

# **CENTER FOR AMERICAN PROGRESS**

## **AFTER COPENHAGEN: AN UPDATE ON INTERNATIONAL CLIMATE CHANGE NEGOTIATIONS**

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JOHN PODESTA: Good afternoon, everyone. Thank you for braving the weather. I promise that if it actually starts to snow I'll just yell, everyone run for the exit, so we could all leave here. (Laughter.)

I think it's a testament that so many people want to come here today to hear from Todd Stern, the State Department special envoy for climate change, and, I'm very proud to mention, an esteemed CAP alumnus. I'm John Podesta. I'm the president of the Center for American Progress, and I'm pleased to have had the opportunity to introduce Todd before, but, more importantly, he is a longtime colleague, a very good friend of mine.

Six weeks after the close of the UNFCCC summit in Copenhagen, I think that two narratives have emerged. One, perhaps inevitably, is that Copenhagen was an outright failure, that the inability to agree on hard emissions targets to accompany the accepted 2-degree temperature mark and that the lack of a hard deadline for a legally binding agreement means that all is lost after the failure of Copenhagen – so this story starts and goes on to focus on doom and gloom and the infinite obstacles to progress, both nationally and internationally on the political front.

The other narrative, of course, is that Copenhagen was a last minute success, pulled from what was shaping up to be a spectacular failure. Only weeks out – this version of the story goes – the likelihood of any progress looked grim. The administration was unable to put midterm emission targets and financing numbers on the table. Ahead of congressional action, China and India were both unwilling to move past old divisions between developed and developing countries during negotiations held in advance of Copenhagen.

But due to the administration's commitment to achieving the best outcome, a reinvigorated Major Economies Forum, some key bilateral summits, and the hard work of Todd and his team, momentum built in advance of the summit for a foundational political agreement, which was realized after Secretary Clinton's intervention and the unprecedented negotiation conducted by President Obama and the leaders of the so-called basic countries.

After the surprise success of Copenhagen, this narrative begins and proceeds to focus on the significance of reaching a political agreement with a credible promise of improvement and implementation.

The biggest problem with these two narratives – one of utter failure and one of unbridled success – is that those who start with one view or the other are rarely able to come together to talk about how to move forward in a practical way. I think really only history will tell us whether or not Copenhagen represents a remarkable success, a step down the path and road towards dealing with the challenge of climate change, or a dismal failure. But if we're going to make real progress, the important thing for us to do today is to take a cold look at what emerged and chart a path forward.

We at CAP begin that process today by releasing updated numbers from our Carbon Cap Equivalent Project, which we've undertaken with Project Catalyst, that aggregates the commitments so far by the 92 countries that have made submissions pursuant to the Copenhagen Accord. Those countries represent over 80 percent of global emissions.

The results, I must say, are encouraging. Under both low-case and high-case scenarios, the collective commitments from these countries to cutting emissions is higher in their submissions than it was prior to the Copenhagen meeting. If the high-end of current commitments are made; if the high end of the current commitments that have been tabled are actually produced and made, our analysis suggests we're only five gigatons shy of the emissions reductions needed by 2020 to put us on a pathway to holding temperatures, increases to 2 degrees Celsius.

Critically, we've only counted the U.S. contributions to these totals as the 17 percent cut below 2005 levels listed in our country's submission to the accord. And if we can preserve some of the additional sectoral reductions that were contained in the House-passed bill and are present in the Senate bills under consideration, particularly the direct allocation to stop international deforestation, then the U.S. alone can help close that remaining 5-gigaton gap by nearly 1 gigaton of additional reductions.

Andrew Light and Jennifer Haverkamp of EDF are going to talk about that analysis and what we have the potential to achieve after Todd has had his – is able to talk and answer some of your questions.

And that's why I'm particularly happy that Mr. Stern has agreed to join us today to talk about the next steps down the new path that has been laid through the Copenhagen Accord. As you all know, Todd is responsible for U.S. international climate negotiations, including those in Copenhagen this past December. He's also tasked with leading the broader effort to engage on climate policy with a number of countries, particularly China and India, through various diplomatic channels.

Prior to Todd's appointment at the State Department, however, he was a senior fellow here at CAP, where he was a leading voice and an influential author both on how to move the U.S. towards a low-carbon energy future and how to craft an international consensus amongst the geographically, politically and culturally diverse countries that must cooperate if we are to achieve a best-case climate scenario.

Todd's substantive expertise is complemented by his extensive understanding of the U.S. political system as part of his service in the White House from 1993 to 1999. He coordinated former President Clinton's Global Climate Change Initiative and acted as the administration's senior negotiator at the Kyoto and Buenos Aires negotiations.

He has also worked at the Treasury Department and as an advisor to the secretary and on the Hill as senior counsel to Sen. Leahy on the Judiciary Committee. His role at the State Department is one that I think quite literally was made for him.

And his work is certainly cut out for him too. Regardless of which narrative you think better reflects the outcome of Copenhagen, the half glass full or the half glass empty, one thing that is uncontroversial is that there is a great deal of work to be done over the coming months. Here in the U.S. that includes getting a meaningful emissions reduction mechanism on the books.

Todd's lucky, I think, in one respect. He only has to forge an agreement with 192 countries in the UNFCCC process, including Cuba, Venezuela and Sudan. The harder task of finding 60 votes in the United States Senate falls to our other former colleague, Carol Browner. But now is the time to constantly reevaluate, challenge our old assumptions about what's possible. I hope that events like this one today can assist in that process.

Todd, again, thank you for coming and speaking with us today, and let me turn the podium over to you. Thank you. (Applause.)

TODD STERN: Thank you very much, John. I am impressed to see this hardy crew here. I knew that if there was anybody in Washington who was not going to postpone or cancel this event, it was John. John and I are both Chicago natives, and I may have just lapsed into that gauzy period in life when you think – when you say, when I was a boy, blah, blah, blah, but I actually, in all of those years of growing up in Chicago winters, actually never remember there being a snow day from school, so I am not surprised that John held this event.

Thank you very much. I am delighted to be here. As John said, CAP is my alma mater. It goes without saying that John and his team here have been consistently far ahead of the curve in recognizing and educating others about the defining role of clean energy and the role it will play in our economic, environmental and security landscape in the 21st century. So thank you for the invite and let's turn now to the business at hand regarding what happened in the negotiations last year, where we are now, and where we need to go.

Two-thousand-nine, as you all know, was supposed to be a momentous year for climate change, with Copenhagen ordained as the locus for a new climate treaty. This obviously didn't turn out as planned, though in the end we did achieve something important.

The truth is that almost as soon as the formal negotiations got underway in March, it became clear that the positions of the parties on key issues were far apart and not getting any closer. The working text developed, in a series of lengthy negotiating sessions through the spring and summer, grew to over 200 pages and became a smorgasbord of sometimes overlapping, sometimes contradictory proposals.

