventually convinced him that the crisis is real. Instead, as one

senior Downing Street figure told me, it is 'a slap in the face'.

The United States has got together with Australia " the only other developed country, apart from Monaco and Liechtenstein, to have refused to ratify the Kyoto protocol " to put forward their own solution to global warming: an '**Asia-Pacific** partnership for clean development and climate' with China, India, Japan and South Korea.

Australia calls the initiative " which brings together countries accounting for half of the entire world's carbon dioxide emissions " 'bigger, more practical, and more likely to get results' than Kyoto.

But, unlike the treaty, it contains no targets for cutting the pollution, resting instead on vague undertakings to use cleaner technologies.

Humiliatingly for Mr Blair, the President told him nothing about the plan even though the Prime Minister has made global warming a centrepiece of his presidency of the G8 this year.

Worse, the partnership is to hold its first meeting in November, neatly upstaging what at the time looked like the Gleneagles summit's main achievement: the opening of pioneering talks on tackling **climate change** between the G8 countries and key developing ones that same month.

And, worse still, it could be used to sabotage vital negotiations in November for greater reductions in the pollution after 2012, when the Kyoto protocol expires.

It looks like spite, and it probably is. George Bush was furious with Tony Blair for putting him on the spot at the Gleneagles summit by focusing on global warming and publicly pressing him to make concessions. Rather than respecting the Prime Minister's leadership, he seems to be trying to put him in his place.

Yet Mr Blair, if he responds cannily and strategically, could yet call Mr Bush's bluff and turn the initiative to his " and, more importantly " the world's benefit. He first has to avoid falling into the President's trap by attacking the new initiative's concentration on technology as contradicting Kyoto's emphasis on mandatory cuts in pollution. In fact, they are complementary. The big cuts needed will not happen without new, much cleaner technology. But business will not develop or adopt it without the stimulus and predictability of continuing forced reductions.

Next, he needs to exploit the advantages the initiative offers. It shows how much pressure Mr Bush is under on global warming at home that he has to appear to offer an alternative solution. It also suggests that China and India are trying to

get Europe and the US to compete to sell them clean technologies, without which burning their vast coal reserves alone will be enough to ruin the climate. Mr Blair has started well by refusing to be publicly miffed, and cautiously welcoming the initiative. He must now rally Europe and the rest of the world to insist on continuing the Kyoto process, and keep the pressure up on Mr Bush. As President of the EU over the next six months, he is ideally placed to do so.

It will take the kind of strategic thinking that brought London the Olympics. We have already seen some of this from both Mr Blair in the run-up to Gleneagles and in Gordon Brown's announcement last week that Sir Nick Stern, who pulled together the Africa Commission, is to report on how tackling global warming can be made to benefit the economy.

By using the new initiative to bind the US into a worldwide assault on global warming, Mr Blair could yet turn the snub into a breakthrough.



# THE AUSTRALIAN

## Climate pact cold on carbon tax

Katharine Murphy  
August 01, 2005

(THE AUSTRALIAN) AUSTRALIA will not support a carbon tax or a carbon-trading scheme as part of a new international partnership to combat climate change.

Industry Minister Ian Macfarlane said yesterday that such proposals were "a very long way from our thinking at the moment".

"I think the adoption of new technologies to lower greenhouse emissions will come without any punitive measures," he told The Australian.

Mr Macfarlane's strong intervention in the renewed debate over greenhouse policy follows the announcement last week of an alliance between the US, Australia and Asian nations to fight global warming.

It also follows a recent softening in Prime Minister John Howard's attitude to

climate change, which was interpreted by some state premiers as leaving the door open for a national carbon-trading scheme.

The Bush administration has come under growing pressure to consider a more national approach to environmental policy as US states begin to develop separate carbon-trading schemes.

Foreign Affairs Minister Alexander Downer told the ABC yesterday there was a need to change "pricing signals" to encourage business to take up new technology to cut greenhouse emissions. "By changing price signals, obviously, that leads to changes in the investment patterns," Mr Downer said. "You can get more investment into cleaner energy through changing pricing signals."

Those comments on price signals were thought to refer to carbon-trading schemes or a carbon tax.

Carbon-trading schemes, which are operating overseas, allow big producers of carbon dioxide to "buy" carbon credits to meet emission-reduction targets.

Carbon credits are sold by companies such as renewable energy producers or forestry groups.

