

The Cancun Agreements


Overview on the main outcomes of UNFCCC COP 16/CMP 6

An analysis of general agreements and specific outcomes for subnational governments

This overview provides an analysis of the outcomes of the international negotiations on climate change held in Cancun, Mexico, in December 2010. It also outlines the activities of nrg4SD in the run up to and during the negotiations sessions.



Network of Regional Governments
for Sustainable Development



The Network of Regional Governments for Sustainable Development, nrg4SD is an international organisation representing over 600 subnational governments, namely federated states and regional governments, at the global level. The network promotes understanding, collaboration and partnerships in sustainable development and seeks greater international recognition of subnational government's important contribution towards sustainable development. A member of the Organisation des Régions Unies/Forum Global d'Associations de Régions (ORU/FOGAR), nrg4SD is the voice of ORU/FOGAR in the field of sustainable development.

www.nrg4sd.org

nrg4sd@nrg4sd.org



nrg4SD members interested in United Nations Framework Convention for Climate Change (UNFCCC) matters may also find the following nrg4SD products useful:

- Subnational governments at the forefront of climate action – Advocacy Paper
- Regions: Conscientious and influential partners in climate action - European Advocacy Paper
- A Tale of 3 Success Stories – A commentary at the closing of Cancun
- Quick Guide to the Cancun Agreements
- On the Road to Durban – Overview on developments towards UNFCCC COP17/CMP7
- Quick guide to key dossiers towards Durban
- Rough Guide to UNFCCC and the Kyoto Protocol
- Glossary of UNFCCC and Kyoto Protocol

This is part of the nrg4SD overview series.

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The Cancun Agreements – Overview on the main outcomes of UNFCCC COP 16/CMP 6

An analysis of general agreements and specific outcomes for subnational governments

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I. Introduction

From 29 November to 10 December 2010, COP 16/CMP6 (16th Conference of the Parties) under the United Nations Framework Convention on Climate Change (UNFCCC) took place in Cancun, Mexico. Thanks to its official accreditation to the UNFCCC, nrg4SD worked directly with the Secretariat and some Parties to the Convention towards the recognition of the crucial role of subnational governments in climate action.

Following from the stagnation of multilateral climate change negotiations in COP15/CMP5 Copenhagen, the Cancun Agreements represent progress for the international community, both in terms of regaining trust in multilateralism and of improving the international climate action framework.

These two blocks of concrete progress are completed by a frank success for the cause of subnational governments in general, and for nrg4SD and the other organisations part of the Major Group for Local Government and Municipal Authorities (LGMA) in particular.

After years of intense advocacy work and direct collaboration with UNFCCC bodies, the Cancun Agreements enshrine for the first time ever in a UNFCCC official agreement the full recognition of the crucial role of both local and subnational governments as 'government stakeholders' in global climate change efforts.

This paper illustrates the preparations made by nrg4SD in the run up to COP16/CMP6 in Cancun in 2010, with a focus on gaining recognition of the role of subnational governments in climate action; explains in detail the outcomes of Cancun and outlines concisely negotiation key dossiers towards COP17/CMP7 in Durban in December 2011.

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II. The importance of subnational governments in international climate change negotiations

Subnational governments are particularly well placed for identifying the needs and the strengths of their societies in their climate action, and they are often responsible for the elaboration and implementation of policy, legislation, fiscal mechanisms and public investments plans in several areas - such as transport, energy, the environment, agriculture, forestry, industry, spatial planning, resource management, technology development and transfer, civil protection or development cooperation - that directly influence GHG emissions levels and deal with the impacts of climate change.

Subnational governments from all over the world have demonstrated in a number of ways that their contribution and leadership is essential to help achieve the ultimate objectives of the United Nations Framework Convention for Climate Change (UNFCCC) since, according to the United Nations Development Programme (UNDP), 50% to 80% of adaptation and mitigation actions necessary to tackle climate change are or will be implemented at the subnational or local levels of governance.

Subnational governments are determined to address the issues of climate change and the economic difficulties many of them are facing by turning these challenges into an opportunity to move towards greener, smarter and more inclusive societies.

In the last years, subnational governments have concretely shown that they take their climate change responsibilities seriously. In fact, their accomplishments in this area have grown tremendously in sophistication and effectiveness. The important lessons being learned at the subnational level can often feed into and improve national policy and shape more ambitious and innovative responses to climate change.

The UNFCCC sets an overall framework for intergovernmental efforts to tackle climate change. The Conference of the Parties (COP) which is the supreme body of the Convention, currently meets once a year to review the Convention's progress. The most recent COP took place in Cancun, Mexico in December 2010. Here, nrg4SD and local governments worked for full recognition of the crucial role of both local and subnational governments as 'government stakeholder' in the implementation of climate action.

III. nrg4SD action at international climate change negotiations

Thanks to its direct work with the UNFCCC and the European Union (EU), nrg4SD represents its member subnational governments directly at international negotiations (i) tirelessly advocating for a better recognition of the crucial contribution of subnational governments to climate change action; (ii) consistently working with the UNFCCC Secretariat and working groups on technical issues, and (iii) regularly bringing into the debate delegations and grass roots initiatives from the subnational level.

