

THE PRESIDENT'S OFFICE
5-25-98

THE WHITE HOUSE
WASHINGTON

May 23, 1998

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MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN
SUBJECT: Climate Change Weekly Report

Copied
Stern
COS
Burchardt
(for response)
by Adams
for response

Domestic Policy

good!

I convened an interagency economic group this week to work up a proposal on how credit could be awarded to companies that take action early. This is a matter of considerable importance to many in business who worry that government will encourage them to act but then fail to provide adequate emissions credit.

Diplomatic

Japan and the European Union agreed today to join efforts to convince the United States to sign the Kyoto Protocol and to encourage developing countries to reduce greenhouse gas emissions. The agreement came after two days of annual, high-level consultations.

Need to push developing countries - particularly in Pacific region

More than 35 countries have signed the Kyoto Protocol, including Canada, Australia, Japan and all members of the EU. We have said we will sign within the one-year signing period (March 1998 - March 1999), when most appropriate in light of the overall diplomatic situation.

Congressional

This week the House passed an amendment to the Defense Authorization bill that would prevent regulations issued under the Kyoto Protocol from restricting operations of the U.S. military. The amendment is broadly consistent with policy guidance you approved on this topic several months ago. We did not oppose the amendment, although we have technical concerns with the provision that we will work address as the bill proceeds to the Senate and conference.

Janet Yellen again testified about the Administration's assessment of the economic impact of the Kyoto Protocol. Cong. McIntosh (R-IN), a vocal opponent of Kyoto, quizzed Janet extensively and chided her for not producing more documents in support of our position. Cong. Dennis Kucinich (D-OH) was an equally vocal defender of our policies and processes. We also continued this week pushing for our climate change - related budget initiatives.

Do not talk to him from now

5-25-00

Outreach

We had a useful meeting on Thursday with a joint labor/environmental group at the AFL-CIO. The two communities have tended to come at this issue from opposite directions -- the enviros have argued that our approach should be more aggressive and labor has argued that our approach is too aggressive. If they can find some common ground, that would be all to the good. At our meeting, labor made it clear, as they had in previous meetings, that they want a chance to participate with respect to our industry consultations. We have assured labor that we will consult with them about our industry talks and that we will encourage industries to include labor in formulating their plans for cutting greenhouse gases.

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

*Good!
 very important
 to get them as clear
 as possible →*