

Speech by US Ambassador Molly Bordonaro at the University of Malta

Good morning and thank you for having me here today.

It's always a pleasure to speak and exchange ideas with Malta's youth.

I've been looking forward to today's discussion for sometime.

It's particularly interesting for me to talk about environmental issues with such a large group of future scientists.

Any conversation about safeguarding the environment starts and ends with you. As future engineers, scientists, and researchers it will be you who design the technologies that will protect our ever more fragile environment.

How many of you saw Al Gore's film "An Inconvenient Truth?"

I saw on its opening night here in Malta.

It might come as a surprise to you, but I loved it. With the film, I think former Vice President Gore has done a great service to raise public awareness on climate change.

I am here today as Ambassador of the United States and as someone who personally cares very deeply about our environment to say that the United States is making concrete steps to address global warming and is committed to working with international partners to address climate change.

It might surprise you that the US Ambassador would say:

- She loved Al Gore's film
- The United States and this Administration care deeply about climate change.
- We are committed to reducing greenhouse gas emissions. and,
- We are working multilaterally to do so.

It shouldn't surprise you.

There is perhaps no other issue where the US and Europe agree so much, yet understand each other so little as with climate change.

Just because we haven't joined the Kyoto Protocol doesn't make any of these statements less true.

Now, I know there is a deeply held view among many in Europe that the U.S. Government is not doing its part to safeguard the environment.

This is completely wrong. Yes, it's true the United States did not sign the Kyoto Protocol. But, Kyoto is a method, not an outcome. The outcome is a reduction in actual greenhouse gases. And on this outcome is where the United States and Europe both agree. Kyoto is simply one way to get there. Kyoto is about caps. But, how can countries reach those caps? How can countries reduce the use of fossil fuels? How can countries change the level of emissions into the atmosphere? Finding answers to these questions is what US administration is working on and this is where the US has seen very encouraging results.

Today, I want to set out three broad points, hoping they will illustrate clearly the perspectives and the actions my country has taken on this important matter:

- First, as I just said, the United States is actively working to reduce greenhouse gas emissions, and our approach is producing results. We have been addressing climate change with a combination of policies and investments, and we have been making a more positive rate of progress than most developed countries in cutting emissions growth.
- Second, at the same time that we are taking steps in the United States, we are working multilaterally to cut global emissions. To be effective, we need a global approach that supports both economic development and lower emissions. We need to promote the commercial deployment of clean technologies in developing countries and around the world.
- Third, and finally, the United States is concerned that our dependency on oil is not just bad for the environment, but it is also bankrolling some of the very dangerous, anti-democratic security threats we face as an international community.

Let me start first with the data, because it is important to have the facts. No question: The United States is the world's largest emitter of CO<sub>2</sub>.

The United States is number one in greenhouse gas emissions primarily because it is the number one economy in the world. With 5% of the world's population we produce 25% of global wealth. Our emissions are not out of line with the size of our economy. And it's worth noting: the International Energy Agency is forecasting that China, with a smaller economy, is expected to surpass U.S. greenhouse gas emissions by 2009.

More important than current emissions is the trend line. What is actually happening to emissions? Are they being reduced? This, after all, is what Kyoto is supposed to address.

According to data from the UN Framework Convention on Climate Change, from 2000-2004--the most recent period for which we have good, comparative data--U.S. greenhouse gas emissions increased by 1.3 percent. This is an increase, but a very modest increase. The EU-25, on the other hand, increased collective emissions by 2.1 percent.

Even so, the trend in both Europe and the United States is in the right direction--reducing the growth in emissions. The figure cited above--a 1.3 percent growth in U.S. emissions from 2000 to 2004--translates to 0.325 percent growth per year. Over the previous decade, emissions in the United States grew at 1.4 percent per year.

So, the United States is now one of the leading countries in the world in reducing CO<sub>2</sub> emission growth. More remarkably, we have been able to achieve this during a period of rapid economic growth in the United States. Between 2000 and 2004 we grew our economy by almost 1.9 trillion dollars. That's about the equivalent of adding Italy to the U.S. economy. And we increased our population by 11.3 million people--adding more than the population of Greece. And yet our emissions grew only 1.3 percent--that tells you a lot about how the U.S. economy is already changing to reduce greenhouse gas emissions.

