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# **The Cancun climate change talks: Did they succeed? What implications for UK policy?**

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**BIEE Parker Seminar, DECC, 27<sup>th</sup> Jan 2011**

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# Overview

- The negotiations and outcomes
- Technology and finance
- Implications for the UK



## Context: The negotiations

- **Cancun much more constructive than Copenhagen**
  - Chairing and negotiations process more inclusive
  - Less of a media circus
  - Lower expectations helped; carefully managed by Mexican hosts
- **Some have argued that a lack of focus on ‘achieving the big deal’ was a good thing**
- **UN process itself was on trial. Some feared a collapse of legitimacy, but it passed the test (for now)**

## Context: the negotiations

**‘Consensus requires that everyone is given the right to be heard and have their views given due consideration, and Bolivia has been given this opportunity. Consensus does not mean that one country has the right of veto, and can prevent 193 others from moving forward after years of negotiations on something that our societies and future generations expect.’**

**COP President Patricia Espinosa, Dec 2010**

# Context: The negotiations

## Positive outcomes

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- **Two degrees target and a peak in emissions ‘as soon as possible’ agreed in official text.**
- **Also acknowledges calls for a 1.5°C target, which would be very hard to achieve**
- **Monitoring, reporting and verification (MRV) not as divisive as expected between China and the USA**
- **Progress on technology: a new architecture for Climate Technology Centre and Network**
- **Also on financing through Green Climate Fund, with controversial role for World Bank**

## Context: The negotiations

What didn't go so well

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- **Fault line over next Kyoto commitment period: blunt refusal of Japan to sign up (alongside other Annex 1 parties). COP17 in Durban will need to deal with this.**
- **Lack of further progress on long-term targets within agreement on Long Term Co-operative Action (though it formalised those in Copenhagen Accord)**
- **Misgivings about fast start financing (e.g. lack of adaptation projects, double counting of existing aid)**
- **There is still along way to go: the gap between science and politics remains large**

# Context: The negotiations

## Annex 1 pledges at Copenhagen

Party	Pledge	Base year	From 1990
Australia	5/15/20%	2000	+13% to -11%
Canada	17%	2005	+3%
EU	20/30%	1990	-20% / -30%
Japan	25%	1990	-25%
Russia	15 – 25%	1990	-15% to -25%
USA	17%	2005	-3%

Source: Committee on Climate Change 4<sup>th</sup> budget report

# Context: The negotiations

## Developing country pledges



Party	Pledge	Base year	Pledge
Brasil	36-39%	2020 BAU	Reduction
China	40-45%	2005	Intensity redn
India	20-25%	2005	Intensity redn
Indonesia	26%	2020 BAU	Reduction
Mexico	30%	2020 BAU	Reduction
South Africa	34%	2020 BAU	Reduction
South Korea	30%	2020 BAU	Reduction