A carbon tax, presumably imposed by the commonwealth, would penalise big carbon dioxide producers.

But a senior government source said yesterday carbon trading or a carbon tax was "not something we are actively considering".

Australia will host the first meeting later this year of the Asia-Pacific Partnership on Clean Development and Climate, comprising Australia, the US, China, India, Japan and South Korea.

The new partnership, revealed exclusively by The Australian last week, rejects the model of the Kyoto protocol, which sets binding targets for reductions in emissions.

It will instead put the emphasis on using new technologies to reduce or capture carbon dioxide pollution.

Mr Downer said yesterday ASEAN countries would be welcome to join the new partnership once the details and objectives were worked out.

Mr Macfarlane said the Howard Government could consider providing new incentives for business, such as tax breaks or extra funding, to encourage companies to take up costly technologies to lower their greenhouse gas emissions.

The minister said if the new technologies emerged, and there was evidence business was failing to take them up, he would "revisit" the existing level of taxpayer support.

But at this stage there was no proposal to increase government assistance and he urged industry to get on board without having to resort to taxpayer support.

"We need to see industry commit to this," Mr Macfarlane said.

He said recent work done by Australian officials estimated that a reduction in greenhouse gas emissions would have a depressing effect on global economic growth.

But he said measures promoted by the Kyoto protocol would cut the value of global production by 5 per cent, whereas technology-based solutions would see the effect greatly reduced, to 1.3 per cent.

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**REUTERS**   
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## **Australia says ASEAN Nations Keen on New Climate Pact**

AUSTRALIA: August 1, 2005

**MELBOURNE - Southeast Asian countries have expressed interest in joining a new US-led partnership to cut greenhouse gas emissions by developing technology and economic incentives, Australian Foreign Minister Alexander Downer said.**

The Asia Pacific Partnership on Clean Development and Climate between Australia, the United States, China, Japan, South Korea and India was unveiled at an Association of South East Asian Nations (ASEAN) forum in Laos last week.

"The ASEAN governments were asking me whether it would be possible for them to join this partnership in time," Downer said on Australian television on Sunday.

"And I made it clear that once we've worked out how we want it all to come together, we, in principle, would be very happy to see ASEAN countries become involved because their economies are growing and they're significant emitters as well," he said.

Unlike the Kyoto climate agreement, which requires cuts in greenhouse emissions by 5.2 percent below 1990 levels by 2008-12, the Asia-Pacific partnership has no time frames or targets.

"We hope that we'll start to get results under our partnership fairly quickly," Downer said.

"That's going to require collaborative research. It's also going to mean we'll have to investigate price signals coming from energy."

Downer said the work would probably be paid for jointly by governments and the private sector.

The six founding partners of the new pact account for 45 percent of the world's population, 48 percent of the world's

greenhouse gas emissions and 48 percent of the world's energy consumption.

The United States and Australia are the only developed nations outside Kyoto. Both say Kyoto, agreed to in 1997, is flawed because it omits developing states.

The United Nations' Intergovernmental Panel on Climate Change (IPCC) has said world temperatures are likely to rise between 1.4 and 5.8 degree Celsius (2.5-10.4 degree Fahrenheit) by 2100, linked to the build-up of greenhouse gases from human activities.

REUTERS NEWS SERVICE

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**News**

COLUMBIA DAILY TRIBUNE

## **U.S. enters partnership to counter Kyoto pact**

Published Sunday, July 31, 2005

WASHINGTON (AP) - President George W. Bush's answer to global warming is technology.

In a move to counter the Kyoto Protocol, which requires mandatory cuts in so-called greenhouse gas emissions, he is making the technology pitch as part of a partnership with five Asian and Pacific nations, including China and India. The idea is to get them to commit to cleaner energy production as a way to curtail air pollution that most scientists believe is causing the Earth to warm up.

The administration announced late Wednesday that it has reached an agreement with the five countries to create a new partnership to deploy cleaner technologies for producing energy whenever possible.

The agreement does not bind any of the countries to specific emission reductions, adhering to the Bush doctrine that dealing with climate change

should be voluntary and not imposed by mandatory reduction targets and timetables. White House officials also dismissed suggestions that the diplomatic initiative was aimed at undercutting the Kyoto accord, noting that several of the participants also embrace Kyoto.

Neither China nor India was covered by the Kyoto agreement.

