

THE BROOKINGS INSTITUTION

UNPACKING THE PARIS CLIMATE CONFERENCE:
A CONVERSATION WITH TODD STERN

Washington, D.C.

Thursday, December 17, 2015

PARTICIPANTS:

Featured Speaker:

TODD STERN
Special Envoy for Climate Change
U.S. Department of State

Moderator:

BRUCE JONES
Vice President and Director, Foreign Policy
The Brookings Institution

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P R O C E E D I N G S

MR. JONES: Ladies and gentlemen, my name's Bruce Jones. I'm the vice president for Foreign Policy here at Brookings. Thank you for joining on a rainy morning. It's my very distinct pleasure and honor to welcome Todd Stern back to Brookings.

Todd started his career on the domestic side of politics, worked as a senior counsel to Senator Patrick Leahy in the Senate Judiciary Committee before playing a pretty key role in the Clinton White House on domestic and economic policy. He told me once it was sort of an accident that he was assigned this, at the time, rather obscure portfolio called the Kyoto Negotiations, but rather fatefully so. Todd continue then to play a key role on climate issues in the White House and at Treasury, and then in the all-important think tank sector at the Center for American Progress and GMF and elsewhere before returning to government service in 2008 as part of the Clinton transition team, before being appointed by President Obama in 2009 as his special envoy for climate change.

Todd was with Obama for the ill-starred Copenhagen negotiations and then I think took a different and extremely consequential path, namely he began to exert real leadership in crafting a series of very consequential bilateral climate agreements, the most consequential of which I would argue was the U.S.-China agreement on short-lived climate pollutants, which really transformed the diplomatic landscape by showing that the two largest economies and the two largest emitters in the world were committed to the urgency of climate change and to crafting a pathway forward. And in recognition of it, Foreign Policy Magazine listed Todd and his Chinese counterpart as among the top 100 thinkers and foreign policy leaders in the world. And I recommend to you, it's not usually

the case that I would recommend to people to read the language of a diplomatic agreement, but if you want to understand the urgency and the consequence of the issue we're grappling with, go back and read the 2014 U.S.-China Climate Agreement.

That transformed the global landscape. A series of other bilateral deals followed, agreements in the Major Emitters Forum, Major Economies Forum, I guess, as it's now called, and took us to where we are today, namely just having come back from Paris with a breakthrough global agreement on climate.

So before I welcome Todd to the stage, let me ask you to join me in thanking Todd and, through him, Secretary Kerry and President Obama for returning us to a position of American leadership on global climate and for the really historic work that you did to get us to where we are today. So, Todd, thank you very much. (Applause)

I'll start by asking you this: Did you get any sleep in Paris?

MR. STERN: Yes, I got about the -- first of all, thank you, everybody, for coming and thank you for the nice round of applause. I very much appreciate it.

Yes, you know, the routine of these things is that you're usually kind of hovering around four or five hours and then you get deeper into it and you get the nights where you get home at 5:00 or 6:00 in the morning. But it was not worse than others in that respect.

MR. JONES: Despite that, I am not only reliably informed, I have photographic evidence of a rather late night celebration after the effect. It must have felt pretty good, too.

MR. STERN: It's true. So the back story there is that we were back in the Marriott, the Charles de Gaulle Marriott, which is the luxurious accommodations that we had during this conference our team having bar food at 12:30 or so. And about 1:30, I said to my guys, most of whom are a little younger than I am, that I was ready to go up.

And they said, well, you can't go up because there's a party in Paris tonight. I said there's a party in Paris tonight which is a half an hour away and it's 1:30? And I said you guys go, I'm going upstairs.

And Paul Bodnar, who's in the White House now, but used to be on my team, said, okay, that's good. You'll go the next time we do the biggest climate change agreement in history. (Laughter) So I said, okay, I'll meet you in 10 minutes and off we went to Paris. And I called my kids not to brag about the climate change agreement, but to brag about the fact that their daddy was going out for a party at 1:45 in the morning.

MR. JONES: Nice. (Laughter)

MR. STERN: And got home sometime after 5:00. So, yes, that was my own doing.

MR. JONES: Let me just ask you then to start by, in your own terms, what did we accomplish in Paris? What were the key breakthroughs?

MR. STERN: So we accomplished a great deal and indeed, honestly, more than we even expected, although very much along the lines of what we were trying to do. So for starters, it's the first universal lasting climate regime that is really applicable to all parties. I mean, there have been others that in some sense cover everybody, but not in the sense that everybody's actually taking action. So that's first.

