

**John Anthony Teleconference  
U.N. Foundation  
Senator John Kerry and Reid Detchon  
September 15, 2009 11:30 a.m.**

Chantelle: This is a recording for the John Anthony teleconference with the United Nations Foundation, Tuesday, September 15<sup>th</sup>, 2009 scheduled for 11:30 a.m. Eastern Time. Hello, and thank you for your patience in holding. Welcome to the United Nations Foundation conference call. I would like to introduce our speakers for today's conference. We have Senate Foreign Relations Committee Chairman, Senator John Kerry, United Nations Foundation President Timothy Wirth, and Reid Detchon, Vice President Energy and Climate, United Nations Foundation.

Please be aware that each of your lines is in a listen-only mode. At the conclusion of our speakers' presentation, we will open the floor for questions. Instructions will be given at that time on the procedure to follow if you would like to ask a question. It is now my pleasure to turn this morning's conference over to Reid Detchon. You may begin.

Reid Detchon: Thank you, Chantelle and thanks for all of you who are on the line right now. We will have a couple of opening comments from Senator Kerry and Senator Wirth and then go straight to questions. Senator Kerry, this week climate is getting back in the news again - the major economies forum will

be meeting here in Washington. Next week the Secretary General is convening a U.N. summit on climate change and then the G-20 will be meeting in Pittsburgh. What are your hopes and expectations for this round of progress towards Copenhagen?

John Kerry: Well Reid, first of all, thank you for helping to organize this and thanks to Tim Wirth and the U.N. Foundation for helping to be part of this. I am delighted to be on this call with an old friend, Tim Wirth, who worked together with me and Al Gore and John Chaffey and a bunch of us for a number of years on this topic as far back as in the 1980s. This is a critical moment for the climate change debate in the Senate, in the country as a whole and globally, internationally because in less than three months from now, 192 nations are going to gather in Copenhagen and hammer out a new global treaty.

This week and next week, we, the United States, are playing host to a series of critical meetings, which kicks off really the final leg of negotiations before December. But the truth is that what happens now in September in the meetings in New York and in Pittsburgh is going to really lay a lot of the foundation for what is achievable in December. The State Department this week also hosts the Major Economies Forum. And around these discussions, the United States and China are going

to continue the bilateral dialogue that has been going on on climate, energy and the environment.

Simultaneously, my committee, the Senate Foreign Relations Committee, is hosting a breakfast next Thursday for all of the environment ministers who are here for the G20 and for the New York activities in order to discuss the status of international negotiations and the domestic actions in our respective countries. So with Climate Week next week at the U.N. where hundreds of government and business leaders from around the world are going to come to New York to support these international efforts, a lot of activity will take place, but there's a lot of opportunity staring us in the face.

I am looking forward to delivering remarks on the U.S.-China Climate cooperation in New York on the 21<sup>st</sup>. And then later that week, the G20 is going to meet in Pittsburgh with an ambitious agenda on economic recovery and global rebalancing and reform of international institutions. So I frankly am a little disappointed that the climate question is not climate change financing, is not larger on the agenda in Pittsburgh and I hope that the progress in New York and even in Pittsburgh, nevertheless, will address that disappointment, in a sense.

Two countries, the United States and China, are really going to set the tone for the international climate change dialogue. And I think the crucial question is can we together,

can America and China, forge a partnership that is capable of acting boldly enough to prevent a climate catastrophe. And the reason, obviously, is the size of our economies and the fact that we represent the largest emitter in the developed world and China represents now the number one emitter in the world, as well as the largest sort of transitional economy, economy moving from developing country to developed country.

So I just say that these conversations, I think, between us and China are at a critical stage. I think they need to speed up. I think they need to focus. I think they need to come to agreement, as they are trying, on a number of different possible climate change areas where they could make progress. And I am very hopeful that over the next month we are going to see some positive announcements. But one thing that I will make very, very clear, and I've said this when I went to China a little over two months ago and held meetings there, I've said it in a number of speeches that I've made. That we understand that the United States of America has to lead. We have an obligation to lead and it is critical that the United States step up and meet its responsibilities with respect to Copenhagen.

But China also needs to understand, as well as the developing world needs to understand, that we cannot enter into a global treaty without meaningful commitments from China to be

part of the solution. They can do it on a different level from the United States, as we have agreed at prior meetings, but it must be measurable, reportable and verifiable the steps that they take. And I am confident that China is prepared to take some steps that will be meaningful with respect to Copenhagen.

