

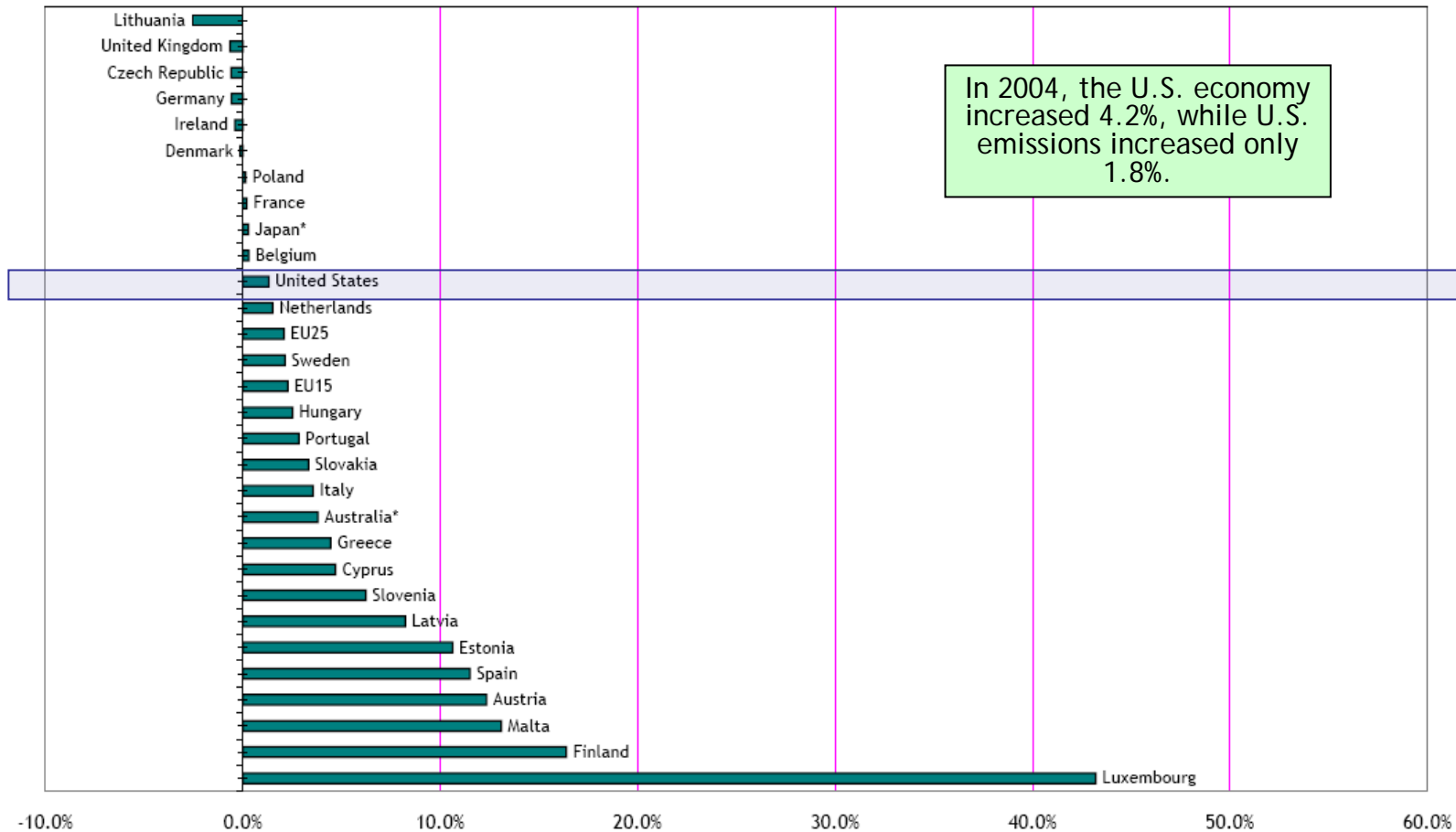


Clean Development and Climate What Part of Yes Don't You Understand?

