

U.S. Country Statement (as delivered)
Asia-Pacific Partnership on Clean Development and Climate
Policy and Implementation Committee Meeting
October 29, 2008

Good morning.

Many thanks to our Canadian colleagues for hosting this meeting. It's always nice for those of us in Washington to get out to the West Coast. It's also a pleasure to see all of our Partners.

I want to address what we're doing in the Partnership, highlight some of the progress at home in promoting clean energy, and talk about the transition and its significance for the Asia-Pacific Partnership.

The U.S. has had funding in place to support selected projects across all APP sectors since last summer, or approximately fifteen months. This means that the USAPP program is a little over a year old, and I am pleased to highlight our first annual report, which we released last Friday. In this short time, we have on the order of \$65 million in funding now launched or in the pipeline, and this report is the first record of what we have done so far.

We're very excited about these activities and their results. I'd like to briefly highlight a few examples where we think we've made real progress last year. For example, as part of its APP cooperation, the U.S. Department of Energy worked with the developers of the Beijing Olympic Athlete's Welcome Center and the Beijing Olympic Village to minimize energy use in these key buildings during this summer's Olympic Games.

Another APP project in India recently contributed to the announcement of a \$50 million fund for sustainable small and medium-sized enterprises (SMEs) focused on renewable energy

and energy efficiency. This is precisely the kind of leveraging we look for in APP activities.

Another example is U.S. APP Participant Solar Turbines, Inc.'s work to place clean energy technology systems that convert coke oven gas to clean heat and power in China, resulting in significant emissions reductions. In fact, one customer, the Shandong Jinneng Coal Gasification Company Ltd., is using Solar Industrial gas turbines to reduce its CO₂ emissions by 40,000 tons per year – a record so impressive that it helped the Coal Gasification Company win a prestigious U.S. EPA International CHP (combined heat and power) award, the first ever given to a foreign business.

Work like that detailed in our annual report, as well as the important progress being made in APP activities led by all of you, is a very significant record of achievement for this young Partnership.

We will also continue the work we have started in fostering collaboration between states and cities to complement the national level work being guided by this Committee. This work is yielding many potential opportunities for productive cooperation – for example, since the last PIC, a project we mentioned that links the U.S. state of California with the Indian state of Maharashtra to promote demand side energy efficiency improvements has attracted interest from several additional Indian states. We also have started discussions between U.S. cities and states to forge connections with their counterparts in China and India to further promote the sharing of best practices and lessons learned. Following the Seattle PIC meeting, we initiated discussions with Spokane, Washington, to develop a sustainable cities partnership. These are examples of things we see as solid foundations for continuing APP work.

I'd like to highlight some very important provisions of the recent \$700 billion financial rescue package recently signed into U.S. law that didn't receive a great deal of attention but are important nonetheless. The package extends tax credits for solar, wind, geothermal, and biomass, provides \$2.5 billion for clean coal projects with a focus on carbon sequestration, and includes a new tax credit for plug-in hybrid vehicles. Such renewed domestic focus on key clean energy technologies also underscores the U.S. commitment to clean development and climate goals.

We have just days until the U.S. Presidential election. Both Presidential candidates have expressed support for pursuing the kinds of clean energy solutions we are trying to foster through the APP, and we expect that climate and clean energy will be priority issues for the next Administration.

One of the basic tenets of the APP is that we can make significant progress through collaboration and cooperation. The United States has invested a great deal in terms of the commitment of our U.S. Government agencies. I want to thank our agencies and industry representatives, especially those that have been working in the Task Forces. The Task Forces are at the heart of this program, and they are increasingly something to build on as our activities grow.

This is harder work and even more intensive in many ways than preparing for negotiations, but we think this kind of work on practical, results-oriented issues will be an essential complement to our discussions under the UN in making progress on these issues over time. We're pleased that this seems to be an idea that enjoys bipartisan support in the United States. We look forward to working with all of you and to our meetings in Australia and China next year.