Thanks to its accreditation under the constituency for Local Government and Municipal Authorities LGMA – one of the 9 Major Groups recognised by UNFCCC - and also building upon the strength of having some of its member subnational governments taking part in their respective national delegations, nrg4SD establishes direct links with the Parties to the Convention.

The World Summit on Sustainable Development (also known as Rio +10), held in September 2002 in Johannesburg, South Africa, included the voices, experiences and perspectives of a wide range of stakeholders committed to sustainable development. Delegates at the Summit represented a broad range of constituencies, including the Major Groups.

Major Groups are the sectors of society recognised in Agenda 21 as having a substantive contribution to make to the achievement of a sustainable future. Groups identified in Agenda 21 include: Business and industry; Children and Youth; Farmers; Indigenous People; Local Authorities; Non-governmental organisations NGOs; Scientific and Technological Community; Women, and Workers and Trade Unions.

Based on the Agenda 21 nine Major Groups, there are nine acknowledged constituencies in the climate change process: Business and industry NGOs (BINGO), Environmental NGOs (ENGO), Indigenous peoples organizations (IPO), Local government and municipal authorities (LGMA), Research and independent NGOs (RINGO), Trade union NGOs (TUNGO), Farmers NGOs (Farmers), Women and gender NGOs (Women and Gender), and Youth NGOs (YOUNGO).

Through the years, nrg4SD has likewise established privileged partnerships with other organisations representing local governments - such as ICLEI Local Governments for Sustainability and United Cities and Local Governments UCLG – or the private sector - such as The °Climate Group T°CG. nrg4SD collaborates regularly with a wide range of partners to maximise the recognition and visibility of subnational initiatives on climate change.

nrg4SD keeps a permanent Advocacy Task Force on International Climate Change Negotiations and has recently launched a Technical Working Group on Financing Climate Action at Subnational Level. The latter seeks to create capacity on carbon finance mechanisms among its member in order to enable them to set their own plans and tools, and shapes nrg4SD's advocacy work towards the territorial dimension of international carbon finance mechanisms.

IV. Setting the scene

Successes and failures of COP15, Copenhagen December 2009

The issue of defining post-2012 international climate change targets, which has been central to the last COPs, was introduced officially into the negotiation process at COP 13 in Bali. At that time, two main negotiation groups were mandated to prepare post-2012 guideline for consideration at COP15 in Copenhagen 2 years later.

Following two years of intense UNFCCC negotiations, the international community arrived on the eve of Copenhagen without a draft compromise. It was somewhat unrealistic to imagine that COP 15 could have come up with a final agreement. The only achievement was the concise and short (less than three pages long), so-called *Copenhagen Accord*.

The Copenhagen Accord did achieve:

- The reiteration of UNFCCC principles and the pledge to adopt binding emission targets.
- A consensus among leaders that global average temperatures must not be allowed to rise beyond 2°C.
- The first formal financial commitments by richer nations to help emerging ones adapt to climate change impacts, by means of a fund to raise \$100bn by 2020.

COP15 did not agree on the following:

- A new post-Kyoto Treaty.
- Specific quantified targets for the signatory countries.
- Any incentives for countries to pollute less.
- Any sanctions on countries that pollute more.
- Any tools to make the above climate fund operational.

The Accord was the work of major emerging nations and the United States. In order to be a party to the Accord, the industrialised countries must provide emission reduction commitments for 2020, and emerging countries must indicate National Appropriate Mitigation Actions (NAMA) that they intend to implement to reduce their emissions by 2020. The European Union (EU) and the other industrialised countries were not directly involved in the final negotiation process, but quickly rallied supported the wording. Despite initial hesitation, most developing countries followed. Much of the text reads

like the preface to the treaty that was supposed to be agreed in Copenhagen, but was not.

Although today the Accord enjoys majority support by parties, still it cannot be legally binding as it was not adopted unanimously by all parties involved. Actually, at closing of COP15, the Assembly did not formally adopt it but simply “acknowledged” the Accord because of this reason.

These ongoing issues indicate more a failure of process than ambition. A fundamental obstacle throughout negotiations was the question of how much the western world should consider itself in carbon debt to countries that have yet to realise their industrial potential. Despite few successes, it is unwise to reject the whole process. The *Accord* was a disappointment for those who hoped for a new climate treaty but this is just part of the process to agree global carbon reduction. Instead of dismissing it in the hope for something more significant appearing in its place, it was important to use it to step up pressure to achieve more substantial outcomes in COP 16 Cancun.

nrg4SD on the road to Cancun

Throughout 2010 **during pre-COP talks**, nrg4SD continued to work towards the recognition of the crucial role of subnational governments in climate action via its *Advocacy Task Force on International Climate Change Negotiations*, which is coordinated by Catalonia (ES) and Quebec (CA). nrg4SD provided *technical input* to the works of the Ad-Hoc Working Group on Long-Term Cooperative Action *AWG-LCA* (jointly prepared with The °Climate Group) and handed out and discussed them directly in a *meeting with former chair of the AWG LCA*, Ms. Margaret Mukahanana – Sangarw at the meeting of the Subsidiary Bodies in Bonn in June 2010. Technical input was also provided at pre-COP intersessional talks in *Tianjin* in October 2010.