So there are other things to discuss here, but my hope is, I'm working with Barbara Boxer very closely and with a large group of senators, reaching out. We hope to present our legislation somewhere over the course of this month or the earliest part of October, but I hope by the end of this month we will be ready to present to the Senate and to the country what we think we ought to be doing. And that is our schedule.

Reid Detchon: Thank you, Senator Kerry. Senator Wirth, we've just heard some of the critical steps that need to go forward before Copenhagen. You've been traveling the world and your team has been traveling the world talking to negotiators about the prospects. What do you see as achievable in Copenhagen and the steps that need to happen before then?

Timothy Wirth: Thank you Reid and let me begin by thanking Senator Kerry for his longtime commitment in this area and his very deep understanding of the climate and energy issue. Probably nobody in the Senate has as much experience or understanding and thank goodness he has got the key role that he now has chairing the committee, being in the leadership and

working with Senator Boxer. We look forward, as I think everybody in the climate and energy community, to working closely with him and his group and moving the Senate, which has to be done.

Let me turn to next week and the Secretary General and what is happening in New York. As we know, that is the meeting of the General Assembly. There will be a special session on climate and energy and then the leaders of much of the developed world and the move to Pittsburgh, so we have a varied for the week. So next week is extremely important. The Secretary General, as we know, has exercised really amazing leadership. And I say amazing, nobody had any expectation when he came in to become Secretary General that he from Korea would be as committed or as knowledgeable. He laid out the basic themes in Bali on mitigation, adaptation, technology, finance, the fourth pathways that get us to a climate solution. And he is now calling for the countries of the world to "seal the deal" at Copenhagen.

The question, of course, is what does that mean? What are the components of the deal that get sealed? And as Senator Kerry said so well, we have opportunity staring us in the face; what are the specific elements of that? It seems to us that as you move towards Copenhagen, there are a number of very specific items in the deal that can be put together. In the

area of efficiency and access, really mitigation, there is no question about the fact that we can get universal access to modern energy services by a date certain that ought to be part of the mission of the U.N. and the millennium development goals. And achieving that, we should double the rate of efficiency around the world and do that by increasing our percentage of energy efficiency every year. This pays for itself, it is good economics, it's very good climate and energy policy, it is good for everybody. That should be part of the deal.

Renewables - it seems to us in the discussions we've had all over the world. We can get 20 percent of the global electricity by renewable by 2020. That is an achievable, very real part of the deal. In terms of forests, we can reduce the rate of deforestation by 25 percent early in the next decade and certainly by 50 percent by 2020. The Norwegians are leading that effort. That again is an almost non-cost element of a climate program.

In technology transfer, the opportunities in both natural gas and carbon coals sequestration are very real. Those are the most important elements of a technology transfer package. And finally the finance and that is going to primarily evolve around adaptation. The poorest people in the world, the poorest countries in the world are those that are going to be

impacted the most rapidly by climate change. How do we finance help for them to adapt and to change and to make this huge climate impact coming their way more bearable and possible.

Final point, Senator Kerry is absolutely right in talking about the U.S.-China relationship. We hope that this administration has the kind of deep rooted negotiation going on with China that is necessary. The President is going to be in China in late November. My guess is you certainly can't come away from those discussions in China without a pretty clear commitment from the U.S. So those are the elements of what seal the deal can mean from the Secretary General's perspective and from the U.N.'s perspective. This all fits very neatly in with the draft legislative ideas that Senator Kerry and Senator Boxer have been talking about.

So all of this has the opportunity for beginning to merge together. And like so many people who have been working on this for a long time, we are very hopeful. We understand the role that has to be played by the United States and we understand the importance of the leadership, particularly again Senator Kerry, who we thank for being with us today and for his unique and continuing leadership.

Reid Detchon: Thank you, Senator. Chantelle, I think we are ready for questions.

Chantelle: Thank you, sir. Ladies and gentlemen, at this time we would now like to open the floor for questions. If you would like to ask a question, please press the star key followed by the 1 key on your touchtone phone now. Once again, if you would like to ask a question, please press the star key followed by the 1 key on your touchtone phone now. Our first question will come from Dina Capiello [phonetic], Associated Press.

Dina Capiello: Hi Senator Kerry, Mr. Wirth. How are you guys today?

Timothy Wirth: Good. Thanks, Dina.

Dina Capiello: A quick question. As you guys both know, in about 15 minutes, Lisa Jackson and Secretary LeHood will be at the White House announcing the new regulations for the first ever greenhouse gas emissions standard for automobiles. With the Senate bill delayed and Todd Stern just last week acknowledging that a big divide still exists between developing countries and developed nations on the international front, what impact do you think this announcement today, which was expected, will have in terms of momentum for domestic legislation and also for international negotiations?

