



U.S. DEPARTMENT of STATE

Fact Sheet

Bureau of Oceans and International Environmental and Scientific Affairs
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United States Global Climate Change Policy

On February 14, 2002, President Bush committed the United States to an ambitious climate change strategy that will reduce domestic greenhouse gas (GHG) emissions relative to the size of the American economy. The United States will achieve this goal by cutting its GHG intensity – how much it emits per unit of economic activity – by 18% over the next 10 years. This strategy will set America on a path to slow the growth of greenhouse gas emissions, and – as the science justifies – to stop, and then reverse that growth. The President's policy also continues the United States' leadership role in supporting vital climate change research, laying the groundwork for future action by investing in science, technology, and institutions. In addition, the United States' strategy emphasizes international cooperation and promotes working with other nations to develop an efficient and coordinated response to global climate change. In taking prudent environmental action at home and abroad, the United States is advancing a pro-growth, pro-development approach to addressing this important global challenge.

Cutting GHG Intensity By 18% Over The Next 10 Years

GHG intensity is the ratio of greenhouse gas emissions to economic output. The President's goal is to lower the United States' rate of emissions from an estimated 183 metric tons per million dollars of Gross Domestic Product (GDP) in 2002, to 151 metric tons per million dollars of GDP in 2012. By slowing the growth of greenhouse gases, this policy will put America on a path toward stabilizing GHG concentration in the atmosphere in the long run, while sustaining the economic growth needed to finance our investments in a new, cleaner energy structure. America is already improving its GHG intensity; new policies and programs will accelerate that progress, avoiding more than 500 million metric tons of GHG emissions over the next 10 years – the equivalent of taking nearly one out of every three cars off the road. This goal is comparable to the average progress that nations participating in the Kyoto Protocol are required to achieve.

Laying the Groundwork for Current and Future Action

Unprecedented Funding for Climate Change-Related Programs. The President's FY 2003 budget request provides \$4.5 billion for global climate change-related activities – a \$653 million or 17% increase over FY 2002 – more than any other nation's commitment. This increase includes nearly \$1.8 billion for climate change science, \$1.3 billion for climate technologies, and \$555 million for the first year of funding for a 5-year, \$4.6 billion commitment to tax credits for renewable energy and energy efficient sources and technologies. The budget request also includes \$279 million for international activities – a 29% increase.

A New Tool to Measure and Credit Emissions Reductions. In his February announcement, the President directed the Secretary of Energy to recommend reforms to the Department's existing voluntary greenhouse gas registry, to: (1) ensure that businesses that register voluntary reductions are not penalized under a future climate policy, and (2) give credit to companies that can show real emissions reductions. Toward this end, the United States will improve its voluntary GHG registry to enhance the registry's accuracy, reliability and verifiability, working with and taking into account emerging domestic and international approaches. These improvements will give businesses incentives to invest in new, cleaner technology and voluntarily reduce greenhouse gas emissions.

National Energy Policy. The United States' National Energy Policy recommends tax incentives, business sector challenges, and improved transportation programs, to promote energy efficiency and conservation and to reduce emissions of greenhouse gases through the use of alternative, renewable, and cleaner forms of energy.

Increased Incentives for Carbon Sequestration. To increase the amount of carbon stored by America's farms and forests, the United States will invest up to \$47 billion in the next decade for conservation on its farms and forest lands. This partnership with farmers and small land owners will help protect land, water, and air, secure and enhance habitat for wildlife, and greatly expand opportunities to store significant quantities of carbon in trees and the soil, as well as promote other activities to mitigate GHG emissions.

Working With Other Nations to Develop an Efficient and Effective Global Response

Enhanced support in the developing world and for bilateral international cooperation on climate change initiatives. The President's FY2003 budget supports significant funding for science and technology research, development and transfer, including:

- \$155 million for the United States Agency for International Development (USAID), which continues to be a major source of climate technology assistance to developing countries.
- \$50 million for tropical forest conservation, including \$40 million under the Tropical Forest Conservation Act to help countries redirect debt payments toward protecting tropical forests, which store millions of tons of carbon.
- A significant share of the overall funding required to meet the President's commitment of \$25 million for climate observation systems in developing countries.
- \$68 million for the Global Environment Facility (GEF), to help developing countries better measure and reduce emissions, and invest in clean and renewable energy technologies. In addition, the United States has pledged \$500 million over the next four years for the GEF, to help developing countries address environmental problems with potential global impact. The commitment represents a 16% increase over our contribution to the previous replenishment.

Bilateral partnerships. The United States is committed to working with other nations, especially developing countries, to build future prosperity along a cleaner and better path. The President's strategy promotes cooperative relationships with other countries, so that our objectives and activities complement each other in addressing climate change effectively. Over the past year, the United States has engaged in bilateral partnerships with Australia, Canada, China, seven Central American countries (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama), the European Union, India, Italy, Japan, the Republic of Korea and New Zealand, on issues ranging from climate change science to energy and sequestration technology to policy approaches.

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