Interview with Christiana Figueres

Mary Grady of Winrock International’s American Carbon Registry (ACR) interviews Winrock’s former Board of Directors member Christiana Figueres regarding her recent appointment as Executive Secretary of the United Nations Climate Change Secretariat and her vision for a global accord on climate change.

Mary: Christiana, you’ve been involved in the international climate framework discussions since their inception, initially as the official negotiator of the UNFCCC for Costa Rica and most recently Vice President of the Bureau UNFCCC. How do you feel about the progress that has been made to date in the implementation of Kyoto and what inspired you to seek the position of UN Climate Change Secretary?

Christiana: Without minimizing the challenges we are facing now, we must recognize that the global climate regime made decisive progress through the implementation of the Kyoto Protocol since its ratification in February 2005. The first commitment period (2008-2012) has served to set up GHG accounting systems in all participating industrialized countries, has encouraged developing countries to identify thousands of mitigation opportunities, has established a global carbon price and has developed an international system for quantifying, verifying and transacting emission reductions. These are great achievements that we need to build upon going forward.

With regards to what inspired me to seek the position of UN Climate Change Secretary, let me first say that I am humbled by the trust and vote of confidence of the UN Secretary General, and excited about the challenge ahead. I have dedicated all my professional life to addressing climate change, and I cannot see a better way to further contribute than by taking on the role of UNFCCC Executive Secretary. I have been extremely fortunate to count on the support of the Costa Rican government - even in the midst of elections! - and many other people around the world that have believed in me for this position. I cannot forget that my passion for the environment is a reflection of the deep commitment that my country has for sustainability and conservation. Costa Rica seeks to be carbon neutral by 2021 in celebration of our 200 years of independence. With this background, how could I not be pursuing a green career?

Mary: Your personal experience as a Costa Rican led you to see the importance in incentivizing developing country emissions reductions as part of the global climate accord, which was the basis for the creation of the Clean Development Mechanism (CDM). Despite achieving hundreds of millions of tons of emissions reductions, the CDM has been criticized on a number of fronts. Do you think the criticism is justified? How is the CDM Executive Board proceeding with reforms to further enhance integrity and scalability?
Christiana: The CDM was an innovative approach to tackling climate change and had to be built from scratch. When we were negotiating the Marrakesh Accords in 2001, we thought that the CDM would attract at the most 200-300 projects. As of today, there are over 4,000 projects in the pipeline, 2,000 of them already registered and over 400 million CERs have been issued. The Kyoto Protocol entered into force in February 2005 marking the beginning of the international carbon market. Despite the short time frame in which the CDM has operated, the mechanism has saved billions of dollars in complying countries and has inspired thousands of companies globally to invest in green technologies in developing countries.

Despite the achievements, I agree that the system needs constant improvement, and there is no doubt that the CDM can enhance scalability and streamline processes. During my time on the CDM Executive Board and later as Chair of the CDM negotiations at different COPs, I have been one of the most active promoters of reform in the CDM. Certainty, streamlining and scalability should be priorities for reform. Some progress was made in Copenhagen last December and we should continue to build on that towards Cancun.

Mary: What do you think were the most important changes to the CDM achieved in Copenhagen?

Christiana: The CDM reform agreed in Copenhagen was one of the most far-reaching. The Executive Board (EB) was urged to ensure compliance with established timelines and reduce them where possible, publish detailed rationale for decisions and improve consistency. It was requested that the EB establish procedures to communicate directly with Project Participants (PPs) over issues on individual projects and consider appeals by stakeholders in certain circumstances. There was also reform with regards to consideration of host country policies in determining additionality and on issues related to materiality and level of assurance in monitoring. Further, for the first time, countries were invited to submit “expressions of interest” with regards to the inclusion of CCS in the CDM.

Mary: What would you envision as the greatest possible success of the next round of global climate negotiations, beginning in Cancun?

Christiana: There is a clear need to rebuild trust in the UN process, and one can start doing that in Cancun delivering concrete results. In the next round of negotiations we need to focus on taking some of the elements in the Copenhagen Accord, such as fast-track financing mechanisms, REDD, adaptation or technology transfer and ensure delivery. We do not need more high level political guidance. We had that in Copenhagen. What we need to do now is to take the elements incorporated in the Copenhagen Accord and discern how they fit within the two negotiating tracks in the COP: Kyoto Protocol and Long-term Cooperative Action.

