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THE WHITE HOUSE
WASHINGTON

January 25, 1991

MEMORANDUM FOR GOVERNOR SUNUNU

FROM: D. ALLAN BROMLEY

SUBJECT: CIA Report on Other Countries' Positions Relative to the
Framework Convention Negotiations

Attached is a copy of the CIA report to which I referred yesterday in your office on the current positions of other countries on the climate change issue as well as their anticipated approach by each country to the upcoming Framework Convention negotiations. It is quite comprehensive and includes detailed discussions of areas of particular interest to the United States.

Please note that this copy is still in draft form but we will forward to you a final copy on Monday for your reference.

Unclassified with SECRET Attachment

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Report	Climate Change Diplomacy: Moving toward a Convention: An Intelligence Assessment [FOIA EXEMPTIONS REDACTED] (38 pp.)	n.d.	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Sununu, John, Files
Subseries: Issues Files
WHORM Cat.:
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Date Closed: 7/30/1998	OA/ID Number: 29159-006
FOIA/SYS Case #: 1998-0004-F	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #: 06-1148-MR(500)
AR Disposition:	MR Disposition: Released in Part
AR Disposition Date:	MR Disposition Date: 10/25/2011

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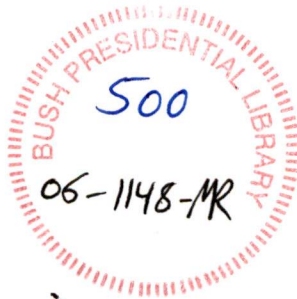
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Climate Change Diplomacy: Moving Toward a Convention

An Intelligence Assessment

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DECLASSIFIED IN PART
PER E.O. 13526

2006-1148-MR
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This paper was prepared by (b)(1); (b)(3) in the
(b)(1); (b)(3) Office of Resources, Trade,
and Technology. Comments and queries are welcome and may be
addressed to the Chief. (b)(1); (b)(3) RTT,
on (b)(1); (b)(3)

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Key Judgments

Negotiators face major challenges as preparations for an international agreement on climate change accelerate. A series of preparatory meetings and international conferences in 1990 will give way this February to actual negotiations in a UN-sponsored effort to have a framework climate convention ready for signature at the June 1992 UN Conference on Environment and Development (UNCED). Negotiators will be hard pressed to resolve the following issues:

- o Targets and timetables. A broad alliance headed by the EC and including most OECD countries and some LDCs will press for fossil-fuel carbon dioxide emission targets. (b)(1); (b)(3)
- At a minimum, the alliance will insist that OECD countries stabilize their emissions at current levels by the year 2000 and reduce them significantly by 2005. Their arguments will be driven by domestic political pressures stemming from popular belief that the risk of climate change demands immediate action.

Not all target proponents, however, hold the same views. Japan and possibly the United Kingdom--both of which did not support targets until mid-1990--will be hesitant to adopt severe measures. Moreover, most of the unilateral domestic targets

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adopted by proponents have loopholes, are not supported by policy measures or economic analyses, and, in some cases, will result in significant emission increases.

Opposing the target setters will be a less cohesive alliance of the Soviet Union, fossil-fuel exporters led by Saudi Arabia, and some other LDCs. These countries believe either that climate change would benefit them, that they cannot meet emission targets, or that meeting these targets--particularly for carbon dioxide--would damage their export markets. China and India, among others, will demand exemptions or more liberal targets for LDCs but probably support targets for OECD countries.

o **Comprehensive or individual approach.**

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Australia, Saudi Arabia,

and possibly the United Kingdom, among others, would support a comprehensive approach, which would allow countries to vary their mix of greenhouse gas emissions to minimize their total global warming potential (GWP). These states probably see this approach as serving their interests by decreasing the emphasis on reducing fossil fuel carbon dioxide emissions. The EC strongly opposes the

comprehensive approach, however,

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A broad mix of countries in

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and out of the EC will probably argue that the approach is complicated, unenforceable, scientifically unsound, and intended to avoid meaningful carbon dioxide reductions.

- o Deforestation. LDC tropical timber exporters are pitted against most industrialized countries in the deforestation debate. With the exception of Japan, OECD countries will almost certainly demand commitments from LDCs to protect their forests. The EC will probably push for a forest protocol to be negotiated simultaneously with the convention,

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. Major timber exporting LDCs--Brazil, Burma, Indonesia, Malaysia, and others--fear that negotiated deforestation limits would restrict their export earnings, and they will almost certainly attempt to limit convention or portocol language on deforestation. They may draw support from Japan, the world's largest importer of tropical timber, which is concerned with protecting its supply.

- o LDC aid. Developing countries, the USSR, and Eastern Europe will press hard for financial and technical assistance to offset costs of environmental protection. These countries will cite the Montreal Protocol and its \$240 million fund for

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LDC aid as a precedent. Developing countries seek acquisition on concessional terms of technologies that will reduce greenhouse gas emissions.

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The terms of aid

agreements are likely to cause a sticking point with OECD countries; although most OECD countries agree in principle with LDC needs for financial help, conflicts are likely over the amount, as well as over the issue of LDC protection of intellectual property rights for environmental technology.

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Although negotiators may reach agreement on some issues, others are unlikely to be resolved in time for signature by the UNCED. The issue of emissions targets and timetables will almost certainly be the most contentious. Targets proponents and opponents remain far apart and appear increasingly entrenched in their positions. Negotiations on the comprehensive approach will also be difficult, at least through the first few rounds of discussion. Opposition to this approach is likely to remain strong at least until details about implementation are spelled out and scientific concerns are addressed. Agreement on deforestation is

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probably far off because of staunch opposition from LDC tropical timber exporters. Although the OECD or EC may be able to work a trade-off between fossil fuel emission reductions in industrialized countries in exchange for LDC agreement on deforestation, this is unlikely to occur in time for the UNCED. Agreement will probably come most quickly on the aid issue. OECD members and LDCs generally are united in agreement that aid is key to global implementation of the convention. (b)(1); (b)(3)