Second of all, really important with respect to ambition. We started with the completely extraordinary fact that here were 186 countries that had put forward their targets, their so-called INDCs in the lingo, during the course of 2015. And then there was an architecture built around that in the agreement of five-year cycles to ratchet those up. And countries either put in new targets or, if they're in the middle of a longer target period, they have to either revise it upward or reconfirm it every five years. And the five-year cycle follows a global stock-take to see where we are in the aggregate vis-à-vis our

long-term goals, vis-à-vis what science is telling us. So you've got an every-five-year stock-take and then about a year after the every-five-year stock-take countries have to either reconfirm and say, yes, I'm going to hold where I am or I'm going to increase where I am or if they're in the period of time where they have to put in a target anyway, obviously they do. So that was really important.

We have very strong global goals. We already had a below 2-degree goal. We still have that, although even that's kind of ratcheted up to a well below 2 degrees and an effort to pursue even further to go to 1.5, and a further goal of what is essentially emissions neutrality, no net emissions during the course of this century, so as much absorbed as you emit. So we're far away from that, but that's a very strong goal.

And so you have universal applied to everybody, really strong ambition, and then kind of the counterpart to or a necessary feature of ambition is a strong and in this case legally binding transparency and accountability system. So countries have to do inventories according to international standards. They've got to report on those inventories and report on the progress they're making toward achieving their target. And all of that gets reviewed by expert review teams and also discussed in a kind of peer review session that will take place during the end-of-year meetings. So you have that. That's number three, I guess.

The fourth thing is that the architecture of the agreement with respect to the age-old problem that has bedeviled these negotiations, which is the division, sort of a firewall, between developed and developing countries as set in 1992; the two categories were devised in the original 1992 kind of granddaddy treaty. And the problem has been that nobody is willing to move out of their category and nobody has been willing to kind of evolve the nature of what that means. So the classic agreement that embodied that whole division was Kyoto, which was all obligations were for developed countries and

developing countries not asked to do anything. And although we had moved gradually a little bit away from that, still not enough. So there was a very significant move embodied in this agreement away from that.

And the perfect example of the kind of differentiation that we mean and we're totally supportive of the idea of differentiation because you can't expect all countries, different development stages, and so forth to do the same thing, but the kind of differentiation that works is what is embodied in the notion of nationally determined commitments, in the lingo nationally determined contributions for mitigation. So every country puts forward its own plan. That's the 186 targets I'm talking about. Everybody puts forward their own plan.

They're urged, encouraged, sort of gently pressured to do the best that they can. And we actually had a particular procedural device that we proposed and that worked very, very well to make sure that those targets would be as strong as possible. But that's a differentiation across a spectrum of countries not into starkly different categories that don't make any sense as we go forward. To think that China and Korea and countries that are developing rapidly should be treated the same way as least developing countries obviously makes no sense. Developing countries right now are 65 percent of global emissions and rising, so you can't deal with the problem that way.

Strong focus, stronger than ever on the issue of adaptation, which is what countries have to do to deal with the impacts of climate change that are already upon us and that you can't avoid. And then I think good, balanced, continued strong provisions for financial and technology support. So that's kind of the package.

And it was, as I say, remarkably robust. There really was kind of a coterie of countries that were aiming at a much more minimalist agreement. And to their credit, the French always -- the French kind of had a true north, I think, in this negotiation,

which was to produce a high-ambition agreement and, of course, that's where we were and that's where many others were, but it actually happened.

MR. JONES: It struck me at the time of the -- I remember that the French president and Obama drafted, as I'm sure you read, a joint op-ed looking towards the summit that the stars have not been this well-aligned in terms of a President that's committed to the issue and the chairmanship of the process by a close U.S. ally with serious diplomatic capability. I mean, that must have made a big difference to have that configuration in the structure of the negotiations.

MR. STERN: I think it made a huge difference actually. And again, it's an enormously complex undertaking what the French have to do and it's an odd way climate negotiations work that there is a new president of the negotiations every year. So the French had the presidency this year, but it's really hard to do it. It's not at all self-evident how you pull this whole ungainly body together. And you kind of start to figure it out and it's somebody else's turn, so there's not a lot of historical learning that you're able to -- but the French they did a very good job.

And to your point, they were really committed to a vision of a strong agreement that would have high ambition and a number of other things, and I think that made a really big difference.

MR. JONES: The central criticism of the deal is going to be, look, it's good in terms of getting to an outcome in Paris that you had this bottom-up approach of nationally determined contributions. But even the nationally determined contributions we've already seen don't get us to under 2 percent.