Source: Committee on Climate Change 4<sup>th</sup> budget report

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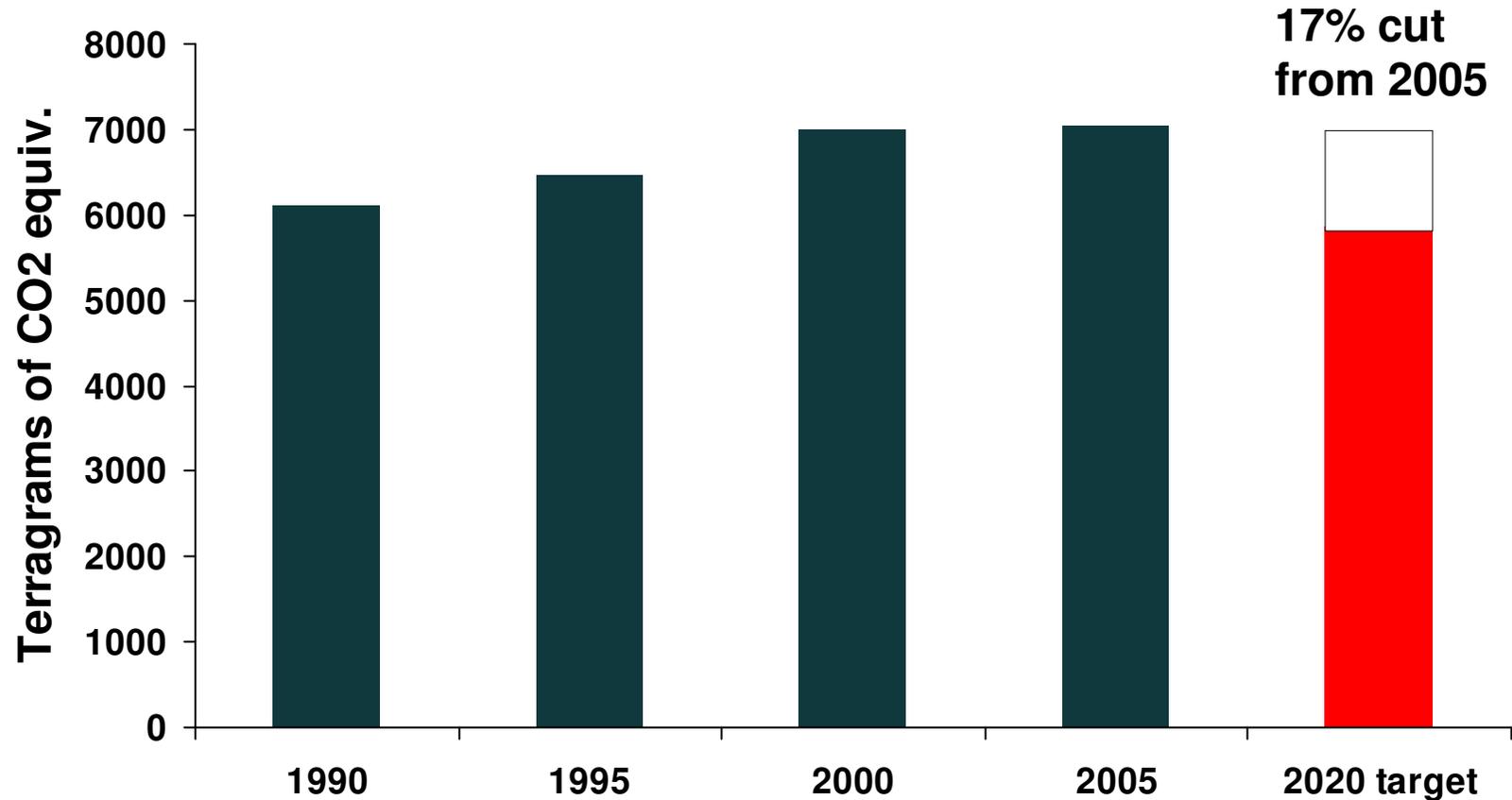
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# US Climate Policy

