



# From Poznan to Copenhagen via Washington

Remarks by EDF President Fred Krupp

*Remarks by EDF President [Fred Krupp](#) at the Conference on Climate and Energy Policy, hosted by the embassies of France, Poland and Denmark, Nov. 10, 2008.*

Assistant Secretary-General Orr,  
Undersecretary Dobriansky,  
Deputy Minister Zaleski,  
Deputy Minister Korolec,  
Mr. Becker,  
Ambassador Lalonde,  
Distinguished guests and friends:

It's a privilege to have the opportunity to speak with you today on the subject of climate policy from Poznan to Copenhagen via Washington. I might add that it is really climate policy via Washington, to Poznan and Copenhagen and beyond — because our shared goal is to craft climate policy that will be durable over the long term. That is a responsibility we owe to our generation, our children, and their children in the years ahead.

Today's meeting comes on the eve of the Poznan Conference of the Parties to the UN Framework Convention on Climate Change. It is also the dawn of a new political era here in the United States.

With his prominent reference, in his Grant Park acceptance speech Tuesday night, of a "planet in peril," President-elect Obama clearly signaled that climate is very much on his mind, and that energy, climate and the economy are all connected.

At the same time, he has also signaled, in his remarks and with his appointments to date, that he is committed to working closely with the Congress on the key issues on his domestic agenda. That is an important starting point for our friends in the diplomatic community.

As I see it, this represents a fundamentally different approach as compared with how the previous three administrations — the first President Bush, President Clinton, and President George W. Bush — have addressed climate change.

The previous administrations began with the international negotiations, and viewed a new treaty or protocol as the beginning of the conversation with Congress that could, in turn, drive domestic legislation. President-elect Obama will need to hold the conversation with Congress first.

In part that is because, just as the EU is seeking to negotiate its climate and energy package by the time of Poznan, concluding an agreement with Congress on climate change can provide a basis from which a government can participate in international negotiations.

But more fundamentally, in our constitutional system, ratification of a treaty requires 67 votes in the Senate, whereas enactment of domestic legislation requires only 60 votes in the Senate, and a majority in the House of Representatives. That means that in almost any political configuration, and certainly given the anticipated composition of the Senate and the House in the next Congress, America will have to make progress on domestic legislation in order to be able to participate effectively in the negotiation — and implementation — of a new international framework. The old strategy of negotiating the international agreement first, and then going to Congress for the implementing legislation, won't work.

Let me be clear about two points in this regard.

The first is that the understanding of the climate challenge is at its greatest in the history of this nation, and President-elect Obama has already stated a commitment to the enactment of cap-and-trade legislation that is the foremost position of any President to date. So that means that we will have a president who is willing to use his political capital to move legislation — an opportunity we've never had before. In fact, the last time we had a president committed to working with the Congress to enact cap-and-trade legislation in any field was in 1989 and 1990, when then-President George H.W. Bush worked with the Congress to obtain enactment of the superbly successful acid rain cap and trade program. So the historical demonstration of the importance of a politically committed President is clear. We have an unparalleled political opportunity, and the leading American companies and NGOs in the climate policy debate are determined to seize that opportunity.

The second point I want to be very clear about is that even a decade after the famous Byrd-Hagel resolution, and even with the changes in the U.S. Congress that occurred last week (some of which are continuing to play out), a significant segment of Congress will still be preoccupied with the twin concerns of that resolution, namely that climate policy, whether domestic legislation or a new international framework, does not harm the US economy, and does engage the major developing country emitters without whom it will be impossible to avert dangerous climate change.

What consequences for the international negotiations flow from those two insights?

First, the combined momentum of new administration and new Congress means we can aim for ambitious targets in US legislation, but we will also need to include innovative, environmentally credible mechanisms for stimulating the US economy, creating jobs, and engaging developing countries, while reducing the overall costs of climate mitigation. I hope that our friends in the EU would welcome consideration of these, be open-minded about them, and avoid rigid reactions that could compromise negotiations.

I believe that today in the next panel you will have the opportunity to discuss some of the domestic economic stimulus and job creation aspects. Although not on the agenda for today, the domestic piece will likely also include offering to American farmers the opportunity to earn carbon credits if they reduce emissions of agricultural production and boost carbon sequestration.

This morning I will refer briefly to opportunities at the international level. Specifically I refer to opportunities as opening carbon markets to Reductions in Emissions from Deforestation in Developing Countries (REDD), and also what we at EDF call the CLEAR Path — offering major developing country emitters market incentives so that if they adopt mandatory Carbon Limits, their Early Actions will be Rewarded. We advocate a framework to give developing countries early access to carbon markets as a source of funding low-carbon economic development, in return for those countries accepting caps on their emissions. These tools have the potential to unleash far greater capital investment into forest protection and rapid technology transfer than has ever been possible before. I would ask our colleagues from the EU, if you have specific concerns about these tools, let's discuss how to address those, rather than simply objecting to them or limiting their use from the beginning.

Second, it is highly likely that weak mechanisms like voluntary, no-lose sectoral intensity targets for developing countries, or continuation of the CDM for major emitters, will be rejected by the Congress. Rather than fret about that, we ought to recognize it as a good thing, because the climate challenge demands much more from all of us including developing nations. So my request to our colleagues from the EU is that the EU and the US work together to ensure that we don't offer developing countries policy approaches that will only have to be completely renegotiated in another 5 years or so because they are inadequate to the task.

To those who say that it is unrealistic to expect major developing country emitters to participate in a global carbon market prior to 2020, I would say that the climate challenge demands that the U.S. and the EU not only take tough targets ourselves, but also that we together encourage our partners in major emitting developing nations to cap their total emissions as soon as possible. Offering these nations incentives and helping them to put into place the technical, institutional, and human capacity can encourage them to cap their emissions far earlier than current discussions imply. A number of tropical forest nations already propose to reduce their emissions voluntarily in exchange for carbon market access, and one — Brazil — has begun to voluntarily reduce national deforestation emissions and opened a fund to receive compensation.

I emphasize the carbon market access issue because, particularly in this tough economic time, with strained national treasuries, I do not see any other approach that can deliver the large-scale funding for the rapid deployment of low-carbon technologies and processes that will be needed in the developing world.

Let me conclude by saying that the recent elections open a historic opportunity to obtain enactment of mandatory climate legislation in the United States. That legislation in turn can pave the way for US participation in the international arena. While that order of things is different, and may raise substantial procedural challenges for US participation at Poznan and beyond, I am confident that by working together — the US and Europe, the new administration and the Congress, NGOs, the business community and governments — we can find the path forward. I thank you for your attention, your interest, and your shared commitment to meeting the climate challenge.