



What Happened at the Cancun Climate Talks?

Late into the final night of UN Framework Convention on Climate Change conference held in Cancun, Mexico, governments were at last able to reach a compromise on core issues. The two-week negotiating session on climate involving 194 countries yielded a final outcome dubbed the [Cancun Agreements](#), which built off of the progress of Copenhagen and lay the groundwork for Durban, South Africa, the host of next year's Conference of the Parties (COP). At COP-16, widely hailed as transparent, inclusive, and effective, governments renewed their commitment to a multilateral process to address the pressing issue of climate change. While the fight for a fair, ambitious, and binding deal isn't over yet, Cancun advanced discussions in several fundamental arenas. Below is a summary of the key aspects of the Agreements followed by a top-level analysis of how these discussions relate back to the building sector.

Summary of the Agreements

- **Transparency:** The prevalent (and difficult) theme of transparency and accountability was a sticking point throughout the talks. The Cancun meeting successfully navigated these waters, producing a decision to launch a process for international assessment of both developed and developing party emission reduction activities, as well as enhanced reporting of financial, technology, and capacity-building support from industrialized nations. It is important to distinguish that for developed countries, these reports will be made in the context of progress towards quantified, economy-wide emission reduction targets.
- **Mitigation:** Significantly, Cancun provided a method to "anchor" [the emission reduction pledges that countries made in Copenhagen](#) in an official UNFCCC decision. The collective pledges, however, fall short of what science says is needed to stabilize the climate, as determined by the Intergovernmental Panel on Climate Change (IPCC). The need to keep a global temperature rise below 2°C above pre-industrial levels is endorsed by the UNFCCC Parties and explicitly by the Cancun Agreements themselves, yet the decision on mitigation makes no acknowledgement of this 'gigaton gap' between the science and the pledges, or a need to close it. The decision did urge developed countries to increase ambition, but without establishing aggregate short-term and long-term quantifiable emission reduction goals.

For developing countries, Parties decided that actions should be aimed at reducing emissions below 'business as usual' by 2020, and agreed on the establishment of a registry for matching nationally appropriate mitigation actions (NAMAs) with finance, technology, and capacity building support.

- **Finance and Technology:** Cancun yielded the most progress in Finance. The Agreements reaffirmed the Copenhagen commitments of developed countries to mobilize \$100 billion in assistance to poor countries annually by 2020 and \$30 billion by 2012; emphasizing the need for predictable and adequate funding and taking into account the immediate need of those countries most vulnerable to the impacts of climate change. With the establishment of a Green Climate Fund, the Framework Convention now has an equitable entity (with equal representation from developed and developing countries on the board) in which it can manage the long-term multilateral funding for climate mitigation and adaptation. While this was a well-received milestone in the finance track, the major challenge of mobilizing the funding still remains. The Agreements request that Parties submit information on resources for these commitments, and provide ideas about how to use or leverage market-based mechanisms. Several ideas were introduced leading up to the COP in the report of the Secretary General's [High-Level Advisory Group on Climate Change Financing \(AGF\)](#), which concluded

that \$50 billion could be generated by 2020 through auctioning carbon allowances, putting a price on emissions from shipping and aviation sectors, and removing fossil fuel subsidies in developed nations.

The Financial mechanism will interact closely with the COP's decisions on technology. In Cancun Parties established a Technology Executive Committee (TEC) and a Climate Technology Centre (CTC) and Network to ensure access to clean energy technologies and capacities in developing countries. The TEC will work on high-level policy to promote the development and transfer of technology and recommend guidance on specific programs. The CTC will facilitate networks on a national, regional, and sectoral basis to facilitate training and support, partnerships with the private sector, and prompt deployment.

- **Adaptation and Reducing Deforestation:** Cancun also took steps forward on these two major pillars of the negotiations. Parties launched the Cancun Adaptation Framework and a process to further enable least developed countries to implement national adaptation plans. The Agreements also established a three-part framework for reducing deforestation in tropical countries and receiving support for those efforts.

What Cancun Means for Greening our Built Environment

A diverse mix of meeting participants showcased the work they were doing to advance mitigation opportunities in buildings, which represent the single largest potential to reduce emissions in the world, at the least cost. According to the International Energy Agency, energy efficiency in buildings, industry, and transportation has the potential to reduce the world's energy needs by one third in 2050, and thus will be a critical component in achieving both short and long-term mitigation commitments and NAMAs.

Additionally, energy efficiency and the built environment are gaining attention as fundamental areas for pairing high growth with sustainable development. Here are some ways the progress from Cancun will continue to support the global green building movement:

- At the most basic level, anchoring the United States pledge to reduce emissions by 17% below 2005 levels by 2020 has implications for America's building stock. Without a willingness from Congress to legislate a limit on big polluters, the U.S. will have to rely heavily on executive branch authority and creatively identify interagency efforts to meet that commitment, including the design, construction, and operation of buildings.
- The Cancun Agreements recognize that social and economic development and poverty eradication are the first priorities in developing countries, and that a global shift to more sustainable production and consumption is necessary. The buzz words "sustainable production and consumption" pertains to all elements of the building sector and its supply chain. Similarly, for the industrialized world, Parties decided that developed countries should create low-carbon development plans which will likely cover strategies relative to the built environment.
- The new Technology Mechanism in the Cancun Agreements will focus in part on knowledge sharing and best practices within sectors; including buildings.
- The Executive Board of the Clean Development Mechanism (CDM) has established simplified methods for addressing small-scale energy efficiency projects, and is also accepting proposals for standardized baselines for new or existing methodologies. This is significant because the CDM has historically excluded building efficiency projects and other "small scale" projects.
- Lastly, the Secretary General's [High Level Advisory Group on Energy and Climate Change \(AGECC\)](#) has called for a global reduction in energy intensity by 40 percent by 2030, noting a need for catalyzing large-scale investments in energy efficiency to achieve the goal.

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