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INFO USMISSION GENEVA
USEU BRUSSELS
C O N F I D E N T I A L STATE 032122

E.O. 12958: DECL: OADR
TAGS: SENV KSCA EI SP IT PO GR EUN
SUBJECT: NEXT STEPS ON POLICIES AND MEASURES UNDER THE UN
FRAMEWORK CONVENTION ON CLIMATE CHANGE: U.S. QUESTIONS

- 1. (U) CLASSIFIED BY DANIEL REIFSNYDER, DIRECTOR DES/EGC. DEPT OF STATE. REASON 1.5 (D).
- 2. (U) THIS IS AN ACTION REQUEST. SEE PARAGRAPH 8.
- 3. (U) THE PARTIES TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE, AT THEIR FIRST HEETING OF THE CONFERENCE OF THE PARTIES IN BERLIN IN APRIL 1995, DECIDED TO BEGIN A PROCESS TO DEVELOP NEXT STEPS TO STRENGTHEN THE CONVENTION. AS PART OF THEIR DECISION ON THIS PROCESS, THE PARTIES CHOSE TO FOCUS ON THO PARTICULAR ASPECT OF DEVELOPED COUNTRY ACTION: (1) ELABORATING ON POLICIES AND MEASURES THAT DEVELOPED COUNTRIES MIGHT IMPLEMENT, AND (2) SETTING QUANTIFIED GREENHOUSE GAS EMISSION LIMITATION AND REDUCTION OBJECTIVES.
- 4. (U) THE PARTIES ESTABLISHED AN AD HOC GROUP (CALLED THE AD HOC GROUP ON THE BERLIN MANDATE OR AGBM) TO NEGOTIATE THESE NEXT STEPS; TO DATE THE AGBM HAS HELD TWO MEETINGS, AND IS SCHEDULED TO HOLD ITS THIRD SESSION FROM MARCH 5-8, 1996 IN GENEVA. AT THE MARCH MEETING, AN INTENSE FOCUS IS EXPECTED TO BE PLACED BY THE EUROPEAN UNION ON ITEM (1) POLICIES AND MEASURES. THE POSITION TAKEN BY THE EUROPEAN UNION ON THIS ISSUE HAS BEEN THAT MANY POLICIES CAN ONLY BE SUCCESSFULLY IMPLEMENTED IF THEY ARE HARMONIZED ACROSS COUNTRIES (I.E., THE SAME MEASURE, AT THE SAME LEVEL OF COMMITMENT. IS UNDERTAKEN BY ALL COUNTRIES).

. (U) WE UNDERSTAND AN EFFORT IS NOW UNDERWAY TO VEVELOP A SPECIFIC LIST OF POLICIES AND MEASURES THAT

UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: ALAN H FLANIGAN DATE/CASE ID: 15 MAR 2011 201005682

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MIGHT BE PROPOSED BY THE EUROPEAN UNION TO BE ADOPTED BY THE PARTIES FOR COMMON ACTION. WE UNDERSTAND THAT THE ITALIAN GOVERNMENT, IN ITS CAPACITY AS PRESIDENT OF THE EU, IS COORDINATING THIS EFFORT, AND HAS DEVELOPED A PAPER ON WHICH MEMBER STATES ARE BEING ASKED TO COMMENT. A FINAL DECISION ON WHETHER (AND IF SO HOW) TO PROCEED ON THIS ISSUE WILL BE TAKEN AT THE COUNCIL OF MINISTERS MEETING ON MARCH 4, 1996.

