

## THE BUSH ADMINISTRATION'S ACTIONS ON GLOBAL CLIMATE CHANGE

*"I've asked my advisors to consider approaches to reduce greenhouse gas emissions, including those that tap the power of markets, help realize the promise of technology and ensure the widest-possible global participation....Our actions should be measured as we learn more from science and build on it. Our approach must be flexible to adjust to new information and take advantage of new technology. We must always act to ensure continued economic growth and prosperity for our citizens and for citizens throughout the world." --- President Bush (6/11/01)*

### **The Bush Administration has delivered on the President's commitment with a comprehensive, innovative program of domestic and international initiatives:**

**Ambitious National Goal to Reduce Emissions Growth:** In February 2002, President Bush committed the United States to a comprehensive strategy to reduce the greenhouse gas intensity of the American economy by 18 percent over the next 10 years. Meeting this commitment will prevent more than 500 million metric tons of carbon-equivalent emissions through 2012 – the equivalent of taking 70 million cars off the road.

**Large Budget Increases for Global Climate Change:** President Bush's FY '03 budget sought a 17 percent increase in funding for climate change-related programs, to bring total U.S. Government spending this year to \$4.5 billion, a commitment unmatched in the world. A similar request has been made in the Administration's FY '04 budget. In addition, substantial funding for conservation programs under the 2002 Farm Bill will significantly increase the amount of carbon sequestration from agriculture and forestry.

**Tax Incentives for Renewable Energy and Hybrid and Fuel Cell Vehicles:** The President's FY '04 budget proposes tax incentives totaling \$4.4 billion through FY '08 to spur the use of clean, renewable energy and energy efficient technologies. Consistent with the President's National Energy Policy, the tax incentives include credits for the purchase of hybrid and fuel cell vehicles, residential solar heating systems, energy produced from landfill gas, electricity produced from alternative energy sources such as wind and biomass, and combined heat and power systems.

**Cabinet Committee on Climate Change Science and Technology Integration:** President Bush has created an interagency, cabinet-level committee, co-chaired by the Secretaries of Commerce and Energy, to coordinate and prioritize federal research on global climate science and advanced energy technologies. This Committee develops policy recommendations for the President and oversees the sub-cabinet interagency programs on climate science and energy technologies.

**Federal Energy and Carbon Sequestration Programs:** Includes \$1.6 billion FY '03 budget request to fund federal research and technology demonstration programs. Major new initiatives for FY '04 and beyond include:

**Hydrogen Energy.** President Bush launched his Hydrogen Fuel Initiative in this year's State of the Union address. The goal is to work closely with the private sector to accelerate our transition to a hydrogen economy, both on the technology of hydrogen fuel cells and a fueling infrastructure. The President's Hydrogen Fuel Initiative and the FreedomCAR Partnership launched last year will provide \$1.7 billion over the next 5 years

to develop hydrogen powered fuel cells, a hydrogen infrastructure, and advanced automobile technologies, allowing for commercialization by 2020. The United States will pursue international cooperation to affect a more rapid, coordinated advance for this technology that could lead to the elimination of air pollutants and a significant reduction of greenhouse gas emissions in the transportation sector worldwide.

**“FutureGen” -- Coal-Fired, Zero-Emissions Electricity Generation.** In February 2003, President Bush announced that the United States would sponsor, with international and private sector partners, a \$1 billion, 10-year demonstration project to create the world's first coal-based, zero-emissions electricity and hydrogen power plant. This project is designed to dramatically reduce air pollution and capture and store greenhouse gas emissions. This initiative is part of an international Carbon Sequestration Leadership Forum, chaired by the Secretary of Energy, to work cooperatively with our global partners, including developing countries, on research, development and deployment of carbon sequestration technologies in the next decade.

**Fusion Energy.** In January 2003, President Bush committed the United States to participate in the largest and most technologically sophisticated research project in the world to harness the promise of fusion energy, the same form of energy that powers the sun. If successful, this \$5 billion, internationally-supported research project will advance progress toward producing clean, renewable, commercially-available fusion energy by the middle of the century. Participating countries include the United Kingdom, Russia, Japan, China, and Canada.

**Federal Climate Science Program:** Includes \$1.7 billion in FY '04 budget request to fund federal research program, with \$185 million requested for the Climate Change Research Initiative in FY '04. Interagency U. S. Climate Change Science Program proposed a 10-Year Strategic Plan in November 2002, accompanied by 1300-person workshop, with representatives from over 35 countries; final plan to be released in June 2003. U. S. Government to host Earth Observation Summit in July 2003, with representatives of nearly 30 countries to be invited.