James L. Connaughton
Chairman
White House Council on
Environmental Quality



Trends in GHG Emissions 2000-2004

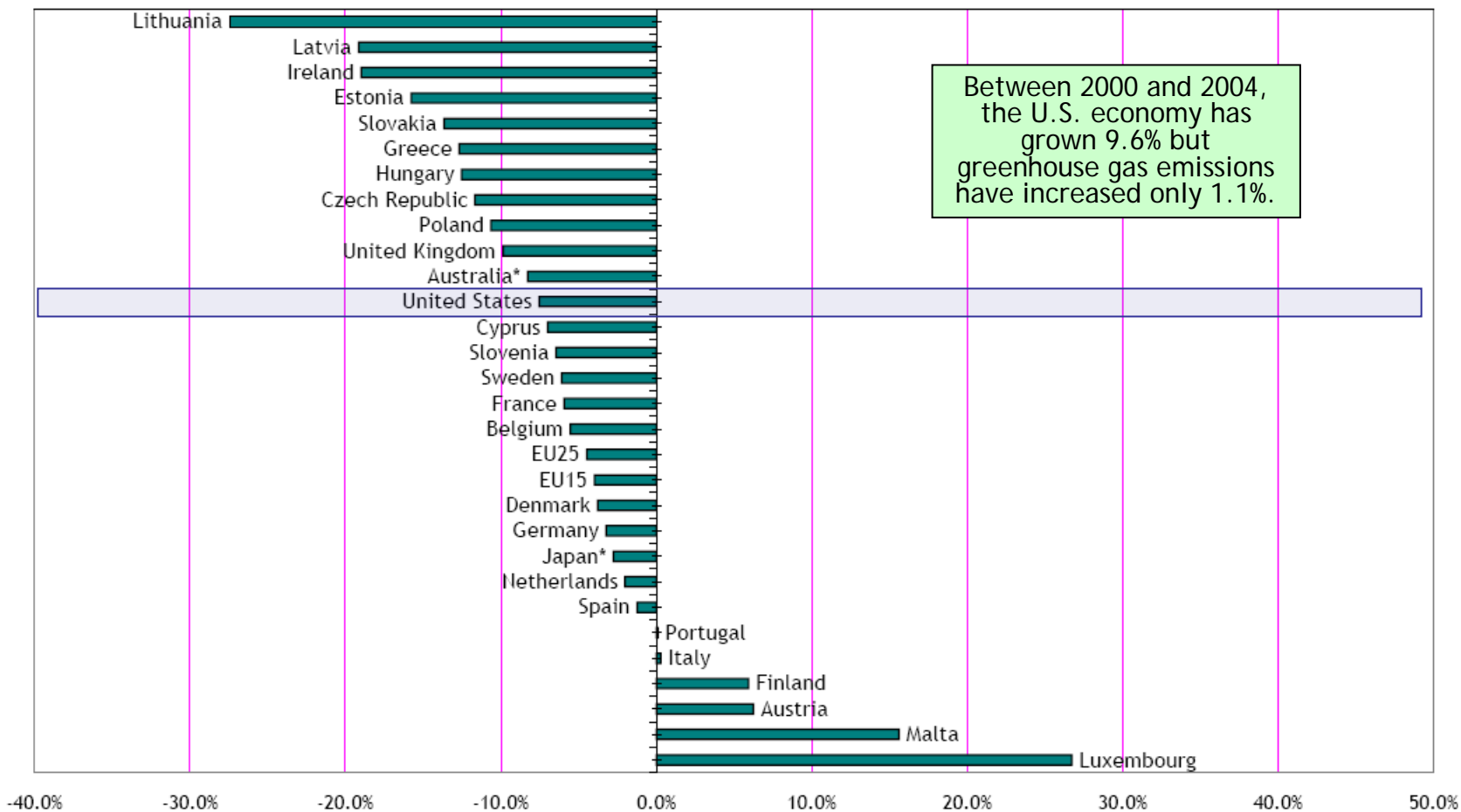


Source: 2005 National Inventory Reports and Common Reporting Formats at http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/2761.php

* Emissions data for 2004 are not yet available. Percent changes are based on 2000-2003 data, assuming a constant annual percent increase that continues through 2004.



Trends in GHG Emissions Intensity 2000-2004



GDP Data: IMF World Economic Outlook, September 2005;
<http://www.imf.org/external/pubs/ft/weo/2005/02/data/index.htm>

Emissions data for 2004 are not yet available. Percent changes are based on 2000-2003 data, assuming a constant annual percent increase that continues through 2004.



Clean Development and Climate

What Part of Yes Don't You Understand?

"By researching, by developing, by promoting new technologies across the world, all nations, including the developing countries can advance economically, while slowing the growth in global greenhouse gases and avoid pollutants that undermines public health. All of us can use the power of human ingenuity to improve the environment for generations to come."