If these key issues remain unresolved by the 1992 UNCED, negotiators are likely to forge a highly generalized convention, with difficult issues left for future protocols. If there is a breakthrough, it will probably involve EC offers to compromise on targets and timetables. Compromises could include dropping demands for carbon dioxide emission reductions in exchange for a commitment for emission *stabilization*, or being willing to characterize the targets as goals rather than as binding obligations. (b)(1); (b)(3)

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Climate Change Diplomacy: Moving Toward a Convention

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Steps to a Convention

Momentum toward a global framework convention on climate change increased in 1990. A series of international conferences in Washington, Norway, Sweden, and Switzerland addressed aspects of the issue. Under the auspices of the United Nations Environment Program (UNEP) and the World Meteorological Organization (WMO), the Intergovernmental Panel on Climate Change (IPCC) completed its first assessment report in August on the scientific evidence, potential impacts, and possible response strategies to climate change. In September 1990, more than 70 nations agreed on UNEP/WMO recommendations for formal negotiations on a global framework convention. In amending these recommendations in December, the UN General Assembly (UNGA) formally established the Intergovernmental Negotiating Committee and specified that it would work under UNGA auspices with support from UNEP and WMO to prepare a convention for signature at the 1992 UN Conference on Environment and Development (UNCED).

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Formal negotiations will take place in Washington from 4-14 February 1991 with more than 125 nations expected to attend. The February talks will lay the groundwork for at least four more negotiating rounds in 1991 and 1992. After a round of country statements, the talks will turn to the mechanics of the negotiations, including the selection of

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the Intergovernmental Negotiating Committee bureau
(consisting of a chair, three vice chairs, and a rapporteur,
with each of the five regional groups represented by one
member).

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Once the

bureaucratic issues are decided, delegates will probably
spend the remainder of the February session developing a
draft convention to serve as a straw man in subsequent
rounds.

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Key Areas of Contention

Although there is little opposition to the development
of a framework convention per se, differences in country
perspectives and policies are substantial. Key areas of
dispute

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include:

- o Should targets and timetables for greenhouse gas
emission stabilization or reduction be established, and
if so, should they be incorporated in the convention,
in a protocol negotiated simultaneously with the
convention, or in a protocol or protocols to be
negotiated later.

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- o Should greenhouse gases be treated individually, with an emphasis on carbon dioxide, or comprehensively, with countries able to vary their mix of greenhouse gases.
- o How to address deforestation in the convention or in an associated protocol.
- o How to provide technical and financial aid to help LDCs curb emissions or adapt to climate change.

Although provisions for monitoring and enforcing the convention will eventually generate controversy, they have yet to do so because they depend largely on how--or if--the other four issues are resolved.

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Targets and Timetables

The establishment of targets and timetables for greenhouse gas emission stabilization or reduction is likely to be the most contentious issue, pitting most OECD countries and a few developing countries against the Soviet Union and fossil fuel exporting LDCs.

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Target Proponents. Most OECD countries will insist on the inclusion of fossil fuel carbon dioxide emission targets either within the convention or in a simultaneously negotiated protocol, based on their statements at the November 1990 Second World Climate Conference (SWCC)

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Their arguments will be driven by domestic political and economic pressures stemming from popular belief that the risk of climate change demands immediate action. At a minimum, these nations will press

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for commitments to stabilize carbon dioxide emissions in OECD countries at 1990 levels by the year 2000 and to reduce them significantly by 2005. To achieve their goal, target proponents will almost certainly try to dominate any subgroup of the Intergovernmental Negotiating Committee that discusses energy policy and emissions. The Netherlands, for example, favors formation of a subgroup on energy and forests that would be chaired by an EC, if not a Dutch, representative. The proponents would probably attempt to have this subgroup charged with developing emissions protocols.

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Several non-OECD countries also favor emission targets. Although no LDC has committed itself to a target, most small island nations and several nonfossil fuel exporters have urged the adoption of targets by industrialized countries, if not worldwide. At the SWCC, Poland became the first East European country to endorse targets and said it would attempt to stabilize its carbon dioxide emissions at current levels by the year 2000.

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Support for targets solidified recently as key OECD countries, the EC, and the European Free Trade Association (EFTA)¹ adopted unilateral or community emission targets, in some cases by reversing previously held positions. During

¹ EFTA countries include Austria, Finland, Iceland, Norway, Sweden, and Switzerland.

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1990, the number of OECD countries with carbon dioxide emission targets jumped from three (the Netherlands, Norway, and Sweden) to 14. Of these, Australia, Canada, and the United Kingdom had been wary of targets as recently as mid-1990; Japan had actively opposed them.² Most of the targets require stabilization of carbon dioxide emissions by the year 2000 (1995 in the Netherlands); several require sharp reductions (up to 30 percent in Germany) by 2005. In October 1990, EC countries adopted a community-wide stabilization target for the year 2000 that would allow emission increases in some countries to be offset by decreases in others. EFTA countries followed suit in November.

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Moreover, most of the emission stabilization or reduction commitments made thus far have loopholes, require further negotiations, and are not supported by economic analyses:

- o Nearly all the targets are nonbinding goals, many of them contingent on other factors. The United Kingdom, for example, says it will enforce its stabilization target only if other industrialized nations make similar commitments. Canberra will not adhere to its target if it damages Australia's economic competitiveness. Japan will implement its target as measures to do so "become feasible."
- o Some targets permit significant emission increases. France's carbon dioxide stabilization target of 2.0 metric tons per capita would allow up to a 25-percent

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emission increase from current levels by the year 2000. Japan's per capita target will allow absolute emissions to increase some 6 percent by 2000.

- o Few targets are supported by policy instruments. With few exceptions, instruments--potentially unpopular--to achieve the target will not be proposed, let alone implemented, for at least several months.
- o Only the Dutch target is backed by a published, detailed economic analysis. In some countries, including the United Kingdom, economic analysis of emission targets has not yet begun

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- o Many targets are subject to intragovernment dispute. Economic or energy ministries in Germany, Japan, and Canada are skeptical of their nations' ability to meet the targets advocated by environmental ministries,

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The German Economics Ministry concluded in early 1990 that only a 10 percent carbon dioxide reduction would be possible in the former West Germany by 2005. Similarly, interagency panels in Australia, Canada, and Japan concluded in early 1990 that even stabilizing carbon dioxide emissions by 2005 would be difficult.