Through months of discussion, paragraphs got moved around, occasionally consolidated, but the main issues were never really joined. In short, the U.N. climate process was on the rocks long before anybody arrived in Copenhagen.

What Prime Minister Rasmussen and his team I think recognized by the early fall was that a full-blown treaty was almost surely out of reach, and the Danes thus began exploring the idea of what they called a politically binding, operational agreement that, while not a legal treaty, would still represent a potent step forward in Copenhagen.

The meeting itself, so-called COP-15, was a snarling, aggravated, chaotic event. And that doesn't even go into the food, the lines and all of the rest, just the thing itself. On the second day, someone unhappy with Denmark's efforts during the proceeding few weeks to find common ground on the crunch issues among key developed and developing country parties, executed a quite effective hit by leaking a draft document that the Danes had supposedly cooked up behind closed doors.

The reaction, some of it real and some of it feigned, was one of shock and dismay among developing countries, never mind that at the most important pre-COP meeting that Denmark chaired on December 1st and 2nd, at least as many developing countries as developed took part, including some negotiators who later claimed with a straight face never to have seen the document that they spent two days discussing. The rabble rousers in Copenhagen broadcast their outrage, and Denmark's credibility as a fair arbiter of COP-15 was irreparably damaged.

As a result, the Danes' repeated efforts to convene a representative Friends of the Chair group to grapple with the tough issues and search for compromise were rebuffed, and any chance to make progress on those issues was consequently blocked. One day after another was swallowed up by these blocking maneuvers, so that by the late night of Wednesday, December 16, with leaders descending upon Copenhagen – some of them already there and many more coming the next day – the conference truly did appear to be doomed.

But the next two days proved to be truly extraordinary and things significantly turned around. Secretary Clinton arrived early in the morning on Thursday the 17<sup>th</sup>, quickly announcing that the United States was prepared to support an effort to raise \$100 billion a year for developing countries by 2020, including both public and private funds, in the context of a strong new agreement. This announcement had an immediate impact, especially among vulnerable countries in Africa, the island states, Asia and Latin America, whose stakes in getting a deal rose sharply.

At 11:30 at night on Thursday – quite literally the 11<sup>th</sup> hour – after a formal dinner of leaders with the queen, the Danes finally did manage to pull together their Friends of the Chair group, this time at the leader level. Prime Minister Rasmussen chaired, and leaders from the U.K., France, Germany, Spain, Mexico, Australia, South Africa, Brazil, Ethiopia, the Maldives, Grenada, Bangladesh and many others attended. Ban Ki-moon joined Prime Minister Rasmussen at the head of the table. Secretary Clinton represented the United States until President Obama arrived the next morning.

This was a quite remarkable session and a remarkable tableau, with leaders negotiating in a free-formed, unstructured dialogue, not at all the kind of thing you usually expect leaders to show up at where the results are much more precooked. A successful outcome was achieved only because enough leaders refused to accept failure, with notable leadership displayed by Europeans – Merkel, Sarkozy and Brown, as well as by Prime Ministers Meles, Thomas from Grenada, Rudd and President Nasheed of the Maldives.

President Obama arrived the morning of Friday the 18<sup>th</sup> and he was extremely effective,

pressing in particular on the issue of transparency and verification. The day culminated in a fairly dramatic meeting among President Obama – assisted by the secretary of State – and Chinese Premier Wen Jiabao, Indian Prime Minister Singh, Brazilian President Lula and South African President Zuma.

The meeting resulted in agreement on two critical issues – first, that all of these countries would list their national mitigation commitments in an attachment to the new accord, and, second, that developing country mitigation actions would be subject to some measure of international review.

After this meeting, the accord was approved in the larger Friends of the Chair session. And then in the wee hours of Saturday, the accord was presented to the full plenary of 192 countries, where it was very broadly supported by representatives of the Least Developing Countries, the African Union, the Island States, and many individual countries. But six countries – John mentioned a few of them – stridently objected, and so, owing to the consensus rules of the COP, the accord was not formally adopted as a COP decision but was instead taken note of.

Now, what about the accord itself? It certainly doesn't do everything. It is, I would say, more sketch than painting. But it shows the way forward in a number of important ways and did this at a moment when failure seemed imminent.

First, it quantifies the ultimate objective of the Framework Convention – to avoid dangerous climate change – by saying that the increase in global average temperature should be held at 2 degrees Centigrade.

Second, it provides for both developed and major developing countries to list the specific actions or targets they will take to cut or limit their emissions.

Third, it makes very important progress on transparency by saying that the implementation of developing country actions will be subject to international review, something that already occurs for developed countries.

Fourth, the accord includes landmark financing provisions: for prompt start financing approaching \$30 billion over the 3-year period from 2010 to 2012; for a goal that I already alluded to of mobilizing \$100 billion a year by 2020 in the context of meaningful implementation of the agreement; for the establishment of a new global fund; and for the creation of a high-level panel to study different potential sources of revenue. The accord also calls for the establishment of a new Technology Mechanism and for incentives for forest protection.

The next logical step, and the step that we certainly want to see happen, should be to start work on the financing, transparency and other elements of the accord that need further elaboration. Progress on these issues should also contribute to the fabric of a larger new regime for climate diplomacy.

Because the accord was not adopted by the COP, two preliminary steps need to be taken.

First, the major economies needed to submit their targets or actions to be included in one of the relevant appendices by January 31. That was as provided in the accord. And, second, countries both large and small need to figuratively sign on to the accord – they don't actually sign anything, but they need to sign on in a figurative sense – or, in the lingo of the U.N. to “associate themselves” with the accord.

Now, the good news is that the major economies did submit their targets or actions on time, not always with crystal clarity but clear enough for inclusion by the U.N. in the appendices that it published last week. And over 90 countries have thus far indicated that they wish to associate themselves with the accord and thus be eligible to take advantage of its benefits.

At the same time, submissions and statements by the so-called BASIC group of countries – China, India, Brazil and South Africa – have been a bit ambiguous. I do believe that they will sign onto the accord because the consequences of not doing so are so serious; in a word, leaving the accord stillborn, contrary to the clear assent their leaders gave to the accord in Copenhagen. So I do think that they will sign on.

But statements we have seen from China and the other BASIC countries do evince a desire to limit the impact of the accord, assuring that it is not treated as an operational document and that negotiations going forward are based solely on the formal negotiating texts as they were left in Copenhagen, rather than on the accord, except perhaps where specific provisions of the accord are viewed favorably.

Now, it should come as no surprise to you that we have quite a different view of what ought to happen going forward. The accord, by its terms, is an operational document with landmark provisions, and we think it ought to be operationalized. Nor do we think its provisions can be cherry-picked, since, like any meaningful agreement, it represents a fair balance – not just financing but transparency; not just mitigation by all major economies but technology assistance and dissemination for developing countries.

Moreover, we think that the accord should materially influence further negotiations. This was not, after all, a casual agreement. It was the product of hands-on engagement by a set of representative world leaders and it makes no sense to suggest that it should play second fiddle to a negotiator level text that generated wide disagreement in Copenhagen.