Alongside June talks, nrg4SD organised an official *side-event* demonstrating the grass-roots experiences of subnational climate change strategies from Aragon (ES), Basque Country (ES), Catalonia (ES), Quebec (CA) and Wales (UK).



In October 2010, under the stream of **European activities of the Network**, nrg4SD and its Vice-President-Focal Point for Europe, the region of Brittany (FR), co-organised an event in Brussels (Belgium) entitled *“Cancun -30: Regions Delivering Climate Action – A Discussion Session between Key Player”*

From right to left: Mr. Peter Vis, Head of Cabinet for EU Commissioner Connie Hedegaard - Climate Action, Mr. Dominique Ramard, President of the Climate Change-Energy Commission of Brittany and nrg4SD Vice-Chair for Europe, Professor Joxerramón Bengoetxea, University of the Basque Country, Mr. Frederic Ximeno i Roca, Director General for Environmental Policy and Sustainable Development of Catalonia and nrg4SD Co-Chair for the North, Mr. Benoît Leclair, Vice President for Energy and Climate of Rhône-Alpes, and Mr. Pedro Ballesteros, Programme Manager, Directorate General for Energy, European Commission.

“Cancun -30: Regions delivering Climate action – A discussion session between key players”

Hosted by the EU Committee of the Regions, in Brussels, Belgium on 25 October 2010

Co-organised by the Region of Brittany and the nrg4SD Secretariat

Opening key note speaker: Mr. Peter Vis, Head of Cabinet for EU Commissioner Connie Hedegaard

Chair: Mr. Dominique Ramard, President of the Climate Change-Energy Commission of the Regional Council of Brittany and nrg4SD Vice-Chair for Europe

Moderator: Professor Joxerramón Bengoetxea, University of the Basque Country

Regional representatives:

- **Mr. Frederic Ximeno i Roca**, Director General for Environmental Policy and Sustainable Development of Catalonia and nrg4SD Co-Chair for the North
- **Mr. Benoît Leclair**, Vice President for Energy and Climate of Rhône-Alpes
- **Mr. Enrique Urrutia** – Director for Institutional Relations and Innovation, Basque Country Water Agency
- **Mrs. Marta Marín**, Delegate of the Government of the Basque Country to the EU
- **Mr. Gonzalo Piernavieja**, Director of R&D Division of the Technology Institute of Canarias
- **Mr. Alain Retière** - Director of the UNDP centre ClimSAT Brest, Brittany

Panelists:

- **Mrs. Paula Baker**, Member of the EU Committee of the Regions
- **Mr. Pedro Ballesteros**, Programme Manager, Directorate General for Energy, European Commission
- **Mr. Istvan-Laszlo Bart**, Adaptation to Climate Change Policy Development Officer, Directorate General for Climate Action, European Commission
- **Mrs. Marta Ballesteros**, Director of the Brussels Office, ClientEarth
- **Mr. Luc Bas**, Director of European Programmes, The °Climate Group
- **Mrs. Sandrine Dixson-Declève**, Director, The Prince of Wales's EU Corporate Leaders Group on Climate Change

Closing key note speaker: Mr. John Hontelez, Secretary General, European Environmental Bureau

More information and all materials for the dav are available [here](#).

Thanks to the excellent mobilisation of several nrg4SD European members and the General Delegation of Quebec in Brussels – namely Aquitaine (FR), Basque Country (ES), Brittany (FR), Catalonia (ES), Canarias (ES), Flanders (BE), Province-Alpes-Côte d’Azur (FR), Québec (CA), Rhône-Alpes (FR), Wales (UK) and Wallonia (BE) - we were able to showcase concrete subnational initiatives on the transition to a low carbon society; the encouragement of green business and the use of development aid differently;

the adaptation to climate change impacts, and the reduction of the knowledge gap.



From right to left: Mrs. Sandrine Dixson-Declève, Director, The Prince of Wales's EU Corporate Leaders Group on Climate Change, Mrs. Marta Ballesteros, Director of Brussels Office, ClientEarth, Mr. Luc Bas, Director of European Programmes, The °Climate Group, Mr. Enrique Urrutia, Director for Institutional Relations and Innovation, Water Agency of the Basque Country, Mr. Peter Vis, Head of Cabinet for EU Commissioner Connie Hedegaard - Climate Action, Mr. Dominique Ramard, President of the Climate Change-Energy Commission of Brittany and nrg4SD Vice-Chair for Europe, Professor Joxerramón Bengoetxea, University of the Basque Country, and Mr. Frederic Ximeno i Roca, Director General for Environmental Policy and Sustainable Development of Catalonia and nrg4SD North Co-Chair.