President George W. Bush



Clean Development and Climate

What Part of Yes Don't You Understand?

“Just as science and technology has given us the evidence to measure the danger of climate change, so it can help us find safety from it. The potential for innovation, for scientific discovery and hence, of course for business investment and growth, is enormous. With the right framework for action, the very act of solving it can unleash a new and benign commercial force to take the action forward, providing jobs, technology spin-offs and new business opportunities as well as protecting the world we live in.”

Prime Minister Tony Blair



Clean Development and Climate

What Part of Yes Don't You Understand?

The U.S. “can strengthen our economy with a new generation of advanced technologies, create millions of new jobs, and inspire the world with a bold and moral vision of humankind’s future.”

Former Vice President Al Gore



Clean Development and Climate

What Part of Yes Don't You Understand?

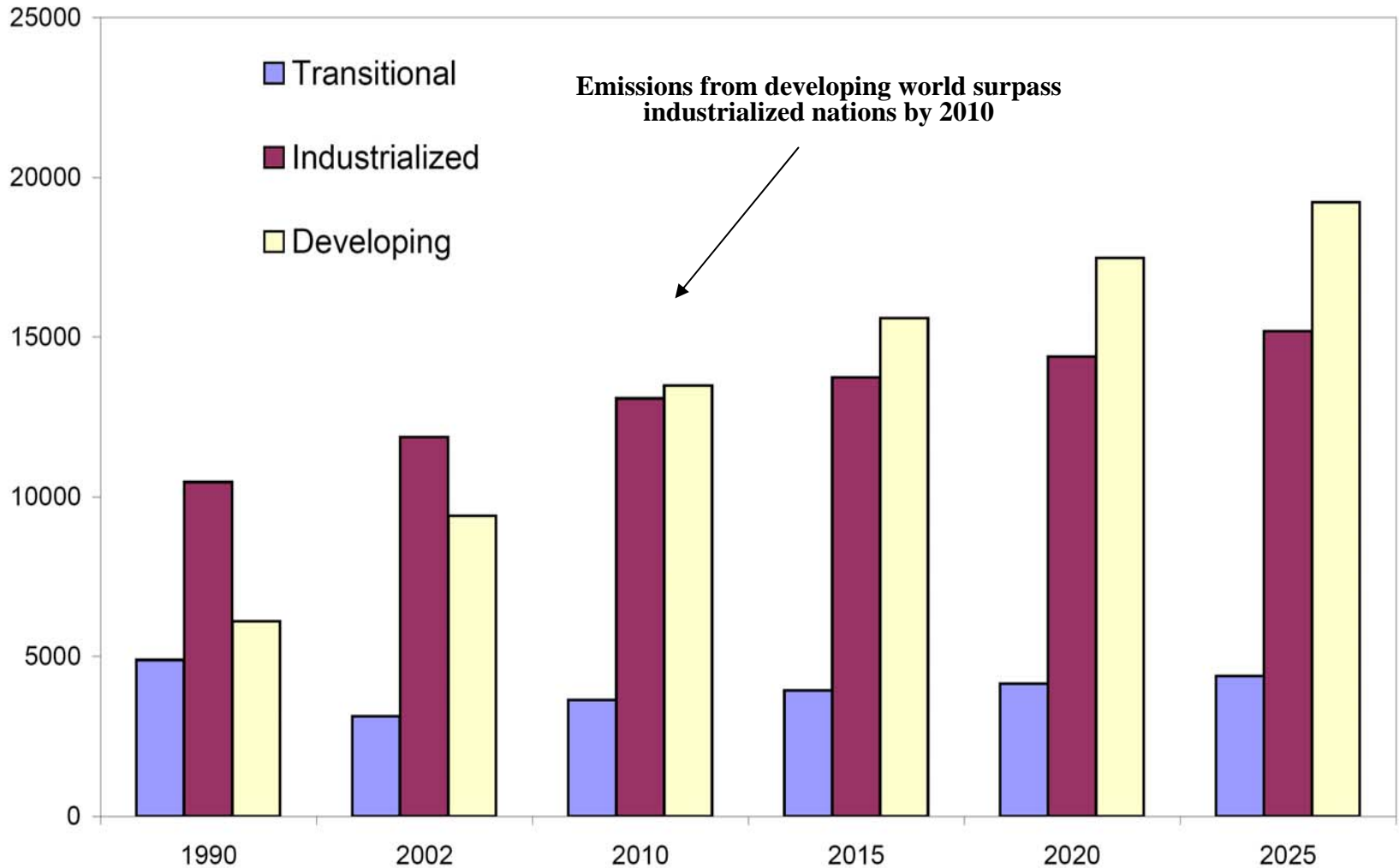
“New technologies hold great promise. We need to revise our innovation systems, so that we have policies in place that will encourage the marketplace to embrace more ideas originating in research labs. Together we can rekindle the spirit of creativity to find affordable solutions to the looming climate problem.”