Now, let me step back now for a few minutes from the events I've just discussed so that we can understand a bit about what was going on last year, what led to the year-long stalemate and the dissonance in Copenhagen, and, I think, what underlies the mixed signals we are seeing this year.

At bottom, the core issue is the struggle between those who want to continue the – fundamentally the Kyoto paradigm of an absolute separation between developed and developing countries, with only developed countries shouldering commitments to reduce emissions; and those who believe we can only address climate change with all major economies accepting responsibilities.

This is the tension that underlies all the angry criticism of the process run by the Danes. Developing countries – not all, but many – were angered by language the Danes proposed, including before and during the Copenhagen conference, because the Danes recognized this need for all major economies, developed and developing, to cut or limit their gas emissions and to do so in a transparent manner.

Similarly, the thing that I think unsettles some countries now about the Copenhagen Accord is that it represents a breach in the firewall between developed and major developing countries. It says, in effect, that solving the problem requires commitments by countries responsible for 80 percent or more of global emissions, not just countries responsible for 45 percent.

Those who insist on a continuation of the Kyoto model, with U.S. participation, often rely on the Framework Convention principle of “common but differentiated responsibilities and respective capabilities” – that’s a mouthful but that’s the phrase – which has been taken over the years by developing countries to mean that only developed countries can be required to limit their emissions, be subject to transparency measures, and the like.

But the truth is that this phrase has been over-read for years. On its face, it stands for the entirely appropriate principle that all countries have common responsibilities to combat climate change and that more should be asked of countries with greater capabilities. We entirely agree with that concept.

But it does not legislate an unbridgeable divide between developed and developing countries. It does not prevent differentiation among developing countries. It does not say that China should be treated like Chad even though its capacities are closer to or, in some cases, greater than countries in the OECD, and it does not say that capacities can only be judged by the fixed categories of 1992 rather than being seen to evolve over time.

Most important, it does not, it cannot, trump the core objective that must guide us, the objective that is indeed enshrined in the Framework Convention itself that we must act to avoid dangerous climate change. If we keep our eye on this core objective, the imperative of bringing all major emitters into a regime of climate commitments is clear. There is simply no other way to head off the coming crisis.

As I have said before, just do the math. Developing countries account for about 52 percent of emissions now and are projected to account for some 66 percent by 2030. They will produce some 97 percent in the growth of emissions between now and 2030, with some 50 percent of that growth coming from China alone.

And this same understanding of the core objective makes it incumbent upon the United States to take strong domestic action. In the past year, the president took aggressive action on energy and climate, from dedicating some \$80 billion of our economic stimulus to promoting clean energy to establishing historic new fuel economy standards and leading international efforts toward phasing out fossil fuel subsidies, which is a quite important policy objective.

Now Congress needs to pass strong energy and climate legislation this year. This is something we must do for our own good, to contain the gathering storm that threatens to ravage our natural world, damage the health and safety of our children and undermine our national security, but also to secure a job-creating, robust economic future.

My favorite comment to this effect in recent weeks comes from Senator Lindsay Graham, who said the following: “Six months ago my biggest worry was that an emissions deal would make American business less competitive compared to China. Now my concern is that every day that we delay trying to find a price for carbon is a day that China uses to dominate the green economy.” There was a quite powerful front-page story in the New York Times just about a week ago on the dynamism that China is putting to exactly that pursuit.

So where does this leave us? It is not clear how climate diplomacy is going to play out this year. We are committed to making progress, to fleshing out the Copenhagen Accord, and to pursuing the effort to construct a broader global regime. We will seek to work with our partners, both developed and developing, to this end. And, as has been true since we put in our formal submission to the Secretariat last April, we support a legally binding regime, provided of course that that regime is symmetrical, imposing legally binding obligations on all major players in a balanced way.

But let me also say that we cannot allow ourselves to get tied up in the kind of ideological knots that play to the folks back home – wherever that home may be – that consume time and that produce no solutions. Finding solutions must be our watchword. Process and form must always be understood as a means to an end, not something to deify as an end to itself. It is time to get down to work, to be guided, as I have said many times before, both by the dictates of science and the wisdom of pragmatism, and to make real progress.

Thanks very much, and I’m happy to take some questions. (Applause.)

MR. PODESTA: Thank you very much, and I think I’m going to try to – Todd has time for a few questions. We’ll try to take questions from the press first, but I’m going to take the opportunity to ask you one myself before we begin that process, which is that – I made reference somewhat jokingly, somewhat seriously, to the six countries that blocked progress at the UNFCCC.

Where do you think – we had a real change, I think, in the diplomacy over the course of the last year, a lot of discussion in the Major Economies, key bilateral negotiations at the president foreign leader level. Where do we look for signs of progress over the course of this year leading up to Mexico?

MR. STERN: It’s a very good question. The process issues are being the subject right now of quite intense discussions among any number of players, and I think we’re going to see probably a number of different places where discussion occurs. I certainly think that we will continue the Major Economies Forum, which I think was actually enormously useful last year as a forum for a group of countries that indeed do represent 80 percent of global emissions to be able to discuss things offline – not negotiate but to have a discussion on important issues.

So I think that that will go on. I think the Mexicans are taking their role as the president of COP-16, which will be held in Mexico next December, very seriously. I've had a number of discussions with them already and they are moving around the world right now. I think that they will be looking to pull countries together probably in the relatively near term. I would expect sometime this spring to have discussions intended to advance the ball regarding COP-16.

I think that the U.N., as distinguished from the UNFCCC, is also exploring – I think they haven't made decisions yet but I think they're exploring what role they might have with respect to certain core elements of the Copenhagen Accord.

So the short answer is there's not absolute clarity on this but I think there's going to be a number of different places where discussions occur. Of course there will also be the formal negotiating process itself. But, you know, we came in last year – the reason that we picked up the country grouping that President Bush had created and tried to give it a new and invigorated mission was because we had a lot of conviction that you couldn't simply rely on the formal negotiating process to have the kind of dialogue and discussion that you needed to make progress.

I think, if anything, that that insight was made quite vivid in Copenhagen, so I think offline groups will continue to be important.

MR. PODESTA: I'm inclined to ask a follow up about the U.S. strategic and economic dialogue with China but I'm going to turn it over to my friends in the press first. Please. If you could wait for a mike and then identify yourself.

Q: Hi. Thanks for doing this. Lisa Friedman from ClimateWire. I know a lot has been made about the five countries that blocked the acknowledgement or blocked the adoption of the accord. I'm hoping you could speak to what influence the U.S. inability last year to pass a climate bill had on the negotiations, and going forward, if the U.S. can't – if the Senate can't pass a climate bill this year, how do you see the negotiations playing out? I mean, we've asked countries to take targets. We don't like what they came up with but they don't like ours. We've asked them to take transparency measures. What more can you diplomatically ask of other countries right now until the Senate passes a bill?