With Mr. Peter Vis, Head of the Cabinet of the EU Commissioner for Climate Change Mrs. Connie Hedegaard, taking part in the panel, nrg4SD presented its *European Advocacy Paper to the EU* as a global player and Party to UNFCCC.

'Regions: Conscientious and influential partners in climate action' - nrg4SD European Advocacy Paper

The Network of Regional Governments for Sustainable Developments calls on the European Union to:

- ✓ **Act as ambassador of the territorial dimension of global climate change policies** at international level such as the UNFCCC negotiations and EU international negotiation strategies.
- ✓ **Take advantage of the regions capacity for dialogue and collaboration** with other governance levels and economic and social actors.
- ✓ **Ensure regional dimension of all European policies related to climate change** and ensure active participation of regional representatives in relevant EU working groups
- ✓ **Strengthen collaboration with regions in elaborating specific working tools and methodologies** for a bottom up approach to a low carbon economy.
- ✓ **Encourage regional development of specific climate change action projects** with the view of climate action being a priority for the post 2013 EU Cohesion Policy
- ✓ **Ensure the bulk of current and future EU funding and policies empower creativity and innovation in tackling climate change at regional level**
- ✓ **Promote, in collaboration with the EIB and other financial institutions** the setup of climate change, innovation and cooperation funds conducive to the development of EU and UN climate change action mechanisms
- ✓ **Enhance involvement of the public sector, private sector and academia**

A full copy of the Advocacy Paper is available [here](#)

V. nrg4SD involvement in COP16/CMP6 Cancun

During COP16/CMP6 Cancun from 29 November to 10 December 2011, nrg4SD worked to influence the international negotiations process jointly with its member regions, as well as with its long-term key partners - such as ICLEI Local Governments for Sustainability, United Cities and Local Governments (UCLG) and The °Climate Group.

nrg4SD co-organised official and parallel side events with The °Climate Group, the National Association of Environmental Authorities from Mexican States (ANAAE) and the Mexican National Conference of Governors; and co-hosted a press conference on the outcomes of the COP with UCLG and the City of Durban (future COP 17 host). nrg4SD also had an exhibition stand during the 2 weeks.



ANAAE-CONAGO-nrg4SD Governmental Breakfast: "Subnational Governments: Key Actors in the Challenge of Climate Change"

From left to right: Lic. Mr. José Luis Funes, North Zone Coordinator in Secretariat of State for the Environment of Quintana Roo, Mr. Alain Retière, Director of ClimSAT, Mr. Dominique Ramard, President of the Climate Change-Energy Commission of Brittany and nrg4SD Vice-Chair for Europe, and Mrs. Nicola Beer, Secretary of State for Justice, Integration and Europe of Hessen and Head of EU CoR Delegation to COP16/CMP6.

From left to right: Dr. Fernando Fernandes Cardozo Rei, Director-President of CETESB São Paulo and representative of nrg4SD South Co-Chair, Ocean. Mrs Silvia Whizar, Secretary of State of Resources and Natural Protection of Tabasco, ANAAE Coordinator and nrg4SD America Vice-President, Mr. Pierre Arcand, Minister for Sustainable Development, the Environment and Parks of Quebec and Lic. Mr. Miguel Ángel Osorio, Governor of Hidalgo.

ANAAE-CONAGO-nrg4SD - International exchange of good practice "Subnational Governments at the Forefront of Climate Action"



nrg4SD-The °Climate Group official side event “Plans and Pilots: An International Axis for Low Carbon Development Strategies at Subnational Level”



Above: Mrs. Cécile Batungwanayo, Climate Change Officer of Airwallonie, Wallonia, and Mrs. Maruxa Cardama, nrg4SD Secretary General.- Right above from left to right: Mrs. Jane Davidson, Minister for the Environment and Housing, Welsh Government Assembly, Mr. Andrew Mawejje, Chief Administrative Officer of Mbale, Uganda – Right below: Mr. Salvador Samitier, Director of the Climate Change Office of Catalonia and representative of the nrg4SD Co-Chair for the North.



LGMA Major Group Press Conference at COP16/CMP6



From left to right: Mr Logii Naidoo, Vice Mayor of Durban; Mr Ronan Dantec, Vice Mayor of Nantes and Spokesperson of UCLG; and Mrs Jane Davidson, Minister for the Environment and Housing, Welsh Assembly Government and nrg4SD representative.

nrg4SD Steering Committee members also gathered for one of their two ordinary meetings of 2010. The Steering Committee meeting featured a public session outlining key ongoing collaborations and proposals for further joint actions with guest speakers and observers in representation of the United Nations University (UNU), the United Nations Development Programme (UNDP), the Secretariat of the United Nations Convention for Biological Diversity, the German Land of Hessen, the German Land of Nord-Rhein Westphalia, the Metropolitan Government of Tokyo, ClimSAT and The °Climate Group.