American Clean Energy and Security Act of 2009



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Source: US EPA

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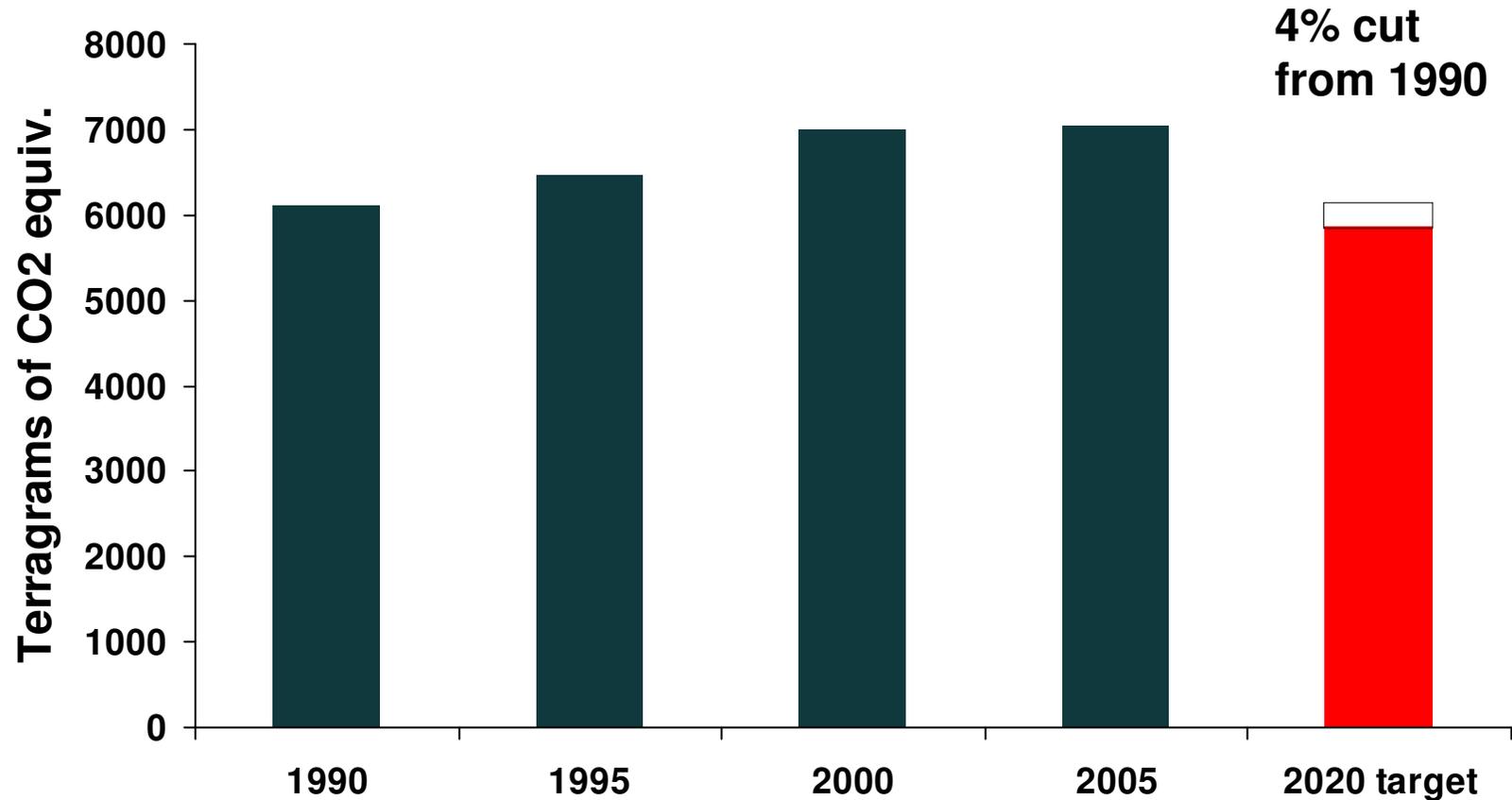
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# US Climate Policy

American Clean Energy and Security Act of 2009



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Source: US EPA

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## Context: The negotiations

Are we on track?

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- **Views differ enormously on whether the 2 degrees target is possible and achievable**
  - **According to the CCC's 4<sup>th</sup> report:**
    - High end of ambition (and no 'hot air' banking): 48Gt CO<sub>2</sub>e by 2020. Consistent with 2 degrees pathway.
    - But, low end of ambition plus banking and land use change may mean 54 Gt CO<sub>2</sub>e by 2020. This is not!
  - **But some argue that such assessments are too optimistic, both on 'carbon budget' for 2 degrees and on realism of pledges**