MR. STERN: Right.

MR. JONES: And even then, if you look at the Indian contribution, even the American contribution, et cetera, you can pose genuine questions about the

assumptions that are behind them. Do we have to have really heroic assumptions about what's going to happen in technology, if you see even those outcomes? So how do you respond to that?

MR. STERN: Well, look, I think that nobody doing this deal looked at this or nobody doing this negotiation looked and thought Paris is the time where we're going to lick the problem. We're going to do a Paris agreement and we're going to be coasting after that. That was just completely not in the cards.

What we saw, though, I think, is a very powerful step forward in the course of the last year. Let me just make a slight detour.

So we had this INDC, Intended Nationally Determined -- well, actually we had the idea of nationally determined contributions in the first instance. We then proposed, and it was very much with a view toward trying to come up with a procedural device that would encourage countries to do the most that they could, and there was -- you know, one sort of further step backwards, there's no way to have done a negotiation with 195 countries where you were going to actually negotiate each other's targets and timetables. That is what we did in Kyoto. I mean, I was in Kyoto and Kyoto was basically a negotiation between the U.S., Japan, and the EU, and we were negotiating each other's targets. You can't do that. Once you've agreed, as we did in Durban in 2011, that we're going to have this mandate for this new negotiation, it's going to cover everybody, everybody's going to have to act, then you could no longer have that sort of negotiation. So the notion of a bottom-up nationally determined structure made enormous sense.

But then, you know, to your question, Bruce, there was the natural concern, well, we don't just want people to give us low balls. We need to actually get the best that we can out of people. And the thing that we suggested was that let's make sure

that people have to put, the countries have to put in their proposed targets early. We proposed, and it was negotiated in the copy in 2014, we proposed by the first quarter of 2015, couldn't quite get that done, but we got something done which still involved early submissions.

So what you then had was both -- and the reason that matters is because if they come in early, they're subject to the sunlight. They're subject to the scrutiny of other countries, the press, institutions like this one, think tanks, analytic bodies, everybody's looking. Everybody's looking and saying that looks good, that looks bad, that looks wherever, and countries respond to reputational pressure. So you then had this secondary very positive effect of this drumbeat of submissions coming in all year. You had 7, then you had 10, then you had 15, 25, 47, and on and on it went until you got to 186.

Now, okay, that was a little detour. Back to your specific question. There's an outfit called the Climate Action Tracker. They're one of the best analytic groups that assess where we stand with respect to emissions and where we're going. And so they do a yearly assessment and, as of October of 2014, they said that based on the current policies that had been put in place by countries having to do with the targets that they had taken for those who had to 2020, that involved some, but not that many, we were on a track to a 3.6 degree increase Fahrenheit. Obviously way, way out beyond the 2 degree goal.

Their report for October 2015 is that we're at 2.7. Now, 2.7 is a long way from 2, but it's also a long way from 3.6. So in the first set of these INDCs which are going to keep ratcheting up, again we hope every five years, that there's already been this big, big move. So I guess that's the first thing I would say, that a big move has already been made.

And then you need to look at, again, the structure that you have these five-year review periods and the ratcheting up cycle of what countries are supposed to do built into the agreement. And then you also have to recognize that fundamentally what needs to happen in the world is that countries put in place the rules of the road, putting in place incentives, removing barriers, so that the right kinds of policies are in place and the right kind of action can take place in countries that build toward the transformation of the energy system because that's what this is all about. Everything we're talking about is about transforming the energy base of the global economy from high to low carbon. That's what's going to get us down to 2 degrees and below 2 degrees.

There's a big piece that's important on land use, also, but the kind of heart of the matter is that transformation of the energy system. And what an agreement like this is meant to do is to create a framework, a structure that's lasting, that's got this continual ratchet up that subjects countries to be under the spotlight through transparency, so that the right kinds of signals are sent, again, both to countries and to business and researchers and investors to get us on that path. So I think that's about -- you can't really do more in one fell swoop.

MR. JONES: You used the phrase "transforming energy systems and transforming energy sector." You know, climate change is always treated as the ultimate global issue, and you talked about that pressure for an inclusive global negotiation. But it only takes the top 10 economies in the world to get 75 percent of global greenhouse gas emissions. Right? So just talk a little bit about was it a tension? Is it a complementarity between the kind of work you were doing with the biggest economies in the world, in small groups, and this more inclusive U.N. negotiations.