John Kerry: Well first of all, the Senate bill, let me just emphasize, is only marginally delayed. But both because of my hip surgery, as well as Senator Kennedy's passing, we

were unable to meet for a certain period of time. And that is about the period of time it has been delayed. But I think we are on schedule in terms of Senate leader Harry Reid's schedule for the Senate. We will be proceeding to mark up in October and the committee and the bill will come out of there and come to the floor. So we're going to have this debate in the Senate and we are going to proceed forward.

Today's announcement is an important component of it. I think that it's important for other countries to see the seriousness with which this administration and the United States are taking our responsibilities to reduce emissions and part of that will come in the transportation sector, which is outside of the parameters of the Markey-Waxman bill in the Senate - sort of a separate entity.

So the administration moving forward today through its executive administrative capacity is a very important component of sending a message to people that we are going to do this across our economy in ways that make sense. And I welcome it - it's been long overdue and I look forward to the announcement.

Reid Detchon: I think that since we have a hard and fast deadline for Senator Kerry at noon and Senator Wirth can continue on a bit after that, let's focus particularly on questions for Senator Kerry. Chantelle?

Chantelle: Thank you and the next question will come from Andrew Revkin, *The New York Times*.

Andrew Revkin: Thanks for holding the call - the more of these the better. In the list that Senator Wirth rattled off of things that could be accomplished, many of them have been pledged for a long time under the treaty process, certainly the adaptation stuff, and it has never come to pass in terms of money. So one question is what gives you a sense of confidence that you can get meaningful commitments in both directions, from the China coming out and on adaptation from the west going to places like Africa, which is threatening to pull out of the talks, according to some stuff I just heard.

And one quick additional related thought is many of these things look like they could be accomplished without a treaty. You also didn't mention markets, you know, global cap and trade, as being a vital component. Are those things so hard to get that maybe you don't need to push on an actual treaty outcome in Copenhagen as opposed to other kinds of outcomes?

John Kerry: Well, there are a lot of questions in there, a lot of questions, but let me try to begin at the beginning here. As Chairman of the Foreign Relations Committee, I will tell you that I am deeply committed to trying to get the adaptation component of this accomplished. And I understand the importance of it. I have been to most of the meetings, the

key meetings. I was in Posnan, I was in Bali, Kyoto and so forth, and I understand how critical it is for the United States - not just the United States, for the developed world, for the major emitters over the last 150 years who have created a problem for many countries, which don't emit or are marginally emitting. And they are going to suffer the greatest consequences, in many cases, of impact - from sea level rise, from desertification, from deforestation and so forth.

So we have a new to respond there and it is, incidentally, not unique to the global climate change issue; it is a component of America's foreign policy and has been for years, to try to provide aid and assistance in a structured form to many of these endeavors. Some of this, I believe, can be accomplished through our USAID efforts, by refocusing them and recalibrating them through this particular effort and some can be accomplished in the specific financing mechanisms called for in the protocol.

It is interesting to note that Europe stepped up just a few days ago in a very significant way committing up to \$100 billion or 100 billion Euro, I guess equivalent, and \$2 to \$15 billion in on an annual basis. So that is a marker, if you will, which is important for us to take under advisement as we proceed forward.

The House bill has a one percent level committed to adaptation. Some wanted it to be higher and some want it to be higher today. I met yesterday, for instance, with representatives of the major evangelical leadership across the country and they are committed to trying to raise that level. I am committed to trying to raise it in the Senate and I think hopefully, we will be able to find a consensus that understands this is part of the glue that holds this entire effort together. And I know the administration is committed to trying to set an appropriate level. So we're going to try to do what we can to augment what was accomplished already in the House efforts and we will see where we wind up.

Reid Detton: Senator Wirth, would you like to add to that?

Timothy Wirth: Well, why don't we wait with other questions and then I'll come in and just try to do - in summary, I agree largely with what John said. I don't disagree with it at all. I would disagree with the premise of Andy's question that a lot of these specifics have been promised before. I don't think that's true. In the area of efficiency, renewable, forestation or tech transfer, these are all new and important elements of the deal and the specifics that come out of Copenhagen, but we can come back and talk about that.