From left to right: Mr. Pierre Arcand, Minister for Sustainable Development, the Environment and Parks of Quebec, Mr. Charles Larochelle, Deputy Vice Minister for Sustainable Development, the Environment and Parks of Quebec, Ing. Mrs. Mónica Casanovas, Adviser in the Provincial Body for Sustainable Development of Buenos Aires, Mr. Suzuki, Representative from Tokyo Metropolitan Government, Mr. José Luis Benítez, member of CONAGO Environment Commission, Lic. Mr. José Luis Funes, representative of ANAAE and North Zone Coordinator in Secretariat of State for the Environment of Quintana Roo, and Mrs. Anne-Marie Wilson UN CBD Programme Officer.

nrg4SD activities at COP16, Cancun

7 December 2010 - “A clean revolution for all: developing and developed regions working together”

Session co-organised by nrg4SD, The °Climate Group and UNDP within the programme of The Climate Leaders’ Summit of The °Climate Group.

8 December 2010 - “Subnational Governments: Key Actors in the Challenge of Climate Change”

Governmental breakfast meeting co-organised by Mexican ANAAE, CONAGO and nrg4SD Please explain Mexican acronyms to show the importance of the co-organisation

8 December 2010 - “Subnational Governments at the Forefront of Climate Action”

An international exchange of good practice co-organised by Mexican ANAAE, CONAGO and nrg4SD

8 December 2010 - Meeting of the nrg4SD Steering Committee

The public session, open to all nrg4SD members featured an online connection with Mr. José Puppim de Oliveira, Assistant Director & Senior Research Fellow at the Institute for Advanced Studies of the University of the United Nations UNU in Tokyo in order to discuss Rio +20 initiatives; an intervention from Mrs. Nicola Beer, Secretary of State for European Affairs of Hessen, Germany and Head of the EU Committee of the Regions (EU CoR) Delegation to explain nrg4SD-EU CoR ongoing collaborations; and an intervention from Mrs. Anne-Marie Wilson, Programme Officer from the Secretariat of the United Nations Convention for Biological Diversity Secretariat CBD to outline prospects for nrg4SD-CBD initiatives following from the successful collaboration at COP CBD in Nagoya in October 2010. The public session also counted with the participation of Mr. Luc Bas from The °Climate Group; Mr. Christophe Nutall from UNDP; Mr. Alain Retière from ClimSAT; Mr. Ernst-Christophe Stolper, from North Rhine Westphalia, and Mr. Suzuki from Tokyo’s Metropolitan Government.

9 December 2010 - “Plans and Pilots: An International Axis for Low Carbon Development Strategies at Subnational Level”

Official side event co-organised by The Climate Group and nrg4SD

9 December 2010 - Press conference on the recognition of subnational and local authorities in UNFCCC negotiations, including Mrs Jane Davidson, Minister for Environment, Sustainability and Housing in the Wales Government Assembly on behalf of nrg4SD

Co-organised by the United Cities and Local Governments UCLG and nrg4SD

Detailed programmes are available [here](#)

VI. The Cancun Agreements

Negotiations in Cancun were successful in the view that they dealt with several issues that were blocked in COP15/CMP5 Copenhagen and delivered the shape of a comprehensive international system for collective action to deal with climate change. Further details on how to make this system operate to effect will have to be further fleshed out among Governments during 2011 in the run up to COP17/CMP7 in Durban, South Africa at the end of this year.

Special recognition deserves the diligence with which the Mexican Presidency carried out its role. Adding up to the continuous efforts at negotiations throughout the year, Mexico worked tirelessly during the fortnight of COP16/CMP6 to re-establish trust in the process and move on towards a ‘compromise text’ in a ‘transparent and inclusive’ manner. The Mexican Presidency was also particularly committed to listening to and including the voices of all stakeholders. Last but not least, the efficient logistics deployed by the State of Quintana Roo ensured a well-organised and relaxed atmosphere.

The **outcomes of this international negotiation sessions are significant because:**

They Cancun Agreements form the basis for the **largest collective effort the world has ever seen to reduce (mitigate) emissions**, in a mutually accountable way, with national plans captured formally at international level under the banner of the UNFCCC.

The final Cancun text agrees on:

- ✓ The **rise of emissions reduction** pledges. Even national delegations traditionally opposed to this type of declaration such as USA or China agreed to the principle of further reducing greenhouse gas (GHG) emissions.
- ✓ A process of **international assessment on the implementation of** the economy-wide **emission reduction targets** submitted by all **industrialised countries** in 2010.
 - A **compilation** has been officially published by the UNFCCC Secretariat and will be followed-up under the Convention.
 - Regular reporting will be boosted by means of detailed annual inventories of GHG emissions and of biannual progress reports in emission reductions.