MR. STERN: Right. So they are complementary. You can't have one without the other. So I guess I kind of cut my teeth on this issue when I was in the

Clinton White House. And as you said, Bruce, I got sort of drafted into jumping onto the team that preparing for Kyoto about four or five months before Kyoto.

Now, I've lost the -- give me the question again.

MR. JONES: Tension between small groups of great powers and inclusiveness.

MR. STERN: Right, sorry. So I saw close up what goes on in an actual COP meeting, which is a little bit chaotic at best, a little bit like a circus, and not a place where you have serious kind of thoughtful, reflective discussions with key players. You know, you're running around doing many things. And, I mean, we have actually moved from the level of acrimony that has historically been there, but there was still a great deal of that when I started and there has been quite a bit of that all the way up until now.

So we decided coming in, in 2009 with President Obama, that we wanted to have a smaller body of countries, basically a major economies group of countries. I had interestingly—at least it's interesting to me anyway—written an article in the interregnum between the Clinton and Obama administrations calling for the creation of such a body for major environmental crises. It wasn't focused only on climate change in the article, but that's obviously what we did in real life.

And so President Bush had created such a body. It was called the Major Economies Meeting. It wasn't devoted to getting a new international climate agreement because that wasn't so much the orientation of the Bush administration, but nonetheless he had pulled this group together. It's essentially the G-20 minus Saudi Arabia, Turkey, and Argentina, 17 countries. And so we kept that group of countries. We christened it with a slightly different name and give it a different mission, which was really to use it as a facilitating discussion forum for the negotiations.

We also hoped -- this never really came off as much as we wanted to --

we also hoped that this group that was responsible for probably 75 percent of global emissions would take action, you know, concrete action in their own right in various technology ways. And again, that didn't happen so much for a variety of reasons, which get us off the point.

But back in 2009, we actually had six meetings of the Major Economies Forum, the MEF. The numbers were centered around the preparation of a leader statement, which was produced for I think it was the G-8 meeting because I think it was a G-8-Plus meeting that was at L'Aquila in Italy in July of 2009.

MR. JONES: Yes, that sounds right.

MR. STERN: And those who weren't part of that meeting were invited, so we had a MEF segment of that leaders meeting. But each year we kept that going, usually three or four times a year, and it became the place where we could discuss the key issues, whatever they were at that particular time, to be resolved that year. And it was a place where we could socialize ideas, try to get countries used to thinking about X, Y, or Z in a particular way. It wasn't at a negotiation forum and it wouldn't have had any credibility as such, but I think it was important. It was high-level, it was a ministerial group. And you come together that often and you get to know each other and there's a certain intimacy.

We learned actually that literally the size of the table, the size of the room mattered. I mean, there was one meeting I remember that the EU hosted -- see, we would do these in the U.S., but also in other countries -- the EU hosted in Brussels, and you probably could have sat 75 people around the table. It was just like this gigantic table and we had to speak in microphones because nobody could hear otherwise. And it kind of wrecked the meeting because you just didn't have the back-and-forth that sort of became the mark of the MEF.

We also did enormous amount of bilateral work with China in particular, not only China, but China more than anyone else. And as you said in your intro, Bruce, the ultimate joint announcement in November of 2014, I think, was hugely important. It didn't come out of nowhere, so, you know, I had been working -- my counterpart and I both go all the way back to 2009, he even a little bit before me, so we had had many, many, many dozens of meetings together over the course of the years. I went to his hometown. I took him to Chicago, took him to a Cubs game, had him to our house for dinner, you know, took him to see my old friend from the Clinton days, Rahm Emanuel, who's the mayor. A lot of work all through the years.

When Secretary Kerry came in, in 2013, he was very committed to cranking this relationship up even more and he wanted to do an initial statement between the U.S. and China, and he created a working group, a Climate Change Working Group between the two countries. And he went in April and got those things established. There is now -- this Climate Change Working Group is kind of the preeminent collaborative body between the U.S. and China on climate issues. It's worked on a whole number of specific technology areas, but also on the negotiations.

Later in 2013, in the summer, there was the Sunnylands agreement on HFCs, a short-lived climate pollutant that President Clinton did with President Xi. And then we sort of came around into January of 2014, and, again, Secretary Kerry said, okay, we had a good year, now we got to crank it up. What are we going to do next?

And out of that push from Secretary Kerry, we came up with the idea to try to do a joint announcement with the Chinese of what our targets would be. And I went with Secretary Kerry to China in February or March of 2014, and we started to talk about that idea. I mean, I met with my counterpart and he was open to it, and Secretary Kerry met with the president and premier and foreign minister, all the top brass in China, and

we started talking about this notion of working together, working collaboratively on our targets, sharing information with the aim of jointly announcing if we could get there. And it was a nine-month effort and produced that agreement.