Senator John McCain



World Carbon Dioxide Emissions by Region

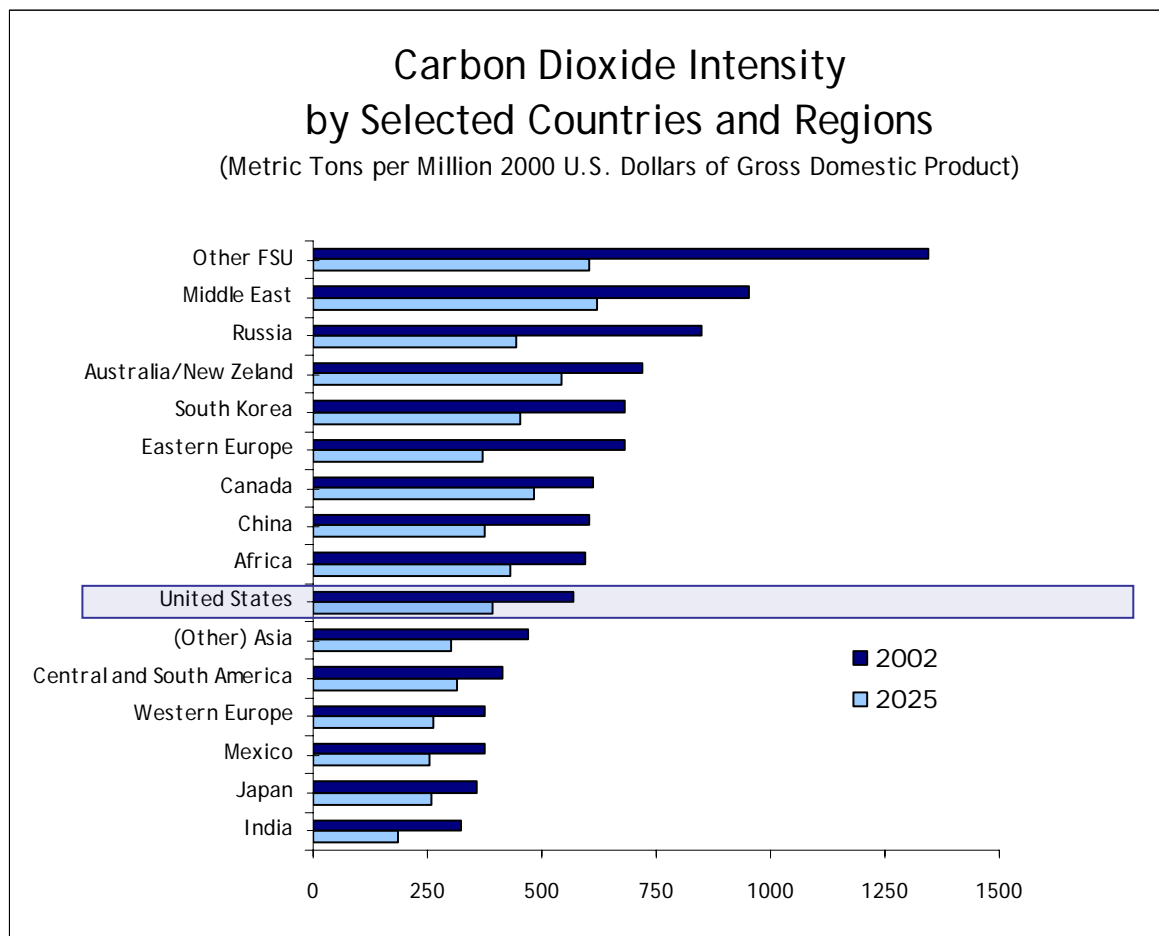
million metric tons



Source: Energy Information Administration, International Energy Outlook, 2005



Carbon Dioxide Intensity Projections by Selected Countries and Regions



Source: International Energy Outlook 2005, Energy Information Administration, Department of Energy



Energy Bill Tax Incentives

Incentives: \$14.5 billion

Offsets: \$3 billion

Total: \$11.5 billion

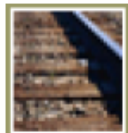


Climate VISION Sectors



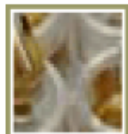
Aluminum

Achieved goal of an additional direct carbon intensity reduction of 25% since 2000; represents 98% of primary aluminum production.