- ✓ A formal **international registry of National Appropriate Mitigation Actions (NAMAs)**, coupled with strengthening transparency around their elaboration.
 - The registry will have separate sections: one for NAMAs from developing countries requiring international support and a separate one for NAMAs which do not request international support.
 - Developing countries will provide information on the actions for which they are seeking support, whereas industrialised countries will provide information on available support for these actions.
 - Supported actions will be measured, reported and verified internationally, so aid efficiency can be monitored. For domestically supported actions this will be done at the national level.
- ✓ **Biennial reporting on mitigation progress by developing countries** in a differentiated way to that of industrialised countries.
- ✓ Encouraging **low-carbon development plans**, including for developing countries.
- ✓ **Strengthening** Kyoto Protocol's Clean Development Mechanism (CDM) to drive major investments and technology into environmentally sound and sustainable emission reduction projects, by means of:
 - A special focus on developing countries with less than 10 CDM initiatives registered.
 - Allowing carbon capture and storage projects in the CDM, provided that a range of technical issues and safety requirements are resolved and fulfilled.
- ✓ **Continue emissions trading and joint-implementation mechanisms in a second commitment period of the Kyoto Protocol**, as a way to encourage clean technology investment from industrialised countries into developing ones, while allowing the former to use these mechanisms to meet their own emission reduction targets.
- ✓ Establishing **one or more new market-based mechanisms** to both enhance and promote the cost-effectiveness of mitigation actions.
- ✓ Under land use, land-use change and forestry (LULUCF), a call for **the submission of reference levels for GHG accounts under forest management**. The controversy had always been that countries were including forest management in their GHG accounts without any reference levels; thus getting carbon credits from GHG removals that occur naturally thanks to the absorption of carbon dioxide by forests. The agreement provides for the use of a scientifically sound approach and an internationally assessed set of data in order to regulate GHG emissions and removals of forest-related activities.
- ✓ Further discussions and a work programme to **address the potential negative economic or social consequences of mitigation actions** for other countries.
- ✓ The need to **boost information-sharing, awareness-raising and public education on climate change**.

The Cancun Agreements include the **most comprehensive package ever agreed by Governments to help developing nations deal with climate change**. This encompasses finance, technology and capacity-building support to help them meet urgent needs to adapt to climate change and to speed up their plans to adopt sustainable paths to low emission economies which can also resist the negative impacts of climate change.

COP16/CMP6 reached agreements to establish:

- ✓ A **separate section of the mitigation registry for developing countries** to detail their voluntary plans to limit GHG, as well as the support they need in form of technology, finance or capacity-building to achieve them, and the supporting action to match these needs. The registry will be maintained by the UNFCCC Secretariat. During 2010, many developing countries submitted their NAMAs, with appropriate and adequate support from industrialised countries in the form of technology cooperation, finance and help in capacity-building. A compilation of these NAMAs has been officially published by the UNFCCC Secretariat.
- ✓ A **loan scheme to encourage CDM project activities in developing countries** that have fewer than 10 such activities registered.
- ✓ More **transparent and regular information on** the funds dedicated to the **Fast-start finance** for developing countries (pledge of USD 30 billion by 2012) and how to access them.
- ✓ An **Adaptation Framework**, in order to strengthen action on adaptation in developing countries through international cooperation. The **framework** will:
 - aim to achieve better planning and implementation, increased financial and technical support; strengthen and/or establish regional centres and networks; boost research, assessments and technology cooperation on adaptation, as well as strengthen education and public awareness.
 - be complemented by an Adaptation Committee to promote stronger action on adaptation by means of technical support and guidance to countries, knowledge-sharing and synergy between stakeholders.
- ✓ A **process for least developed countries** (LDCs) and other interested developing countries **to formulate and implement** national adaptation plans (**NAPs**) identifying and addressing their medium and long-term adaptation needs.
- ✓ A **work programme on how best to address loss and damage from climate change impacts in developing countries**. During the next two years, countries will consider options on how to manage and reduce the climate change risk to developing nations. This includes the possible development of a climate risk insurance facility. It also includes ways to address rehabilitation from the impacts of such climate change-related events as sea-level rise.

- ✓ A **framework** of parameters and financial incentives **for countries not to deforest**, under the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries REDD +.
- ✓ A **Green Climate Fund** intended **to deploy \$100bn a year by 2020** to protect poor nations against climate impacts and assist them with low-carbon development. The Fund shall:
 - function under the guidance of, and be accountable to COP;
 - support projects, programmes, policies and other activities in developing countries using thematic funding windows;
 - be governed by a Green Climate Fund Board, comprising 24 members with equal representation from developing and developed countries;
 - have its assets administered by a trustee. The final compromise that managed to unblock this thorny question establishes that the World Bank will serve as the interim trustee. This will be reviewed 3 years down the operationalisation of the fund.
 - be supported by a professional independent secretariat.
 - be designed by a **Transitional Committee** of 40 members, with 15 members from developed country Parties and 25 members from developing country Parties, all having the necessary experience and skills, notably in the area of finance and climate change. COP16 also requested the UNFCCC Secretariat to enable relevant United Nations agencies, international financial institutions and multilateral development banks, along with the Secretariat and the Global Environment Facility (GRF), to second staff to support the work of the Transitional Committee.
- ✓ A **Standing Committee on long-term finance** under COP, which will assist on mobilization from a mix of public and private sources, delivery and verification of the long-term finance under the Green Climate Fund.
- ✓ Increased **capacity-building support** to developing countries by strengthening relevant institutions, networks and climate change communication, education, training and public awareness at all levels. Included in this is increased sharing of information.
- ✓ A **Technology Clearinghouse Mechanism** to strengthen technology development and transfer, which will be accountable to the COP and should be fully operational in 2012. This mechanism includes:
 - A Technology Executive Committee (TEC), which will: (i) strengthen the development and deployment of new technologies, (ii) strive to increase public and private investment in technology development and transfer, (iii) assist in providing an overview of needs for the development and transfer of

