

December 3, 2009

The Honorable Barack Obama The President of the United States The White House Washington, DC 20500

Dear Mr. President:

As you prepare for negotiations in Copenhagen to address the daunting challenges of global climate change, we want to call to your attention principles we believe would be constructive in advancing an international agreement to reduce dangerous greenhouse gas emissions.

Climate change is a serious and growing threat to the United States and the world. The consequences of climate change are already being felt at home and will intensify in the years ahead in ways that place the U.S. economy and future generations at risk. Internationally, the adverse impacts of climate change will threaten vital U.S. national security, economic, energy security and humanitarian interests. Smart climate change policies would guard against these risks while also spurring clean energy investments that promote economic growth and create good domestic jobs.

Importantly, however, poorly designed climate policies could also jeopardize U.S. national interests by imposing burdens on U.S. consumers, companies and workers without solving the climate challenge. The United States cannot stop climate change alone—success depends on marshaling an effective global response. Engaging developing nations will be especially important as they represent half of global emissions today and are expected to account for nearly all of the growth in future emissions.

To protect against the twin risks of climate change and costly but ineffective climate action, the following principles regarding international cooperation should direct U.S. climate policy. To ensure the United States fully engages with the international community, these principles should be embodied in new international agreements and in domestic legislation. We stand ready to work with you to develop timely, affordable and effective climate solutions that are consistent with these principles, including a carefully-designed mandatory program that would reduce U.S. emissions, spur international action and help ensure a level playing field for U.S. companies and workers.

- 1. The United States should seek global agreement on emissions reduction goals. The consensus scientific view is that global average temperature increases ought not to exceed 3.6 degrees Fahrenheit (2 degrees Celsius) above pre-industrial levels in order to avoid unacceptable climate risks. Achieving this goal will require reducing global emissions by 50% by 2050, with industrialized nations reducing emissions 80% or more and developing nations taking increasingly ambitious actions to limit and then reduce their emissions in the same time frame.
- 2. The United States should negotiate international climate agreements that promote cost effective action and improve U.S. energy security. These agreements, including under the U.N. Framework Convention on Climate Change, should spur nations to take actions that reflect the need for a collective global response, differing stages of national economic development and varying capacities for action. To support multilateral approaches the United States should also continue to promote bilateral and regional cooperation to advance solutions and common interests.
- 3. All major economies should adopt ambitious, quantifiable, measurable, reportable and verifiable national actions. In connection with new international climate agreements, nations should develop and implement detailed, ambitious, quantifiable, measurable, reportable, verifiable and nationally appropriate climate programs that contain concrete actions that are consistent with both medium- and long-term emission reduction goals. These programs are essential for the United States and other nations to evaluate the adequacy, comparability and equity of proposed policies and actions.
- 4. Reciprocal commitments are essential. The United States should make binding international commitments to implement actions that would be embodied in new domestic climate change laws, as well as in existing laws and policies, provided that in new international agreements other major economies also make binding international commitments to undertake ambitious, quantifiable, measureable, reportable and verifiable actions. While working towards an international agreement the United States should continue to implement existing actions and move forward with ambitious and comprehensive climate legislation.
- 5. Verification is essential. Accurate, transparent, and timely information is necessary to verify whether nations are meeting their climate commitments. A new global climate agreement, therefore, should give priority to the measurement, reporting and verification of actions, particularly by major economies. The agreement should include provisions to enable a clear determination of whether countries are complying with their international commitments. Additionally, a new climate agreement should be supported by appropriate consequences for those countries not meeting their international commitments, consistent with national sovereignty. As new climate agreements enter into force, major economies should demonstrate that they have made substantial progress toward putting in place

- domestically enforceable laws and programs to successfully implement their internationally agreed upon actions.
- 6. The trade implications of climate policy must be addressed. Climate and trade policies should be designed to encourage all major emitting nations to take climate action and to deter the migration of polluting activities from one nation to another. Internationally, the United States' preferred and primary strategy for dealing with trade concerns relating to U.S. climate policy should be to negotiate effective bilateral and multilateral agreements on reducing emissions in specific trade- and energy-intensive economic sectors. Collectively, these new agreements-whether negotiated under the United Nations, World Trade Organization or elsewhere—should not only ensure emission goals are reached but they should also integrate climate objectives into the international trade system, such as through border adjustments on imports from nations that have not yet adopted sufficient emission control measures. Since these agreements will be complex and may take time to negotiate, the United States should begin publicly engaging other countries now in substantive discussions on trade and climate policy. Until such agreements come into force, the United States must preserve and be willing to exercise its right to take actions that are consistent with World Trade Organization obligations. Indeed, to promote equitable and effective global action any new U.S. climate change laws should establish a national system of border adjustments, in concert with emission allowances or rebates to trade- and energy-intensive sectors of the economy. Any border adjustment policies should take effect by a date certain if appropriate international agreements have not entered into force.
- 7. Enhanced technology cooperation will benefit the United States, but must be coupled with strong protections for intellectual property rights. Meeting the climate challenge will depend on the development and dissemination of new clean energy technologies. The United States is a global leader in technological innovation and has much to gain from new initiatives to promote U.S. clean energy exports. The United States would also benefit from international collaboration to develop the revolutionary clean energy technologies needed to strengthen U.S. energy security and promote economic growth. Respect for intellectual property rights, however, is absolutely essential to spurring innovation and economic growth. New international agreements that deal with technology, therefore, must be designed to strengthen rather than weaken international implementation of intellectual property safeguards.
- 8. The United States and other nations should help the most vulnerable populations adapt to the adverse impacts of climate change. Climate change is a threat multiplier that exacerbates the risks and consequences of instability around the world. America can advance its national security and humanitarian interests by ensuring that climate laws and programs help people in the poorest countries adapt and reduce their climate vulnerability. To ensure U.S. resources are used wisely, the United States should focus such programs on least developed nations as they are the most vulnerable and have the least capacity to respond.

These assistance programs should ramp up now and not be conditioned on a new global climate agreement.

- 9. The United States and other nations should create targeted incentives to help developing nations take ambitious action. Developing nations should mitigate their emissions, and the United States has a role to play in enabling ambitious action. Climate legislation should include substantial financial incentives to promote U.S. clean energy exports and reduce tropical deforestation, including through public funding and innovative mechanisms designed to help mobilize private sector investments. These programs should be targeted toward nations that have the greatest emissions mitigation potential, are parties to ambitious new climate agreements with the United States and are acting in conformity with their obligations. The United States should be actively assisting developing nations that are preparing to take ambitious, quantifiable, measurable, reportable and verifiable actions, even before new international agreements are finalized.
- 10. U.S. climate policy should promote cost-effective global action. The cost of reducing emissions in many developing nations is lower than in the United States. For this reason creating incentives for U.S. companies to reduce international emissions will help lower costs for U.S. consumers and save American jobs. But safeguards are needed to ensure that international emission reductions financed from the United States are genuine, additional to business-as-usual and advance U.S. goals relating to climate change policy. In the case of major developing nations, one way forward would be to limit access to U.S. incentive programs, including those intended to mobilize the private sector, to nations that are making significant emissions reductions or implementing new internationally agreed upon actions. For other nations, these incentive programs should still encourage action through smaller-scale projects and activities to promote innovation and contain initial costs.

Thank you for considering our views. To confront global climate change successfully, international action and cooperation is needed. We look forward to working with you to achieve that outcome.

Sincerely,

Arlen Specter

Claire McCaskill

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Kay R. Hagan

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Tim Johnson

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ce: The Honorable Hillary Clinton, Secretary, U.S. Department of State
The Honorable Harry Reid, Majority Leader, United States Senate