- 6. (C) THE UNITED STATES IS EXTREMELY INTERESTED IN THE PROCESS BEING USED TO CONSIDER VARIOUS OPTIONS FOR COMMON ACTION. BASED ON OUR INFORMAL DISCUSSIONS WITH EU MEMBERS STATES, AND OUR OWN DISCUSSIONS ON THIS ISSUE INTERNALLY, WE ARE CONCERNED THAT THINKING ON THIS ISSUE HAS ONLY CONSIDERED ADVANTAGES OF COMMONALITY AND HAS NOT CONSIDERED SOME OF THE POTENTIAL PITFALLS. IN OUR VIEW, IT WILL BE ESSENTIAL THAT WHATEVER ACTIONS ARE AGREED HAVE THE BROADEST POSSIBLE ENDORSEMENT AND THAT ANY OBSTACLES BE CONSIDERED, AND MEASURES SPECIFICALLY DESIGNED TO OVERCOME SUCH CONCERNS.
- 7. (C) WE ARE NOT READY AT THIS TIME FOR THE INFORMATION AND QUESTIONS CONTAINED IN THIS CABLE TO BE SHARED OUTSIDE THE TARGETTED HOST COUNTRIES.
- 8. (C) ACTION REQUEST. DEPARTMENT REQUESTS THAT POSTS CONVEY THE QUESTIONS IN PARA 30 TO HOST GOVERNMENT CLIMATE CHANGE INTERLOCUTORS FOR THEIR CONSIDERATION. USG WOULD BE INTERESTED IN REACTION TO THESE CONCERNS —AND IN KNOWING IF THESE CONCERNS HAVE BEEN RAISED IN EUDISCUSSIONS DURING CONSIDERATION OF THE POLICIES AND MEASURES ISSUE. PLEASE SLUG ANY REPLIES TO DES/EGC, AND TO U.S. MISSION GENEVA FOR ATTENTION OF U.S. CLIMATE DELEGATION.
- 9. (C) CONFIDENTIAL FYI: WE HOPE THAT THE ADDRESSEE COUNTRIES (THE "SOUTHERN TIER" IN THE EUROPEAN UNION AND IRELAND), WILL BE RECEPTIVE TO OUR CONCERNS, AS IN OUR VIEW, MANY OF THE PROPOSALS LIKELY TO EMERGE FROM THE INTERNAL EU DEBATE WILL HAVE POTENTIALLY DISPROPORTIONATELY NEGATIVE IMPLICATIONS FOR THIS GROUP OF COUNTRIES. FOR EXAMPLE, THIS GROUP OF COUNTRIES PROJECTS ITS EMISSIONS TO GROW SUBSTANTIALLY OVER THE NEXT DECADE, AND THEREFORE COULD BE EXPECTED TO INCUR SIGNIFICANT COSTS IN MEETING A TARGET SET BY NORTHERN EUROPE WHOSE EMISSIONS ARE STEADY OR EVEN DECLINING. WE SEEK TO CREATE A MOVEMENT WITHIN THE EU TO MOVE THE ENTIRE COMMUNITY TOWARD A MORE CENTRIST STANCE, AND AWAY FROM SOME OF THE MORE EXTREME POSITIONS TAKEN BY THE SCANDINAVIANS AND NORTHERN EUROPEAN MEMBERS. IN ADDITION, WE UNDERSTAND THAT THE ITALIANS WERE SOLICITING COMMENTS ON THE EU PAPER BY COB FRIDAY, FEBRUARY 16. WE BELIEVE THAT IF OUR CONCERNS WERE RELAYED TO INTERLOCUTORS, EVEN DURING THE NEXT WEEK, THEY MIGHT FIND THEIR WAY INTO HOST GOVERNMENT COMMENTS BEING SENT TO THE PRESIDENCY AS WELL AS POTENTIALLY INFLUENCING THE MINISTERIAL DISCUSSION IN EARLY MARCH. END FYI.

### 10. (C) U.S. QUESTIONS:

-- IN THE DEVELOPMENT OF ANY COMMON ACTION, HAS THE ISSUE OF WHETHER THE MEASURE WILL HAVE EQUAL COSTS TO ALL PARTICIPANTS BEEN CONSIDERED?

— HAVE THE ADVANTAGES OF UNILATERAL ACTION, IN WHICH EACH COUNTRY UNDERTAKES THE HEASURE THROUGH DOMESTIC CHANNELS, BEEN CONTRASTED WITH FULL HARMONIZATION? IS THERE ANY DIFFERENCE IN EFFECTIVENESS?

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- -- HAVE THE NET GREENHOUSE GAS REDUCTIONS FROM HARMONIZED MEASURES ON A COST/TON BASIS, BEEN CONSIDERED? ARE THE MOST COST-EFFECTIVE MEASURES BEING PRIORITIZED?
- -- ARE ACTIONS BEST TAKEN BY ALL ANNEX I PARTIES -- OR ONLY ON A REGIONAL BASIS, WITH THE PARTICIPATION OF A SUB-GROUP OF ANNEX I? ARE SUCH REGIONAL ADVANTAGES BEING EVALUATED?
- IS THE POTENTIAL FOR LEAKAGE WITH NON-ANNEX I PARTIES BEING CONSIDERED? WHAT HAPPENS TO TRADE IN THE SECTORS WHICH ADOPT HARMONIZED MEASURES WITHIN ANNEX I IF DEVELOPING COUNTRIES ARE A LARGE COMPONENT OF THE COMMERCE?
- HAVE IMPLEMENTATION OPTIONS FOR SUCH COMMON ACTIONS BEEN DEVELOPED? WILL CENTRALIZED INTERNATIONAL INSTITUTIONS BE REQUIRED TO OVERSEE PROGRAMS, AND WHO WILL BEAR COSTS OF MAINTAINING SUCH INSTITUTIONS? CHRISTOPHER

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