

ROUGH DRAFT 4/18

INFORMATION

MEMORANDUM FOR THE PRESIDENT
THE VICE PRESIDENT

FROM: TODD STERN
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JIM STEINBERG

SUBJECT: Climate Change

The Sixth Conference of Parties to the Climate Convention ("COP-6") is currently scheduled for November or December 2000. We wanted you to know that we are working to reschedule the meeting for March 2001, for the reasons set forth below.

BACKGROUND

The Parties to the Climate Convention meet annually. Meetings typically last 10-12 days. The next Conference of Parties will be held in October 1999.

COP-6 will be an important meeting. It is the deadline for further work on the major open issues under the Kyoto Protocol. In the best circumstance, Parties would agree at COP-6 on rules for emissions trading and the Clean Development Mechanism, on the elements of a compliance regime for the Protocol and on additional guidance concerning the role of carbon sinks (e.g. forests). Then, if sufficient progress is also made in engaging developing countries in efforts to address climate change, the treaty could be submitted to the Senate for advice and consent to ratification in 2001.

COP-6 will also be an extremely difficult meeting. We expect tough, last-minute bargaining with the Europeans and others on efforts to restrict emissions trading; resistance from many countries on U.S. efforts to provide an expansive role for carbon sinks; continued efforts by Saudi Arabia and others to block any progress on the treaty; and substantially less engagement from developing countries than certain domestic constituencies have insisted is necessary. To achieve a successful outcome, we must clear significant hurdles.

At the same time, the motivation of many Parties to reach an agreement at COP-6 may be high. Unless key countries (including the United States) ratify the Kyoto Protocol during the first few years of the next decade, the treaty will need to be

renegotiated. (The Protocol's binding emissions targets start to apply in 2008.) Parties may see COP-6 as the last opportunity to shape a package built on the Protocol that could be accepted here and in other capitals.

SCHEDULE OF COP-6

Unfortunately, the calendar leaves no good options for scheduling COP-6. Any dates before the Presidential election present obvious challenges. In addition, the entire month of December 2000 is unavailable due to Ramadan. (Major multilateral negotiations are almost never held during Ramadan. Arab delegations would object heatedly to -- and probably disrupt -- any climate change meeting held during the holiday.)

At Buenos Aires, the Parties tentatively agreed to hold COP-6 in November or December 2000, at a precise date to be determined. (We quietly objected to the Secretariat's initial suggestion -- holding the meeting during October 2000.) British Deputy Prime Minister John Prescott floated the idea of not holding a meeting during the year 2000, but met with resistance from the Chinese and other members of the G-77.

We have explored a number of options for scheduling COP-6. A first option is November 2000. (The only dates between the Presidential election and Ramadan are Monday, November 13 - Friday, November 25.) This choice is distinctly unattractive for at least three reasons.

First, neither of you would be available for decisions or high-level diplomacy in the months leading up to this meeting. (Your role was instrumental to our success at Kyoto.) Second, the ministerial segment of the meeting would culminate on Thanksgiving and the day afterward, placing considerable burdens on the U.S. delegation and those involved in final, high-level decision-making at home. Finally, in the event of a Republican victory in the Presidential election, countries would expect the next administration to repudiate some or all of any agreement reached at the meeting, undercutting our ability to negotiate a deal.

A second option, at least in theory, is July 2000. (This is the latest date that would keep the meeting within the 2000 calendar year while avoiding the conventions, general election and November and December dates discussed above.) Of course, a July meeting would dramatically raise the stakes in connection with the Presidential election. The outcome would be characterized during the fall as either a sell-out (if we reach a deal) or a failure (if we don't). At least one key issue (sinks) could not be resolved this early, because the COP-6 decision will depend on the results of a scientific study set for release in April 2000. Finally, it is not clear that we could arrange a July meeting from a logistical standpoint, even if it were our preference. Preparatory meetings would need to be rescheduled and conference locations would need to be identified. State Department advises that there is some risk this could not be achieved.

This leaves the final option, which we are reluctantly pursuing. Scheduling the

meeting for March 2001 takes the meeting out of the Presidential election cycle and allows additional time to complete work on complex issues. President Gore would have considerable ability to shape a positive outcome. (A Republican President would have to take responsibility for U.S. policy at the meeting, instead of simply criticizing us for sell-out or failure.) The many downsides of the other options are avoided.

There is, however, one important downside of scheduling this meeting in March 2001. You will be criticized for ducking the climate change issue, by extending the date for this meeting past the end of your term. (There is some chance the meeting might be scheduled in March 2001 without the US being perceived as the main reason for the change, but this is unlikely.) This will be further evidence for some left-wing environmental groups that we are failing to lead on global warming. However, on balance, this appears to be a lesser evil than those associated with other options.

CONCLUSION

We will work in the weeks and months ahead to reschedule the Sixth Conference of Parties to the Climate Convention ("COP-6") to March 2001. If you are uncomfortable with this approach for any reason, please let us know.