John Kerry: Very good. One thing that - on China, we are, I think, making some progress and I think people need to look at the glass not as half empty, but as half full in the following way. China made it very clear to me through top leadership that they plan to go to Copenhagen and be a "constructive, positive force." And the key is to close the gap with respect to a standard that was agreed on in Posnan and Bali, which is that while the less developed world will not have to meet the same level of reductions as the, what are called Annex One countries, the developed world countries, they do have to contribute. And they have to have a common and shared responsibility, which is reducing emissions and to do so in a way that is measurable, reportable and verifiable.

In every conversation that I have had with them, and I think Todd Stern similarly, it has been to reinforce that we accept the notion that we have agreed on a framework where their effort, because they are still a developing country - very powerful, very rich, very big emissions in some places, but they've got a huge proportion of the population that still lives on less than a dollar a day and is in transition.

And so in recognition of that, we have accepted that they need to do measurable, reportable, verifiable reductions that set us all on a glide path where we meet. And this is obviously subject to the negotiation, where is the meeting

point where you are all in the same, you know, operating under the same rule and the same standard. And that obviously has got to be negotiated. That is what these negotiations are about.

Timothy Wirth: I think that Senator Kerry and I would both agree that in this important China negotiation, we don't want to get hung up on trying to say that the U.S. and China will reduce the same percentage or the same amount. Those numbers can just drag us right down and we each have different histories and different obligations. Where we can agree, and we ought to focus on those are, for example, an increasing efficiency. Both the U.S. and China can benefit tremendously for doing this and setting an example for the world on renewable and setting standards for the increasing percentage of renewables and generation of electricity. Both sides can agree on that.

On various agricultural standards and where agriculture becomes a sink for carbon, both sides can agree on that. In technology development and look at the new possibilities, for example, on shale gas. Both sides can agree on it. So there is a whole menu where the U.S. and China can together agree without getting into the almost ideological purity discussions of who reduces how much. Let's look at those areas where there are many, many opportunities for agreement. Again, as Senator

Kerry said, we have this opportunity staring us in the face. Let's grab those opportunities and make those the core of the Copenhagen outcomes.

John Kerry: And again, I completely - Tim has very well articulated that opportunity and those possibilities and I completely agree with what he just said.

Reid Detchon: Thank you, Senator. Chantelle, another question?

Chantelle: Thank you, gentlemen. The next question will come from Juliette Alprin [phonetic] from *The Washington Post*.

Juliette Alprin: I just have a quick question for Tim Wirth, so if you want to skip me and go to someone who has a Kerry specific question and then come back to me right after, that is great.

Reid Detchon: Okay.

Chantelle: Thank you. Okay, our next question will come from Ann Thompson, NBC News.

Ann Thompson: Senator Kerry and Senator Wirth, good morning and thank you for doing this. My question is, so as we watch what happens in the next two weeks basically, what are the signposts that you are looking for that indicate that we - what do we have to see happen in the next two weeks that indicate that we are really on the road to an agreement in Copenhagen?

John Kerry: I missed a little bit of the question because somebody was handing me a "I've got to be somewhere" note.

Ann Thompson: I'm sorry, Senator Kerry -

John Kerry: You said what are the signposts?

Ann Thompson: Yes, what has to happen in the next two weeks that makes an agreement in Copenhagen possible?

John Kerry: Well, I think we have to make - I mean, it would be good to see China and the United States both publicly affirm their desire with some specifics as to how they will proceed to Copenhagen to make it a success and these are some of the things that can help to do that. And they are along the lines of the things that Tim Wirth just articulated. I mean, there's so much space here for joint cooperation with respect to energy efficiency, with respect to renewable alternatives, either research and/or deployment, joint ventures which are being discussed. I know that Secretary Chu and Secretary Locke were both over there and there are a number of projects that are geared up and ready to go forward. If we can lock those down, that would be helpful.

With respect to finance, I think it would be helpful for the United States to reassert its commitment to the adaptation and to the some of the, perhaps even be more specific in terms of a base amount or a floor, if you will. The question of financing is critical. Technology transfer, technical

assistance, that whole arena is ripe for unbelievable joint cooperative efforts.

So there are just enormous numbers of possibilities here for cooperation that can lead to an atmosphere of everybody realizing that this is the moment and that the two largest emitters in the world are serious about leading people to a successful outcome in Copenhagen. And any of those sort of affirmations and/or announcements will help advance this.

Reid Detchon: I know that Senator Kerry has to go now and let me thank you again.

John Kerry: Let me thank everybody very, very much for being onboard and I appreciate the reaction that this important - I think it would be good if we kind of keep this going. I think post G20 and post my meeting with the environment ministers, it might be good if we got back -

Timothy Wirth: Early October would be a good time to kind of review what happened in New York and where we go.

