105th Congress, 2d Session – – – – – – – – – – – – – House Document 105–226

FEDERAL CLIMATE CHANGE EXPENDITURES

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REPORT ON FEDERAL CLIMATE CHANGE EXPENDITURES, PURSUANT TO PUB. L. 105–118, SEC. 580

MARCH 10, 1998.—Message and accompanying papers referred to the Committees on Science, International Relations, and Appropriations and ordered to be printed

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To the Congress of the United States:

In accordance with section 580 of the Foreign Operations, Export Financing, and Related Agencies Appropriations Act, 1998, I herewith provide an account of all Federal agency climate change programs and activities.

These activities include both domestic and international programs and activities directly related to climate change.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 10, 1998.*

Report to Congress on Federal Climate Change Expenditures

Pursuant to Section 580 of Public Law 105-118

Office of Management and Budget
March 1998

In response to Section 580 of Public Law 105-118, "Foreign Operations, Export Financing, and Related Agencies Appropriations Act of FY 1998," the following is a summary of Federal agency programs most directly related to global climate change.

Domestic Programs

The Climate Change Technology Initiative is a five-year research and technology program to reduce the Nation's emissions of greenhouse gases. Led by the Energy Department (DOE) and the Environmental Protection Agency (EPA), the initiative also includes activities of the National Institute of Standards and Technology (NIST) and the Departments of Agriculture (USDA) and Housing and Urban Development (HUD). The initiative includes a combined $2.7 billion increase over five years for these agencies for research and development on energy efficiency, renewable energy, and carbon-reduction technologies. The initiative also includes $3.6 billion in tax incentives over five years to stimulate the adoption of more efficient technologies in buildings, industrial processes, vehicles, and power generation.

The Global Change Research Program, led by the National Science Foundation and the National Aeronautics and Space Administration, builds understanding of climate change and variability, atmospheric chemistry, and ecosystems. The scientific results from the program help in the development of climate change policies, and the development of new observing systems will enable better monitoring of future climate changes and their impacts. For example, the Tropical Rainfall Measuring Mission satellite launched during 1997 will provide previously unavailable, detailed, and accurate rainfall measurements, filling a significant gap in our understanding of the Earth system. In 1998 and 1999, the program will launch more satellites and increase its focus on investigating regional climate changes and assessing the vulnerability of the U.S. to climate variability and change.

A more complete description of these programs can be found in Chapter 6 ("Promoting Research") of the President's FY 1999 Budget.

International Programs

Last June, the President announced a $1 billion, five-year commitment to address climate change in developing countries. This initiative includes at least $750 million ($150 million per year) for the U.S. Agency for International Development (USAID) to support climate change-related activities in developing countries, particularly programs in energy efficiency, forestry, and agriculture. USAID will also use up to $250 million of its new credit authority to provide partial loan guarantees for projects in developing countries that address climate change.

The Global Environment Facility (GEF) is the world's leading institution for protecting the global environment and avoiding economic disruption from climate change, extinction of valuable species, and collapse of the oceans' fish population. The $300 million proposed for 1999 includes $193 million for U.S. contributions previously due and $107 million for the initial contribution to the GEF's second four-year replenishment (1999 to 2002). Approximately 38

percent of the total U.S. annual contribution to the GEF supports climate change-related projects in developing countries.

The State Department supports the work of the UN Framework Convention on Climate Change secretariat and the Intergovernmental Panel on Climate Change (IPCC) -- the single, most authoritative, international scientific and technical assessment body with respect to climate change. Many nations rely on the IPCC for information and assessment advice on climate change.

Indirectly Related Programs

Several Federal agencies conduct programs that are indirectly related to global climate change. For example, the Department of Defense conducts research to improve energy efficiency of military aircraft as a means of improving defense capability. The Department of Transportation conducts research that can lead to improved vehicular traffic flow and reduced fuel consumption By promoting energy efficiency, these programs can also help reduce the Nation's emissions of greenhouse gases. Nevertheless, since the primary focus of these programs is not on climate change, the Administration does not consider them to be "climate change programs and activities," as stipulated in Section 580 of the Foreign Operations bill.

Domestic and International Spending Directly Related to Climate Change
(Discretionary budget authority and tax incentives in millions of dollars)

	1997 Actual	1998 Estimate	1999 Proposed	Increase 1998 to 1999
Climate Change Technology Initiative (CCTI)				
Energy	657	729	1,060	331
Environmental Protection Agency	86	90	205	115
Housing and Urban Development	---	---	10	10
Commerce	---	---	7	7
Agriculture	---	---	10	10
Subtotal -- CCTI Spending	743	819	1,292	473
Tax Incentives	---	---	421	421
Subtotal -- CCTI Spending & Tax Incentives	743	819	1,713	894
Global Change Research Program	1,818	1,867	1,864	-3
Subtotal -- Domestic (CCTI + Other Domestic)	**2,561**	**2,686**	**3,577**	**891**
International				
Agency for International Development				
- Grant Assistance	147	150	150	0
- Loan Guarantees (non-add)	---	---	(100) 1/	(100)
Global Environment Facility (GEF)	13	18	114 2/	96
State	3	5	8 3/	3
Subtotal -- International	**163**	**173**	**272**	**99**
Total -- Domestic & International	**2,724**	**2,859**	**3,849**	**990**

Notes:
1/ USAID will use its new credit authority to make up to $100 million in guaranteed loans for climate change-related projects.
2/ Represents 38 percent of the total US annual contribution. FY 1999 includes $193 million for payments in arrears.
3/ Includes funding for climate change secretariat and Intergovernmental Panel on Climate Change (IPCC). Does not include salaries and expenses related to international negotiations.