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The targets may also be vulnerable to influences from the business sector. Industry associations in Denmark, Germany, and the Netherlands have voiced concern over the effect of their country's emission targets on their industrial competitiveness relative to countries with less strict control measures

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The Federal

Association of German Industry also complains that a carbon dioxide levy proposed by Bonn would reduce funds needed to install energy efficient equipment.

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Target Opponents. The Soviet Union and fossil fuel exporters led by Saudi Arabia flatly oppose targets, particularly for carbon dioxide. At the SWCC, the Soviets stressed the scientific uncertainties regarding climate change, downplayed the significance of the IPCC's first assessment report, and claimed that emission controls might produce the opposite of what their proponents intend.

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Soviet policymakers believe that the cost of stabilizing carbon dioxide emissions would be prohibitive and that many believe that the USSR--if not

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the world--would benefit from climate change.³ Saudi Arabia and other OPEC nations are concerned about the potential reduction of their oil export markets, if industrialized nations set carbon dioxide targets. Saudi Arabia formed a bloc with Qatar and the United Arab Emirates to argue-- unsuccessfully, in the end--for deletion of most references to carbon dioxide in the SWCC ministerial declaration.

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Most LDCs fear that curtailing fossil fuel carbon dioxide emissions would threaten their economic growth. China and India head a long list of countries that have indicated that LDCs should either be exempted or be given more liberal targets than industrialized countries. China's Energy Minister, for example, noted in January 1990 that Chinese coal use would have to jump 35 percent between 1990 and 2000 to accommodate economic growth; Beijing has given no indication that China would sacrifice this growth to meet an emission target.

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Individual Versus Comprehensive Approach

Although most of the international policy debate thus far has focused on fossil fuel carbon dioxide emissions, several convention negotiators will attempt to address other sources of carbon dioxide (most notably deforestation) and other greenhouse gases such as methane, nitrous oxide, chlorofluorocarbons (CFCs) and CFC-substitutes. These other sources and gases could be addressed individually--by setting a target for each--or comprehensively. Under the comprehensive approach, a country's net emissions (the amount produced by anthropogenic sources minus the amount absorbed by sinks such as forests) of each greenhouse gas would be weighted according to the gases' global warming potential (GWP), then totaled.⁴ The convention or an accompanying protocol would encourage nations to minimize (or meet a target for) the total GWP of their emissions by adjusting their emissions mix as they see fit.

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Saudi Arabia and other fossil-fuel exporting LDCs, Australia, and possibly the United Kingdom would support a potential US proposal for a comprehensive approach in the convention negotiations. Finland and Norway, among others, have expressed interest in such an approach. Supporters probably see it as serving their interests by decreasing the emphasis on reducing fossil fuel carbon dioxide emissions.

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Saudi Arabia also wants to receive credit for CFC reductions and for tree-planting programs that it is considering in other countries.

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In the convention negotiations, supporters of the comprehensive approach are likely to argue that:

- o It addresses the total GWP of emissions generated by human activities, not just the 40 percent or less that, by most estimates, is contributed by fossil-fuel carbon dioxide emissions.
- o It minimizes counterproductive gas trade-offs. Policies designed to increase use of natural gas--the fossil fuel with the least carbon dioxide emissions--could backfire, for example, by increasing methane emissions from pipeline leaks.
- o It is more efficient. For example, an approach aimed at limiting energy sector carbon dioxide emissions could preclude alternatives such as reforestation that

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could achieve the same or better net carbon dioxide emission reductions at less cost.

- o It recognizes the diversity of geographic, economic, and social conditions among nations. More restrictive approaches could be unfairly burdensome on nations with particular emission mixes, sources, and sinks.

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We believe, however, that most countries will probably oppose the comprehensive approach, at least in the early negotiating rounds.

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we think LDC tropical timber exporters such as Brazil and Malaysia will be wary of the comprehensive approach because of its potential implications for controls on deforestation. Similarly, China and India and many other LDCs, which see benefits in reducing emphasis on fossil-fuel

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carbon dioxide emissions, may also see the comprehensive approach as a threat to their agricultural sectors that produce most of their methane and nitrous oxide emissions. The Soviet Union also will probably oppose the comprehensive approach as part of its overall campaign against targets.

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opponents of the comprehensive approach are likely to argue that:

- o It needs further elaboration before countries can take informed positions. For example, determinations would have to be made as to whether CFCs would be included, even though they are already covered under the Montreal Protocol on Substances that Deplete the Ozone Layer, and whether a country would be allowed to offset its emissions by establishing a reforestation program in a second country.
- o It is too complicated. It would require lengthy assessments of sources and sinks and would be bureaucratically cumbersome and unenforceable.
- o It is beset by substantial scientific uncertainty concerning the sources, sinks, and GWPs of greenhouse gases other than carbon dioxide and CFCs, which make impossible the calculation of a nation's total potential warming contribution.

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- o It would help some countries avoid substantial fossil-fuel carbon dioxide emission reductions, which would be unfair to those countries already committed to such reductions. (b)(1), (b)(3)

Some opponents of the comprehensive approach, however, will probably support efforts to combine sources and sinks of individual greenhouse gases and to include reforestation or other programs in second countries. (b)(1), (b)(3)

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China would probably

be willing to support efforts to combine sources and sinks of carbon dioxide that would allow it to use its reforestation program to compensate for fossil fuel emission increases. (b)(1), (b)(3)

Emissions Trading. Both comprehensive and individual approaches might include provisions for international trading of greenhouse gas emission permits similar to the trading of pollution permits among US utilities. Views on this issue are mixed. (b)(1), (b)(3)

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Some LDCs oppose

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emissions trading. They have argued in IPCC conferences that by selling emission permits--and, hence, fossil fuel consumption rights--to industrialized countries they would be selling their right to develop. On the other hand

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many EC

countries support emissions trading in principle and that a trading scheme for carbon dioxide might have to be developed within the EC. Germany is considering a domestic carbon dioxide trading scheme

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which may make it more receptive to global trading proposals.