Mary: What do you think were the most important changes to the CDM achieved in Copenhagen?

1 According to recent studies, compliance with Kyoto without CDM would cost an additional $6.9 billion/year for Japan and $14.5 billion/year for Western Europe.
Mary: Some in Copenhagen felt a result of negotiations was the emergence of interest in a third negotiating track. Do you believe there is interest in and potential for additional negotiating tracks?

Christiana: It is the governments which decide what negotiation tracks are to be followed. Currently countries are pursuing two tracks, one for the second commitment period of the Kyoto Protocol, and one for countries that do not have legally binding obligations under the Kyoto Protocol. There is currently no evidence that governments will add a third track. What governments have decided to do is to incorporate the elements of the Copenhagen Accord into the original two tracks.

Mary: How important are the U.S. and China to getting a global climate change agreement?

Christiana: As the two largest emitters in the world in aggregate responsible for about 40% of emissions, the U.S. and China obviously need to play a major role. We need both countries engaged and actively participating in the process, and I am optimistic that we will see leadership from both in Cancun.

Mary: The private sector interest in the climate negotiation process has grown considerably in the past fifteen years. What do you see as the role of the private sector in achieving global emissions reductions and how can this sector be effectively engaged?

Christiana: Private sector plays a key role but it is only one of the three fundamental pillars. Climate change is a major issue that requires all parts of society to work together. Governments need to define regulatory frameworks that send clear long-term signals to the private sector. With effective incentives, businesses will mobilize the capital for the technology shift that we need to see in the world. Public funding alone cannot provide all the monetary resources required for the transformation. In fact, the $100 billion pledged in Copenhagen for financing is expected to come mostly from the private sector. Finally, civil society also plays a major role in delivering the solutions. Civil society keeps the pressure up for both governments and private sector. Civil society’s role is to continuously demand higher ambition until we satisfy the demands of science.

Mary: With the private sector expected to contribute a large part of the financing pledged in Copenhagen, do you plan any changes to increase opportunities for private sector input and guidance to the negotiation process?

Christiana: The private sector has a very important role within the regulatory context that is established by governments. The market is born of a political agreement and we need to ensure that that political agreement is renewed or updated so markets can continue to operate. That political agreement is currently in the making, so this is a period of market uncertainty similar to that prior to the entry of force of the Kyoto Protocol. The difference with the pre-Kyoto phase is that investments are now in place and at risk, meaning that the private sector cannot afford to sit on the bench and wait for others to solve the problem.
The private sector can significantly contribute to renewing such a political agreement by investing more effort into Programme of Activities, which is the best learning ground for future scaled up mitigation efforts and a great way to deliver sustainable development benefits. Further, the private sector should renew its commitment to ethics and engage in a campaign to regain trust. Private sector participants in the carbon market need to hold themselves to a higher standard because this market needs public trust.

Mary: What do you see as the role of forest carbon and REDD as part of national climate mitigation strategies and a global agreement?

Christiana: About 20% of emissions in the world are caused by deforestation, equivalent to the emissions of the United States. Forest carbon and REDD need to be key parts of national climate mitigation strategies and of a global agreement. Prior to the Kyoto Protocol, most of the investment in projects occurred in the forestry sector. Unfortunately, in the lead up to Kyoto we could not find common ground to design a robust forestry market for the CDM or an alternative mechanism to channel investments in REDD. However, going forward we do not have a choice and the international community needs to deliver on reducing emissions from deforestation. Fortunately, Copenhagen did provide some agreement and it can be finalized in Cancun. We cannot forget that forests are not only about sequestering carbon, they are also repositories of biodiversity, water and the culture of indigenous communities. A REDD mechanism at a national or global level would enable payment for environmental services that finally recognizes that value while helping counteract the economic pressures from alternative uses of that land.

Mary: Some indigenous communities have been outspoken in their criticism of REDD. How do you envision a constructive engagement of those groups?

Christiana: I firmly believe that the UN process is designed to be inclusive and ensures that all voices are heard equally. Ensuring that this is indeed the case is one of my priorities to regain trust in the process. A REDD mechanism should encourage governments worldwide to halt deforestation, while ensuring that indigenous communities are adequately incentivized to engage and are direct recipients of funding through an international REDD market. I would therefore encourage indigenous communities to continue to participate in the negotiations. Their voices will be heard.

