



Forum for American Leadership

Setting U.S. Climate Policy Straight: Recommendations for the 118th Congress

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The Forum for American Leadership's [Energy](#) Working Group has produced an agenda for Congress to set U.S. climate policy straight, particularly in international fora such as the IEA and at home in the EIA, drawing on its [Blueprint for a Serious and Sound Climate Policy](#) and plan for Congress to [Restore Realism in U.S. Energy Policy](#). The new Republican House majority in the 118th Congress has promised to implement a bold energy policy agenda, and that agenda should include the following climate and critical minerals priorities:

- ***Insist the IEA Retract its Call to Ban Oil and Gas Investment to Reach an Impractical Net Zero Target by 2050.*** U.S. diplomats should push IEA to retract these statements and clarify that the agency does not oppose new investment in oil and gas, which remains critical for the foreseeable future to meet demand and ensure secure, affordable energy for U.S. citizens and the world.
- ***Require the EIA to Analyze Biden Climate Proposals as a Condition for Congressional Funding.*** The EIA has yet to release a cost-benefit and feasibility study of President Biden's executive order requiring the federal government to achieve net-zero carbon emissions by 2050. Congress should tie funding for the EIA to its timely issuance of transparent, unbiased modeling of major energy and climate proposals, including analyses of their impact on the U.S. economy and energy security.
- ***Pressure for a Return to Unbiased Forecasting at the IEA.*** To please climate change advocates eager to reduce hydrocarbon investment, starting in 2020, the IEA cancelled including a "business as usual" (BAU) reference case scenario in its long-term forecasts and instead only included scenarios that assume quick and easy peak demand. Congress should pressure the Biden administration to use the voice and vote of the U.S. to return the IEA to resume the long-held forecasting convention of a BAU reference case in its annual forecast scenarios.
- ***Depoliticize and Accurately Represent the Science and Technologies, Including:***
 - Require that authors of Summaries for Policy Makers (SPMs) of UN IPCC reports be selected by independent, non-government experts and scientists without conflicts of interests.
 - Require settlement of differences arising in the peer-review of assessment reports by an independent referee, as is the case for research papers, instead of allowing the assessment report's authors to discard criticisms without explanation, as is the case now.
 - Require UN and U.S. assessment reports to undergo a formal review by a group of independent climate experts tasked with challenging the assumptions, conclusions, and presentation, probing for weak spots, distortions, and exaggerations. Require report authors to rebut any points raised.
- ***Apply Sound Principles and Leverage All Strategies and Fuels, Including:***
 - Require the DoD and State to analyze the impacts on U.S. national security of sharp increases in oil and gas prices now and in the future.
 - Require the Treasury Department and the Federal Reserve to analyze the economic and financial impacts of a successful and unsuccessful transition this decade. Foster closer

collaboration with the financial community to educate it on realistic scenarios to protect against dislocation of capital.

- Congress should repeal tax benefits and outlays benefitting mature but uneconomic technologies and redirect any futures taxes benefits and outlays toward activities the private sector may bypass, such as basic science and strategic endeavors, including work on minerals dependence and nuclear energy, with the potential for disproportionate security benefits.
- **Legislate on Climate at Home and Lead Abroad**
 - Congress should lead the debate and enact domestic and international climate policy. The current approach led by the executive and judicial branches yields only transient, legally vulnerable, and easily reversible domestic and foreign policies.
 - Congress should enact legislation establishing a nonpartisan, expert national commission that integrates technology development, economics, and the strategies, principles, and policy options noted here to develop coherent options for Congress to debate and enact.
- **Critical Minerals Recommendations:**
 - Legislate a streamlined permitting process for mineral extraction and processing in the United States to bolster our competitiveness against established producers in China.
 - Provide funds for [bolstering critical mineral security](#) through the Defense Production Act of 1950, a federal statute passed during the Korean War that gives the president broad authority to influence the domestic industry in the interest of national defense.
 - Make critical minerals legislation a higher priority. A [bill](#) introduced in January 2022 by Sen. Mark Kelly and Sen. Tom Cotton would establish a strategic rare earths reserve and restrict the use of rare earth elements from China in advanced defense technology in the United States.
 - Enact legislation that would force defense contractors to stop buying rare earth-enabled products from China by 2026 and use the Pentagon’s Defense Logistics Agency, to create a permanent stockpile of rare earth minerals.
 - Consider establishing tax credits, modeled after wind and solar credits, for the domestic production, processing, and recycling of critical minerals.
 - Prioritize domestic development and direct any foreign assistance for clean energy mining towards friendly and stable sources of supply, particularly U.S. allies such as Australia and Canada and partners in Latin America.
 - Mandate an update to the [2019 Critical Minerals Strategy](#), issued by the Department of Commerce, and require subsequent updates every two years.
 - Establish a “one-stop-shop” consolidating and expediting the processes across the Department of the Interior, Department of Energy, and USDA for permitting, grants, and loans to produce, process, and recycle critical minerals.
 - Create an Export-Import Bank program that supports exportation of U.S.-origin rare earth mining equipment and services and debt and risk insurance for U.S. rare earth investments.

The Forum for American Leadership (FAL) is a non-profit organization that presents expert analysis and national security recommendations to policymakers in Congress and the Executive Branch.



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