MR. STERN: Thanks, Lisa. Interestingly, I don't think that our situation was a kind of core problem, if you will, last year. Certainly – I mean, I've said repeatedly that – and I said just a few minutes ago that I think it's critical that the United States move forward on the domestic front. And the more and the sooner that can be done, the better it is. For us it certainly provides and is a foundation of both leverage and credibility, so I wouldn't underestimate that at all.

But I think that countries recognized the kind of short timeframe that we had – the negotiation was put on a two-year track in Bali but it was only 10 months from the time the president was inaugurated, and recognized the complexity of the domestic undertaking and by and large were accepting of the kind of commitment that we put in last year. So I don't think that was kind of the key issue.

This year – look, I’m not going to speculate about what happens if, if, if. I think that it is, as I said, hugely important. It would be hugely important if there was no international negotiation. I mean, the United States is the largest historic emitter. It is the second-largest emitter now. It has an obvious leadership role in the world on this issue and so many other issues, and it matters a whole lot that the U.S. put a strong domestic program in place. So I’m a firm believer in that. I’m not going to speculate about what happens if not.

Q: Thank you. Margaret Ryan, Clean Skies News. President Obama and other world leaders took, as you noted, an unprecedented role in these negotiations. Do you see the world leaders, including the president, continuing that role going forward, or does it really fall back on the shoulders of the diplomats now?

MR. STERN: Well, if by continuing that role you mean continued active engagement on the issue, yes. If you mean all reassembling every year in December, I doubt it. (Laughter.) I certainly hope not.

Q: Thank you. Ian Talley, Dow Jones. Just to expand upon something that John initiated in terms of the appropriate fora, you wrote a letter to the presidential candidates, suggesting an E-8. Is there –

MR. STERN: An article.

Q: An article.

MR. STERN: I didn’t write a letter.

Q: It was an open letter. Whatever. It was –

MR. STERN: It may have been – I can’t remember how it was published. It might have been published as a letter but it was an article – yeah, anyway, go ahead.

Q: The content of the letter, to whomever it was – (laughter) – suggested an E-8. I’m wondering, do you think that there should be a new forum, and is that the line of thinking that you think that the U.N., as distinguished from the UNFCCC – is that the pathway you’re looking towards?

MR. STERN: Well, look; I think, to a very significant degree, the Major Economies Forum is the E-8. Now, it is – the article that you referenced envisioned a group that had a broader remit on climate change, which that’s obviously quite broad in and of itself, but it was meant to be a leader-level – a small leader-level group that would focus on the kind of existential environmental issues that face the world more broadly. So, not just climate change but oceans and other critical issues.

But I think we’ve made a significant start on that. If you sort of look at the countries that we outline in the E-8, they’re significantly the same countries that are in the MEF – probably a

few more in the MEF – but the E-8 would only count in Europe as one. So I think it's very important. I think whether it makes sense over time to extend that to other issues is an interesting question, but I think we've made a good start on that.

Q: There was perhaps over-optimism initially for Copenhagen. Do you –

MR. STERN: The glass-half-full crap. (Laughter.)

Q: I'm taking a middle line. (Chuckles.) Are you confident that a binding agreement – a legally binding agreement – will be signed this year?

MR. STERN: Look, I think what is important is that strong progress be made. As I said, we are fully supportive of a legally binding agreement, but it's a legally binding agreement that would need to be symmetrical in the ways that I have talked about.

I also agree with you that expectations were quite elevated beyond what was going on on the ground. That was true – that was evident for actually quite a few months before Copenhagen. I think that we just need to really focus on taking significant, pragmatic steps forward, as ambitious as they can possibly be. If we can get a legally binding agreement done in the way that I've outlined, I think that would be great.

If that's not in the cards by the end of this year, we should be pushing forward strongly. There's really important stuff in the Copenhagen Accord. I mean, you've got like major provisions for financing, major stuff for technology, major stuff for transparency.

We ought to carry that forward, and that ought to be our focus. So, you know, I hope that we can get to a full legal treaty in December but I'm not going to make any predictions one way or another and I'm also not going to fall into the trap of saying if it's not that, we've got a failure, because I don't believe that.

MR. PODESTA: John?

Q: Hi, Todd. John Broder with the New York Times. In recent months, some questions have been raised about the credibility of the IPCC, the science underlying its reports, including some, by its own admission, that we're poorly sourced, if at all. To what extent do you think that's going to be an impediment to passage of domestic legislation and the negotiations going forward?

MR. STERN: Well, look, I think that – I think that the point that bears remembering at any time that we are considering the science is that the fundamental science of this issue is quite clear and the mounting evidence on the ground of what's actually happening and the growing sophistication of the modeling goes way beyond any particular set of data or any particular problems that occurred with respect to East Anglia or IPCC mistakes.

I think any of the – I think that the scientific inquiry should be fully open. I think that some of the emails are – you know, there should be open dialogue. Anybody's view should be

heard and considered, and it's obviously not useful when mistakes are made. But the overwhelming body of evidence is not at all disturbed by those events.

As far as whether it's going to have any impact on kind of the politics of the issue, it shouldn't. I mean, you know, I can't tell you what's going to happen in that regard or not, but I think, again, that proponents moving forward on this issue need to make the case that, again, there is overwhelming evidence pointing in this direction.

I mean, you know, this is an often-used analogy, but people would not dream of failing to ensure their homes or their cars or their possessions for risks to those things that are probably 50 times lower than the risk that we all face from climate change and its effects. So it is nothing short of crazy for us to be putting our heads in the sand and failing to take the kind of action that's required.

And it's doubly crazy for us to do this when we, as Senator was essentially saying in that quote, risk losing out on what one article I read recently, I think maybe in the Times, referred to as the next great game of energy in the 21<sup>st</sup> century. I mean, we have got to move forward.

MR. PODESTA: Last question.

Q: I'm Chris Holly with the Energy Daily. Mr. Stern, you spent a lot of time with the Chinese last year, your peers. I wonder, when you read the submissions that China and other basic countries put in the – inscribed in the annexes, what do you think – why do you think China thinks it's in its best interest, for example, to lessen the influence of the accord in favor of the LCA and Kyoto Protocol tracks? Why is it in their interest to do that, do you think?

MR. STERN: I'm not – first of all, I'm not inside the minds of any of the folks in China so I'm not going to quite speculate about that, but, look, let me again just repeat what I think is the underlying tension that exists here. There is a basic way things have been done for the last 17 years up until this year, which involves a bright-line separation between developed and developing countries – all developing countries, not – there are no exceptions, whether you're big or whatever in developed countries.

And that separation implied that only developed countries would have any obligations, any need to take targets or commit to actions to limit or reduce their emissions. That's the way things have been done. You cannot solve the problem on that basis going forward. You can't do it substantively; obviously it wouldn't work politically either, but it's the substance that's really the core here.