John Kerry: That would be great.

Timothy Wirth: Let's do that.

John Kerry: Thanks, everybody.

Timothy Wirth: Thank you so much to Senator Kerry. I am struck by, just as a background, let me say that I am struck by the fact that both of us really focus on the China issues - China, China, China. And that is going to define much of the

answer, I think Ann, to your question. We may not know in the next two weeks, but how is the climate going to be related to China. In the next two weeks, we'll learn some more on the language on adaptation and finance. I think there's language on adaptation and finance.

We'll see probably that responsibility coming back from the G20 more to the U.N. I wouldn't be at all surprised. And I think that that will be a positive sign. And I certainly hope that there is going to be language related to agreements on forestation, so-called RED - you know, reducing emissions from deforestation and forest degradation. That is a very important item. So there are a number of items out there, Ann, that I think we'll begin to see taking form in the next month. If it doesn't happen, then I think we may be at a time where there is a lot of rhetorical discussion in Copenhagen.

It's our hope that we get some very specific building blocks that come out of these discussions so that there are very specific returns from Copenhagen. We call it building blocks. We're not going to get a total cap and trade program, like Andy Revkin asked about earlier. You know, that is something that is down the line two years, three years, five years globally. I think right now there are a number of very, very important building blocks to get in line, many of which

Senator Kerry mentioned and I mentioned in our earlier comments.

Just one final return on Dina's question about oil and CAFE standards. Let's remember that our emissions are about a third, a third and a third - about a third coming from the transportation sector. If we can persist in the energy efficiency standards that were announced today and add to that alternative fuels plus natural gas, we're going to make some very significant progress. Those are three areas that can be included in international negotiations, that everybody can lead up to. They don't have to be part of the Senate legislation here; it would be helpful if they were, but I think we've made some major steps on CAFE. After twenty years of diddling, we've now got some good steps forward. Juliette, you had a question? How's the bebe, that's the more important thing.

Juliette: I was curious if you could just give us a take of when you have Ban-Ki Moon, Achim Steiner and Davos Forum obviously putting a tremendous amount of energy and effort into kind of closing a deal in Copenhagen, what's the progress that you think they have made and kind of the challenges they faced in getting the world to focus on this and moving towards a concrete agreement. I was wondering if you could just speak to that.

Timothy Wirth: I think the Secretary General has provided a fascinating and very important umbrella in identifying the importance of this and the priority of this. It has been his number one contribution. I think that coming out of UNEP, the work that has been done there on the kind of economic side of this, the green job side of it, has been a very, very significant step forward. We have a lot of work to do, both in the United States and around the world at really identifying what is meant by green jobs, what is meant by a green economy. I and I think Achim Steiner has made a big, big contribution to that internationally, just as John Podesta and the Center for American Progress has done a similar sort of thing domestically.

And then the third part, I think Davos had the toughest part of the negotiation. He is the person who gets beat up day in and day out by all of the ideological stuff. And the fact that he has hung in there as much as he has and kept it all together I think has been his contribution. So the three of them have really anchored this very well. I think Helen Clark is the new head of UNDP. I think in the next round, post-Kyoto or post-Copenhagen, I think that we'll find Helen Clark and UNDP playing a bigger role than they might have done in the past. So on the international front, those will be the four horsemen of the next year or two.

Reid Detton: Chantelle, I think that we can have another question.

Chantelle: Thank you. Our next question will come from Lisa Friedman, Climate Wire.

Lisa Friedman: Hi Senator, thanks for doing this today. I wanted to go back to China and you know, your comments that we don't want to get hung up on saying the U.S. and China should produce the same percentage. I am wondering, what do you think right now is the congressional buy-in for that idea? Because there are many members of Congress who are saying that China should cut ton for ton what the United States is, whatever the United States cuts.

You know, right now China is talking about this idea of slowing business as usual emissions, plateauing and peaking. And, you know, understanding that the dates of all of that are still in very early and tentative negotiations, what's your sense of how politically viable that will be in Congress? Do you think enough members of Congress will find that acceptable from China?

Timothy Wirth: That's a really good question and it is the toughest part of the whole negotiation, which is why I think Senator Kerry mentioned it so much and we have put so much attention on it. I hope that the United States, in its negotiation, as Billy Hadley [phonetic], the kind of very

senior people who are able to penetrate and develop the kind of trust relationships in China and vice versa that will allow us to come to agreement.

