

**Testimony of the Honorable Timothy E. Wirth  
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**“International Climate Change Negotiations: Restoring U.S. Leadership”  
Committee on Foreign Relations  
United States Senate  
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Thank you, Mr. Chairman, for inviting me to testify and for the outstanding leadership you have shown on this issue for many years.

Climate change and the proliferation of nuclear weapons are the most dangerous challenges confronting humanity; at the United Nations Foundation we are deeply engaged with working toward solutions of the climate crisis, both in the U.S. and globally. The other major institution funded by Ted Turner, the Nuclear Threat Initiative, chaired by former Senator Sam Nunn, is dedicated to finding solutions to the nuclear issue.

We particularly welcome the remarkable leadership that is being shown by United Nations Secretary-General Ban Ki-moon, who has made climate change one of his top three priorities, and is relentlessly emphasizing the importance and urgency of action around the world. This week the Secretary-General is traveling to Valencia, Spain, for the release of the synthesis report of the Intergovernmental Panel on Climate Change (IPCC). This report will sum up the findings of the three IPCC working groups, whose work has been released over the course of this last year. The clarity and forcefulness of this Fourth Assessment Report and its three important predecessors have clearly described the state of the science, and the consensus on the need for urgent action. The IPCC represents the UN system at its best and well deserves the Nobel Peace Prize that it is sharing with former Vice President Al Gore.

The United Nations Framework Convention on Climate Change (UNFCCC), signed in Rio in 1992 by President George H.W. Bush and immediately ratified by the U.S. Senate, defined the treaty’s objective as **“stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.”** The Kyoto Protocol and the negotiations next month in Bali represent the world’s continuing efforts to implement the Framework Convention and make it effective. The first commitment period under the Kyoto Protocol comes to an end in 2012, and the world’s urgent task is to negotiate what comes next – preferably a new and comprehensive global agreement that puts us on a path to achieve the Framework Convention’s objective.

The negotiations leading to the 1997 Kyoto agreement were prolonged and extremely difficult, and our ambitions then were relatively modest compared to the challenge we face today. It will therefore be even more difficult and complex to reach agreement this time – but world opinion has shifted since 1997 with regard to the urgency of action and

the scale of the threat, and we are optimistic that common ground can be found. To have an updated treaty implementation agreement in place by 2012, however, we need to complete negotiations by the end of 2009, and allow time for ratification and implementation. To reach a new agreement by the end of 2009, we have to start immediately, and that is the objective of Bali: not to conclude any deals, but to agree on a process and timetable that can be completed by the 2009 and 2012 deadlines. Bali is a “process” meeting; its success will be measured by the consensus reached on process and timetable.

Together with the Club of Madrid – a group of 66 democratic former heads of state and government – the United Nations Foundation this year convened a distinguished task force that we called *Global Leadership for Climate Action*, comprising former heads of government and other leading figures from 20 countries. The objective of this diverse group (facilitated by the extremely effective former CEO of the Global Environment Facility, Mohamed El-Ashry) was to develop and propose the outlines of a broadly acceptable global climate agreement. The resulting report, *Framework for a Post-2012 Agreement on Climate Change*, has been warmly received in international circles, starting with the G8 Gleneagles Dialogue in Berlin in September. This very useful document, which we commend to your attention (and which I wish to include in the record), breaks the complex subject of climate change down into four key areas or “pathways” to agreement: mitigation, adaptation, technology, and finance. We recommend that parallel negotiations proceed along each of these pathways during 2008 and 2009, in order to bring the world together on a new agreement and to make further progress in implementing the 1992 climate treaty. We are encouraged that our suggested Framework – the four pathways – have become the almost universally agreed method of organizing the many complex issues that contribute to the substance and politics of the climate issue. We were further encouraged that this general framework helped to organize the Secretary-General’s high-level session on climate at the UN in September, and appears to enjoy broad support as we prepare for Bali.

The substance of the debate over climate will not be resolved in Bali next month. Bali will be a success if all the engaged countries devise, agree upon and embark on a process that leads to a comprehensive new agreement for next steps in implementing the climate treaty. Yvo de Boer, the Executive Secretary of the UNFCCC, put it succinctly last week when he said:

**“Bali needs to launch a negotiating agenda, decide that negotiations need to begin on a post-2012 climate change policy, launch that process formally, decide what the main elements that need to be negotiated are, set a timetable for negotiations, and like every good timetable, set an end date ... The end date should be 2009.”**

Ultimately, the agreement which must be negotiated in 2008 and 2009 must be comprehensive. It should include all countries, all sectors, all sources and sinks, mitigation as well as adaptation, technology development and sharing, and adequate and innovative finance mechanisms. However, “comprehensive” does not mean “one size fits

all.” Targeted agreements – for example, on industrial energy use, energy efficiency, renewable energy, and technology cooperation – should be encouraged and incorporated within a new comprehensive agreement, and these agreements could encompass a much broader array of countries than those who immediately commit to an emissions cap. Sectoral agreements – also developed within the global UN agreement – should also be encouraged: autos, cement, steel, and utilities should be on everyone’s early lists.