technologies for mitigation and adaptation, and (iv) recommend policies and actions to boost technology cooperation.

- A Climate Technology Centre and Network (CTCN) to: (i) facilitate national, regional, sectoral and international technology networks, organisations and initiatives, (ii) mobilise and enhance global clean technology capabilities, (iii) provide direct assistance to developing countries, (iv) facilitate prompt action on the deployment of existing technologies, (v) encourage collaboration with the private and public sectors, as well as with academic and research institutions, and (vi) to develop and transfer emerging technologies to the best effect.

The Cancun Agreements include a **timely schedule** for UNFCCC nations **to review** the **progress** they make **towards** their expressed objective of **keeping the average global temperature rise below 2°C**.

- ✓ Governments agreed to **continue** work on **identifying both a goal for substantially reducing global emissions by 2050 and** a time frame for **the peaking of global emissions**.
- ✓ The **first review of progress** to identify whether the world is meeting the necessary timetable, or whether it will require stronger action, **will start in 2013 and be completed by 2015**. The review will be based on the latest scientific information and on progress made in combatting climate change.

VI. Specific outcomes for subnational governments

As we have seen in the previous section, following from the stagnation of multilateral climate change negotiations in COP 15 Copenhagen, the Cancun Agreements represent progress for the international community, both in terms of regaining trust in multilateralism and of improving the international climate action framework.

These two blocks of concrete progress are completed by a frank success for the cause of subnational governments in general, and for nrg4SD and the other organisations part of the Major Group for local government and municipal authorities in particular.

After years of intense advocacy work and direct collaboration with UNFCCC bodies, the Cancun Agreements enshrine for the first time ever in a UNFCCC official agreement the

full recognition of the crucial role of both local and subnational governments as ‘government stakeholders’ in global climate change efforts. More specifically:

Decision 1/CP16 on “**Outcome of the work of the Ad Hoc Working Group on long-term Cooperative Action under the Convention (AWG-LCA)**” - This decision recognises the crucial role of subnational governments in different areas of climate action. More specifically under the shared vision for a long-term cooperative action, it refers to the engagement with all major groups and particularly which **local and subnational governments as ‘governmental stakeholders’**.

- Page 3 - I. A shared vision for long-term cooperative action

7. ‘The Conference of the Parties *recognizes the need to engage a broad range of stakeholders at the global, regional, national and local levels, be they government, including subnational and local government*, private business or civil society, including youth and persons with disability, and that gender equality and the effective participation of women and indigenous peoples are important for effective action on all aspects of climate change’.

This mention was introduced into the international negotiations for the first time in the preamble of the Copenhagen texts in December 2009. Just before the start of COP16 Cancun, the new draft issued by the Chair had withdrawn all elements of the preamble in order to favour consensus among parties. Following from the intense advocacy work of all members of the local government and municipal authorities Mayor Group, where nrg4SD sits, the final text put forward by the Mexican Presidency on the last night and finally adopted by the COP exceeds the expectations of the LGMA. The mention is not only brought back into the text, but it is actually incorporated strongly into an operative paragraph of a decision, when earlier it had been a sentence of the preamble.

- Page 4 - II. Enhanced action on adaptation

14. ‘The Conference of the Parties invites all Parties to enhance action on adaptation under the Cancun Adaptation Framework, taking into account their common but differentiated responsibilities and respective capabilities, and specific national and regional development priorities, objectives and circumstances, by undertaking, inter alia, the following:

(a) Planning, prioritizing and implementing *adaptation actions, including projects and programmes, and actions identified in national and subnational adaptation plans and strategies (...)*.

(e) Page 5 - Enhancing climate change related disaster risk reduction strategies, taking into consideration the Hyogo Framework for Action, where appropriate, early

warning systems, risk assessment and management, and *sharing and transfer mechanisms such as insurance, at the local, national, subregional and regional levels, as appropriate*'

18. Page 5 - 'The Conference of the Parties requests developed country Parties to provide developing country Parties, taking into account the needs of those that are particularly vulnerable, with long-term, scaled-up, predictable, new and additional finance, technology and capacity-building, consistent with relevant provisions, *to implement urgent, short-, medium- and long-term adaptation actions, plans, programmes and projects at the local, national, subregional and regional levels*, in and across different economic and social sectors (...)'.