Railroads

By 2012, reduce the GHG emissions intensity of operations by 18% relative to 2002 levels.



Chemical Manufacturing

By 2012, reduce overall GHG intensity by 18% relative to 1990 levels; represents 90% of U.S. chemical industry production.



Forest Products

By 2012, reduce the forest products industry's greenhouse gas intensity by 12% relative to 2000; represents over 80% of U.S. paper, wood and forest products.



Magnesium

By 2010, eliminate sulfur hexafluoride emissions; represents 80% of the global magnesium industry.

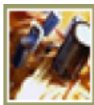


Oil and Gas

Improve energy efficiency of refining operations by 10% over 2002 levels.

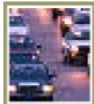


Climate VISION Sectors



Semiconductors

By 2010, cut perfluorocompound emissions by 10% from 1995 levels; responsible for more than 85 percent of U.S. semiconductor production.



Automobile Manufacturers

By 2012, achieve a 10% reduction in GHG emissions from manufacturing relative to 2002 levels.



Cement

By 2020, reduce carbon dioxide (CO₂) emissions per ton of product by 10% relative to a 1990 baseline.



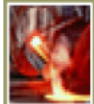
Electric Power

By 2012, reduce the power sector's carbon intensity by the equivalent of 3-5 percent by 2012; represents 100% of the power generators in the United States.



Iron and Steel

By 2012, achieve a 10% increase in sector-wide average energy efficiency relative to 1998; represents ~ 75% of U.S. and North American steel capacity.



Mining

Obtain sector-wide engagement in voluntary programs to reduce GHG emissions.



Business Roundtable

Achieve 100% participation of BRT member companies in programs fostering enhanced voluntary action on GHG emissions.

Minerals

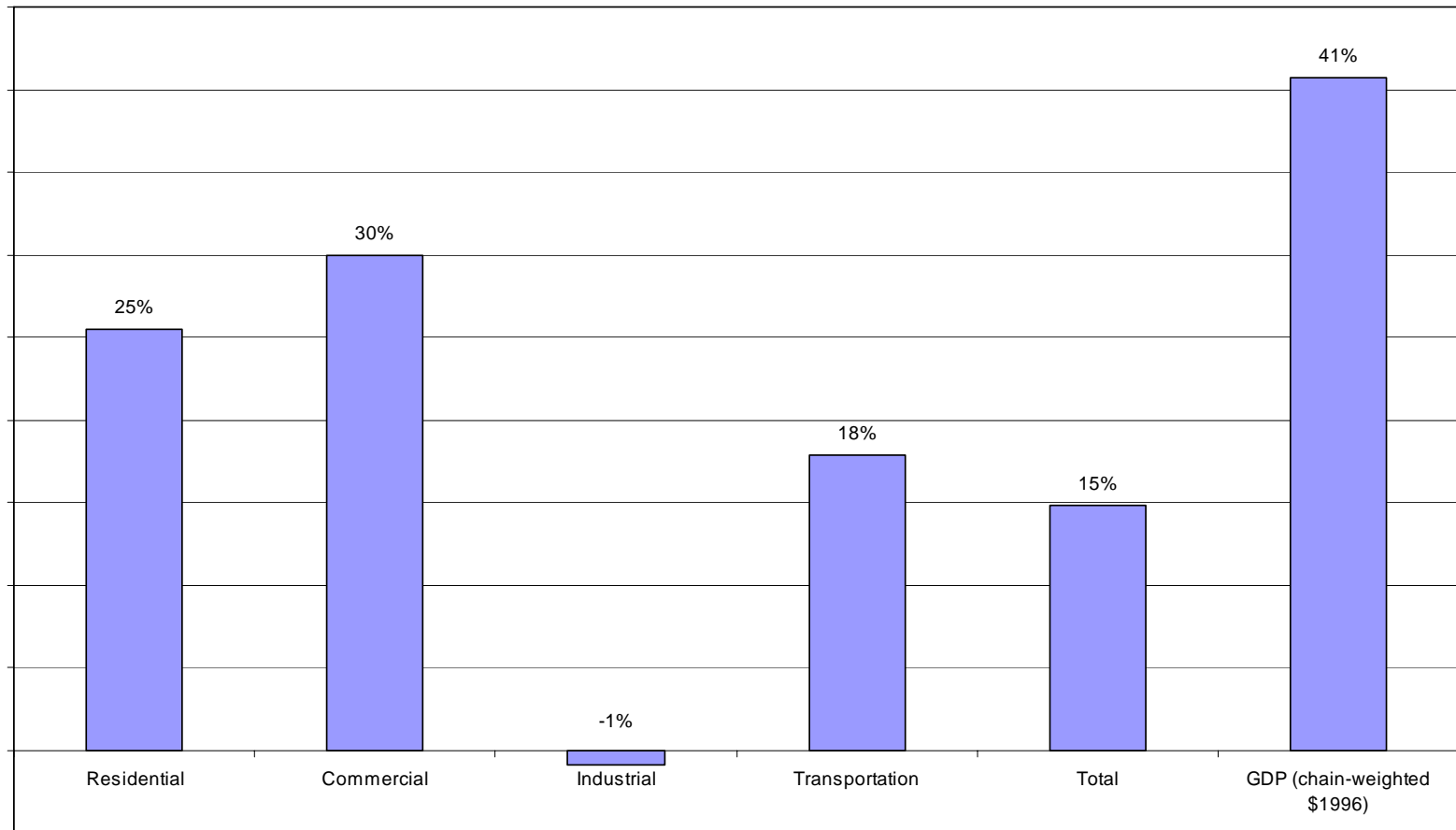
By 2012, reduce GHG emissions from fuel combustion by 4.2% relative to 2000; represents 80% of soda ash, 100% of borates, and 60% of sodium silicate manufacturing.

