

December 19, 2007

**Testimony of Christiana Figueres
Before the Select Committee on Energy Independence and Global Warming
U.S. House of Representatives
Rayburn House Office Building
Washington D.C.**

Honorable Members of the Select Committee,

I speak to you as a citizen of Costa Rica, a country that has set a goal to be carbon neutral by 2021, the 200th anniversary of our Independence. While we understand that meeting this goal would not substantially affect global emission trajectories, it is our firm belief that it is the moral obligation of every country, small or large, to do its utmost to address global climate change. I have had the honor of negotiating the UNFCCC and the Kyoto Protocol on behalf of Costa Rica since 1994, and I currently represent Latin America and the Caribbean on the Executive Board of the Clean Development Mechanism.

You have asked me to address the Bali meeting from the perspective of developing countries. One of the toughest negotiation rounds of the Climate Convention, I venture to predict that the Bali meeting will be recognized as the first step of a remarkable turning point in the participation of developing countries in the global climate regime. It is now clear that developing countries have not only already achieved major emission reductions, but that they are willing to undertake further action. The form of developing countries' further contributions still needs to be defined, but in any case they are not likely to be binding economy-wide emissions targets. Considering their lesser cumulative emissions, lower GHG emissions per capita, and much lower GDP per capita, developing countries are interested in exploring a range of commitment types, where each country could assume the type and level most appropriate to its circumstances. Finally, this further action of developing countries is clearly predicated on the leadership of industrialized countries as a group, and specifically on the role of the United States, the largest historic emitter.

The Bali meeting delivered concrete results with respect to at least three key topics, all of which are central to developing countries:

- 1- **Avoided deforestation.** The current climate regime does not allow developing countries to claim credit for reducing their deforestation rates, despite the fact that deforestation accounts for over 20% of global carbon emissions. In preparation for a new regime post 2012, the Bali meeting took a decision that will encourage tropical forest countries to initiate pilot activities that will develop national emission baselines, based on historic emissions, in order to measure emission reductions into the future. Left open is the question of how these reductions will be financed, as this will be discussed over the next two years in the framework of the design of the future regime.
- 2- **Adaptation.** The existing global climate regime practically ignores the importance of adaptation to the inevitable adverse impacts of climate change. In countries like the United States, a genuine concern about climate change would mean smarter but continued growth. By contrast, for Small Island States and low lying least developed countries the rise of sea level and the increase in hurricane power are issues of survival. The decision taken in Bali is the first global recognition of the urgent need for adaptation measures, technology and funding. Industrialized

countries may have finally recognized that it is better to invest in adaptation now, than deal with massive waves of climate immigrants in the future.

- 3- **Mitigation.** The short section on mitigation which lays the groundwork for the next two years of negotiations was the most controversial text of the entire meeting. It was clear from the beginning that this framework needed to be flexible enough to allow the U.S. the maneuverability that it needs as it transitions from one administration to the next, while being robust enough to win the engagement of major developing countries. The balance was carefully crafted along two main lines:

a- Level of effort with respect to a global goal. The recently released Fourth Assessment Report of the IPCC calls for global emissions to peak in 10 to 15 years and decline “well below half” of 2000 levels by 2050, and for developed country emissions to be 25-40% below 1990 levels by 2020. Developing countries and the European Union were adamant on including these numbers as a backdrop for future reduction efforts. While agreeing with the 2050 goal, the United States steadfastly opposed the 2020 numbers, which are far more aggressive than the target levels being considered by any of the legislative options in the US Congress. The final compromise contains no numbers and simply calls for “deep cuts in global emissions” with a footnote referring to the IPCC’s Report.

b- Nature and source of contributions. Although the U.S. arrived in Bali with a willingness to consider concrete future mitigation actions, it was clear that these were intended to be achieved at the national level, with no international commitments, and with no substantial differentiation between industrialized and developing countries. This approach runs contrary to the very essence of the UNFCCC which is built on the principle of “common but differentiated responsibilities and respective capabilities”, and which clearly distinguishes between industrialized and developing countries, due to both their different historic responsibilities and contrasting economic development levels. Other than the U.S., all countries were resolute on retaining the structure of the UNFCCC. Furthermore, developing countries made it clear that, in addition to what they have already achieved in the way of emission reductions, they are willing to do more, but that the nature and level of their contributions is directly dependent on the nature of the efforts of industrialized countries, in particular those of the U.S., being the only major industrialized country that remains outside the Kyoto Protocol. A higher level of ambition on the part of the US encourage a correspondingly higher level of contribution (albeit in a differentiated manner) from developing countries. A weaker commitment on the part of the US elicits a correspondingly weaker contribution from developing countries. (See attached table.)