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Deforestation

Most OECD countries want commitments from LDCs and others to preserve their forests as major carbon dioxide sinks but differ on whether such commitments should be incorporated in a protocol to the climate convention, a freestanding agreement, or both. The EC is likely to push for a forest protocol to be negotiated simultaneously with the convention

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Japan supports a freestanding agreement on forests

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but will be wary of a

forest protocol to the climate convention. As the world's largest importer of tropical timber, it is concerned with maintaining the supply of wood for its industries. A Japanese official told the press in December 1990 that Japan is "not in the mood" to press for a cut in domestic consumption. Tokyo probably believes it will be able to exert greater influence over a freestanding agreement--particularly one developed by the Yokohama-based International Tropical Timber Organization--than over a climate convention protocol.

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Although some LDCs--particularly China--that claim to be conducting major reforestation programs will probably support convention or protocol language on forests, LDCs that log their rainforests will probably oppose negotiated deforestation limits. Thirty-three LDCs--including Brazil, Burma, Indonesia, Malaysia, the Philippines, and several West African countries--are net exporters of tropical timber and wood products with hard currency earnings totaling \$6-7 billion annually

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. Although Brazil admitted at the SWCC that there might be a need for a forestry protocol, it and other timber exporters have argued elsewhere for minimizing

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convention language on forests to keep the focus on fossil fuel carbon dioxide emissions. (b)(1); (b)(3)

Assistance to LDCs

Although their views may differ on targets, the comprehensive approach, and deforestation, the LDCs-- together with the Soviet Union and East European countries-- are likely to present a united front and bargain hard for financial and technological assistance in exchange for their acquiescence to the convention. (b)(1); (b)(3)

(b)(1); (b)(3). These countries will point to the Montreal Protocol and its \$240 million fund for LDC participation as a precedent for aid transfers to reduce greenhouse emissions. Brazil, Malta, Zimbabwe, and other LDCs have prepared shopping lists for transfers of energy efficient and renewable energy technologies to reduce emissions in construction, manufacturing, transportation, and energy production. (b)(1); (b)(3). To facilitate transfers, Brazil advocates a special trade regime outside GATT rules for the transfer of whole industrial processes-- including equipment, designs, manuals, and training programs--to enable LDCs to build their own plants to manufacture environmentally sound technologies. LDCs will also insist on programs to train their scientists in climate research and on greater participation in international bodies monitoring climate change. (b)(1); (b)(3).

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Most LDCs have endorsed India's proposal for a multilateral fund--over and above existing aid programs--to finance technology transfers.

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In

addition, Colombia has proposed special compensation for LDC oil exporters--a safety net for economic dislocations. The LDCs have suggested several ways to raise money for such a fund: a carbon tax on greenhouse gas emissions by industrialized countries, a levy on international air travel, or assessments by the UN Environment Program using the UN scale in which the United States pays 25 percent,

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OECD countries are likely to agree in principle with most demands for aid (b)(1), (b)(3) but will differ over the terms. Japan and the United Kingdom, among others, will probably recommend that the World Bank's proposed Global Environmental Facility handle the transactions (b)(1), (b)(3)

Most

OECD countries will also support technology transfers to LDCs. Conflicts are likely, however, over the extent of the OECD countries' financial obligations, over treatment of technology transfers on a commercial or noncommercial basis, and over likely OECD insistence on the protection of their intellectual property rights.

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Alliances Emerging

Advocates of particular positions are forming alliances and establishing negotiating strategies

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- o The EC--with the possible exception of the United Kingdom--is tightening policy coordination to speak with one voice in the negotiations

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We think that it will form the core of an emission target proponents' alliance that will also include EFTA countries, Australia, New Zealand, and, with reservations, Japan.

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- o Twenty LDCs agreed at a meeting in New Delhi last April to share information on the state of play in the negotiations and to coordinate their moves. They also issued the "New Delhi Declaration," a list of demands for resource transfers. In November 1990, they met again in Beijing to plan for the first LDC

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Environmental Ministerial this spring, which will almost certainly address the convention negotiations.

- o Argentina, Brazil, Chile, Cuba, India, Malaysia, and Tunisia attempted in the fall of 1990 to give LDCs veto power over the negotiations--to ensure aid provisions are included--by having the results reviewed by the UN General Assembly. Although they have been unsuccessful to date, they probably will revisit the issue in the 1991 General Assembly session.
- o A group of more than a dozen small island LDCs emerged at the SWCC to argue for emission targets and will probably coordinate their moves in the negotiations. We believe they will be supported by their principal OECD benefactors Australia and New Zealand.
- o OECD countries might organize a common approach to aid issues, possibly through formal OECD channels

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(b)(1); (b)(3)

Such

an approach may be discussed at the OECD environmental ministerial the week preceding the February session.

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Despite the fact that most of these alliances are either among OECD or among LDC countries, we believe the negotiations will not be predominantly a north-south debate. OECD target-setters, for example, share views similar to those of the small island LDCs, and they may work together informally in the negotiations. Similarly, LDC oil

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exporters are likely to find friends among the Soviet Union and other industrialized countries that have not set targets and will oppose--as they did at the SWCC--small island and other LDC target proponents. The old north-south debate will still be visible, however, in discussions on technical and financial aid and, to a somewhat lesser extent, on deforestation.

(b)(1); (b)(3)

Outlook

None of the four key issues in contention is likely to be resolved soon. Prospects for resolution are least favorable on emission targets and timetables. Target proponents and opponents remain far apart and appear to be increasingly entrenched in their positions. Agreement on deforestation, too, is a long way off because of the staunch opposition from many LDC tropical timber exporters. We think that the OECD or EC may be able to work a trade-off between fossil-fuel emission reductions in industrialized countries in exchange for LDC agreement on deforestation but probably not in time for the UNCED.

(b)(1); (b)(3)

The comprehensive approach to greenhouse gas emissions reductions and an emissions trading scheme will be controversial at least through the first few negotiating rounds. These issues appear to be not well understood by a large majority of governments, and the current controversy may be due as much to confusion as to informed opposition.

