

THE WHITE HOUSE
WASHINGTON

August 4, 2000

MEMORANDUM FOR THE PRESIDENT

FROM:

ROGER BALLENTINE 

RE:

OFFICE OF ENVIRONMENTAL INITIATIVES WEEKLY

Climate Change

International

This week we made our much-anticipated submission to the Conference of the Parties to the UN Framework Convention on Climate Change on the role of sinks in the Kyoto Protocol. After an interagency process that also included the participation of NSC, NEC, CEA, OVP, CEQ, OSTP and others, the submission reflected a consensus reached on two critical points. First, the United States would support a definition of "reforestation" that would not create perverse incentives to log forests prior to the Kyoto period (by crediting the regrowth but not debiting the cut). Environmentalists and many in the international community expected us to maintain a hard line on this issue and leave open the possibility of pushing for the broader definition. Second, our submission makes clear that we believe, despite our support for a narrowing decision of "reforestation", that other sink activities should play a significant role in the fight against climate change. While a broad inclusion of these sink activities could account for as much as 300 million carbon tons saved a year (fully half of our Kyoto target) due to the net carbon absorption of U.S. lands and forests, our submission noted our willingness to limit to some degree the credit for carbon sinks available during the first compliance period (2008 to 2012). We struck this balance to address environmental concerns while keeping a significant role for sinks, which will lower compliance costs.

Press, Science and Industry

The submission of our proposal on carbon sinks to the UNFCCC received wide and generally positive media attention by *The New York Times*, *The Wall Street Journal* and others (8/2). Environmentalists' criticism--that sinks are a loophole to avoid emissions reductions--was present but somewhat muted by our helpful position on perverse incentives. *The Times* front-page story in particular stressed the political importance of sinks to farm state Senators generally skeptical about the Kyoto Protocol.

The surface temperature of ocean waters in the tropical Northern Hemisphere has increased at a rate of about 1-degree Fahrenheit per decade since 1984, according to a new NOAA analysis. The warming is being attributed to a combination of several factors, including global warming. The most immediate concern is the negative impact that the warming could have on coral reefs.

In an increasingly competitive race to see which US automaker can deliver bigger improvements in fuel economy, General Motors announced that it will produce a hybrid powertrain pick-up truck by 2005 and will begin delivering a hybrid powertrain transit buses by the end of this year, *The New York Times*, and others reported (8/3). GM Vice Chairman Harry J. Pearce flatly stated that GM's trucks would get better gas mileage than Ford's regardless of the improvements Ford pledged. Last week, Ford announced it would increase SUV gas mileage by 25% by 2005. In a statement, Vice President Gore noted that some of the technologies involved in these improvements were developed under PNGV, and called on Congress to pass our tax credit package for cleaner cars.

Researchers at universities and biotechnology firms are genetically modifying trees, potentially creating the largest, longest living, and most biologically productive land plants on Earth, *The Washington Post* reported (8/3). These "dream trees" could help combat global warming because they consume more CO2 during photosynthesis than their unmodified counterparts. Environmentalists remain concerned that such developments could lead to "mono-culture" lands that would threaten biodiversity.

cc: The Vice President
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