


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THE WHITE HOUSE  
WASHINGTON

June 6, 1998

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MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN 

SUBJECT: Climate Change Weekly Report

**Congressional**

*Appropriations:* The Energy and Water appropriations bill was reported out of full committee on Thursday, and the climate change portion -- which funds our renewable energy efforts -- was slashed. Our proposed increase for FY 99 was rejected, while funding actually dropped below the FY 98 level. Sen. Jeffords, who secured 42 signatures on a Dear Colleague letter in April supporting our renewables request, plans to fight the renewables cut with a floor amendment. We are working with him, and provided a strong OMB letter to Sen. Stevens, the Appropriations Committee Chair, protesting the cut in renewables, as well as several other cuts in the Energy and Water bill. The Senate may take up the bill on the floor Wednesday. The House Energy and Water Subcommittee is scheduled to mark up their version of the bill on Wednesday as well.

*Hearings.* Climate change hearings were held in the House Small Business Committee and the Senate Energy and Natural Resources Committee. Janet Yellen gave her usual overview of climate change economics in the House hearing. The Senate hearing, chaired by Sen. Murkowski, who is hostile to our policy, focussed on a critical GAO report and included several mid-level Administration witnesses. Murkowski was particularly critical of what he sees as our perverse opposition to nuclear and hydro power, since neither emit greenhouse gases. Senators Grams and Craig were also hostile to our climate policy, while Sen. Bumpers was a strong defender.

**Diplomatic**

*Bonn.* The Bonn meeting (preparatory to the November "Conference of the Parties" meeting in Buenos Aires) began Monday and continues through the upcoming week. This is a mid-level, mostly technical meeting. The most controversial issue is emissions trading, which remains under attack from much of the EU and developing world. The EU released a paper today proposing tight restrictions on emissions trading, including a cap on the amount of emission allowances a country could purchase from abroad.

*China.* China signed the Kyoto Protocol this week, without fanfare. The signature doesn't mean that much, since the Protocol subjects China to no binding obligations (though China may cite it as evidence that it takes climate change seriously). To date, more than 35 countries -- including Canada, Australia, Japan and the EU -- have signed the Kyoto Protocol.

*Korea.* State Department officials met with Korean counterparts several times this week on climate change, in preparation for next week's summit. We are seeking Korean agreement to take an emissions target, and offering assistance from energy, environment and economics experts in that regard. No very positive response yet. Discussions will continue over the weekend.

### **Science**

On Monday, the Vice President will hold an event in the Roosevelt Room presenting a new analysis by the National Oceanic and Atmospheric Administration suggesting that global warming is leading to more frequent and more intense El Ninos. The Vice President also will announce that each of the first five months of this year set a new temperature record, further evidence of a warming trend. NOAA Administrator Baker will summarize the impacts of this winter's El Niño and explain how early forecasts of the El Niño helped reduce the toll.

cc: Vice President  
Erskine Bowles  
John Podesta  
Ron Klain  
Katie McGinty  
Gene Sperling  
Jim Steinberg  
Janet Yellen