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The confusion will slow broad acceptance of the concepts and could result in their rejection. (b)(1); (b)(3)

Progress will probably be easiest on the aid issue since both LDC and OECD countries accept the argument that aid to LDCs is the key to global implementation of a climate change convention. Moreover, OECD countries are already examining channels of aid and models for technology transfers to LDCs. The extent and terms of such aid and the issue of intellectual property rights pertaining to technology transfers, however, will take longer to resolve.

(b)(1); (b)(3)

The adoption of a convention resolving all these issues in time for signature at the 1992 UNCED is unlikely, in our judgment. Most likely, to save face, delegates will forge a highly generalized, compromise convention that could be signed in 1992 but that would leave controversial issues for later protocols. (b)(1); (b)(3)

If there is a breakthrough, we think it will most likely involve EC offers to compromise on targets and timetables. Possible compromises include:

- o Characterizing the targets as goals rather than binding obligations

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(b)(1); (b)(3)

- o Dropping demands for emission reductions and a simultaneously negotiated carbon dioxide protocol in exchange for a US commitment for emission

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stabilization, and extending the targeted stabilization date beyond 2000.

- o Proposing an OECD-wide stabilization target--on the model of its Community target--under which emission increases in some countries would be compensated for by decreases in others.

LDC flexibility on aid levels and willingness to respect OECD intellectual property rights on environmental technology would help resolve another issue.

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Box 1

Motivating Factors for Emission Targets

Factors contributing to the insistence that targets be incorporated in the climate convention or an associated protocol include the following:

- o Belief that the IPCC's scientific assessment proves that climate change is occurring and that swift action must be taken. The United Kingdom in particular holds such a view, judging from the statements of its senior officials; it chaired the IPCC's science working group and its scientists wrote major sections of the assessment.
- o Support for the precautionary principle, whereby policy responses are justifiable even if an environmental threat has not been entirely proved. Germany, the Netherlands, and the Nordic countries have long promoted this principle; at the SWCC they were joined by most OECD countries and many LDCs.
- o Political expediency. Setting domestic emission targets and pressing for targets in the convention plays well to environmentally conscious electorates. Germany's establishment of the strictest emission targets in Europe, for example, was probably part of (b)(1); (b)(3) efforts by the leading political parties to "out-green" each other in the runup to the 2 December elections. Similarly,

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Canada's advocacy of emission targets can be seen as part of the Mulroney government's recent efforts to boost its sagging popularity through environmental initiatives.

- o Fear of being at a competitive disadvantage if other countries are not required to meet targets. Australia, France, Sweden, and the United Kingdom, in particular, have voiced concern over potential loss of economic competitiveness.
- o Desire to pressure the United States--the world's largest producer of greenhouse gases and largest economic competitor--into accepting emission targets. Having failed to convince the United States at previous climate change conferences to adopt unilateral emission targets, proponents probably see the convention as being the best means of obtaining--or requiring--US cooperation. Moreover, target proponents probably believe that their prior attempts to pressure the United States--widely publicized in the foreign press--have reaped domestic political benefits.
- o Geographic vulnerability. Many small island LDCs--whose very existence would be threatened by the sea level rise that might accompany climate change--believe that emission controls are their best hope for survival. Coastal states with populous deltas--Egypt, the Netherlands, and Bangladesh, for example--share the island countries' concerns, as do Australia and New

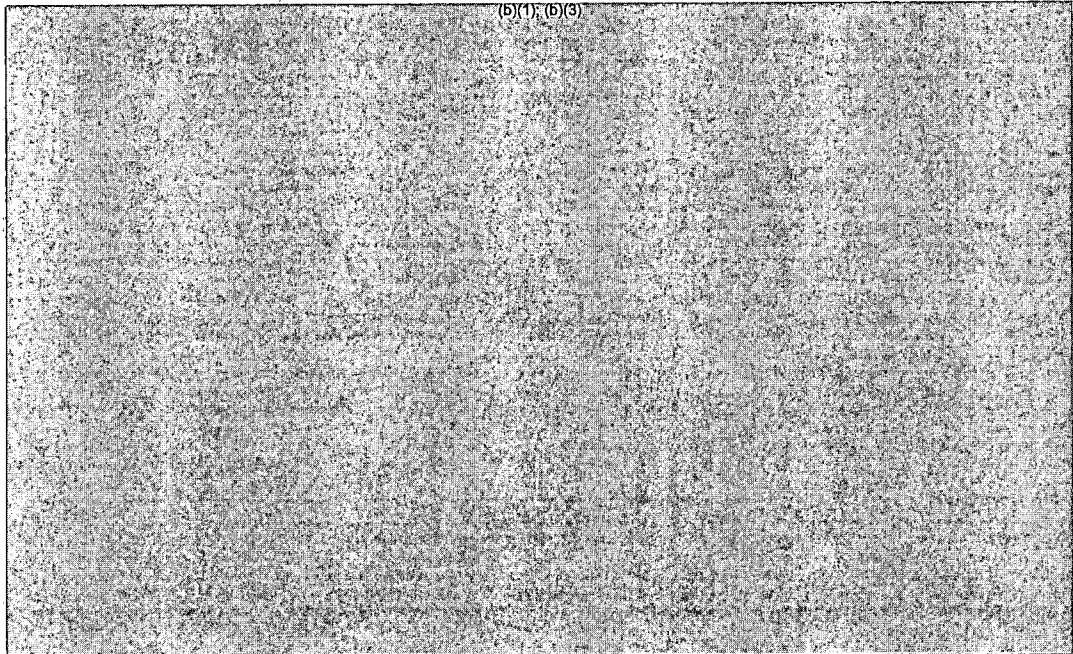
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Zealand, which view themselves as protectors of Pacific
and Indian Ocean island interests.

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Box 2

The EC Target: How Might it Work?

At a joint Energy-Environmental council meeting in October 1990, EC countries agreed on a target of stabilizing their carbon dioxide emissions Community wide at 1990 levels by the year 2000. Key to the target's acceptance by all 12 members was that it will not prevent some countries--particularly Greece, Ireland, Portugal, and Spain--from increasing their emissions substantially as their economies develop. Rather, the target specifies that these increases be compensated for by reductions in other member countries.