I look at this, Lisa, a little bit as - in our last trip to China, and we're going to be there again in a couple of weeks - I look at this as a kind of a ladder rather than thinking that there is a single pole that is going to define the U.S.-China relationship which are a set of numbers. You are reducing how much. Rather, you look at it as a ladder with we're one side, China is the other and running across that ladder, the rungs are efficiencies, for example, the rungs are renewables, the rungs are standards for automobiles, the rungs are natural gas, the rungs are technology transfer. Each of those is ripe for a lot of cooperation between the two.

On efficiencies, for example, if we were to increase our efficiency by one and a half percent or two percent per year over the next ten years and China did the same thing, both of us would benefit. It would be a positive thing. We could go into the negotiation saying to everybody let's all have that kind of efficiency. If we looked at renewables, we could do the same sort of thing, setting a long-term standard on renewables that the amount of electricity that we are going to generate, 20 percent of it ought to come, for example, from renewables by 2020. That's a goal that China can take on, a

goal that we can take on and would be an important rung on the ladder.

In the area of deforestation, the Chinese are very, very concerned about this, have undertaken a major reforestation effort just as we have put a greater emphasis on the need to slow deforestation. The two of those can go together with the Norwegians, for example and we could reach a point of agreement on a 50 percent goal by 2020 in reducing the rate of deforestation plus some kind of a reforestation annexed to that. I mean, these are examples of the areas of cooperation between the United States and China, Lisa, that I think could characterize and should characterize the successful outcomes that Ann asked about or Juliette, that Ann asked about and give us the opportunity to develop some real momentum.

Will that be enough to be politically acceptable in the Congress? Well, probably not to those who want to tube the deal, tube any kind of agreement. But to those who have to have the ability to explain where we are headed over a long-term period of time, I think there could be a number of very specific and important markers, Juliette, that would help very much with the politics of it. Again, it's the toughest relationship and the most important one.

Juliette: Thank you.

Reid Detchon: Chantelle, I think that we can have another question.

Chantelle: Thank you. Our next question will come from Don Hoping, *Pittsburgh Post Gazette*.

Don Hoping: Hi, Mr. Wirth. Actually, my question was for Senator Kerry, but perhaps you can address this since you have touched on the G20 a little bit. Senator Kerry mentioned that he was a little disappointed that climate change financing was not bigger on the agenda for the G20 meeting in Pittsburgh. What do you see, what's the wish list for the G20 in terms of financing commitments? You mentioned that you see adaptation and finance responsibility coming back from the G20 to the U.N., you think it's a positive sign, there's a positive sign there. What do you think needs to happen here in Pittsburgh from the G20, what are you looking for?

Timothy Wirth: Well, I think you see the E.U. come in, they have with a large tentative package. The U.S. has not made commitments. I think that the U.S. is, between the time of Pittsburgh and Copenhagen and when they do it, I'm not quite sure when the President will feel comfortable with that. Maybe he'll do it as part of, lead into that in Pittsburgh and then do it in China. We have to make a commitment to adaptation that is real, that is going to help the most impacted countries as they were described by Senator Kerry. We have to do

something that helps get them going, get the poorest countries to understand that we're serious about helping them with adaptation. That's a very important part of, as the Secretary General said, sealing the deal.

I think coming out of Pittsburgh could be the beginning of an understanding that the economics of efficiency, the economics of access, the economics of renewables and the economics of the forest deal all make sense. We have very good numbers from McKenzie [phonetic]. I think there is going to be part of that discussion reflected in the Pittsburgh day, at least I hope so. McKenzie has done such a good job of giving us a good sense of what's doable, what is feasible financially.

These are - maybe most importantly, you're going to have not only leadership, but finance ministers talking about climate change. It's all very nice for those of us who have been engaged in this for thirty years to be thinking about climate change. But until you get the guys who control the exchequer, control the checkbook or the finance ministers engaged, we're not going to get anywhere. And they will be engaged and maybe that will turn out to be the biggest contribution of Pittsburgh.

Don Hoving: But you don't see any commitment from the U.S. at that -

Timothy Wirth: I just don't know. I don't know, Don. I think that those commitments won't be made in Pittsburgh, but will more likely be made as part of the broader global negotiation leading into Copenhagen or at Copenhagen because the finance part of it is so much a part of the overall "deal." Again, going back to what the Secretary General said, seal the deal? Well, finance has to be part of that overall deal and you want that to be part of the complete negotiation. That would be my guess, anyway, having done a lot of these negotiations. I don't have that on any kind of information, I am just guessing that that will happen.

Don Hoping: Thanks.

Reid Detchon: All right, I think we can continue on down the queue. Chantelle?