The new pact, which also includes as participants Japan, South Korea and Australia, was viewed by senior White House officials as a significant step toward establishing a framework in which rapidly emerging industrial countries will be encouraged to produce cleaner energy as a way to keep climate-changing chemicals out of the atmosphere, especially carbon from fossil fuels.

Bush called it a "new, results-oriented partnership" that "will allow our nations to develop and accelerate deployment of cleaner, more efficient energy technologies to meet national pollution reduction, energy security and climate change concerns in ways that reduce poverty and promote economic development."

Secretary of State Condoleezza Rice and Energy Secretary Samuel Bodman will seek to move the issue forward in meetings with their counterparts in the partnership this fall.

"We are hopeful this will create a complementary framework" to Kyoto, said James Connaughton, chairman of the president's Council on Environmental Quality. He said the partnership was not meant to replace Kyoto.

The United States rejected the 1997 Kyoto pact, which requires reductions of greenhouse emissions by industrial nations. Bush said earlier this month that he recognizes that human activity contributes to a warmer Earth, but he continues to oppose the Kyoto treaty, which all other major industrialized nations signed, because developing nations weren't included in it.

Bush prefers to address climate change through voluntary actions and by emphasizing development of new technologies that reduce emissions and capture carbon.

As the new partnership develops, it will "harness in significant and greater ways the investments necessary to ... reducing greenhouse gases" through technology transfers and exchange of ideas, Connaughton said.



The six countries pledged "enhanced cooperation" to address the climate change issue through development of less carbon-intensive technologies, including clean coal and civilian nuclear power, when outlining their energy needs.

Today, the United States accounts for a quarter of the world's greenhouse gases going into the atmosphere, with emissions growing at the rate of 1.5 percent a year despite the administration's voluntary climate change policies.

However, emissions are expected to surge in countries such as India and China, whose industrial bases are growing rapidly.

"Within the next decade or two, developing countries will overtake the industrial world in total greenhouse gas emissions so that by 2025, more than half of global annual emissions will be coming from developing countries," economist David Montgomery, a critic of the Kyoto accord, told a recent Senate hearing.

Environmentalists, who have been sharply critical of Bush's voluntary approach to dealing with climate change, called Wednesday's initiative little more than what already is being pursued through various bilateral discussions.

"All they're doing now is wrapping together a few of these partnerships. There does not seem to be anything new," said Annie Petsonk of Environmental Defense.

Connaughton said the agreement with the five Asian countries culminated more than five months of talks. Bush personally discussed the issue with Australian Prime Minister John Howard and Indian Prime Minister Manmohan Singh when they recently visited Washington.

Like Bush, Howard has been a sharp critic of the Kyoto climate accord, preferring other approaches to dealing with global warming. "We know that this is the answer," Howard said in Canberra, referring to the partnership. "We know the Kyoto Protocol is a failure in terms of saving the climate. We have to do better."

In recent weeks, Bush has gained several victories for his climate policies.

Congress is preparing to enact broad energy legislation that essentially endorses the voluntary approach to climate change and includes incentives for

development and exporting clean energy technologies.

And earlier this month in Scotland, the Group of Eight industrialized countries bowed to U.S. pressure by approving a declaration on climate change that avoided taking any concrete steps to fight global warming, such as setting targets or timetables for reducing greenhouse gas emissions.



## **UN climate body welcomes new US-Asia global warming pact**

Fri Jul 29, 1:14 PM ET

Executive Secretary of the UN Framework Convention on Climate Change (UNFCCC), Joke Waller-Hunter welcomed the new pact between the United States and five Asia-Pacific nations to curb greenhouse gases. (AFP/File/Kazuhiko Nagai)

*Executive Secretary of the UN Framework Convention on Climate Change (UNFCCC), Joke Waller-Hunter welcomed the pact between the United States and five Asia-Pacific nations to curb greenhouse gases.*

BONN, Germany (AFP) - The United Nations' expert body on climate change welcomed a new pact between the United States and five Asia-Pacific nations to curb greenhouse gases which are causing global warming.

"We welcome the initiative and the commitment to action through international

partnership and cooperation expressed by the governments involved," said the Executive Secretary of the UN Framework Convention on Climate Change (UNFCC), Joke Waller-Hunter.

"The partnership addresses the crucial relationship between development, energy needs and their related investments, energy security and a decrease in greenhouse gas intensity," Waller-Hunter said in a statement.