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A cursory analysis of current and projected carbon dioxide emissions among EC countries indicates, in our view, that the EC target can be met if Germany, the Netherlands, and Belgium are able to meet the unilateral targets they have set:

Assumption:	CO2 Saved (1,000 Mt)
Germany reduces 15 percent by 2000 on way to targeted 25-30 percent reduction by 2005	40,345
The Netherlands reduces 5 percent by 2000 according to its target	1,630
Belgium reduces 5 percent by 2000 according to its target	<u>1,253</u>
Total Reductions by 2000 (6 percent of 1988 EC total)	43,228
 CO2 Added	 (1,000 Mt)
Greece, Ireland, Portugal, Spain increase emissions 20 percent	17,274
The United Kingdom increases emissions 5	

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percent on way to stabilization by 2005	7,626
France, Italy increase emissions 10 percent	<u>18,538</u>

Total Increase	43,438
Net Increase	210

Germany's 38-percent share of the EC's carbon dioxide emissions (1988) makes it critical to the success of the stabilization plan. If Germany were able to reduce its carbon dioxide emissions by only 5 percent by 2000, for example, the total reduction by 2000 (16.3 million metric tons) would not cover even a 20-percent increase in Greece, Ireland, Portugal, and Spain.

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(b)(1); (b)(3)

(b)(1); (b)(3)

Bonn plans to meet the

target through numerous fiscal and regulatory measures such as mandating sharply improved automobile fuel efficiency, improving power plant efficiency by eliminating lignite-fueled power plants in eastern Germany, by encouraging the use of combined heat and power systems and renewable energy sources, and by implementing a carbon dioxide tax or levy to reduce energy demand. Still, Economics Ministry support for the target is lukewarm

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(b)(1); (b)(3)

. It argued strongly against such strict targets through much of 1990

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, almost certainly based in part on its studies showing that it would be difficult to achieve even half Bonn's desired reduction by 2005.

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POSITIONS ON KEY CLIMATE CONVENTION OR PROTOCOL ELEMENTS, JANUARY 1991

		Emits targets and timetables	Comprehensive approach involving gas trade-offs	Commitments to reduce deforestation	Provisions for aid to LDCs
OECD	European Community	●	●	●	●
	United Kingdom	●	●	●	●
	Germany	●	●	●	●
	France	●	●	●	●
	Netherlands	●	●	●	●
	EFTA Countries	●	●	●	●
	Japan	●	●	●	●
	Australia	●	●	●	●
	Canada	●	●	●	●
LDCs	Soviet Union	● ¹	●	○	● ²
	Eastern Europe	● ¹	●	○	● ²
	Fossil-fuel exporters	●	●	●	●
	Timber exporters	● ¹	●	●	●
	Small island nations	●	○	●	●
	India	● ¹	●	●	●
	China	● ¹	●	●	●

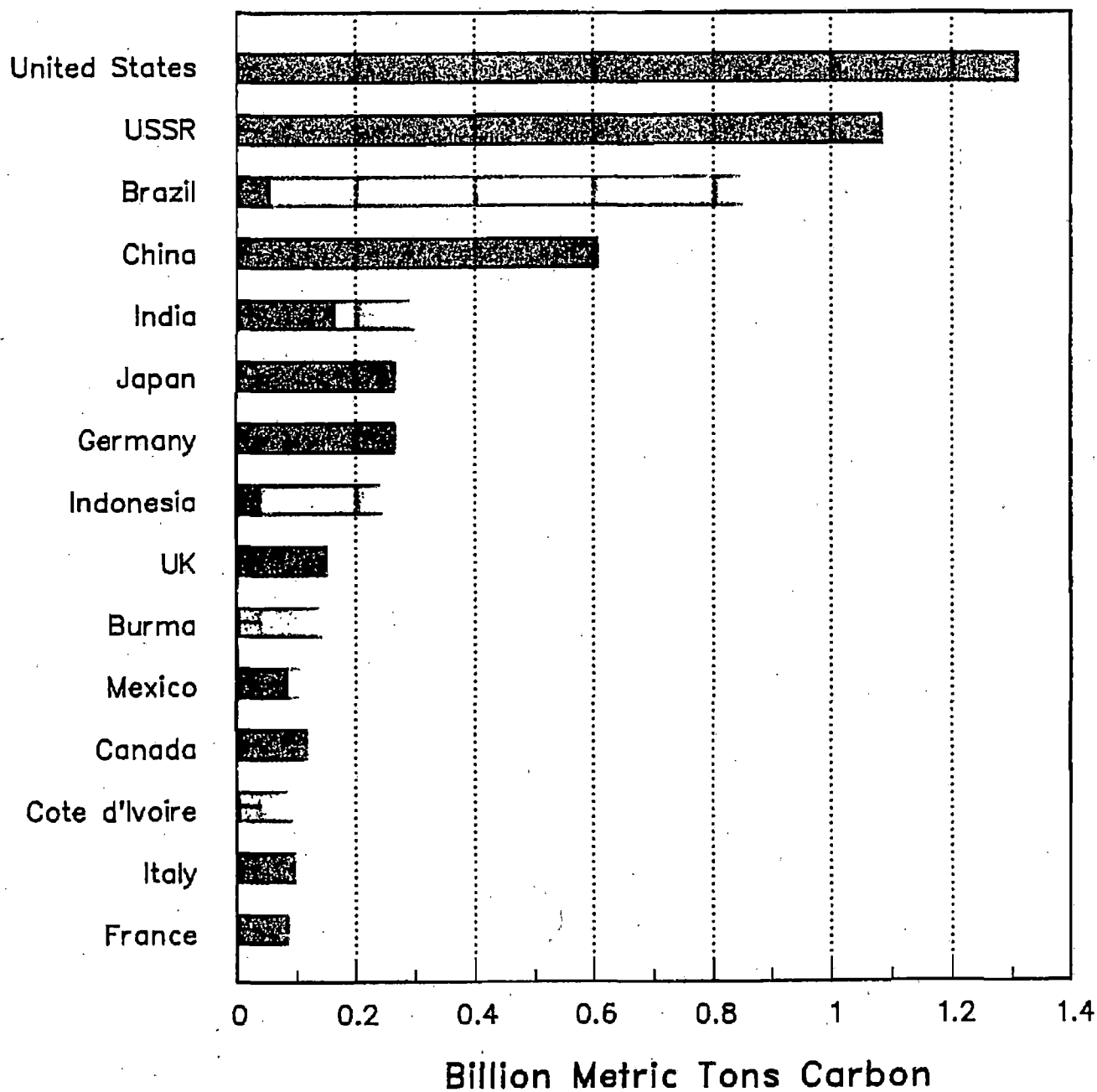
Likely to:

- Strongly favor
- Favor
- Be wary of
- Oppose
- Undetermined

¹ Will insist that non-OECD countries be exempted or be given more liberal terms

² Provided that these countries are also aid recipients

MAJOR CO₂ PRODUCERS, 1987-88



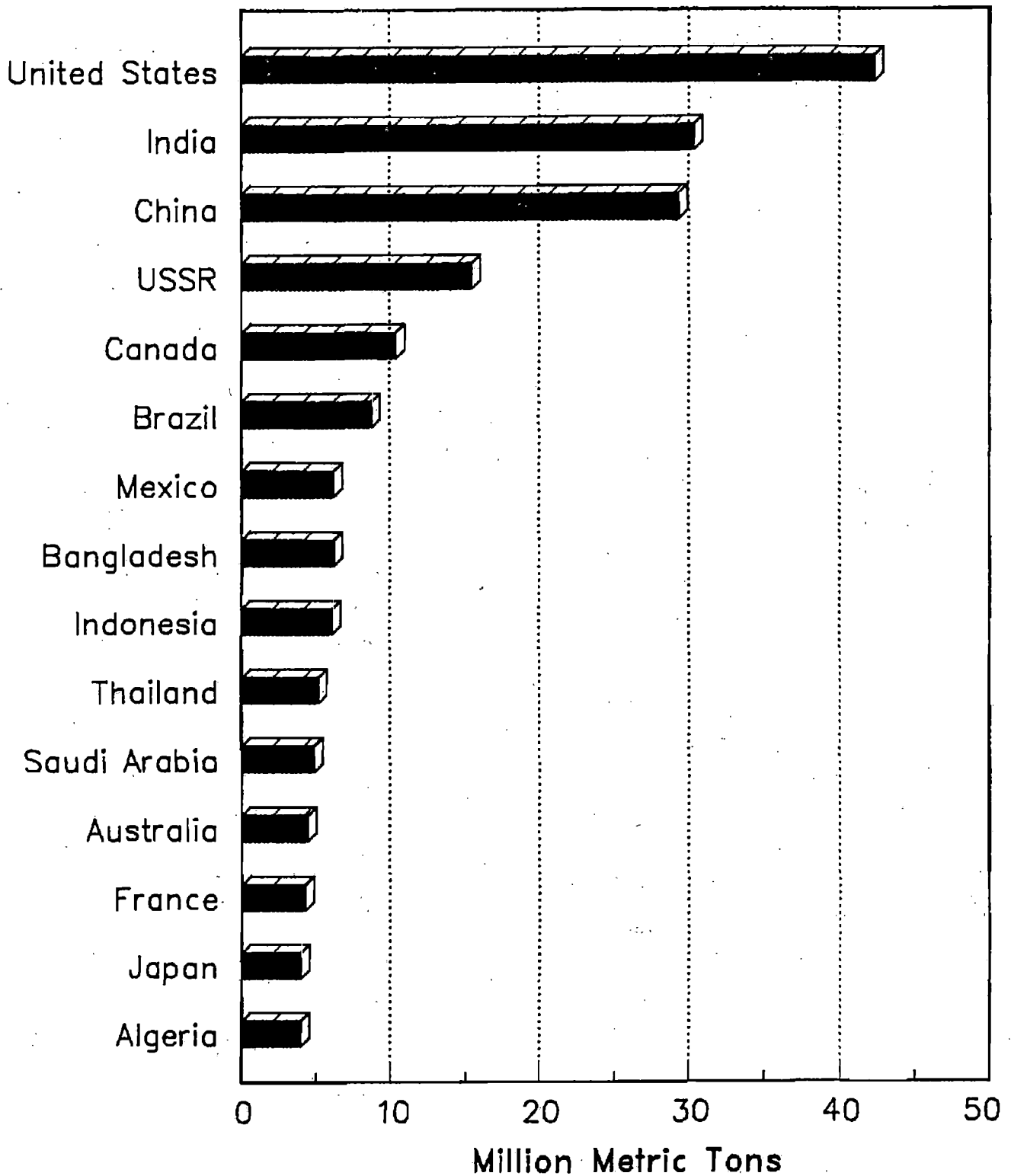
■ Energy & cement production, 1988

(Oak Ridge National Laboratory)

□ Deforestation/land use change, 1987
(Brazil 1988)

(World Resources Institute)

MAJOR METHANE PRODUCERS, 1987



Source: World Resources Institute

Global Warming

GSC SCIENTIFIC COMMUNITY Alabama

CHRISTY 6 University of Alabama
John

Wash Times 4/3/90 temperature 1979-1988 (satellite) "The decade from 1979 to 1988 showed no net warming or cooling trend....1979 to 1983 was warmer than the most recent five".

ERHARDT 7 U.S. Army Corps of Engineers
Robert

SPENCER 7 NASA/Marshall Space Flight Center
Roy W.

Wash Times 4/3/90 temperature 1979-1988 (satellite) "The decade from 1979 to 1988 showed no net warming or cooling trend....1979 to 1983 was warmer than the most recent five".

GEC SCIENTIFIC COMMUNITY Arizona

BALLING Robert Ariz Res Prop.	7 Arizona State University Laboratory of Climatology
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IDSO Sherwood Ariz Res Prop.	U. S. Water Conservation Laboratory
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BARNETT Scripps Institution of Oceanography
Timothy
Climate Trends Panel

BOTKIN 7 University of California/Santa Barbara
Daniel
Rdrs Dig 2/90 'carbon content of forests vastly overated'

ELLSAESSER Lawrence Livermore National Laboratory
Hugh Atmospheric and Geophysical Sciences Division
Ariz Res Prop.