It is of course very hard if not impossible to see an actual decrease in emissions when both your economy and population are growing, though the United States is coming close. And this, in fact, gets to the heart of the issue. All countries want jobs, education, health, poverty reduction--all the things a healthy, growing economy provides. So the trick is not to cut our economies, but make them cleaner as they grow.

The United States is achieving these results by working very hard to bring cleaner technology into the marketplace.

And technology is the key: Kyoto provides a target for emissions reductions. But, to actually cut the emissions -whether a country has signed Kyoto or not—a country needs to put new, cleaner technology into place. This is where you, as future engineers, scientists, and researchers will be of critical importance. And this is where the United States has had success.

Let me go into to more detail on how exactly the US is promoting new technologies.

From 2001 to 2006, the U.S. Government devoted more than 29 billion dollars to climate science, technology, international assistance, and incentive programs.

To give you a sense of the significance of this investment, think of the GDP of Bulgaria, one of the newest members of the European Union. Its 2006 GDP was just over 28 billion dollars. So essentially, over the past five years, the United States has taken more than the economic output of Bulgaria in a year, and put it against the challenge of climate change.

Our approach to support new technologies focuses on a combination of targeted market decisions, incentives, voluntary partnerships and government mandates.

Most newsworthy of late are the President's proposals in his State of the Union address he made earlier this year, where he set some new and ambitious *mandatory* targets that will make a real difference in meeting the challenges of climate change and energy security.

The plan includes a comprehensive scheme to reduce gasoline usage in the United States by 20 percent over one decade.

There are many features of the plan that are noteworthy, but I'd like to underline two. One is the focus on road transportation, which is one of the largest sources of U.S. greenhouse gas emissions, accounting for over 22 percent of our emissions. The President's plan to increase automobile fuel efficiency will reduce projected annual gasoline use by up to 32 billion liters in 2017.

The second part of the plan is that we are rapidly accelerating the deployment of renewable fuels. The United States is already the global leader in the production of biofuels. But under the President's new plan, we will increase the amount of renewable and alternative fuels in the marketplace to five times the target now in law. And in response to President Bush's policies, U.S. industry has put 6 million Flex-Fuel vehicles on the road with a million more rolling out each year, ensuring we have the cars to use the fuel!

The important thing of course is how all this will affect the environment. The measures announced in the State of the Union will cut annual carbon dioxide emissions by 10 percent. This would be the equivalent of taking 26 million automobiles off the road today.

Consider also the positive impact on human health. Fine particle pollution is killing close to 300,000 Europeans per year. In the United States, largely because of fuel standards already in place, the number is about 30,000. And the increased ethanol blending with petroleum fuels will all but eliminate the fine particle pollution problem in the United States.

Another example of innovative technologies is found through the Clean Coal Initiative, a plan to deploy advanced coal technology for cleaner and ultimately emissions-free energy. In November 2006, the United States announced 1 billion dollars in new tax credits for nine projects to construct, on a commercial scale, coal power plants that will be cleaner than any ever before. We will continue the program next year, when another 650 million dollars in tax credits will be available.

The United States recognizes that that we need to do all we can to improve our emissions in the United States. But we also recognize that this is not enough. That is why we are also working with countries around the world to develop and adopt technologies that are environmental friendly and foster economic growth.

This brings me to my second point. The United States is working multilaterally to assist other countries in reducing their emissions. As I said before, cutting our economies--or even just holding them in place--with zero further growth, jobs, or human development, is not an option for any of us in the industrialized world. But in the still-developing world, new growth and human development is literally a matter of life and death. That is why the United States is helping countries cut emissions with smart technology that does not impair their growth.

We are all giving billions of dollars to help countries in Africa, Asia and Latin America to reduce poverty, improve education, fight infectious disease such as HIV-AIDS and malaria, improve

health and longevity, and protect the environment. It is a moral imperative. But aid is not enough--the only way for these countries to truly advance is through economic growth.

Yet, these regions also include some of the greatest emitters of greenhouse gases. As an example, the carbon dioxide emissions from non-OECD countries are expected to exceed those from OECD countries by 2010.