"Concrete measures fostering low-carbon energy investments are vital contributions to achieving the objective of the Convention".

The United States, Australia, China, India, Japan and South Korea announced on Thursday the new non-binding compact to reduce emissions at a regional forum in Laos.

This initiative does not have enforcement standards or a specific timeframe for signatories to cut emissions, unlike the 1997 Kyoto Protocol which the United States and Australia have refused to ratify.

The United States is the world's largest greenhouse gas emitter with 25 percent of global carbon dioxide emissions.

Scientists predict global warming, caused mainly by increasing carbon dioxide emissions from the burning of coal, gas and oil in motor vehicles and power stations, will increase the frequency and severity of droughts, flooding and storms, threatening global agricultural production.

The Kyoto protocol, which is the legally binding instrument of the UNFCC, came into force this year and commits industrialized nations to cut emissions to 5 percent below 1990 levels by 2012.

Waller-Hunter said the new agreement like the recent G8 Gleneagles declaration on climate change would provide an impetus to talks on the next phase of the Kyoto protocol after 2012, which begin on November 28 in Montreal.

July 30, 2005 Saturday All-round Country Edition

SECTION: LOCAL; Inside Story; Pg. 1

LENGTH: 1050 words

HEADLINE: **Strangling the son of Kyoto**

SOURCE: MATP

BYLINE: Amanda Hodge, David Uren, Additional reporting: Nigel Wilson and John Kerin

BODY:

FOR its mostly European supporters, the Kyoto greenhouse treaty's time surely had come.

In November last year, a diplomatic coup had delivered Russia into the climate-change treaty's arms. A month later, greenhouse representatives of 194 nations were gathered in Buenos Aires to lay the ground for an even more ambitious "son of Kyoto".

But Jim Connaughton had other ideas. The director of environmental policy in George W. Bush's White House quietly floated the idea of an Asia-Pacific regional climate alliance that would sideline the Europeans' Kyoto dream.

The balding and bespectacled Connaughton knew that Russia's ratification would bring the protocol into force, leaving Australia and the US -- who both refused to sign the agreement -- out in the cold.

The first stage of the Kyoto Protocol ends in 2012 and the Europeans were keen to draw developing nations into a new agreement to offset the competitive disadvantage the existing treaty imposes on members.

The European Union had been working hard among members of the Group of 77 developing countries and their previous blanket opposition to binding targets was softening.

But Connaughton and the US undersecretary of state for global affairs, Paula Doriany, had been doing their own lobbying.

China and India both split from other developing nations to join the US in opposing new negotiations on a replacement for Kyoto. With China, India, the US

and Australia opposed, there was no consensus for new negotiations.

The conference fizzled out. It was the chance the US was looking for.

Connaughton's office began fleshing out a pact that would focus on efficient use of technology rather than the binding targets of Kyoto.

Federal Environment Minister Ian Campbell says the Government had always intended to pursue a climate partnership on low-emissions technology and said so during last October's election campaign.

He bristles at suggestions that Australia was anything but a key player in the creation of the Asia Pacific Clean Development and Climate partnership announced this week.

"Australia has played an incredibly important role within the Asian region in pulling the partnership together and anyone who underestimates that role has no idea what they're talking about," he said yesterday.

But in reality the alliance was Connaughton's baby.

In March, he took his idea on tour, stopping first in Canberra then India and China.

Travelling with him were the head of international environment policy Kenneth Peel and the chief climate negotiator Harlan Watson. In Canberra the team met with John Howard, Foreign Minister Alexander Downer, Industry Minister Ian Macfarlane, Campbell and also the head of the greenhouse office, Howard Bamsey.

The Americans also included a meeting in Sydney with industry leaders. Their message was that there was an opportunity for the US and the Australian governments to take the lead in shaping a post-Kyoto world.

Kyoto would only cover 20 per cent of global emissions by 2020, they said, and the only path to tackle long-term climate risks was the development of low greenhouse gas emission technologies.

China and India would be able to deliver real reductions in global emissions with the use of good technology, whereas they would never agree to curtail their development under Kyoto's quantitative emission limits. But they gave no hint the ideas they were expressing were the template for a new greenhouse agreement already under intensive negotiation.

A few days later in Sydney, over a convivial meal of seafood and white wine at the Waterfront restaurant in Circular Quay, Downer offered Adelaide as the venue for the first ministerial meeting.