20. Page 5 – 'The Conference of the Parties decides to hereby establish an Adaptation Committee to promote the implementation of enhanced action on adaptation in a coherent manner under the Convention, inter alia, through the following functions:

(b) Strengthening, consolidating and enhancing the *sharing of relevant information, knowledge, experience and good practices, at the local, national, regional and international levels* (...)'.

- Page 22 – C. Capacity Building

130. 'The Conference of the Parties decides that capacity-building support to developing country Parties should be enhanced with a view to *strengthening endogenous capacities at the subnational, national or regional levels*, as appropriate (...)'.

Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP), Decision 3/CMP6 (EN, ES, FR) **on further guidance relating to the Clean Development Mechanism Commitments** - Building upon para. 55.c of Decision 2/CMP5 in Copenhagen on the role of local government in improving the potential of CDM, in this decision **subnational governments are referred to and** for the first time ever a UNFCCC - KP decision **refers to the concept of 'city' directly** (the latter as a result of the re-introduction by the Jordanian delegation).

- Page 2 – 'The Conference of the Parties, recalling that *standardized baselines under the clean development mechanism should* be broadly applicable, provide a high level of environmental integrity and *take into account specific national, subnational or international circumstances*, as appropriate'.

- Page 3 – I. General – 4. 'The Conference of the Parties, also requests the Executive Board to reassess its existing regulations related to programmes of activities in order to:

(b) Simplify the application of programmes of activities to activities applying multiple methods and technologies, including for possible city-wide programmes (...)'.

Document [FCCC/SBI/2000/L31](#) – The Subsidiary Body for Implementation, when discussing arrangements for intergovernmental meetings recognises (*page 1*) ‘the *important role and value of the participation of all stakeholders, both governmental and non-governmental*, in the UNFCCC process in accordance with Article 7, paragraph 6, of the Convention’.

The introduction of the **Mexico City Pact and carbonN Cities Climate Registry as a global response of local governments to** measurable, reportable, verifiable (**MRV**) climate action.

In November 2010, ICLEI and local governments demonstrated a high level of commitment to climate action when they gathered at the [World Mayors Summit on Climate 2010](#) in Mexico City on 21 November 2010. Signed by more than 140 cities representing more than 170 million citizens, the Summit resulted with the adoption of the Mexico City Pact and carbonN Cities Climate Registry as the global reporting mechanism for measurable, reportable, verifiable local climate action.

VIII. Towards COP17/CMP7 Durban

The outcomes and decisions achieved in Cancun are an important step in continuing negotiations around various 'open' questions. Additional negotiations around the Kyoto Protocol in Cancun gave hope that the Kyoto Protocol can still function as a part of the international response to climate change.

Some **ongoing issues from COP16** include:

- Commitments by Parties to the Kyoto Protocol beyond 2012 are still under consideration.
- Legally binding measures for furthering emissions reductions have to be established.
- The **outcomes of the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) have to be institutionalised and given a legal format** - during 2011, discussions around this will remain **central to the interests of subnational governments and local authorities**.

In a nutshell, the **new institutions to be developed during 2011** in follow up of the Cancun Agreements include:

- A **Green Climate Fund** to house the international management, deployment and accountability of long-term funds for developing country support
- A **Technology Mechanism** to get clean technologies to the right place, at the right time and to best effect
- An **Adaptation Framework** to boost international cooperation to help developing countries protect themselves from the impacts of climate change
- A **Registry** where developing countries will detail their voluntary plans to limit greenhouse gas emissions and the support they need to achieve them

nrg4SD has produced **detailed specific papers** (overview and quick guide) on COP17/CMP7 which are available from our [website](#).

IX. Sources for more information

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| UNFCCC | <p><i>United Nations Framework Convention on Climate Change UNFCCC</i> COP16/CMP6 page, including links to all official documents and webcasts COP16/CMP6 overview, including detailed info on 2011 dossiers and latest developments Meetings – meetings archive Date base of documents National reports Newsletter</p> |
| UNFCCC LGMA constituency | <p>UNFCCC constituency for Local Government and Municipal Authorities <i>UNFCCC LGMA</i> nrg4SD ICLEI – Focal Point for LGMA UCLG</p> |
| UNEP | <p>United Nations Environment Programme <i>UNEP</i> Intergovernmental Panel on Climate Change IPCC Emissions gap report Climate Change Programme News</p> |
| European Union EU | <p>Climate and Energy Package Second European Climate Change Programme International Climate Finance – EU actions Emissions Trading Scheme (ETS) and Effort Sharing Decision Roadmap for moving towards a low-carbon economy by 2050</p> |



www.nrg4sd.org

**Network of Regional Governments
for Sustainable Development**

20, Bvd. Roi Albert II-laan • B-1000 Brussels, Belgium

Tel.: +32 (0)475 844 339

Email: nrg4sd@nrg4sd.org