I think that was just kind of a major -- it sort of electrified the climate world. I mean, the image of these two historic antagonists, kind of the big gorillas in charge of their own feuding camps in the history of climate negotiations, was striking in itself. And the fact that we had each put forward our targets, I think, also was a tremendously influential event with regard to other countries starting to produce their own targets. Right? So even though these weren't literally the INDCs that we submitted, they essentially were the same thing. We announced what we were going to do and then other countries started to follow suit.

And I think other countries looked at that announcement and said to themselves -- and, you know, I've heard any number developed, developing, you know, all over the place, say to me when they saw that, they thought this deal's going to happen. So the long way around.

MR. JONES: I was struck comparing the language. I mean, if you read the U.S.-China agreement, it's extraordinary clear, urgent language about the issue. And then I contrasted it with the Paris agreement paragraph 100, which is the kind of core of the text, the stock-taking on INDCs reads as follows: "Request the ad hoc working group in the Paris agreement to identify the sources of input for the global stock-take referred to in Article 14, and to report to the Conference of Parties with a view to the Conference of Parties making a recommendation to the Conference of Parties serving as a meeting of the parties," then it kind of goes on.

It must be hard at time to maintain the kind of sense of urgency and focus of the scale of what we're doing and yet navigate through this very U.N.-ese kind of

text.

MR. STERN: Well, yes, there is some of that. There's no doubt. Just sort of for kind of information's sake, there are two different related pieces of this that get negotiated. One is the agreement. That's the legal instrument. That's the instrument with legally binding provisions. Targets are not legally binding, but all sorts of provisions on accountability and transparency are.

I wouldn't say that's -- you know, that's not exactly Fitzgerald, but it's better than --

MR. JONES: I did pick out a particularly bad paragraph. (Laughter)

MR. STERN: It's better than the decisions. The agreement is shorter, cleaner in its approach. Again, I wouldn't recommend it for anybody looking for a good read at night, but the decision then, which tends to be the document that is intended to implement various of these provisions and to point a more technical way forward, it does read like that.

The other thing that I would just say, though, because I realized there was a part of your last question that I didn't really touch on, which is that so you have this action with these discussions that we have all during the year and all during the years with the Major Economies Forum and the big discussions that we have with China. There were also important discussions with India. The President met with Prime Minister Modi twice in a very short space of time in September of 2014, again in January of 2015. President Rousseff came from Brazil in the summer and we negotiated actually a quite important climate change document with the Brazilians. So that's all work being done with the big guys. And, of course, we're working with the EU and other developed countries all the time.

But it's also you can't get it done just on the back of the big boys. And so

there are a large number of developing countries who obviously are not in the category of the bigs and they matter because this is a body with 195 players and it's a consensus rules. So if any small number decide -- literally if any one says no, you don't have consensus. I've been there. I've seen the process where some country's jumping up and down and practically standing on the table and there's only one, and the chair says seeing no objection and, you know, gavels right through. But you can't do that if you've got any -- if you've three or four even you already can't do that. So the smaller guys matter.

And they also matter because if you kind of work with the right grouping - - well, let me sort of back up and explain exactly what I mean. So we cared about and the EU cared about high ambition in this agreement. We did not want just an agreement to go through that was kind of so-so. We wanted strong transparency; we wanted strong targets and provisions for five-year updates, and so forth. And there were certainly those among the -- in the developing country group who were not interested in that, would have been happy with much less, and particularly weren't interested in anything that chipped away at the firewall that I talked about earlier.

But there's also a group of developing countries that are progressives and that group tends to include a group of progressive Latins, the island nations who are more existentially threatened than anybody else, and a lot of least-developing countries who are also quite worried about the impacts of climate change. The EU, back in 2011, pulled that group together in a coalition that helped create the mandate for this negotiation. That was the first time I'd really seen that group pull together with the EU. We were kind of on the margins of it. Back in 2011, we were kind of focusing most of our attention with regard to getting this mandate done on the so-called basic group. That's China, India, Brazil, and South Africa.

If you look at the meeting that occurred -- so fast-forward to this year and there were four meetings at the level below ministers, so for this purpose I'm the U.S. minister. So below that level four meetings of all 195 countries during the course of the year. And the last one of those was in late October and it was a very negative, very acrimonious meeting. There had been a new text put forward that produced a lot of anger on developing countries. And the G-77, under some quite strong leadership, really kind of rounded everybody in the developing countries side up in quite a lot of opposition to certainly where we wanted to go. And the progressives' voices were all really still. They were kind of cowed.