And, I mean, everything that we worked on this year was intended to move toward a new world where major economies of any stripe – again, those who are responsible for the 80 or 85 percent of emissions going forward play a role because you just can't solve the problem without that. And I think that the Copenhagen Accord recognizes that in its provisions, and its provisions reflect that. And I think that there are many developing countries who are made very uncomfortable by that and would prefer essentially a, you know, Kyoto redux for a new regime.

I'm not saying that that's – you know, I'm not ascribing that to any particular country; I'm just saying that there is that – that there is that concern and there is that tension. But I think a lot of progress was made. I applaud the basic countries and others for going ahead and agreeing to the accord and for making their submissions. So I think this was difficult and I don't blame them for having some anxiety about that. But that's where we have to move forward. That is the future. We can't go backward.

MR. PODESTA: I want to thank Todd very much for his presentation. I would just add a note to the last question. Our colleague Nina Hachigian has written a paper titled "Punching Below their (sic) Weight." And I think that the problem with China in a variety of international forum, punching below their weight, if you will, not stepping up to their global responsibility, is not only characteristic of their actions in this context. And they are an emerging power, they're a rising power, and they need to, I think, act, particularly in this context, in a way that is equivalent to that basic concept and idea.

But, again, let me thank Todd for his appearance. Let me thank him for all his efforts on behalf of the country to move both the country forward to a clean energy future and to try to get an international regime in place, which we know is very difficult.

Now it's not snowing. I'm going to turn it over to Andrew and Jennifer to talk briefly about the analysis of what the submissions of the 92 countries that have – I still haven't fixed on the word. What did they do? They associated with the accord and made their submissions on January 31st indicates for progress going forward? Andrew?

ANDREW LIGHT: Is this on now? Okay, great. So thank you all for staying and joining us here today. I am Andrew Light. I am a senior fellow here at the Center for American Progress. And I coordinate our work on international climate policy. This is Jennifer Haverkamp who is a managing director of the International Climate Program at the Environmental Defense Fund.

We are going to do this – I am going to just talk a little bit through some of the analysis that we have done. Jennifer will then just give her reactions to Todd's speech and any other comments she wishes to give on Copenhagen. And then we are going to open this up for more questions. Oh – there we go. All right, good.

So the piece that we realized today, which this being CAP, I'm sure has progress in the title. Yes, "Progress from the Copenhagen Accord." It continues work that we have been doing with Project Catalyst based essentially on the McKinsey cost-abatement model in terms of where we need to go forward, in terms of progress on achieving reductions.

We released a version of this analysis last on December 15th, so during – just in the middle of the Copenhagen meeting based on the submissions that were made by countries that we could track prior to Copenhagen. So, for example, what we modeled there, for example, in terms of the U.S. contribution was what would happen if something like the Waxman-Markey legislation had been passed through the Senate and then signed by the president and enacted.

What we are going to do in this run at the numbers is instead just take the submissions as they have officially come in to the UNFCCC under the Copenhagen Accord. As background, though, what we are looking at here in terms of the pathway that we want to get down – and, of course, there is controversy over whether these are the right targets and the right numbers – but the generally accepted scenario that what we want to do in order to hold temperature increase by 2050 to preindustrial levels of no more than 2 degrees Celsius is to hit a 450-parts-per-million pathway with some degree of overshoot there.

That would require us by 2020 to go from the business-as-usual pathway of getting to 61 gigatons annually down to 44 gigatons annually, leaving the 17-gigaton gap. In the next slide after this one, I am going to show you just sort of basically where we are in terms of hitting that 17-gigaton reduction by 2020, and then continuing down that pathway to 2050. But the good news initially as John said in his introduction to Todd was that the low-case and the high-case scenarios that have been modeled out previously by Project Catalyst with some additional work by the Center for American Progress, in fact, has improved.

So in terms of the low-case scenario, what we perceive to be the low end of what countries are going to submit, where there is some kind of variation in their submissions under the Copenhagen Accord, we have gone from a total of 3.6 gigatons from the Copenhagen meeting to the January 31st deadline to 4.9 gigatons. And the high case is slightly increased portfolio going from 8.7 gigatons to 8.9 gigatons. You can read more about it in the paper that we released today. Project Catalyst will be releasing independently an update of their piece, which is called “Taking Stock” on their Web site. And there is more detail there on where these different reductions come from.

Essentially, in the low case there, what we see is particularly countries like Brazil and India who are making submissions now, which are not only contingent on receiving a certain amount of assistance from developed countries in order to hit some targets. So you have got Brazil, for example, committing independently not only contingent on a so-called NAMA to increase their ambition in terms of reductions by 2020. So that is very good news.

When we add these all up together, we get something like this. If the business as usual gets us on the left-hand bar a total of 61 gigatons annually by 2020, then where do we go – how do we get – where are we in terms of our pathway towards the 44, which we would say is where you need to get to? The first two bars there, the two 1.5s, indicate some changes in the analysis from the last time that Catalyst put together figures like this. So the impact of the economic downturn and the redone assessments of where we are in terms of deforestation projections both from tropical forestry and from peatland, so that gets us 3 gigatons there.

And then we see the two scenarios there in terms of the low case and the high case, where we could get towards the goal of reductions to 44 gigatons. And where we are is, in fact, where we were prior to Copenhagen, which is a 5-gigaton gap there.

Now, the important thing here is that, well, of course, if the – I think this – I think as an indication of, I think, another way of looking at the outcome of Copenhagen, if we had signed an agreement in Copenhagen, which locked us into, for example, only these reductions, a legally

binding agreement that locked us into only these reductions, then you would have a very good argument for a conclusion that we are never going to hit the 2 degree limit mark. We are, in fact, going to be headed toward a world of 3 degrees Celsius over preindustrial levels, 3.5 or 4.

But what we have right now is an accord, which so far, we have got contributions, which get us this 5-gigaton gap and then a mechanism as just suggested by Todd Stern of how we can move forward to close that 5-gigaton gap. So, for example, just to give you one example, we know the accord has a temperature target of limiting temperature increases to 2 degrees Celsius. It does not yet have emissions-reduction targets. That was clearly a problem with the outcome of the Copenhagen Accord of not locking in emissions-reduction targets, as we have with the Kyoto Protocol.

As we move forward to lock in emissions-reduction targets, they will have to comply with that temperature target. And that will be one way in which we are going to squeeze out those 5 gigatons as we move forward.

Secondly, prior to Copenhagen in terms of the U.S. submission, what we modeled out, for example, was what would it look like if Waxman-Markey passed through. And that includes, as John mentioned in his introduction, the 17 percent economy-wide reduction below 2005 levels by 2020, which depending on who you trust on these numbers is somewhere between returning to 1990, the commonly accepted benchmark year that most of their developed countries use, or going down to three or 4 percent below 1990.

