

Taking the next step

UN climate chief Christiana Figueres talks to Katie Kouchakji about her expectations for Durban, the future of the carbon market and how achievable a legally-binding deal really is

Since the Copenhagen talks in 2009 ended with a barely-salvaged political statement rather than the post-2012 climate change agreement many had hoped for, expectations for the UN negotiating process have been low. Last year's Conference of the Parties (COP) in Cancún restored some credibility to the process, producing a series of agreements on issues such as finance and mitigation. This renewed spirit of cooperation, also evident at the Panama session in October, has reinvigorated a process that, immediately after Copenhagen, many observers had dismissed as no longer fit for purpose.

"I don't think things have changed in the last 12 months," says Christiana Figueres, executive secretary of the UN Framework Convention on Climate Change (UNFCCC). "I believe [governments] got to Cancún with a very clear determination to get things done. I believe the Cancún agreement was a very decisive agreement. I think governments are just being consistent in the sense that they realise that they have a challenge here, that speed and scale are something that they need to address, and that they continue to be very committed to working with each other toward finding a solution."

"The only roadblock to any agreement ... is a lack of flexibility," she continues. "And that is not what we saw in Cancún. We saw flexibility on the part of governments, and that is what we expect to see in Durban." While countries or groups of countries come to the talks with their own positions, "at the point in time in which they must agree on something that covers all countries, then they need to be flexible," she adds.

The COP in Durban "can be a very firm next step in the evolution of the climate regime," she says. Governments will have the chance to develop a lot of the work undertaken in the past 11 months, building on the Cancún Agreements, she says, and establishing the institutional frameworks to execute aspects of what was agreed in Mexico.

These include the rules for the Green Climate Fund, which is charged with managing the proposed \$100 billion/year by 2020 of climate finance, as well as mechanisms to promote low-carbon technology transfer, help countries adopt to the effects of climate change, and standardise the monitoring, reporting and verification of emissions reductions, Figueres says.

But Durban also needs to address the thorny question of emissions targets, she says, including what governments want to do about the second commitment period of the Kyoto Protocol and how to incorporate pledges that countries have made under the auspices of the UNFCCC.

From there, Figueres says, governments could start to move towards a post-2012 climate agreement, which she believes is still attainable – but she declines to be drawn on a timeline, merely stating it is for the COP to decide. "I certainly think



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that a legally-binding agreement is achievable, but that is not what governments are moving toward in Durban. I believe what they are looking at in Durban is a second commitment period, how to give more flesh on the bones with respect to their pledges, and then how they would start a process toward a comprehensive agreement that they would work on over the next years," she says.

The international climate change regime can also tap growing private sector experience, she says. "Business plays a really key role. I think of the relationship between business and governments as the relationship between the steering wheel and the motor. The governments certainly need to continue to be the steering wheel, to point the direction in which policy is moving ... But the private sector is the motor because it's the private sector that actually makes it happen. It's the private sector that has the access to the technologies, that should invest in new technologies that are not yet on the market, it is the private sector that has the capacity to mobilise the private capital that can really make a difference."

One way that the private sector has engaged is through the Clean Development Mechanism (CDM), which has seen billions of dollars invested in emissions-reducing projects in the developing world, in exchange for carbon credits that have been used by rich-world governments and companies to offset their emissions. While the system was overwhelmed in its early years, which led to huge delays in project registration and credit issuance, the process has become more efficient. "It's now being more recognised that the CDM is on a path of continuous improvement," Figueres says.

"But it will have to continue. It has to continue because the levels of mitigation that have been attained under the CDM are certainly much lower than the levels of mitigation that need to be attained in the future," she adds. "The scope, the scale needs to increase, and there are many governments that have put forward concrete proposals as to how that could be done."

While Figueres says she sees a continuing role for the CDM as a mechanism that works on a project-by-project basis, "I also see an important role for a broader-scope market mechanism which countries could choose to either incorporate into the CDM, and make it an enhanced-scope CDM, or ... a market mechanism that operates in parallel to the CDM, but looks at broader mitigation opportunities that take emissions reductions to a higher level."

"What is very clear is that the markets in the future will play a very similar role to what the CDM has played under the Kyoto Protocol, which is to help those industrialised countries that take increased and deeper emission reduction commitments, to help them lower the cost while at the same time providing for sustainable development growth opportunities in developing countries." **EF**