So I, coming out of that meeting, was very keen on trying to work with the EU and others to kind of revive that coalition of progressives. And I think that that -- the EU has kind of had the leadership on this all the way through, but we very much got engaged with it, as well. And the Marshall Islands under the leadership of their foreign minister, Tony de Brum, played a crucial role.

And this coalition kind of blossomed in Paris and it came to be called the High Ambition Coalition. It grew and grew, more and more countries wanted to associate themselves with it as we went forward. I'm sure it was well over 100 countries. And it created a real force, a real sense of pressure in the right direction for the kind of agreement that we all wanted. So that's a combination of working with the big guys, but also building a coalition between big guys and smaller countries that I think became very, very potent.

MR. JONES: Let's turn to the audience. I suspect there'll be a lot of questions and we'll have time for a couple of rounds, I think. So I'll start at the front and we'll work our way to the back. The gentleman on the left here. There's a microphone coming.

MR. ROMARTINI: Hello. My name is Paulo Romartini. In the early 20th century, Woodrow Wilson tried get the ratification of the League of Nations in the U.S., and he failed. The other party, the political party, didn't ratify the League of Nations. And then a few years later, you have the Second World War. Now, what is going to happen if we have a Republican President, like Trump, Cruz, or Carson, or even if that doesn't happen, what happens if they continue controlling the two Houses and they block the entire agreement or even if they just filibuster some key issues of the agreement in order to make it fail? What would happen in that case?

MR. JONES: I'm going to take two or three questions, if that's okay, and then come back to you.

MR. STERN: Okay.

MR. JONES: So we'll stay in the front for a moment. Right up here.

MS. HYLAND: I'm Sheridan Hyland from the Blue Moon Fund, and I wanted to ask a little bit more about the short-term and longer-term steps for China and the U.S. to keep the momentum going on their climate change work. You know, what do both countries need to be focusing on to keep everything moving forward, especially with the 2016 U.S. presidential election coming up?

MR. JONES: Let's take one more from the middle of this group here, yes, and then turn to you, Todd.

MR. BLAUSTEIN: Yes, hello. Rich Blaustein, journalist. I have a question that ties in with the gentleman's first question, and that's the difference between the words "shall" and "should," and how that ties in with an Executive Agreement or a treaty, and in particular that would be Article 4-4 on taking economy-wide measures. Should they or shall they?

MR. JONES: You want to tackle some of those?

MR. STERN: It will come as no surprise to you that I'm very familiar with which article that is. (Laughter) So let me start with the first one first.

So, look, I think that we have -- first of all, to take a step back, this is not an agreement that requires Senate ratification in the way, or Senate advice and consent to use the right term, in the way that it's structured. There are different avenues by which presidents bring the United States into joining international agreements. It's very, very common that agreements are done in different ways. Sometimes they're done as treaties that need to go to the Senate for advice and consent, but it depends on what is actually in the text and also certain related factors. This one does not require submission to the Senate for advice and consent, so in that sense it's not the case that Congress can block the President from joining if the President chooses to do so, which I assume that he will.

You then have a question about, well, what happens if there's a Republican administration next? I think that there's a history, there's quite a long history in this country of international agreements being done, whether they're done with Senate approval or they're done in those Executive Agreements, where one administration follows another, it can be Democrats following Republicans or Republicans following Democrats where respect is accorded to the undertakings that the United States has taken. Because the United States enters into these agreements not as the Republican administration or the Democratic administration of the United States. They enter into them as the United States of America. And it would be a very consequential thing and a very unwise thing if the historic practice observed by both parties were to suddenly be turned on its head and an agreement like this discarded, and I really don't see that happening.

And I also don't see that happening because this is an agreement with enormous, enormous international approval and a great deal of momentum. And for

anybody to come in now and say that we're going to walk away from this is going to do -- would do so much foreign policy and national security damage to the United States that I truly don't imagine any President who might be coming at the end of -- as a result of next year's election doing that.

I would also say that this agreement is negotiated in a way that should have -- I mean, if people want to look at the substance and not sort of just engage in from-the-hip attacks, this is truly an agreement that should have wide bipartisan support. I mean, if you look at criticisms that have come in the past -- developed countries are acting, not developing; why should we act if China's not; how can we have legally binding this and they not -- all manner of objections that have been historic objections we've heard in the past have really been addressed here. So this is the kind of agreement that both sides of the aisle should support.