Chantelle: Thank you. My next question will come from Steve Powers, *The Wall Street Journal*.

Steve Powers: Hi and unfortunately, my question was for Senator Kerry, so I think I may have missed my opportunity, but thanks anyway.

Reid Detchon: Thanks, Steve. Chantelle?

Chantelle: Thank you. Again, to ask a question is star one on your touchtone phone now. Our next question will come from Chris Holley, *The Energy Daily*.

Chris Holley: Thank you. Senator Wirth, I wanted to get back to your amplification on Senator Kerry's response to Ann's question about mileposts over the next two weeks. You mentioned a decision on finance of sorts from the G20 since the U.N., language on RED - again, since the U.N. If I heard Senator Kerry correctly, however, I think he expressed some disappointment that finance was not given a higher priority, if you will, on the Pittsburgh agenda. Do you concur with that and what would need to be done to give it more higher focus?

Timothy Wirth: I tried to answer that, Chris, before in answering Don's question about the Pittsburgh meeting. You are in a negotiation and when you are trying to put, say, ten disparate pieces together, you know, you are adding a little bit here and taking a little bit away there and putting together the overall package. The finance piece is going to be extremely important to that. And if the G20 in Pittsburgh were to say this is what we're going to do or this is where we're going to go, you would have then two months - I can guarantee you, you would have two months following that of people saying well why isn't it more or why is it as much as it is. Everybody would be focused on that number rather than focused on the finance as one piece of the overall package.

You have to have the overall package in order to, for some people, to sell the amount of money that will be in the finance

section and in order to sell to the disappointed people who are going to say it ought to be a lot more. Well, it's not a lot more because we've got the following other pieces. So it's part of an overall deal and I'm not at all surprised to see it moving back into the realm of the Copenhagen negotiations, which I think it will probably do.

Chris Holley: And if I could follow up briefly on this issue.

Timothy Wirth: Sure.

Chris Holley: It's been explained to me by any number of people over the years at these international meetings that while China seriously is a world player in the climate change context, it also has a major role as a powerful spokesman or ally, if you will, of all of the much smaller, more vulnerable nations, what we call the G77, Group of 77. And I am told that these nations, the not China, not India, not Mexico, are very worried and always have been about the larger developing nations striking some kind of comprehensive deal with the western world in a way that leaves these long-standing, simmering, things that anger the smaller people, like not paying our commitments under the framework convention, etc., etc. How are we going to walk that balance, because we have to secure a deal with the big guys, but we also have to bring the little guys along as well?

Timothy Wirth: Well, you could turn your question into an essay and it would be just about right in terms of the dilemmas of the U.N. How do the big guys, who have 95 percent of the economy and 95 percent of the emissions and 95 percent of the military power and 95 percent of - you know, how do they together, that big 20 or 25, then deal with 150 much, much smaller countries and recognize and respect their sovereignty? China has done that quite neatly. The group is called the G77 plus China. And sometimes China is part of the G77 and sometimes China is plus China.

So they play both roles and increasingly are going to have to do that. As they do so, what I find interesting, Chris, is that China has emerged internationally as a country that you see slowly but surely picking up its responsibilities in terms of international diplomacy and international responsibility. You know, they do want to play in the climate area, they are looking for ways in which to do so. I believe, and from my visits there and here and discussions, they really want to be a constructive partner, but they want to do it in such a way that respects where they come from and respects the needs of the G77. So their role and how we deal with China - again, there's a whole diplomatic piece of the ladder of negotiation.

And I hope that the U.S. government has put into this - I have always thought that if I was Secretary Clinton or the

White House, almost the most important thing that I would do would be to have in charge of this part of the climate, energy, security negotiation a very senior person who spent 50 percent of his or her time in China, 50 percent of his or her time just thinking about and working on and building this issue, because it's so important. We are not going to solve it and work it all out, but we've got to make it work. We have to make it work. And I was interested that that is where Senator Kerry sort of stopped and began. That's what he sees and it is certainly true today and it will be truer next year and the year after and the year after that.

Chris Holley: All right. Thank you, sir.

Timothy Wirth: Thank you - good question.

Reid Detchon: Chantelle?

Chantelle: Thank you. Our next question will come from Chris Sumac, DPA.

Chris Sumac: Hi, Senator. I was wondering if you could comment briefly on the major emitters meeting that is coming up this week. Is that something, do you think, is this basically setting up next week or do you expect something significant to come out of -

Timothy Wirth: I think you are setting the table and I think that's what the major emitters, that meeting has done is develop trust and develop common language and developed

relationships. That is all very important. President Bush started that, that was important to do and this administration obviously knows that it has to continue that. But it is, just as you suggest, I think it is setting the table, it's not going to be a place where commitments, I would be surprised if commitments got made. It sets the table for commitments that can be made by the time we get to Copenhagen.