FRIEMAN Scripps Institution of Oceanography
Edward
Energy Dly 3/9/90 'Knowledge of oceans role needed'

GOODRIDGE
James
Ariz Res Prop.

GROTCH Lawrence Livermore National Laboratory
Stanley
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MacCRACKEN Lawrence Livermore National Laboratory
Michael
Climate Trends Panel

MOONEY Stanford University
Harold A.
Committee on Global Change (NAS)

PEASE 7 University of California
Robert W.
WSJ letter 2/16/90.

SIMPSON 7 University of California/Santa Barbara
Lloyd
Rdrs Dig 2/90 'carbon content of forests vastly overated'

ANGELL NOAA/Air Resources Laboratory
JamesClimate Trends Panel

DIAZ 6 NOAA/Air Resources Laboratory
Henry Climate Research DivisionClimate Trends Panel. •Ariz Res Prop.

FIROR National Center for Atmospheric Research
John**GLANTZ** National Center for Atmospheric Research
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JENNE National Center for Atmospheric Research
RoyClimate Trends Panel

PIELKE Colorado State University
Roger Department of Atmospheric ScienceAriz Res Prop.

SCHNEIDER 2 National Center for Atmospheric Research
StephenFortune 4/9/90 '90% sure globe will warm at least 1'-2' in next century'.

TRENBETH National Center for Atmospheric Research
KevinClimate Trends Panel

YEVJEVICH Colorado State University
Vujica

NORDHAUS

8 Yale University

William

Env Wk 2/22/90 'drastic CO₂ emissions not cost-effective ... impacts 1981-2050: agriculture +\$12B to -\$12B; sea-level rise (assume 70cm) +\$6.18B; energy costs +\$490M; overall, est. +\$6.67B (0.25% nat'l income).
Former Council of Economic Advisors.



BIERLY National Science Foundation
Eugene
Climate Trends Panel

CATHEY Department of Agriculture
H. Mark U. S. National Arboretum
Ariz Res Prop.

FEIN National Science Foundation
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SINGER The Washington Institute
S. Fred
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STROMMEN 6 Department of Agriculture
Norton World Outlook Board
Ariz Res Prop.

WATSON NASA/Headquarters
Robert
Climate Trends Panel

WHITE 3 National Academy of Engineering
Robert

HANSON
Kirby

NOAA/Atlantic Oceanographic and Meteorological Laboratory

Wash Times 2/19 'SE U.S fallen 1°F past 30 yrs...cooling and getting wetter'. •Env Wk 3/1/90 'models fail test of reality'. •L. A. Times 2/26/90 'findings undercut threat theory'.

MAUL
George A.

7 NOAA/Atlantic Oceanographic and Meteorological Laboratory

Wash Times 2/19 'SE U.S fallen 1°F past 30 yrs...cooling and getting wetter'. •Env Wk 3/1/90 'models fail test of reality'. •L. A. Times 2/26/90 'findings undercut threat theory'.

BROWN 7 University of Illinois
Sandra

Rd's Dig 2/90 'carbon content of forests vastly overated'

WALSH University of Illinois
John E.

Climate Trends Panel

FUNG 6 NASA/Goddard Institute for Space Studies
Inez

Enr Dly 3/23/90 'northern land masses rather than oceans absorb the major amount of CO₂.'

GORNITZ NASA/Goddard Institute for Space Studies
Vivien

Climate Trends Panel

HANSEN 2 NASA/Goddard Institute for Space Studies
James

Climate Trends Panel. • W. Post 1/29/90 'still expects higher temps'. • Fortune 4/9/90 "We're not really sure [where carbon went]. There must be a carbon sink somewhere. Maybe its the northern forest."

HECHT 3 NOAA/National Climate Program Office
Alan

LEBEDEFF NASA/Goddard Institute for Space Studies
Sergei

Climate Trends Panel

ROBOCK University of Maryland
Alan

Climate Trends Panel

SPRIGG NOAA/National Climate Program Office
William

Climate Trends Panel

BRADLEY University of Massachusetts
Ray

Climate Trends Panel

LINDZEN 10 Massachusetts Institute of Technology
Richard S. Center for Meteorology and Physical Meteorology

W. Post 1/29/90 'temps will rise, not by much - expects negative feedback (high, dry clouds) to counteract'.
•Rdrs Dig 2/90 "The data we have does not support a warming". •Bulletin Amer Meteor Soc 3/90. •Ariz Res Prop.

NEWELL Massachusetts Institute of Technology
Reginald S. Center for Meteorology and Physical Meteorology

Ariz Res Prop.

SOLOW Woods Hole Oceanographic Institution
Andrew Marine Policy Center

Climate Trends Panel. •Time 12/18/89

WANG 2 Atmospheric and Environmental Research, Inc.
Wei-Chyun

MAHLMAN
Jerry D.

NOAA/Geophysic Fluid Dynamics Laboratory
Princeton University

L. A. Times 2/27/90

REIFSNYDER
William

Yale University
School of Forestry and Environmental Studies

Ariz Res Prop.

KUKLA Columbia University
George Lamont-Doherty Geological Observatory
Ariz Res Prop.

TAKASHI 6 Columbia University
Taro Lamont-Doherty Geological Laboratory

Ener Dly 3/23/90 'northern land masses rather than oceans absorb the major amount of CO₂.

GUTTMAN 7 NOAA/National Climate Data Center
Nathaniel

Ariz Res Prop.

KARL NOAA/National Climate DataCenter
Thomas R.

Climate Trends Panel. -Ariz Res Prop.

SCHLESINGER

Oregon State University

Michael

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IMBRIE 6 Brown University

John

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FARRELL	3	Oak Ridge National Laboratory
Michael		Carbon Dioxide Information Center

GRIFFITHS	7	Texas A & M University
John		Department of Meteorology

CCC SCIENTIFIC COMMUNITY Virginia

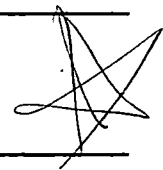
DAVIS
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LINS 7 U. S. Geological Survey
Harry

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**BRYSON
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