So I really, for a whole set of reasons, I would be stunned and I don't expect to see a situation in which the United States would walk away from this.

MR. JONES: What about the question on what the U.S. and China need to do to kind of keep the momentum going?

MR. STERN: That was just question number one.

MR. JONES: Okay, good. (Laughter)

MR. STERN: Well, you know, I think that really coming out of the November 2015 joint announcement, the U.S. and China, and the lead-up that I already recounted to that and what has come in the follow-up -- because remember, we had a very important joint statement between President Obama and President Xi in September of this year in the White House and now we have this new agreement, so the U.S. and China are very wrapped up with each other right now with respect to climate change. President Obama and President Xi had a bilateral meeting in Paris on that first day when

the President went. And the Chinese talk about climate change as a bright spot in the U.S.-China relationship and as an illustration in what is kind of their sort of slogan, if that's the right word, of President Xi's own administration vis-à-vis the U.S., which is to build a new model of great power relations. And they talked explicitly and he talked explicitly in the meeting with President Obama of climate change being an illustration of the new model of great power relations.

So our two countries are very invested in each other in making the multilateral agreement work and in making our bilateral cooperation work. And again, there is now a -- you know, it's at this point, I guess, almost 2-1/2 years old, the Climate Change Working Group. There's a whole kind of set of initiatives that are operating under the banner of that working group that involve a whole host of areas: vehicle efficiency and research in carbon capture and storage and research in smart grids and a whole number of areas.

And so I have every -- and I should say that there is a vehicle, there is an every-year vehicle, the strategic and economic dialogue, which in the way that the Climate Change Working Group came up, that's the delivery point each year to make new announcements to both put forward a report saying here's where we are with respect to the original five and then the two more and then we're going to do two more. So there's a whole sort of tissue of relations with us and the Chinese that I think is just going to grow and continue, and I think both sides are very invested in making that happen. And there are enough interactions built in throughout the year that I think that that will happen.

On "shall" and "should," I don't know if everybody has heard about this little kerfuffle at the end, but so the legal form of this agreement is very important for us from the beginning. We favored a proposal that New Zealand, as it turned out, quite

usefully put forward on their own, which was essentially a kind of hybrid legal agreement with targets that were not legally binding and much of the other both kind of process and transparency and accountability elements legally binding.

But the use of particular verbs in an international agreement often is what makes a provision legally binding or not. So if you say that a country should do X, that is not legally binding as it's understood. If you say that a country shall do X, that is legally binding. So we could not have "shall" in connection with our targets because that's not the kind of agreement that we were seeking for a whole variety of reasons.

And all of this had been thoroughly negotiated with respect to the relevant paragraphs of the mitigation section, with the French, with the Chinese, with everybody. If you look at the previous drafts of this agreement, they all said, with respect to that pivotal paragraph, they all said "should." We had negotiated some kind of alterations in the relevant paragraph, but always still with "should." And we were completely joined at the hip with the Chinese and many other countries on this. I had sat down personally with Foreign Minister Fabius, the president of the COP, and discussed this specific paragraph.

And somehow or other, when the final draft was beeped around to everybody's computers and we printed them out sort of in the early afternoon on Saturday, and my team and I all sat down at the table and started reading through it, I'm actually the one who got to Article 4, paragraph 4, and it said "shall," and I said what happened here? (Laughter) And we called -- you know, Secretary Kerry was there and we called Mr. Fabius and he had no idea that it had happened. And we had very close working relationships, as did many, with the actual drafting team for the French, and they didn't realize that that happened. So somewhere, some gremlin got into the system and "shall" appeared where it shouldn't have. But then you have to go into the final plenary

and get it fixed and that's not so easy because people will immediately suspect that the U.S. has some trick up its sleeve, and it was completely not true.

So there was a lot of -- this took 90 minutes. It delayed the start of things for 90 minutes because we had to walk around, as did the French, the others, the Chinese were actually very supportive, to explain that, no, no, no, that was never supposed to be that way. And in the nature of international negotiations, which do not proceed by the Marquess of Queensberry rules often, countries who see this having happened, even if they believed that it was unintentional, still start to calculate what can we get for agreeing to let it be fixed. So it took a little while, but it was more a kerfuffle than a life-threatening event. (Laughter)

MR. JONES: I cut my teeth on U.N. negotiations, the Arab-Israeli issues, and to this day, 60 years later, they are still hamstrung over the difference between the French language and the English language version --

MR. STERN: Of course.

MR. JONES: -- of Resolution 242, one of which says "land" and the other says "the land." And to this day it's -- so the words do matter.