So these countries above all need an approach to cutting emissions that supports economic growth, rather than inhibiting it. And this approach, to be successful, needs to be market-driven. We cannot bring clean technologies into broad use if the profit motive is working in the other direction.

Thus the only way for these countries to minimize the increase in greenhouse gas emissions as their energy demand soars with economic growth is through the market application of cleaner technologies. We need to develop these technologies and bring them to the marketplaces of the developing world.

The United States is doing this through a number of multilateral initiatives. One such program is the Methane to Markets Partnership, an international initiative launched by President Bush in 2004, in which the U.S. and other countries partner with industry to recover and use methane as a fuel source. The Methane to Markets Partnership, which now includes 18 countries, is cutting a huge amount of emissions right now.

Another important initiative is the Asia Pacific Partnership on Clean Development and Climate, otherwise known as the APP. It produces results where they matter most--the major emissions-producers of the world, and the major new energy-consumers of the world.

We started the APP a year ago to bring China, India, Japan, South Korea and Australia together with the United States to tackle complementary energy, economic and environmental goals. After all, these countries account for about 50 percent of the global population, 50 percent of the global economy, and 50 percent of global energy use.

In just six months, APP task forces have identified almost 100 projects that will deliver the multiple benefits of reduced greenhouse gas emission, cleaner air quality, and reduced poverty levels.

Let me give you a specific example how these two initiatives are producing results. Typifying the approach of the APP and the Methane-to-Markets Partnership is Caterpillar's roughly 60 million dollar contract with a major Chinese Coal Mining Group. Caterpillar will provide 60 methane-gas-powered generator sets to capture the gas and convert it into 120 megawatts of power. This will reduce greenhouse gas emissions by 4.5 million tons over a 20-year period while improving the capacity of the Chinese power grid.

Such growth-based approaches to reducing emissions are appealing. And China's active engagement in such partnerships underscores the importance of involving developing economies in any solution to the climate change challenge.

And now to my third and final point. The need for change stems not just from the facts that burning fossil fuels produces greenhouse gases, nor that the current high price of oil and gas have been a drag on our economies. It also comes from the fact that much of the money we spend to burn fossil fuel and add greenhouse gases to the atmosphere gets into the hands of people who use it to oppose democracy and human development.

It has helped the regime in Iran to bankroll militias trying to wreak havoc with the fledgling democracies in Lebanon and Iraq. And there's little question that the oil money going to the government of Sudan helps to prolong the terrible humanitarian tragedy in Darfur. And, some oil money clearly finds its way to support certain madrassas in Pakistan or elsewhere, which teach extremism and hatred to children who are there only to read and write.

Our dependence on oil and gas allows governments who supply it to use that dependence for political ends. When the Russian gas company Gazprom shut off supply to Ukraine and

Georgia on New Year's Eve last winter, it exposed the linkages between energy, independence and democracy.

Clearly, almost everything we do for our climate has an impact on energy security. The relationship between the need for a diverse, secure energy supply, clean global climate, and democratic and economic freedom is becoming more evident all the time. All of these are critical for human well-being, and they are more than just interrelated--if we address one of these challenges, we address them all.

The United States is continuing its engagement with Europe as it works across all these fronts, including in our U.S.-EU High Level Dialogue on Climate, Energy and Sustainable development, which met in Helsinki last year.

The world can't wait for 2012 when the Kyoto Protocol expires; *the future is today*. We mustn't mistake process with outcome. The Kyoto Protocol is one means that some nations have chosen to address greenhouse gas emissions. But the objective--our common objective--is the reduction of greenhouse gases, and there are multiple means for getting there. And my government is committed to this effort.

To conclude, to repeat what I said at the beginning of this speech,

- The United States is deeply committed to the objective of cutting greenhouse gas emissions;
- We have a set of policies and concrete actions that are producing good, concrete results--now and in the future;
- The United States is cutting the growth rate of emissions in a way that also favors economic development;
- We are working multilaterally to do so, particularly with the developing world;
- The United States is working together with Europe as well, and
- In doing so, together we will not only help the global climate, but will also strengthen independence, democracy, and security in the world.

I hope I have achieved my goal of getting you to start to think differently about the United States and our policies on climate change. I would be delighted to take your questions.