Chris Sumac: Thanks.

Timothy Wirth: Thank you.

Reid Detton: Okay, I think we could be one or two more question.

Chantelle: Thank you. Our next question will come from Dean Scott, *VNA News*.

Dean Scott: Good afternoon. Hello, Senator Wirth.

Timothy Wirth: Dean, hi.

Dean Scott: Lots of good questions and thanks for doing this today.

Timothy Wirth: Thank you for joining us.

Dean Scott: There have been a number of senators who have suggested some form of border tariffs might be the price of their support for the Senate climate bill. And as you know, others such as Senator Kerry, have rejected that sort of tariff approach as protectionist. Have you given any thought to what a compromise might look like to resolve that rift?

Timothy Wirth: Well, there is a raging debate about this, as you know, and is this sort of thing WTO compliant and if not, how would you make it WTO compliant. I'm not enough of a trade guru there and every time I go to one of these trade meetings, I am reminded of days thirty years ago when we were listening to the high priest of the nuclear establishment talking about throw weights and vehicles and all of that sort of that. I mean, the obscurity of what fits in what basket and what doesn't has escaped me or at least anesthetized me.

So I can't tell you in any detail. I would not be at all surprised that there will be some kind of a vehicle in here that maybe provides a trigger over a period of time, but we have to first get to the point of understanding that the reductions that we all can agree upon might come out of a different configuration. And that configuration might be the kind of ladder concept that I was outlining earlier where you have agreements on efficiency, renewables, forest, technology, adaptation and so on and that you build your agreement around that, not around absolute numbers of reduction.

I think that would be much healthier and if we can move in that direction, then I think we can make some real progress. If we get stuck on just the sheer numbers that are suggested in the border tariff idea, then I think we might founder rapidly.

Dean Scott: Thank you.

Timothy Wirth: Thank you.

Reid Detton: Okay, I think we can do one more,  
Chantelle.

Chantelle: Thank you, sir. Our last question will come from Neil McFarquar [phonetic], *The New York Times*.

Neil McFarquar: Senator Wirth, one of the things that you hear from U.N. officials is that they are kind of running out of time to hammer out the complicated agreement and they feel like the political will is not there from any country, really and that countries are spending too much time pointing fingers at each other as opposed to accepting responsibility for what they want to do themselves. I sort of feel like Senator Kerry was just saying that we're really going to put the pressure on China as if the U.S. doesn't pollute. So how do you overcome that problem of everybody saying other people at fault and not willing to own up to their own?

Timothy Wirth: Well, I have a view, Neil, which is not a U.N. Foundation view or a U.N. view. It's that this is a step along the way. We are not going to solve the world's climate and energy problems in one agreement in Copenhagen. You know, this is another step in the right direction. We are developing trust, developing rules, developing the understandings that are going to be necessary over the next ten, twenty, thirty years. And that's the way in which to do this. Of course, those who

are impatient for a total cap and trade deal, going back to Andy Revkin's question, for example, there isn't going to be a global cap and trade deal. But there will be those that question it and say we don't have the political leadership to get a cap and trade. Well, you know, you can't get a cap and trade almost anywhere under any circumstances, much less something as complicated as a global cap and trade deal.

But we can, however, get efficiency agreements, we can have energy access agreements, we can have renewable agreements. And I think that we have to get our expectations for Copenhagen lined up in terms of what are the building blocks that come out of Copenhagen and then where do we go over the next year, two years, three years. This roadmap is going to continue for a long, long time and to allow ourselves to try to have that roadmap get defined by the immediacy of politics and the immediate return of exactly what happens and who does what, in Copenhagen, I think, would be a big mistake and would lead to people saying well Copenhagen isn't a success. It will be a success if we put together a number of these building blocks and that could be the definition of a very real set of achievements in Copenhagen.

Reid Detchon: Well, that is a good spot to end on. Thank you, Senator Wirth and thanks for all of you for your calls.

Timothy Wirth: Thank you all for coming.

Reid Detchon: There will be a mp3 file available of this call in about an hour. If you would like to get that, contact John Anthony at the U.N. Foundation. With that, I think I will just say thanks for participating.

Chantelle: Thank you. Ladies and gentlemen, at this time this conference is now ended. You may disconnect your phone lines and have a great rest of the week. Thank you.

[End of Transcript]