Within weeks of Connaughton's visit, Campbell had been dispatched to Washington to discuss details with US environment officials.

Downer talked to India's environment minister during a three-day visit there in June and also had some talks with Japan's Vice-Foreign Minister at the ASEAN summit underway in Vientiane.

The other two members of the Asia-Pacific greenhouse pact, South Korea and Japan, took time to convert but Japan was well worth the effort.

As the host for the original 1997 Kyoto climate change conference, it had invested much political capital in convincing the world's industrialised nations to cut greenhouse emissions 5 per cent by 2012.

But Japan was not easily convinced the deal would not undermine Kyoto and only agreed to join the pact at the ASEAN summit this week. Campbell won't say if there were any countries approached that refused to join. But he says "we got the countries we wanted".

"And this is only the start of it. We would welcome other countries in."

The first ministerial meeting of the alliance will be held in November. By then Campbell hopes to have made progress on an action plan.

The Government revealed this week that a fund would be established to help finance renewable energy options and technology-based low emissions solutions.

Campbell told CNN the alliance would eventually oversee the replacement of many existing power stations in member countries with "the very best new technologies".

Beyond that, and the promise of no emission reductions targets, there is scant detail.

Powerful executives of the coal mining industry meeting in Canberra yesterday had to suspend their agenda to listen to two federal bureaucrats tell them the Government had yet to work out how Australian technology would be incorporated into the new six-nation greenhouse agreement.

"We welcome the initiative but we have no idea how the architecture of the agreement will work," Mark O'Neill, head of the Australian Coal Association said.

Critics of the alliance say voluntary emissions reductions schemes are doomed.

Greenpeace's Catherine Fitzpatrick believes it's no coincidence the meeting will be held two weeks before Kyoto Protocol countries meet for the first time since the agreement came into force in February.

It is at that meeting in Montreal that talks have been rescheduled for how to draw developing nations into Kyoto's second commitment phase.

Importantly, as non-participants to the treaty, Australia and the US could well be left out of those negotiations.

But at least it knows now it has friends in the room.

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Environment and Energy Daily

July 29, 2005 Friday

SECTION: ON THE HILL Vol. 10 No. 9

LENGTH: 936 words

HEADLINE: **CLIMATE CHANGE: Energy bill mimics Bush policies with coordination, technology focus**

BODY:

Darren Samuelsohn, E&E Daily senior reporter

The Bush administration's climate change policies have found a home in the energy conference report thanks to a specific title that coordinates existing federal policies and encourages the exchange of low and zero-carbon technologies with developing countries.

House-Senate conference negotiations this week scaled back the climate section from its original design -- sponsored by Sens. Chuck Hagel (R-Neb.) and Mark Pryor (D-Ark.) -- by removing a section that authorizes direct loans and loan

guarantees for specific pollution control technologies. Senate aides said the loan provisions were dropped from the final conference report because they were duplicated elsewhere in the 1,725-page legislation.

Despite the change, the White House has hailed the overall legislation, and the climate language specifically, for providing a framework for their longer-term goal of stabilizing and then reducing greenhouse gas emissions as compared to U.S. economic growth, also known as greenhouse gas intensity. Critics of the energy legislation say the climate change section does nothing to deal with the threat of global warming and rising domestic emission levels.

With the measure apparently on its way to the president's desk for signature, the White House in recent days has been touting its new legal authorities. Most recently, Bush signed the United States up this week for a new international technology-sharing agreement with Australia, China, India, Japan and South Korea that in many ways appears premised on the energy bill.

The energy bill "sets a legislative foundation for this type of partnership," Jim Connaughton, chairman of the White House Council on Environmental Quality, told reporters Wednesday.

Like the new U.S.-Asia-Pacific international coalition, the energy bill steers clear of calling for any type of mandatory cuts on domestic greenhouse gas emissions. That's because the Senate voted last month against the only proposal that would have required such cuts, a 38-60 defeat of an amendment from Sens. John McCain (R-Ariz.) and Joe Lieberman (D-Conn.) that would have imposed strict limits on the electric utility, transportation and manufacturing sectors.

Congressional interest in climate change was strongest in the Senate and not the House, which avoided any specific provisions on the issue within its version of an energy bill. The Senate made its mark when it adopted the Hagel-Pryor provision, 66-29.