Mary: How critical is the need for adaptation measures and how should those be focused to protect the most vulnerable populations?

Christiana: Adaptation has long been neglected in the climate regime. For the first time in the history of the negotiations, the Copenhagen Accord aspires to a maximum temperature increase of two degrees Celsius. While a good first step, this temperature increase does not guarantee the survival of the most vulnerable populations within their own boundaries and represents dangerous threats to their
Therefore, adaptation is critical to cover the impacts of that warming. We know that farmers who depend on predictable weather patterns and water availability are going to be the most affected. Obviously, countries with the least resources or where agriculture represents a disproportionate share of their people’s occupation will be the most at risk of climate change and the most in need of adaptation measures. Small island states, a large part of Africa and countries like Bangladesh should be obvious recipients of large investments in adaptation.

Mary: How do you respond to the criticism that the poorest countries have been left behind in the Kyoto process and what changes do you anticipate to increase actions in these countries?

Christiana: In the context of the CDM, the need to increase participation of the poorest countries was already recognized. The Nairobi Framework was launched in 2006 by Kofi Anan with that purpose and has since then invested in capacity building and improving access to information. The UNFCCC works in conjunction with UNEP, UNDP, World Bank and the African Development Bank in implementing the Nairobi Framework. As of the end of 2009, the Framework had assisted 36 CDM projects to be registered and 111 more CDM African projects are in the pipeline.

Further, as we continuously evolve the CDM to address the barriers that have prevented these countries from engaging in the market, new initiatives such as PoAs, grid factor methodologies or the design of cross-boundary regional methodologies for grid-connected projects will all benefit and facilitate the participation of the poorest countries in the CDM.

Mary: What do you see as the role of the voluntary carbon market as regional, national and international binding commitments are in place?

Christiana: Voluntary markets play an important role in a couple of different ways. I see them as great market makers, they allow the market to test options and provide valuable experience for companies that want to be pioneers in the space. They also provide lessons to governments as they develop regulatory frameworks. That is not to say that voluntary markets are destined to play only a small role or an early role. Voluntary markets could become large indeed. In fact, many companies around the world that will not be covered by national legislation or directly affected by a global agreement may also want to mitigate their footprint and environmental impact. We have seen how civil society and consumers today demand more and more that the products they buy are carbon neutral and produced responsibly. The voluntary markets can be suppliers of credible offsets that highlight certain characteristics that are important to consumers or businesses. They are therefore complementary to compliance markets.

Mary: Christiana, thank you so much for sharing your thoughts. We all congratulate you and wish you great success in your new UNFCCC Executive Secretary position.
About Christiana Figueres

Christiana Figueres is an internationally recognized environmental policy expert and author on policies and financial instruments for sustainable energy and conservation. She has been an official negotiator of the United Nations Framework Convention for Climate Change (UNFCCC) and the Kyoto Protocol since 1995 and is a former member of the CDM Executive Board. She served as the Vice President of the Conference of the Parties from 2008 to 2009.

In 1995, Ms. Figueres founded the Centre for Sustainable Development in the Americas (CSDA), a non-profit organization which promotes innovative financing mechanisms to support sustainable development in Latin America and the Caribbean. She has designed and helped to establish national climate change programs in Guatemala, Panama, Colombia, Argentina, Ecuador, Honduras, El Salvador and the Dominican Republic and served as senior climate change advisor to government officials, business leaders and NGOs.

Ms. Figueres is the winner of the 2001 Hero for the Planet award given by National Geographic and the Ford Motor Company.

Native of Costa Rica, Ms. Figueres is a graduate of Swarthmore College and the London School of Economics.

Ms. Figueres served on the Board of Directors of non-profit Winrock International from April 2005 to May 2010, her personal interests aligned with Winrock’s mission of empowering the disadvantaged, sustaining natural resources and improving the environment.

Towards this mission, Winrock has been an active civil society participant in the international climate negotiations, a leader in the development of science-based carbon methodologies and a provider of developing country capacity building for participation in global carbon markets.

Ms. Figueres served as Chair of the Board Committee which oversees Winrock’s non-profit American Carbon Registry (ACR). Founded as the GHG Registry in 1997 by Environmental Defense Fund and Environmental Resources Trust, ACR is dedicated to ensuring environmental integrity and transparency in the global voluntary and U.S. pre-compliance carbon markets. ACR joined Winrock in 2007.