

Highlights of GAO-04-131T, a report to Senate Committee on Commerce, Science, and Transportation

Why GAO Did This Study

In 2002, the Administration announced its Global Climate Change Initiative. It included, among other things, a goal concerning U.S. carbon dioxide and other greenhouse gas emissions, which are widely believed to affect the earth's climate.

The Administration's general goal was to reduce the growth rate of emissions, but not total emissions, between 2002 and 2012. Its specific goal was to reduce emissions intensity 18 percent, 4 percentage points more than the 14 percent decline already expected. Emissions intensity measures the amount of greenhouse gases emitted per unit of economic output. In the United States, this ratio has generally decreased for 50 years or more. Under the Initiative, emissions would increase, but less than otherwise expected.

GAO was asked to testify on whether the Administration's publicly available documents (1) explain the basis for the Initiative's general and specific goals, (2) identify elements to help reduce emissions and contribute to the 18 percent reduction goal, as well as their specific contributions, and (3) discuss plans to track progress in meeting the goal.

This testimony is based on ongoing work, and GAO expects to issue a final report on this work later this year. Because of time constraints, GAO's testimony is based on its analysis of publicly available Administration documents.

www.gao.gov/cgi-bin/getrpt?GAO-04-131T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact John B. Stephenson at (202) 512-3841.

CLIMATE CHANGE

Preliminary Observations on the Administration's February 2002 Climate Initiative

What GAO Found

The Administration stated that the Initiative's general goal is to slow the growth of U.S. greenhouse gas emissions, but it did not provide a basis for its specific goal of reducing emissions intensity 18 percent by 2012. Any reduction in emissions above the 14-percent reduction already anticipated would contribute to this general goal. However, GAO did not find a specific basis or rationale for the Administration's decision to establish a 4-percentage-point reduction goal beyond the already expected reductions.

The Administration identified 30 elements that it expected would reduce U.S. emissions and contribute to meeting its 18 percent reduction goal by 2012. The 30 elements include a range of policy tools (such as regulations, research and development, tax incentives, and other activities) that cover four broad areas: (1) improving renewable energy and certain industrial power systems, (2) improving fuel economy, (3) promoting domestic carbon sequestration (for example, the absorption of carbon dioxide by trees to offset emissions), and (4) challenging business to reduce emissions. GAO found that the Administration provided estimates of the reductions associated with 11 of the 30 elements, but not with the remaining 19 elements. Of these 11 estimates, GAO found that 3 estimates represented future emissions reductions related to activities that occurred after the Initiative was announced. However, the other 8 estimates represented past or current emissions reductions or related to activities that were already underway before the Initiative was announced. Specifically,

- In five cases, an estimate is provided for current or recent reductions, but no information is provided about the expected additional savings to be achieved by 2012, the end of the Initiative.
- In two cases, the elements are expected to yield savings over many years, but it is not clear what emissions reductions will be achieved by 2012.
- In one case, savings are counted for an activity that began prior to the announcement of the Initiative.

It is, therefore, unclear to what extent the 30 elements will contribute to the goal of reducing emissions and, thus, lowering emissions intensity by 2012.

The Administration plans to determine, in 2012, whether the 18-percent reduction goal was met. Unless the Administration conducts one or more interim assessments, it will not be in a position to determine, until a decade after announcing the Initiative, whether its efforts are having the intended effect or whether additional efforts may be warranted.