Lime

By 2012, reduce greenhouse gas emissions from fuel combustion per ton of product by 8% relative to 2002; represents ~ 95% of U.S. commercial lime production.



US Carbon Dioxide Emissions Percent Change by Sector and GDP 1990 to 2002



Sources: EIA, Emissions of Greenhouse Gases in the United States 2002 and the BEA



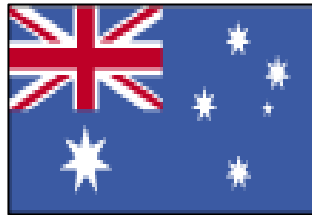
U.S. Climate Change Bilaterals

Political Map of the World, June 2003

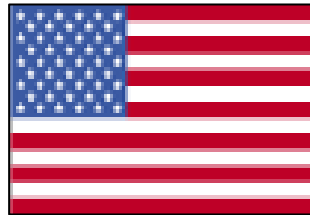




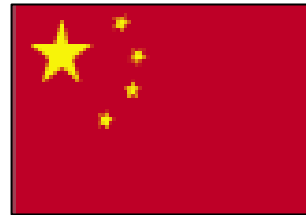
Asia-Pacific Partnership on Clean Development and Climate



Australia



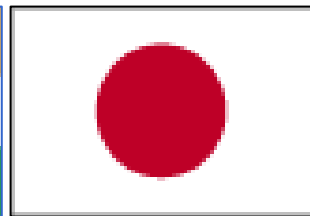
United States



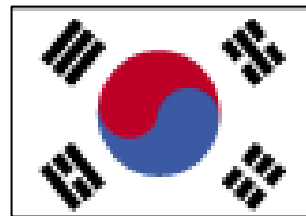
China



India



Japan



Republic of Korea



Organizational Chart

**Policy and Implementation Committee
(USA, Chair)**

**Administrative Support Group
(USA)**

Cleaner Fossil Energy Task Force

**Australia (Chair)
China (Co-Chair)**

Renewable Energy and Distributed Generation Task Force

**Korea (Chair)
Australia (Co-Chair)**

Power Generation And Transmission

**USA (Chair)
China (Co-Chair)**

Steel Task Force

**Japan (Chair)
India (Co-Chair)**

Aluminum Task Force

**Australia (Chair)
USA (Co-Chair)**

Cement Task Force

Japan (Chair)

Coal Mining Task Force

**USA (Chair)
India (Co-Chair)**

Buildings And Appliances Task Force

**Korea (Chair)
USA (Co-Chair)**