On the high-end submissions, we have, again, modeled out the 17 percent below because that is what the U.S. submitted in their official submission to the Copenhagen Accord. But we have not added in there the additional reductions that are available from the complementary policies that exist within something like Waxman-Markey as also at least in the initial drafts of the Senate legislation. The one that John mentioned, which is the biggest one, is the direct – set aside the direct allocation, not the offsets, the direct allocation set aside for tropical forestry, which can get you something on the order of 720 megatons of reductions by 2020. So essentially, three-quarters of the way towards a full gigaton of reduction to, again, close off that 5-gigaton gap.

And I will just leave up here and then we will open it up later – I have got the slides that iterate for this study how we calculated the low-end and the high-case scenarios moving forward. We can come back to those in discussions if you would like. Jennifer?

JENNIFER HAVERKAMP: Thank you very much. John asked us to – or John described the world as those who think the glass is half full and half empty when you look at the Copenhagen Accord. I'm not sure. Maybe I am a glass half-full-empty type of person because I think there are some impressive things that came out of it, but there is also a whole lot of work to be done and a lot of the significance and success of the accord is going to depend on how, in fact, countries do implement it and what relationship it ultimately has to the process of reaching a significant, comprehensive, binding agreement.

What Andrew has just gone through in terms of the direction that the commitments are

going is very positive. It is also the case that this is a political agreement. It is a voluntary agreement. A lot of the action that countries are saying they will take is contingent on financing. So while it is hopeful that this may be putting us on the track that we need to go to get to climate safety, we have a long way to go to get there.

The accord, I would say, is really as much or more than we, at least at the Environmental Defense Fund, expected to get out of Copenhagen. We had the low expectations going in recognizing that as long as the United States had not yet passed climate legislation, Todd and his colleagues really had a very weak hand to negotiate with. And I think that it is a real tribute to his efforts and to Sec. Clinton and especially to President Obama that they managed to at the leader's level come together and produce the agreement that they did.

And you have heard Todd talk about some of the impressive aspects of it. There are a couple that I would like to flag that I don't think have necessarily been pointed out. One is that actually because the Copenhagen Accord left a fair number of things still on the table to be sorted out later – for instance, the negotiation of the guidelines for what exactly the rules for transparency and accountability will be – left the United States Senate with a very significant opportunity to fill in those blanks. And if our Congress does act this year, it really has the chance to help write the rules and influence in a very significant way what the global outcome will be.

And I look at things like the bills that are on the floor already in the House – the House passed and that the Senate is considering the conditions for access to the U.S. carbon market through the international accrediting and offset provisions, can create conditions for measurement reporting verification that could be models for the global system, are provisions for what happens if countries don't live up to their commitments in terms of the border adjustments is another place where they can lay some groundwork and create some models that might be followed. And also, just basically, what kinds of credits will the U.S. accept for compliance – has a very significant signal, I think, to the global carbon market and to development countries in terms of where they ought to be investing their effort to produce those kinds of credits.

So I think one of the main lessons I take from Copenhagen is let's hope that our Congress recognizes this opportunity and that President Obama can take the initiative and personal commitment that he should in Copenhagen forward with Congress to seize that opportunity and help shape the rules going forward.

Another thing that I think is significant that came out of Copenhagen is how far the country has got on RED, reducing emissions from deforestation. There is some good, but fairly general language in the Copenhagen Accord. There is a commitment to some upfront financing in that area. But also in the U.N. negotiations, that part of the negotiations got to what I would say would be the opponent's one-yard line, where if there had been an entire agreement that came together, I think the RED part would have come together quickly. And that was a significant – would be a very significant outcome, again, because the deforestation emissions are such a significant component of global emissions.

Similarly, looking again back to the U.S. Congress, it is very important for the

international effort on RED that when Congress crafts our U.S. legislation, it includes a significant opportunity for deforestation credits to be used in U.S. carbon market. If that doesn't happen, I think that is a potential to really take the wind out of the sails of the international effort on market-based forest crediting. And that would be really very unfortunate for all of us.

The issue of transparency and accountability is huge. That is something that President Obama really made a central issue in the Copenhagen negotiations. And that is essential not just for the domestic politics, the United States, where members of Congress made clear that they wanted certainty that when the U.S. acted, we knew that other countries were living up to the commitments they made. But it is also, again, really important for crafting the global carbon market, which most analysts think is going to be a significant source of the \$100 billion in financing that Secretary Clinton talked about marshalling.

You have to have credible, believable emission reductions for them to be traded freely and used with confidence. And for that, the measurement, the review, the verification processes and countries' ability to do that is crucial. And frankly, I think, again, once you have a U.S. system with a strong carbon market, that is going to be a greater incentive for some of these developing countries to develop strong MRV systems and be willing to make commitments in that area. Right now where there is huge resistance to doing that, you can see that they don't really see the payoff that they would see if it was a way to sell their credits into the U.S. carbon market. So I think that is another important point.

Another thing that I think kind of got lost in some of the noise in Copenhagen was an announcement made by several of the Small Island Developing States, who announced what they called their SIDS doc, which is a commitment to together develop hard targets as a source of obtaining financing and investment. So it is not just some of the big countries, but actually some of the small countries who are saying we are ready to be part of this new low-carbon economy. How do we get on that train? We want to be there. So I think all of that was very positive.

Going forward, it is, I think, there is still some open questions about where and how all of this gets implemented. There is clearly an interest, as you heard from Todd Stern, about using the MEF and other processes to further elaborate the Copenhagen Accord. And I think it is important that that happen, but not at the expense of the U.N. process that would lead us to a comprehensive and binding agreement, which is where I think you get a greater certainty that countries will, in fact, do what they have promised to do and also provide the kind of financing necessary to get there.

I think it would be helpful if the United States and the Europeans spent a little more time figuring out how to get past some of the differences that showed up in the negotiations and find some common ground. I think the Europeans were caught a little off guard in Copenhagen and were not as effective as they often are in some of these international negotiations.

And also, I think that there are things that we need to be continuing to do not only at the U.S. regulatory level, but at the state level, working directly with individual countries to position them to reduce their emissions and participate in a new agreement whenever it comes, whether it is by December or sometime afterwards. We have to be all of us working on multiple fronts, not

putting our eggs in one or even only two baskets if we are going to make the turn towards safety – climate safety that we need. Thanks.

MR. LIGHT: I think there is time for questions for those who are – for the last report, I said 5:00. The snow is not going to start until 5:00, so we are probably all right.

Q: Sorry to take a second question, but thank you. Lisa Friedman with ClimateWire. I am wondering mostly for Jennifer, although either of you. Do you think that there should be a phase-out schedule for Kyoto? Is that what needs to happen? Is that realistic?

MS. HAVERKAMP: I think that what needs to be explored is a way for countries to proceed forward under not just one, possibly two or more regimes. It seems to me that there is – one of the big frictions in Copenhagen was countries who were attached to Kyoto. And partly, it is for those developing countries who see it as a benefit to them because most of the onus is on developed countries.