The Framework Convention established the principle that countries should address the climate challenge **“on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities.”** Developed countries should take the lead because over many years they have contributed the most to the buildup of greenhouse gases in the atmosphere. Meaningful engagement of developing countries, especially the rapidly industrializing economies, is needed also. But requiring all countries to achieve the same percentage reduction in the same time period would be unfair, and frankly impossible. The developed countries put the carbon into the atmosphere to start with – we were the first to use the atmosphere as our carbon garbage dump. The effects of our dumping are now being felt, and our task is to change our habits and help the world to adapt to the problems we largely have created, while encouraging others – like China and India – to avoid our bad habits and embark over time on the same low-carbon path that we should be pursuing now.

This key issue – who has what responsibility, and when do obligations kick in – is the central issue in the climate negotiations – in Bali and beyond – and it will also be critical to the future Senate ratification of any new climate protocol. We must be flexible enough to recognize and accept the value of diverse approaches to the climate challenge.

For example, China may not accept an immediate cap on its emissions, but should be encouraged and credited with the important actions it has already taken: setting a target of improving its energy efficiency by 4 percent per year, imposing fuel economy standards that are stricter than those of the U.S., and moving to double its renewable energy capacity (to 15 percent) by the year 2020. Those steps will significantly reduce Chinese emissions in real terms, while putting China on a path toward a lower-carbon economy. Like the U.S., China is learning how to cope with the looming climate crisis, but unlike the U.S., China has made relatively little historic contribution to the level of carbon in the atmosphere. Like the U.S., China is a global leader, and in dealing with the climate crisis, should become our partner, not our adversary. The U.S. can help to lead in many areas: technology, economic transformation, sectoral modernization. China can help to lead in others, serve as a model and challenge, especially to others in the rapidly developing world, and together we can demonstrate that the climate crisis can be an opportunity, and reflect everyone’s self-interest.

Mr. Chairman, this Committee (and the Senate Observer Group, which I hope will continue to work together well after the climate negotiations in Bali) can make a number of very significant contributions:

- You can help your colleagues, the Administration, the press and the country to understand the issue of equity and responsibility that I have just discussed. How we implement the key treaty commitment “**Common but Differentiated**” will be central to the success of our efforts. This will require patience, understanding, diplomacy and time, as well as a lot of negotiation, and you can help.
- You can also help to clarify the context of the climate negotiations. Of special note are two elements:
  1. The state of science and the fact that the debate is over about man’s effect on the climate. The questions now are how much, where, how fast, and of course, what do we do next?
  2. Pricing carbon: the sooner we get agreement on pricing carbon – the atmosphere should no longer be treated as a free garbage dump – the more rapidly we can make progress on the complex negotiation that lies ahead.

Finally, let me briefly outline some of the key, immediate issues along the pathways for the negotiation, and again commend to you the framework which we have developed in cooperation with the Club of Madrid:

- Mitigation: In the area of mitigation, of special concern and opportunity is the treatment of forests, an issue of the greatest importance for the developing world. Will countries be rewarded for protecting the great carbon sinks in their natural forests, for replacing forests and planting new ones? How can we use carbon credits without destabilizing the carbon markets?
- Adaptation: Since there is enormous inertia in the climate system, significant effects of our climate-forcing pollution are inevitable and largely irreversible. The world will have to adapt to a changed climate, and the poorest countries will be hardest-hit, with the least resources to cope. New drought-resistant crops will be needed; so will new methods of storing and using water efficiently. How will rich countries step in to help?
- Technology: Technology development and deployment is essential to reducing carbon emissions at an acceptable cost. Yet U.S. and global spending on energy research and development is a small fraction of what it was more than 25 years ago. The United States government should make a major commitment to restoring RD&D investment – an immediate doubling or quadrupling, especially to accelerate the deployment of high-priority technologies in such areas as carbon capture and sequestration, second-generation biofuels, and a modernized electric power system. How can the U.S. and others collaborate effectively with developing countries on the development and deployment of new sustainable energy technologies?
- Finance: The world will not transition to a new system of energy technologies without massive investment, in the trillions of dollars over the next 30 years, and

how we price carbon is fundamental. Further, with the right public policy signals, the private sector will be central, and the public-private partnerships will be indispensable. Private investors are unlikely to finance protection of the shoreline and other critical infrastructure against rising sea levels, and will be cautious about investing in sustainable energy development in the poorest countries. But private expertise, innovation, and technique will be absolutely essential. What combination of innovative finance, carbon credits, and direct assistance will catalyze the most rapid progress?

Leadership by the United States remains central, and the most important step we can take is at home – by putting a price on carbon, either through a cap-and-trade system or through a carbon tax. The progress on the Lieberman-Warner bill is extremely heartening in that regard. It is important to note that the purpose of a price on carbon is not to bring about higher energy costs to consumers. Rather it is to set the rules of the game in such a way that clean technologies can compete with dirty ones, and indeed, over time, out-compete them. This will lead to a great wave of innovation, investment, economic development and job creation – which the U.S. has historically done better than anyone in the world.

For many years this Committee has promoted U.S. re-engagement in the global climate negotiations. Constructive re-engagement will change the dynamics of the discussion and create the basis for success. Now the Committee, and the Senate more broadly, needs to prepare for that success by setting out clear and realistic expectations (on a bipartisan basis) for next steps on implementing the climate treaty, so that a new agreement can be quickly ratified and implemented by the United States. These negotiations will certainly continue at least until the end of 2009, and your guidance and political judgments will be extremely important and valuable. Our negotiators must have a clear understanding of what can be delivered, and early cooperation is very important.

Mr. Chairman, hearings like these, and your leadership and engagement on this subject in Bali and beyond, are essential steps in that process, and we thank you for it.