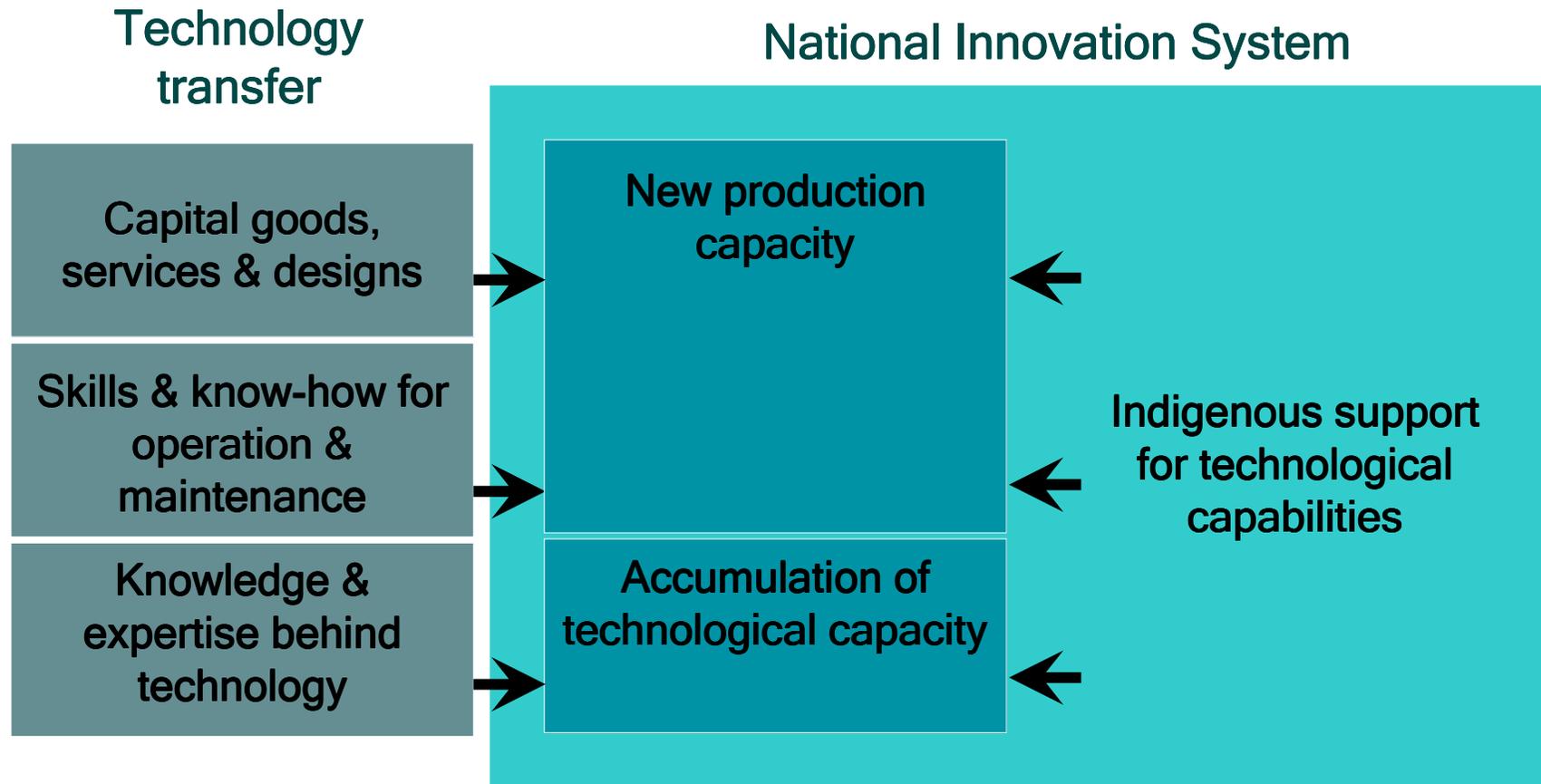
# Context: The negotiations

## Technology

- **Long-standing view that ‘technology transfer’ has not delivered for developing countries**
- **Momentum has built in last 18 months behind concept of new network of ‘low carbon innovation centres’**
- **Many views and interpretations about what these would do, how they would be governed etc**
- **Discussion strangely divorced from separate finance discussion despite obvious links**
- **Our research is one of several programmes internationally that is seeking to inform development of this strand of negotiations**

# Why technology transfer?

A key source of low carbon innovation



# Why technology transfer?

## Three rationales for our broad approach:

- **Strengthens the capacity of developing country firms and organisations to ‘learn by doing’**
- **Many low carbon technologies need to be adapted to local circumstances**
- **Contributes to ‘catching up’ strategies within developing country firms and industries**

# Why technology transfer?

Not enough progress made



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**‘Regrettably, we haven’t seen substantive progress in the sharing of these [low carbon] technologies. ... There is a need to develop institutions and finance ... to transfer technologies on concessional terms whilst safeguarding intellectual property rights’**

**Zeng Peiyan, former Chinese Vice-Premier, May 2010**

# Climate Technology Centres

## Reflections on the Cancun Agreements



- **Text on Long-Term Cooperative Action focuses on one Climate Technology Centre (CTC) and Network**
- **Signals abolition of Expert Group on Tech Transfer**
- **Shopping list of activities that ‘could be considered’: mentions many good things (including finance)**
- **Risk of monolithic, top down approach which doesn’t fit well with our evidence / experience**
- **Network could be more plural and context-specific**
- **Existing agencies (e.g. GEF / World Bank) positioning to run the CTC – but can they deliver?**

# Cancun agreements

What implications for the UK?

- **UK still seen as a leader: Climate Change Act; early provision of international finance etc.**
- **Dilemma remains about level of ambition: CCC approach of alternative budgets reflects this**
- **Recession buys time, but may impact on cross party consensus that the UK should continue to 'lead'**
- **Demonstration effect of UK emissions reductions could be powerful, more progress needed**
- **Competitiveness issues likely to get more important: will they lead to downgrading of UK appetite for altruism?**

**Thanks**

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