

Statement of the United States of America
Seventh Session of the Ad Hoc Group on the Berlin Mandate
July 31, 1997

Mr. Chairman, there are a number of new elements that the U.S. has introduced as part of our proposal which I would like to discuss today. We have introduced these elements to clarify two central issues related to our work -- which gases should be included, and how to develop mechanisms to promote compliance. We look forward to the opportunity over the next week to work together with all Parties to find common ground on these and on all of our other issues so that we can move forward to the successful outcome that we anticipate for Kyoto.

Mr. Chairman, the United States has taken the floor in the past to explain other elements of our agreement. We believe such an agreement must:

- establish legally binding targets;
- provide maximum flexibility for Parties to meet these targets; and
- set credible, realistic levels for these targets.

There must be mechanisms for national compliance and we need to involve all countries in meeting the goal. At the moment, as some have noted, the U.S. does not have, and is therefore not in a position at this time to introduce, numbers into our discussion.

Numbers, in our view, are very closely related to structure. It is not possible, in fact, to decide what kind of a target we might undertake without knowing what constraints are imposed on such a target.

We have a very clear view: there should not be constraints on the flexibility mechanisms; countries should be allowed to use those kinds of procedures that reduce the costs -- there is no sense in taking on commitments and paying more for them. All countries have pressing obligations for their limited resources, and taking advantage of the cost-effective mechanisms must be an objective as we proceed. We have introduced proposals on emissions trading and joint implementation, on a budget process, on a process for banking -- these are all elements that increase flexibility and decrease costs.

Many have expressed concern that flexibility mechanisms will be difficult to implement. To address this, the United States has introduced new proposals, contained in a miscellaneous document prepared by the Secretariat for this session, to elucidate two of the elements that we have suggested in earlier texts. One is the issue of compliance and the second is the issue of which gases might be counted in any agreement. Both of these elements are critical for us to determine the structure, and the structure is critical, as I have noted, to determining a level.

Compliance is fundamental whether you do or do not have any flexibility elements. Nearly all of us agreed in Geneva at COP-2 that the instrument would be legally binding.