

**Testimony of  
Special Envoy for Climate Change Todd D. Stern  
October 20, 2015**

**Senate Foreign Relation Committee  
Subcommittee on Multilateral International Development, Multilateral Institutions, and  
International Economic, Energy, and Environmental Policy**

Mr. Chairman, I am pleased to be here and appreciate the opportunity to testify before your subcommittee.

I look forward to discussing the issues on today's agenda with you and your colleagues on the subcommittee. I thought it might be useful at the outset for me to explain the approach we have taken to the international climate change negotiations over the last number of years and to explain what we hope to accomplish in the Paris conference in December.

The Obama Administration came into office convinced that we had to take bold, concerted action to tackle the very real threat of climate change. But we also saw that we needed a new approach. We took a hard look at the lessons of Kyoto and listened to what both sides of the aisle had been saying for years about what an international climate agreement ought to look like. Targets should be set by countries themselves bottom-up, not imposed top-down. Developing countries need to act just as we do, recognizing that they face unique challenges. Strong transparency provisions are needed with the same basic terms for the U.S. and emerging markets like China. And that's exactly the deal we've been fighting for.

If we secure a deal with these features, it's because we took to heart bipartisan feedback on earlier attempts to forge international climate agreements. And that's also why the President and Secretary Kerry have worked hard on building international support for this new approach, working with leaders from China to Brazil to India; from African countries and small island states that are facing clear and present threats from a changing climate. To demonstrate that we're committed to act, together with others. We now live in a new reality where China has pledged to peak its emissions, to bring online an average of a gigawatt of clean energy every week through 2030, to implement a national cap-and-trade plan, and to provide \$3.1 billion in climate finance. And where nearly 150 countries have announced their own targets. We still have a considerable way to go to land a strong, viable climate agreement in Paris, but we are closer than we ever have been, and U.S. leadership has been at the heart of this progress.

Because the agreement we wanted was radically different from the one the UN process had produced in Kyoto, we knew that a fundamental reframing of the developed versus developing country paradigm would be needed. And we decided to go to the heart of that problem by engaging directly with China. For almost 20 years, the U.S. and China had been seen almost as captains of opposing teams in the negotiations. It was an unproductive situation that helped produce deadlock.

We started engaging with China on climate change in a concerted manner from the start of this Administration, building relationships, working with them. Secretary Clinton highlighted climate change on her first trip there in February, 2009. We intensified this effort in 2013 with Secretary Kerry's visit in April of that year, establishing the U.S.-China Climate Change Working Group, and with President Obama's first meeting with President Xi, in Sunnylands. Then, last year, we sought to move our interaction to a whole new level. We found that their leadership was ready to work with us, genuinely concerned about the impacts of climate change as well as air pollution, and open to a cooperative approach based on mutual confidence that each side was serious about curbing emissions. This led, of course, to the historic Joint Announcement last year between President Obama and President Xi, in which the U.S. and China each set forth ambitious climate targets and marked the beginning of a new era of climate diplomacy.

We followed that up just a few weeks ago during President Xi's State Visit with a Joint Presidential Statement on Climate Change that laid out a common vision for the Paris Agreement, and also showed how serious both countries are about taking concrete action here and now.

These steps have given the global climate talks a jolt of momentum and have led Parties around the world to believe that these negotiations could and should succeed.

Most fundamentally, we have levelled the playing field by leading on a structure and process for the agreement in which more than 150 countries, including over 100 developing countries, have put forward their targets, known as INDCs ("intended nationally determined contributions"). This, by itself, is an extraordinary fact. It is testament to the buy-in of countries around the world, and a demonstration that the old fire-wall between developed and developing countries is coming down. In particular:

We proposed the structure of nationally determined mitigation contributions, around which Parties have largely converged. Our rationale was simple: if all Parties are to be genuinely part of the new agreement, you can't negotiate top-down targets as was done in Kyoto. To ensure maximum participation, we needed a structure that would allow countries to make their own choices about what target to adopt, reassuring them that they could join the agreement without disrupting their economic and development priorities.

We proposed that Parties submit their INDCs early rather than at the end in Paris, because we thought this exposure to scrutiny would push countries to do their best. And the result has been a momentum-building drumbeat of submissions.

We have pushed for the idea of successive rounds of targets, coupled with longer-term goals for greater ambition.

We have pressed for an approach recognizing that developing countries continue to have unique challenges, but asks all countries to put forward actions to address this global challenge.

We are leading proponents of a robust transparency system of reporting and review for all, with a single set of guidelines, but flexibility in terms of the frequency and content of reporting, for those developing countries that need it based on their capacity.

We have strongly backed the notion of non-legally binding targets as the best way to ensure broad participation in the agreement. We concluded early on that many countries would be unwilling to put forward legally binding targets and, as noted, we are not willing to accept the Kyoto approach of binding targets for developed countries only. Also – contrary to much conventional wisdom – we think that non-binding targets will produce greater ambition because many countries would low-ball legally binding commitments out of fear for the consequences of missing their targets.

We have strongly supported the broad-based effort to elevate the importance of building resilience against the impacts of climate change, world-wide.

And we have advocated for a system of post-2020 support based on a shared effort among all countries to drive larger flows of climate friendly finance to those in need through the use of public and private finance, domestic resources, enhanced investment environments in recipient countries, and improved transparency regarding the provision, mobilization and use of funds.

We are seeking an agreement, in brief, that is universal, ambitious, transparent, durable and effective; one that will elevate adaptation and resilience; be differentiated in a manner suitable for the 2020s and beyond; and promote shared efforts to generate increasing flows of climate-friendly capital from all sources to countries around the world that need it. It is exactly the kind of accord that voices from both sides of the aisle have said we need.

An agreement like this in Paris wouldn't solve climate change by itself, but it would be an important step forward. Of course, a great deal of the effort to combat climate change will be driven by national governments, subnational actors, enterprising businesses, innovative scientists and engineers, and an enlightened global public demanding that its leaders take heed and take action. But we need a strong international agreement to supply the essential confidence countries need that, if they act, their partners and competitors will do so as well; and to send a clear signal to governments, civil society, and the private sector that the world's leaders have finally decided to take action and are not turning back.

A strong Paris Agreement of this kind is in the economic, diplomatic and national security interests of the United States and the American people.

It is in our economic interests because the costs of inaction, properly accounted for, will dwarf the costs of acting, and because no one is better positioned to win big in the multi-trillion dollar 21<sup>st</sup> century market for low-carbon energy innovation than the United States.

It is in our diplomatic interest because climate change is a high and rising priority in countries and regions all over the world, and it is untenable for the United States to stand apart.

It would be in our national security interests because threats of rising sea levels, droughts, floods and other extreme events have become all too real, and will get worse. However, if we act now and act globally we can limit the extent and severity of the impacts. This is not a matter of ideology; it is a matter of sober risk management. Our military and intelligence leaders have been sounding the alarm now for years. In March 2013, Admiral Samuel Locklear, then Commander of the Pacific Command, said that upheaval related to climate change “is probably the most likely thing that is going to happen . . . that will cripple the security environment, probably more likely than the other scenarios we all often talk about.”

So the time has come to act. The stars are more aligned for an ambitious climate agreement this year than they ever have been. The deal is far from done, but we will strive during the next seven and a half weeks to produce a strong outcome that will constitute a major step in combatting climate change.

I'll be happy to take your questions.