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## **GUIDANCE ON COMPLYING WITH THE KNOLLENBERG AMENDMENT FOR CLIMATE CHANGE-RELATED PROGRAMS**

This document is a Mandatory Reference for ADS 201.3.6.3 paragraph b, “Environmental Review.”

This document provides mandatory guidance concerning a restriction (Section 577) in the FY 2001 Foreign Operations, Export Financing, and Related Programs Appropriations Act. This restriction addresses implementation of the 1997 Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) before Senate ratification.

### **CITATION**

HR 4811 (Public Law 106-429), “An Act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, Section 577.”

### **KEY TEXT**

“Section 577: Prohibits the use of funds appropriated under this Act to propose or issue rules, regulations, decrees, or orders for implementation, or in preparation for implementation, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to the U.S. Constitution, and which has not entered into force.”

### **BACKGROUND**

The *Knollenberg Amendment*, introduced by Representative Joe Knollenberg (R-MI), prevents implementation of the Kyoto Protocol before it is ratified by the Senate.<sup>1</sup> The Kyoto Protocol has not yet been submitted to the Senate for its consent, and has therefore not been ratified. The Kyoto Protocol is an agreement in principle adopted at the third Conference of the Parties (COP-3) to the United Nations Framework Convention on Climate Change (UNFCCC) in Kyoto, Japan in 1997.<sup>2</sup> Unlike the Kyoto Protocol, the U.S. was among the first countries to ratify the overarching UNFCCC and USAID actively supports programs, activities and dialog that implement the broader treaty. Operating Units need to be careful not to confuse the Kyoto Protocol, which is the subject of the restrictions in this mandatory reference, with the UNFCCC, which the U.S. supports.

The Kyoto Protocol calls for mandatory emissions targets and timetables for industrialized nations to help reduce global atmospheric concentrations of greenhouse gases, and proposes market-based mechanisms for meeting those targets. The *Knollenberg Amendment* has been attached to numerous appropriations bills, including the FY 2000 and 2001 Foreign Operations, Export Financing, and Related Programs Appropriations Bills, which govern USAID funding. The impact of the amendment has been to limit federal agencies from spending funds in support of legal and regulatory activities related to implementation, or preparing for implementation, of the Kyoto Protocol.

Currently, the Bush Administration considers the issue of climate change to be serious and in need of action, but has opposed the Kyoto Protocol and is undertaking a review of U.S. Government climate change policy. Among the Administration's concerns is the need for developing countries to participate more actively in addressing the problem, for example, by agreeing to limit their greenhouse gas emissions, as the U.S. would be required to do under the Protocol.

Global climate change poses a major threat to the sustainable development of USAID-assisted countries. USAID integrates climate-related concerns into its broad range of development assistance programs and has built a strong program by promoting an awareness of how climate change may affect development programs. For many years, USAID has supported programs that increase energy efficiency, promote the use of clean technology and renewable energy, protect natural resources, reduce urban and industrial pollution, and help build the scientific, management, and regulatory capacities of developing countries. These types of activities support the objectives of the Framework Convention on Climate Change, which the U.S. signed and ratified in 1992, and USAID will continue to fund them. In addition, USAID plays an important role in the formulation of U.S. Government climate policy and participates in intergovernmental negotiations relating to the UNFCCC.

### **COMPLYING WITH THE KNOLLENBERG AMENDMENT**

USAID funds may not be used to issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol.

To ensure that USAID complies with this legislation, operating units must contact the USAID Climate Change Team Leader (see "Contacts" section) when they are unsure about whether their current or proposed programs relating to climate change are in violation of this amendment. USAID actions that are generally considered to be in compliance with this amendment are listed below.

1. Technical assistance and training in areas including technology transfer, promoting the use of renewable energy, energy efficiency, institution building/strengthening of Ministries of Energy, Environment, Foreign Affairs, and promoting the privatization of energy production and distribution. This may include technical assistance aimed at reducing carbon emissions.
2. Technical assistance and training in areas related to natural resources management, including forestry, agriculture, urban and rural land use, and institution building/strengthening of Ministries in developing countries responsible for such activities.
3. Research and policy analysis, and the dissemination of findings of research and policy analysis, on the dimensions of the developing country contribution to global climate change problems and ideas/options for engaging developing countries in addressing increasing greenhouse gas concentrations.
4. Research and policy analysis, and the dissemination of findings of research and policy analysis, on the potential impacts of increases in greenhouse gas concentrations, and the development of adaptation strategies to promote sustainable development.
5. The sponsoring of conferences for developing country officials and private-sector representatives on global climate change, including those that are integral to the negotiating efforts of the U.S. Government.

## CONTACTS WITH PRIMARY RESPONSIBILITIES

### **Climate Change Team Leader (G/ENV)**

Ko Barrett

(202) 712-5445

kbarrett@usaid.gov

Serves as a reference for operating units to ensure that USAID complies with the Knollenberg Amendment.

### **Operating Units**

Missions and Offices within USAID that receive funds to implement climate-change-related projects, and who must contact the Team Leader if there are questions about their activities complying with the Knollenberg Amendment.

### **General Counsel's Office**

Serves as a reference to the Team Leader when interpretive issues arise with respect to the Knollenberg Amendment.

## DEFINITIONS

**UNFCCC:** International response to climate change has been coordinated under the United Nations Framework Convention on Climate Change (FCCC). The FCCC was opened for signature at the U.N. Conference on Environment and Development (UNCED), in Rio de Janeiro, Brazil on June 4, 1992, and came into force on March 21, 1994. Signed and ratified by more than 185 nations, the objective of the Convention is to stabilize “greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic [human-induced] interference with the climate system.” Parties meet regularly at an annual Conference of the Parties (COP) to review the implementation of the Convention and continue talks about how to address the global climate change problem.

**Kyoto Protocol:** In 1997 at the Third Conference of the Parties in Kyoto, Japan (COP-3), Parties adopted a protocol to the FCCC, known as the Kyoto Protocol. Though it has not yet entered into force, the Kyoto Protocol obligates industrialized countries to achieve quantified targets for decreasing their greenhouse gas emissions. Designated as “Annex I” Parties under the FCCC, industrialized countries are required under the Kyoto Protocol to reduce overall emissions of major greenhouse gases, including carbon dioxide, methane, nitrous oxide, chlorofluorocarbons, and others, by at least 5 percent below 1990 levels between the years 2008 and 2012. To enable Parties to reach their targets, the Protocol provides for three flexible market mechanisms:

- *Emissions Trading*, whereby Parties with emissions-reductions commitments may trade emission allowances with other Parties;
- *Joint Implementation (JI)*, whereby countries with emissions-reductions commitments meet their obligations for reducing their greenhouse gas emissions by investing in emissions-reduction activities in other countries with emissions targets; and
- *Clean Development Mechanism (CDM)*, which enables industrialized countries with emissions-reductions commitments to finance emissions-avoiding projects in developing countries without emissions targets and receive “certified emissions reductions” units for doing so.

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<sup>1</sup> The Kyoto Protocol can be accessed at <http://www.unfccc.de/resource/docs/convkp/kpeng.html> .

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<sup>2</sup> Information on the UNFCCC can be accessed at <http://www.unfccc.de/resource/conv/conv.html> .