Of the climate language that actually survived the conference report, Jonathan Black, a legislative aide to Senate Energy and Natural Resources Committee Ranking Member Jeff Bingaman (D-N.M.), said it was a "modest improvement" to the Energy Department's current technology programs.

#### Climate title details

The climate title of the energy bill is broken into two subtitles: National Climate Change Technology Deployment and Climate Change Technology Deployment in Developing Countries.



In the former, Bush is required within 180 days to establish a new climate-focused technology committee that will "integrate current federal climate reports" and "coordinate federal climate change technology activities and programs." Energy Secretary Samuel Bodman will lead the panel, which also will include the heads of the Commerce, Agriculture and Transportation departments, U.S. EPA, CEQ and the White House Office of Science and Technology Policy.

According to the legislation, the panel's first task is the creation of a "national strategy to promote the deployment and commercialization of greenhouse gas intensity reduction technologies and practices." The strategy can be gleaned from the work of national laboratories, academia and private companies.

Bodman also must complete and then continually update a public inventory and evaluation guide to technologies that help reduce greenhouse gas intensity. He also is called on to create an advisory committee made up of energy industry officials, consumer groups, federal experts and academia that would help to examine such technologies to determine if there are statutory, regulatory and economic hurdles in the way of their commercialization and deployment.

On the international side, the energy bill gives the State Department the lead in creating a list of the 25 developing countries that stand to gain the most from new energy technologies to limit greenhouse gas intensity. In amending the 1989 Global Environmental Protection Assistance Act, the new energy bill also calls on Secretary of State Condoleezza Rice within 180 days of the bill's passage to submit the list of countries to Congress.

With help from the U.S. Agency for International Development, Rice is called on to "provide assistance to developing countries specifically for projects to reduce greenhouse gas intensity." Such efforts can include bilateral agreements, federal funding, private investments and expedited deployment of U.S. technologies.

The U.S. Trade Representative is given a role in the international effort with a requirement to identify foreign trade barriers that restrict the exporting of greenhouse gas intensity reduction technologies and to negotiate with such countries to remove those limits.

Rice is also named head of a new committee that includes officials from USAID, DOE, USTR, DOE, EPA and the Commerce Department that oversees the international effort to deploy the new technologies. Eligible countries must meet certain criteria, including a government that respects human and civil rights, protects private property and engages in economic policies open to global trade and international capital markets.

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Copyright 2005 Wellington Newspapers Limited  
The Dominion Post (Wellington, New Zealand)

August 1, 2005, Monday

SECTION: NEWS Pg. 2

LENGTH: 418 words

HEADLINE: **Climate pact sparks interest**

BODY:

MARTA STEEMAN

**BUSINESS** New Zealand wants the Government to take a close look at an alternative to the Kyoto protocol -- a climate change pact between several of New Zealand's top trading partners.

Business New Zealand chief executive Phil O'Reilly said it was too early to say if New Zealand should join the pact.

Australia, the United States, South Korea, China and India have announced they have signed the Asia Pacific Partnership for Clean Development and Climate.

They accounted for half of the world's greenhouse gas emissions.

"We only know a little bit about it," Mr O'Reilly said. He had asked staff to gather more information. "On the face of it we think it looks promising.

"We think the Government should take a closer look at it and we think the Government should keep an open mind once we know more about it and once we have more conversations about whether we should join it."

It was either an alternative to Kyoto or an addition if the costs were not big.

The partnership would promote clean technologies and sustainable development and wanted to make them affordable for poor countries. In New Zealand the Government had taken "a stick approach" to its Kyoto protocol commitments.

Its intention to introduce a carbon tax from April 2007 would make New Zealand business less competitive.

It would penalise all car users but few practical alternatives existed.

He believed the pact was partly driven by coal interests. The countries wanted technology that would make coal cleaner to burn. That was relevant to New Zealand which had abundant coal reserves. However, green interests think the pact is hot air.

Sustainable Energy Forum spokesman John Blakeley said: "From what I can understand it's really just platitudes."

It was questionable if European countries would meet their Kyoto emissions targets but at least they were committed to something.

The pact sounded "like a best efforts thing with the hope that technology will save us. I don't think that's necessarily true at all," he said.

"It doesn't actually tell anybody to do anything as I understand it. It's just waffle. It doesn't seem to have any teeth."