**Fuel Economy Increase for Light Trucks:** On April 1, 2003, the Bush Administration finalized regulations requiring an increase in the fuel economy of light trucks for Model Years 2005 - 2007, the first such increase in many years. The increase from 20.7 miles per gallon to 22.2 miles per gallon by 2007 more than doubles the increase in the standard that occurred between Model Years 1986 and 1996, when it increased from 20.0 miles per gallon to 20.7 miles per gallon. The new standards are projected to result in savings of approximately 3.6 billion gallons of gasoline over the lifetime of these trucks, with the corresponding avoidance of 31 million metric tons of carbon dioxide emissions.

**Voluntary Greenhouse Gas Reduction Initiatives with Business and Industry:** The federal government administers nearly 60 different voluntary programs on energy efficiency, agricultural practices and greenhouse gas reductions. Major initiatives announced by the Bush Administration include:

**“Climate VISION” Partnership.** In February 2003, President Bush announced that twelve major industrial sectors and the membership of the Business Roundtable, have committed to work with four of his cabinet agencies (DOE, EPA, DOT and USDA) to reduce their greenhouse gas emissions in the next decade. Participating industries included America's electric utilities;

petroleum refiners and natural gas producers; automobile, iron and steel, chemical and magnesium manufacturers; forest and paper producers; railroads; and the cement, mining, aluminum and semiconductor industries.

**Climate Leaders.** Announced by EPA Administrator Whitman in February 2002, Climate Leaders is an EPA partnership encouraging individual companies to develop long-term, comprehensive climate change strategies. Under this program, partners set corporate-wide GHG reduction goals and inventory their emissions to measure progress. Over 35 major companies are now participating, including General Motors, Alcoa, BP, Pfizer, Staples, International Paper, IBM, Miller Brewing, Eastman Kodak and Target.

**Voluntary Registry for Reporting GHG Reductions.** Responding to President Bush's February 2002 charge, the Secretaries of Energy, Commerce and Agriculture, and the EPA Administrator, provided the President with their initial recommendations for enhancing and improving the DOE's greenhouse gas emissions reduction registry. The improvements are intended to enhance the accuracy, reliability, and verifiability of greenhouse gas reductions measurements. As part of the 2002 public comment process, DOE hosted workshops in Houston, Washington, San Francisco and Chicago. Final guidelines are anticipated in early 2004.

#### **International Outreach:**

**International Cooperation.** The U.S. is engaged in extensive international efforts on climate, both through multilateral and bilateral activities. Multilaterally, the U.S. is by far the largest funder of the activities of the UN Framework Convention on Climate Change and the Intergovernmental Panel on Climate Change, and leads R & D projects through the Generation IV International Forum, which is developing the next-generation nuclear systems to produce electricity and hydrogen for transportation use without emitting greenhouse gas emissions. Bilaterally, the U.S. has developed a number of agreements with major international partners to pursue research on global climate change and deploy climate observation systems, collaborate on energy and sequestration technologies, and explore methodologies for monitoring and measuring GHG emissions. To date, new bilateral agreements have been established with countries representing over 70 percent of global greenhouse gas emissions: Australia, Japan, China, India, Italy, Canada, Russia, the Republic of Korea, New Zealand, Mexico, the European Union and CONCAUSA, an organization of seven Central American countries.

**Global Environmental Facility (GEF).** As part of a \$2.2 billion international replenishment agreement, the Bush Administration has pledged \$500 million to the GEF over the next 4 years (the most of any country) to help developing countries address environmental problems, including global climate change. The GEF is the financial mechanism under the United Nations Framework Convention on Climate Change and the United States' contribution is the largest of any country. This commitment, which will fund technology transfer and capacity building in developing countries, represents a 16 percent increase over the U.S. contribution in the previous replenishment.

**United States Agency for International Development.** The Administration has requested \$155 million in FY '04 for USAID's programs that fund the transfer of advanced technologies to developing countries, including cleaner, more efficient energy technologies, technologies to make

manufacturing and agriculture more productive and efficient, and programs to foster responsible forestry practices.

**Tropical Forest Conservation.** In FY '03, the Bush Administration will direct \$50 million for tropical forest conservation. These funds will provide the resources needed to pursue additional 'debt-for-nature' projects under the Tropical Forest Conservation Act and contribute to the Congo Basin Forest Partnership launched by Secretary of State Powell and EPA Administrator Whitman in September 2002 to preserve eleven key landscapes in Cameroon, Central African Republic, Democratic Republic of the Congo, Equatorial Guinea, Gabon, and the Republic of the Congo.