But it also has a clear system of measurement reporting verification that has worked quite well. And so there are a lot of pieces of Kyoto that would be valuable to take forward. And, you know, one possibility I would think is worth exploring more is can't you have both? If you had a sufficiently robust agreement that brought in the major developing countries and the United States, it seemed to me there might be ways to structure that to dock into a continuation of Kyoto for those countries who are already a party to it.

I know that the Kyoto parties don't want to continue Kyoto by themselves. But it isn't entirely clear to me that Kyoto has to be sacrificed to get a new agreement with the other countries in it.

MR. LIGHT: Just to add quickly that the Copenhagen Accord actually has a paragraph – it is either six or seven – that basically leaves open the door for something like that linking possibility and mentions, in fact, the Kyoto Protocol by name as sort of parties under the KP will do the following and then proceeds to go on. So there is something in there.

I think, though, in order to do that, what we really need to see is something beyond the intransigence, sort of the really sort of toxic atmosphere that surrounded the month-by-month negotiations leading up to Copenhagen, where we did not get any progress on this very critical alternative track to the Kyoto Protocol track. So in the negotiations, there is the Kyoto Protocol track. Then there is the ad hoc working group on long-term cooperative action.

Now, that would have been an ideal forum for looking at sort of a linking strategy. And we just never were able to seriously have that conversation in the months leading up to Copenhagen. And two weeks ago when the BASIC countries got together for their post-Copenhagen meeting, they talked about and made proposals for additional negotiating sessions in addition to the official session that begins at the end of May in Bonn, which is the only single official negotiating session scheduled prior to Copenhagen. They asked for additional ones.

If that is a plea for a do-over, where we could actually talk about things like that, I would

welcome it. If it is a distraction from actually using these sessions to move forward with some progress, then I would not welcome it.

MR. LIGHT: In the back?

Q: I wanted to see if any of the panelists here could shed some light on what I thought Todd Stern was hinting at. That is, there is some significant hurdles in making operational the Copenhagen Accord. Terribly important, of course, because the accord provides for the creation of a high-level panel and significant new funding, both fast-start funding and \$100 billion over time, as well as a new green fund.

What can you say about that because it was suggested that until it is formally made operational, these additional commitments will not be given – come to fruition, as it were, so we won't have anything.

MS. HAVERKAMP: Well, I think on the funding, in particular, there are two buckets of funding, if you will. There is the prompt-start financing that countries are committing to do under their own auspices. And then there is the 100 billion that they are working toward by – 100 billion a year by 2020. And I believe that the high-level panel is primarily to address the latter, so that countries could start right away. And as you saw last week in the president's budget, the United States is moving forward with ramping up its climate financing unilaterally through that process.

I think there is a very real problem going forward, though, with the cherry-picking issue that Todd mentioned, which is different countries have different parts of this that they especially like. That is why it is called a negotiation. And it would be most unfortunate for the atmosphere if everything, even under this accord, were held hostage until all the pieces were worked out together. So one hopes that the level of commitment that was shown by the heads of state will translate into goodwill to implement the parts of it that can be implemented as quickly as possible.

And a lot of the countries – again, a lot of the countries' commitments are voluntary commitments, which means they are undertaking them voluntarily, domestically when they can.

Q: Let's take the United States, for example. The commitment now is in the budget. But the distribution of those funds and on what terms, doesn't that depend upon the high-level panel and implementing, as it were, regulation below that? That is the question. Are we stuck until that happens?

MS. HAVERKAMP: I don't think – (inaudible, cross talk).

MR. LIGHT: The high-level panel –

MS. HAVERKAMP: For the first 3 years, it does.

MR. LIGHT: Yeah, it won't for the first 3 years. And that is going to be up to the

different countries who have made a commitment to the quick-start funding to figure out the allocation on their own.

Now, I am sure there is going to be some meetings where they are talking about better and worse distributions. And there are already sort of lots of conversations going on as soon as the budget dropped about where this should go, what percentage for forestry, in addition to the 1 billion, for example, that was announced at Copenhagen by Secretary Vilsack. But I think the panel will not be interacting on that quick-start funding initially.

Hopefully, though, what we begin to see is some – I mean, even though Jennifer is right; we are looking at voluntary commitments now. There is a lot of incentive, again, for countries like Brazil, which are already showing tremendous leadership and I think bridging this old gap, this old divide between developed and developing countries within the UNFCCC to begin working as they have been over the last 2 years with countries like Norway to start putting in place the programs, which are going to lock in the short-term funding and provide a model for what the long-term funding could look like.

Q: Thank you. Margaret Ryan, Clean Skies News. As I read the filings to the UNFCCC, so many of the commitments and not just from the BASIC countries were made conditional on what other people did. I mean, South Africa says it is conditional on the Kyoto Protocol being extended. Australia had three different levels depending on what other people did or if they did anything at all.

Could you just give me your analysis? How meaningful are these – it reads like something to me that we should have had before Kyoto, that should have been the basis or the place you start, not the place you end up. There are so many conditions. Are these really meaningful commitments?

MR. LIGHT: I mean, this is, I think, a fundamental difference between people who see the glass full, glass empty take on the outcome at Copenhagen is do you see Copenhagen as the beginning or do you see it as an end? And I think clearly given that it looked like nothing was going to come out of this meeting prior to – for a month prior to the actual start date, I see it as the beginning of a process and not the end, especially as President Obama explicitly articulated his willingness to be targets on the table, to talk about financing in the context of this two-step process that the Danes put forward, that Copenhagen is the first step of a two-step process that ends with hopefully a legally binding agreement.

Now, that is why we modeled out in our analysis both the low end and the high end. If everyone hits the high end of their commitments, which is contingent on different country actions, then we only have that 5-gigaton gap to close. If we get the low end, then you have a bigger gap.

But in the work that Project Catalyst is doing on this, and this is a conclusion that we agree with, a lot of – whether or not countries hit their high end or their low end is dependent on U.S. action right now. That is why it is so critically important that we continue to push forward to get success out of the discussions going on right now between Senators Graham, Kerry and

Lieberman and then work towards getting a bill passed.

Just to give you an example, as we know, the EU, you know, more than a year ago, floated the first sort of contingent proposal of any importance, namely, that they would increase their ambition from reductions of 20 percent below 1990 by 2020 to 30 percent below 1990 by 2020, if the U.S. and other sort of major emitters met them.

And in reference to your question, the U.S. clearly, I think, was not in a position to be negotiating targets prior to Copenhagen because we didn't yet have our legislation locked into place. The president knew from our disastrous history with respect to the Senate's reception of the Kyoto Protocol that getting ahead of Congress, especially in midstream right now, would be a bad move.

As we move forward and we perhaps get legislation before the end of this year before the next UNFCCC meeting, then as we move forward after the implementation phase, say, into 2012, then we can start actually getting into some of that horse trade and getting into some of that negotiating, as we look to how we can improve our own domestic legislation. So I do really think that that trading will happen as we move forward from here and couldn't have happened before.