It looked like a smokescreen so the countries did not have to do anything, Mr Blakeley said.

Green Party co-leader Jeanette Fitzsimons said the deal looked like hot air and it was nonsense to suggest new technology was outside the scope of the Kyoto protocol.

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Copyright 2005 Europe Information Service  
European Report

July 30, 2005

SECTION: No. 2983

LENGTH: 463 words

HEADLINE: **CLIMATE POLICY: ASIA-PACIFIC PARTNERSHIP  
FORESHADOWS GLOBAL TALKS**

HIGHLIGHT:

Australia, China, the United States, India, Japan and South Korea have launched an Asia-Pacific Partnership for Clean Development and Climate, they announced on July 28, during a regional ASEAN Forum in Vientiane, Laos. On the record, the European Commission welcomes the technological development-driven partnership. What it actually involves has not yet been defined. Discussions are due to be held in November in the Australian city of Adelaide.

**BODY:**

Australia has made it clear that the partnership would be in tune with the action now being undertaken by the signatories of the UN Climate Convention and would not seek to replace, but complement the Kyoto Protocol. The United States was not bothered about any such niceties when it announced the partnership: "We oppose any policy that would achieve reductions by putting Americans out of work or by simply shifting emissions from one country to another." The partnership is therefore based on the cleanest and most effective technologies and practices in the following areas: clean coal, liquefied natural gas, methane capture and use, civil nuclear power, renewable sources of energy, rural energy systems, advanced transport systems, building and farming/forestry. The medium and long-term cooperation will cover hydrogen technologies, nanotechnologies, advanced biotechnology, the next generation of nuclear fission reactors, thermonuclear fusion.

Worthy of note is the fact that the partnership, according to the statements, plans to explore the opportunities for "significant reductions in greenhouse gas intensities". It does not set any targets, timetable or funding procedures but it does make an important distinction in the light of the Kyoto Protocol target figures for reducing greenhouse gas emissions. In other words, it foreshadows the outcome of the global negotiations in the context of the post-Kyoto epoch: the six partners will have no truck with absolute targets or net greenhouse gas emissions reductions. As for "intensity", the policy is more in favour of comparative targets such as CO2 emissions per unit of GDP.

Initial reactions from non-governmental organisations show they are not taken in by the news about the US-Australia initiative. They stress that the lack of any targets in the six-country pact seeks only to play down the efforts of the 140 Kyoto Protocol signatories. They hit out at the idea of a "coal pact", owing to the involvement of four of the world's major coal producers (China, Australia, the United States and India).

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It did not take the United States long after the G8 Summit in Gleneagles (see

Europe Information 2978) to make its mark on the negotiations set to get underway in Montreal in November with a view to deciding what action to take under the Climate Change Convention after 2012. It is all very well for the European Commission to feel "encouraged" by this initiative, but it could well find itself locked into a negotiating framework it does not want. It has also said more is needed than technologies to tackle the greenhouse effect.

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July 30, 2005  
U.S. Edition

SECTION: ASIA

LENGTH: 387 words

HEADLINE: **An alternative to Kyoto; ASEAN**

DATELINE: Bangkok

HIGHLIGHT: **An American-led initiative to combat global warming**

BODY:

America unveils a new plan to combat global warming

SUMMITS of the Association of South-East Asian Nations (ASEAN) are not known for suspense or surprises. But the regional club's latest pow-wow, which is due to conclude in Vientiane, Laos, on July 29th, involved plenty of both.

First, Myanmar's military regime waited until the last minute to announce that it would forgo ASEAN's rotating chairmanship, and so spare the group an embarrassing boycott. Then, at the ASEAN Regional Forum meeting, where South-East Asian countries get together with other Asian and Pacific nations, Australia agreed to sign a non-aggression treaty with the group in exchange for an invitation to yet another summit, where ASEAN hopes to start work on an East Asian free-trade area. But the biggest bolt from the blue was the

announcement, by America and five Asia-Pacific countries, that they had devised a new pact to combat global warming.

The details of this non-binding "Asia Pacific Partnership on Clean Development and Climate" are fuzzy. But it emphasises technology transfers to reduce emissions of greenhouse gases, rather than the fixed targets and caps of the Kyoto protocol, the UN treaty on climate change. Rich countries might help poorer ones develop devices to cut carbon dioxide emissions from coal-fired power plants, for example.