MR. STERN: Right.

MR. JONES: Let's do one quick final round. We'll come on to this side, so the gentleman in the middle and we'll take a couple more, and then give you the final word.

MR. LOGAN: Hi. Lee Logan with Inside EPA. So the new spending deal that was just announced this week doesn't include a prohibition on the U.S. contributing to the Green Climate Fund, and so I'm wondering if, you know, the U.S. is finally able to make its first installment into that. How does that help with implementing some of the details of the Paris agreement, such as the accountability provisions?

MR. STERN: Yes. So I'm actually not going to make any comment about the budget deal. I appreciate the question, but I'm not going to give you a direct answer to that, but I will say in general that our providing funding and all countries providing funding is hugely important. I mean, it was an important part of the negotiations and it will be important going forward. It will be important that countries who are either developed countries or there are a number of developing countries now who also are making themselves donors. There are nine developing countries have contributed to the Green Climate Fund. China, during President Xi's visit here, announced a \$3 billion fund of their own, China's own, to provide climate assistance to developing countries.

So it's very important and we will go forward and do our best to provide funding, but I'm not going to get into the specifics of that question.

MR. JONES: We'll take one more at the back.

MR. SIMCHAK: Tom Simchak with the British Embassy. So what are the next steps? I mean, when the U.S. diplomatic team returns in January having, hopefully, caught up on some sleep, what's on the to-do list for the next six or eight months?

MR. STERN: Yes, thank you. And we worked really, really -- there's a great team for the UK and we worked very, very closely with them, and I appreciated our collaboration with the UK all the way through this year.

So we have the agreement, then you have this decision that Bruce was reading that kind of gibberish out of, and there are actually a number of areas where guidance or guidelines need to be developed and written. I mean, maybe the best example is on the transparency regime. We got really what we wanted in the two pages or so on transparency in the agreement. We had been pushing against a number of countries who were looking for about four lines in the whole thing, just we'll agree to set

up a robust transparency regime, details to follow. We didn't want that. We wanted enough details so that when guidelines negotiations began there'd be real guideposts along the way that laid out enough clarity about what kind of system that we were talking about. And we got that, but, nonetheless, you don't have all the detail that you need to set that up. So I think that'll be an area.

There will be various areas with respect to mitigation that have to do with guidelines for the kind of clarifying information that should be provided for nationally determined contributions going forward. So let's say a country is putting forward a carbon intensity target that China has three different -- actually four different sub-targets, one of them is that, it matters a whole lot. I mean, it matters not just a whole lot, it matters completely how you calculate what your GDP calculation is. If you're putting forward a reduction against business as usual -- and this isn't what developed countries do, but it's still what some developing countries do -- it matters hugely how you're calculating what your business as usual curve is. Because if you imagine that a country kind of jacks that up higher than it really is, then it's very easy to get a "reduction" because you're actually not making much of a reduction at all.

So there are lots of -- there's information that will need to be included as part of INDCs going forward. In any event, there are probably at least a half a dozen places where there's guidance and guidelines that will need to be worked out, a working group that's getting set up here in adaptation and things that are being done really in all the different elements of the text.

So the aim next year will be to do decisions that carry that work forward, to finish that work where it can be, and to get it moving at a good clip in areas where it'll take more than one year.

MR. JONES: We're going to have to wrap, but I wanted to do two things.

First, I wanted to acknowledge Charlie Ebinger. He'd led our energy work here at Brookings for a long time. And to thank both my staff (inaudible) and yours, who I suspect got even less sleep in Paris than you. I'm looking at you two.

And then to send a particular thanks to you from Strobe Talbott, the president of Brookings, who, to his chagrin, is in India rather than here. He's not chagrined that he's in India, but he's chagrined that he's not here. (Laughter)

MR. STERN: Yes.

MR. JONES: Those of you who follow these things know that India's in a particularly difficult position on climate things, and that translates into being, I think we can diplomatically say, a pain in the ass in global climate negotiations.

MR. STERN: You said that, not me. (Laughter)

MR. JONES: Indeed. And what Strobe said to me is that spending in Delhi in the immediate aftermath of Paris he's heard "nothing but praise and respect for Todd and something close to awe of his mastery of the science." And one of the senior Indian negotiators said to him, and this I think is characteristic and we've seen it on stage, that Todd is "a patient but persistent gentleman diplomat." I think that's high praise.

And Todd, thank you very much for being here.

MR. STERN: Thanks very much. Thanks, everybody. (Applause)

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