MS. HAVERKAMP: Absolutely. Once the U.S. Congress acts and we have a bill signed by the president, this negotiation is completely different. You can't blame countries for being a little conditional when they have been waiting for 17 years to see what the U.S. will do.

Q: Chris Holly with the Energy Daily. Andrew, in your number crunching, do you detect any kind of significant competition between the U.S. and, say, Brazil and Indonesia for forest offsets? Brazil's commitment is very ambitious. And one assumes that the overwhelming lion's share of its reduction will come from the same basket that U.S. companies are eyeing as they plot their compliance strategies. So how is that going to play out?

MR. LIGHT: I would be more than happy to show you the figures prior to Copenhagen and after Copenhagen – what we were looking at before. What you really do see there is an internal process, I think, going on in Brazil, where they are looking at, you know, what is their legacy going to be moving forward? It is simply just the repository for cheaper offsets to make it possible for firms in developed countries, especially in our country, to continue polluting carbon? And that is why I think they have increased the stringency of what they are going to allow in terms of an offset market and what they are going to commit to unilaterally

And that is not only, I think, a pathway towards making their own contribution and showing some leadership here, and we hope that Indonesia will follow in that same direction, though it is a little unclear right now exactly how their different offset market is going to be allocated. But I think it is also part of their commitment that they really do want to make sure that the process here is something that can be trusted.

So in the Amazon Fund that has been set up and that Norway was the first big contributor to, it is very important to notice that Brazil will not take a dime from Norway until they have

actually already proven, right, that they have achieved the reduction, that they have achieved the sort of measure in terms of avoided deforestation. And then they will accept funds for that. And I think that that just sort of shows, I think, how their overall philosophy on this is sort of moving in that direction.

Now, once we get a bill passed and depending on how the offset provisions go, there is going to be lots of pressure to find places all over the world in which to allocate and spend these offsets and the game will change. But I think I would rather have that game moving forward, where at least you are getting reductions under something than where we are now.

MS. HAVERKAMP: I would just briefly add that it was significant that in Copenhagen, Brazil changed its public position from opposing market-based RED to embracing it. It is also worth keeping an eye on what is happening at the state level in Brazil, as well as in the U.S. You have several – most of the Amazon states in a memorandum of understanding with California and a couple other U.S. states and one Indonesian state saying they will work together for state-level RED crediting and the purchase of RED credits into the California market. So I think that is a very encouraging sign.

MR. LIGHT: One more back and to the left. I think someone had their hand up.

Q: I don't think it was actually me.

MR. LIGHT: Go ahead, please. Please go ahead.

Q: Oliver Moore (ph), The Economist. I was just struck – and maybe this is something better gone into with – (inaudible) – or something, but the increase in low-case commitments from developed countries in your figure two is really striking. And it is like more than a 50 percent increase between December and January. What is the main contributor to that?

MR. LIGHT: The main contributor were the forest countries changing the way that they were calculating. So it is the developing countries that have increased. The developed country and the low case goes down, you know, because of the way that we are counting actually what the U.S. contribution would be without anything.

But it is primarily – and I am more than happy to share this with you later – it is an analysis of where we are going, critically the forestry sectors. And also, it is – the South African submission has changed actually quite in interesting ways. It does go up significantly with a lot of conditions. But it also improved on its own on the low end as well. And I think this is quite interesting, too.

I don't know – I don't want to attribute a causal claim with the critical role that I think Zuma and Lula, especially, played negotiating directly with President Obama to get the outcome in Copenhagen that we did. But I would say that there is a very interesting correlation that can be tracked there with sort of the close relationship that was built there to get some kind of success out of Copenhagen and I think the improvement of people sort of really wanting to step up to the plate now.

I think we just had one more behind – I'm sorry. Someone had your hand up before. And then we will end it. Up to the front here – up to the front. The gentleman here in the brown sweater or jacket?

Q: Hi, thanks, guys. I am Nick Juliano. I am with Carbon Control News. Todd Stern, in his speech, mentioned the sort of ambiguity about where the BASIC countries stand with regard to, you know, they haven't sort of formally associated themselves with the Copenhagen Accord. And he seemed optimistic that they were going to be doing that at some point.

I was wondering if you guys share that optimism and, you know, have some sense of when we might see a little bit more, you know, definitive view on sort of where things stand and with this ambiguity that exists, how does that sort of – are we prevented from sort of keeping things moving in terms of negotiating the commitments in the accord or under the UNFCCC with this ambiguity that is out there?

MS. HAVERKAMP: I think that the next step is to see what countries do as these meetings are convened to start implementing and negotiating the – implementing pieces that are set forth in the accord. I am assuming that they will come and participate in that process. The ambiguity of the way they associated themselves could reflect an ambivalence. It could reflect a domestic political need. It is a little hard to know exactly how to read it. But they did meet the deadline, come forward and I am expecting them to participate actively in the process.

Q: And you were talking about the Bonn meeting?

MS. HAVERKAMP: I think there may well be, as Todd said, something that the MEF pulls together.

MR. LIGHT: I think that is right. I think that, you know, my kind of sideline view of this is that all throughout the last year we have seen very different dynamics in what is going on in the official U.N. negotiations with a lot of sort of the BASIC countries embedded fully within the G-77 and taking the same, for example, hard line on nothing other than the Kyoto Protocol and moving forward in its old traditional interpretation and architecture, where on the other hand, we had some significant progress in the Major Economies Forum, particularly on the technology agreements, also in the strategic and economic dialogue that the U.S. had with China last July that John mentioned that he didn't ask his follow-up question on. The Beijing summit, the Washington summit with the U.S. and India.

And, of course, the stakes were lower in those sets of negotiations because you are not actually asking people to take cuts or make sacrifices. You are asking them to cooperate on good things in path forward. But I think as we go forward, though, I agree with Jennifer. The optimal outcome is 192 countries moving forward and the U.N. process being preserved.

We have to, at the same time, explore our other outcomes there. And I think that what I am going to look for is, for example, the possibility of using the Major Economies Forum to move not just from technology agreements and help with carbon inventories – though, those are

not insignificant – but closer to something that is not cuts in emissions, but maybe cooperative projects, which amount to concrete emissions-reduction pathways.

So just a quick example. At the G-20, we did get this agreement among the parties there to end subsidies for fossil fuels by 2050. So that is not a technology agreement. It is not a full commitment to emissions reductions. But it is a commitment that collectively gets you a significant amount of emissions reductions and would go a long way towards cutting into the gaps that we saw there.

Can we use the Major Economies Forum and these other places in order to, for example, get cooperative agreements on a common target for a renewable electricity standard by 2020 or more buy-in to these separate individual funds until we get a full RED agreement on tropical forestry? I am going to be looking at how China and India are perhaps receptive to those kinds of initiatives. So I want to thank Jennifer for joining me here today and for you all for coming. And stay safe on your way home. (Applause.)

(END)