Two of the signatories of the new pact, America and Australia, have already rejected the Kyoto agreement as too rigid. Two others, China and India, are not bound by the protocol as it applies only to developed nations. Indeed, of the six signatories to the new pact, only Japan and South Korea have formally ratified Kyoto. In theory, therefore, the "partnership" could enormously extend efforts to counter climate change. The countries concerned account for almost half the world's population, economic output and greenhouse emissions.

Environmentalists dismissed the deal as toothless. Many fear it will stymie efforts to persuade developing nations to sign up to Kyoto by the target date of 2012. The new pact's members insist that it will complement Kyoto, not supplant it. One Australian official claims that it is designed to reduce emissions faster than Kyoto would have. His country has devised a copper-bottomed plan to convince sceptics: another summit, to be held in Adelaide in November.



**THE WALL STREET JOURNAL.**  
O N L I N E

## REVIEW & OUTLOOK

### **Sayonara Kyoto**

July 29, 2005

(THE WALL STREET JOURNAL) The new climate initiative that the U.S. and five Asian nations unveiled yesterday was most interesting for what it didn't say. The grand-sounding Asia-Pacific Partnership on Clean Development and Climate drafted by the U.S., China, India, Japan, South Korea, and Australia consists of a vague vision statement that calls for technology transfer to speed the

development of "clean" energy sources such as nuclear and hydroelectric power as well as liquefied natural gas.

The agreement is long on rhetoric and short on substance, calling, for example, for an international partnership "to promote and create an enabling environment for the development, diffusion, deployment and transfer of existing and emerging cost-effective, cleaner technologies and practices."

Such rhetoric does little harm. And, crucially, it does not mandate specific emission cuts. In other words, it avoids falling into the same trap as the Kyoto Protocol, which requires substantial emissions cuts among the developed nations that are the world's most efficient users of energy -- a requirement that would have been costly to the U.S. had it foolishly signed on. Kyoto imposed no such requirements on India or China, neither of which fetter their high-pollution industries with the domestic environmental rules common to the developed world. No wonder both were happy to sign an agreement that would have forced many U.S. firms to relocate to less efficient factories in, you guessed it, India and China. Australia and the U.S. were quick to reject the treaty.

In likely deference to Indian and Chinese sensitivities, yesterday's agreement was officially described as being designed to "complement, but not replace" Kyoto. But it's difficult to see it as anything but another nail in the coffin of that deeply flawed treaty. After all, if Kyoto were really viable there would have been no need for yesterday's agreement.

But we have our doubts whether there's any need to create an alternative diplomatic platform to lure other countries away from the Kyoto agreement. The U.S. and Australia do not need a multilateral "permission slip" in order to stand firm in rejecting compulsory caps on emissions. Even a "fair" climate change agreement, one that doesn't drive industry away from efficient countries into high-polluting ones, only risks doing economic damage and giving unwarranted credence to the shrillest claims of the "global-warming" lobby.

It's easy to forget that the main greenhouse gas, carbon dioxide -- which an Associated Press dispatch referred to yesterday as "climate-changing pollution" -- is a byproduct of human respiration and has the same life-sustaining importance for trees and crops as oxygen does for people. The so-called "science" used to support the idea that human activity is warming up the globe is scoffed at by truly serious climatologists. Even if the global temperature were to inch upward, for whatever reason, the doomsday scenarios peddled by

environmental activists remain fanciful at best.

Some of the "clean" sources of energy cited in yesterday's announcement, such as nuclear, could be more efficient than fossil fuels. Normally, there would be no point in encouraging their use since in an efficient market producers have every incentive maximize their financial returns. But politics enters into the equation. Electricity generation in most countries is either state-owned or heavily regulated, and so not a fully competitive industry. Misplaced climate concerns might actually move some countries toward economically preferable power sources that happen also to be less polluting. But fixing inefficient regulation in the power industry is a worthy goal of its own, and should not rely on poorly grounded climate worries.

The new agreement's most interesting feature is its defiance of leftists who have chosen to call themselves "environmentalists." Ironically, when they were not busy demanding emissions cuts, these people have led the fight against using nuclear and hydroelectric power to replace higher-emission coal plants. Those are, by a comfortable margin, the best currently available sources of "alternative" energy. Yesterday's announcement suggests that politicians are catching on and it will ratchet up the pressure on "environmentalists" to stop obstructing progress.