In the final compromise, developing countries, in a major departure from their traditional “no new commitments” stand, took a critical step forward by agreeing for the first time in the history of the climate regime to “measurable, reportable and verifiable mitigation actions”, supported by “measurable, reportable and verifiable” technology and finance from developed countries. Industrialized countries will consider taking “measurable, reportable and verifiable mitigation commitments or actions”, which could include but is not limited to, emission targets. This is a major step with respect to the position of the United States over the last twelve

months, but for the E.U. a much weaker commitment than the unilateral announcement they had already made prior to Bali.

While the decision to launch a new negotiation process is a watershed decision, it is not a mandate in the sense of the 1995 Berlin Mandate, which instructed all industrialized countries to set legally binding “quantified limitation and reduction objectives” and which resulted in the Kyoto Protocol. The Bali text binds no party to any particular outcome; it allows the next two years of deliberations to decide on both the form and the level of any future commitments, in recognition of the fact that there is a wide variety of potential mitigation commitment types that countries could take. In this sense, one of the major tasks of the upcoming process is to explore the broad meaning of the concept of “commitments”. Future mitigation commitments are likely to abandon the simplicity of exclusively setting fixed targets and move in the direction of a basket of commitment types, where each country could assume the type and level most appropriate to its circumstances.

The launch of a new negotiation cannot to be seen in isolation but rather in the context of the other post 2012 efforts. The Ad hoc Working Group on Further Commitments (AWG), which focuses on increasing the emission reduction commitments of countries that participate in the Kyoto Protocol, defined 2009 as the deadline for adopting new commitments under the Protocol, and over the next two years will focus on the scale of the intended emission reductions, together with the means to implement them and the consequences of doing so. Countries also set the parameters for the required review of the Kyoto Protocol: progress by industrialized countries in implementing their financial and technology commitments, and the adequacy of the flexibility mechanisms (emissions trading, Clean Development Mechanism, and joint implementation).

Taken as a package, under the umbrella name of the “Bali Roadmap”, these efforts represent an unprecedented opportunity to rethink the structure, the logic and the potential of the global climate regime. It is evident that the design of the new regime will not be as simple as the design of the Kyoto Protocol, which simply differentiates industrialized from developing nations. There is obvious differentiation with respect to responsibility¹, capability², and potential to mitigate³, not only between the industrialized and the developing countries, but also among developing countries. The vast majority of developing countries do not contribute substantially to growing global emission levels, but are instead the major victims of the adverse effects. There are only a few large developing countries that actually do have an impact on emissions, and they must be brought on board. However, China and India alone have already voluntarily reduced more emissions than those achieved by the group of countries participating in the Kyoto Protocol. China, Brazil, Mexico and South Africa are vocal in their commitment to do more. China has announced its Climate Change Plan which includes an intended 20% improvement in energy efficiency by 2010 and more than doubling the use of renewable energy by 2020, and promises to “blaze a new path to industrialization.” Mexico’s Climate Change Strategy seeks to reduce 100 million tons of CO₂/year with energy efficiency, renewables, and cleaner generation, plus an additional 17 million tons sequestered through land use. The process to develop the new regime must use these developing country efforts as building blocks, and will have to combine a variety of elements to produce a structure more representative of the wide diversity of potentials and capabilities of participating nations.

In this process, timing is the detonator of leadership. The new agreement is scheduled to be reached by December 2009. It appears unlikely that the outgoing U.S. administration will have a major impact on the process over the next 12 months. The new administration will realistically not be ready to engage until the spring of 2009. Thus the U.S. participation in the

¹ Measured as cumulative CO₂ emissions since 1990

² Measured as GDP per capita

³ Measured as GHG emissions per capita

future global climate regime will be shaped mainly by the domestic climate change legislation to emerge from these legislative chambers. We are encouraged by the development of domestic legislation options in this country. By being the largest emitter and having been on the sidelines for such a long time, there is heightened expectation for the United States to finally assume its responsibility within the next chapter of the international regime. Ironically, the eagerness of all others to have the US on board will give the United States a position of critical influence with respect to the shape of that future international regime. It is in your hands to ensure that the regime lives up to the science of what is needed, while staying within the art of what is possible.

RECIPROCITY OF CONTRIBUTIONS

	Options	Industrialized countries	Developing countries
↑ Increasing level of ambition	1	Kyoto comparable commitments among all industrialized countries (explicit reference to non-ratifiers) →	Commitments to enhanced and incentivised mitigation action- measurable, reportable & verifiable
	2	Comparable national effort for all industrialized countries with international reporting (No reference to non-ratifiers) →	Enhanced and incentivised mitigation actions- measurable, reportable & verifiable
	3	Measurable and reportable national effort for all industrialized countries, without international reporting →	Enhanced implementation, incentivised mitigation actions
	4	Enhanced national mitigation action with globally shared effort that culminates in one or several international agreement(s)	

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