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Development and transfer of technologies

Report of the Expert Group on Technology Transfer for 2004

Note by the Chair of the Expert Group on Technology Transfer

Summary

The terms of reference of the Expert Group on Technology Transfer (EGTT), contained in the appendix to the annex to decision 4/CP.7, require the EGTT to report on its work each year to the Subsidiary Body for Scientific and Technological Advice (SBSTA) and propose a programme of work for the following year for decision by the SBSTA. This note reports on the activities of the EGTT for 2004, including its fifth meeting held in Bonn, Germany, in June 2004, its special meeting held in Montreal, Canada, in September 2004, and its sixth meeting held in Buenos Aires, Argentina, in December 2004. It also covers organizational matters, such as the election of officers for 2005 and changes in membership.

Parties may wish to provide views on completed activities of the EGTT for 2004, endorse its work programme for 2005, and, if necessary, provide guidance to the EGTT on the implementation of its proposed work programme for 2005.

CONTENTS

	<i>Paragraphs</i>	<i>Page</i>
I. INTRODUCTION.....	1–4	3
A. Mandate.....	1–2	3
B. Scope of the note.....	3	3
C. Possible action by the Subsidiary Body for Scientific and Technological Advice.....	4	3
II. ORGANIZATIONAL MATTERS	5–7	3
A. Election of the Chair and the Vice-Chair	5	3
B. Nomination of new members	6–7	3
III. IMPLEMENTATION OF THE WORK PROGRAMME OF THE EXPERT GROUP ON TECHNOLOGY TRANSFER FOR 2004	8–38	4
A. Technology needs assessments	8–12	4
B. Technology information.....	13–19	4
C. Enabling environments.....	20–23	5
D. Capacity-building.....	24–25	6
E. Mechanisms.....	26–29	6
F. Cross-cutting issues.....	30–32	7
G. Innovative financing	33–34	7
H. Work programme for the year 2005	35–36	7
I. Cooperation with other expert groups established under the Convention	37–38	8
IV. FUTURE MEETINGS OF THE EXPERT GROUP ON TECHNOLOGY TRANSFER	39	8

Annex

Work programme of the Expert Group on Technology Transfer (EGTT) for 2005	9
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I. Introduction

A. Mandate

1. The Conference of the Parties, by its decision 4/CP.7, established the Expert Group on Technology Transfer (EGTT), with members to be nominated by Parties, with the objective of enhancing implementation of Article 4, paragraph 5, of the Convention. The terms of reference of the EGTT, contained in the appendix to the annex to the same decision, specified that the EGTT shall report on its work each year to the Subsidiary Body for Scientific and Technological Advice (SBSTA) and propose a programme of work for the following year for approval by the SBSTA (FCCC/CP/2001/13/Add.1).
2. The SBSTA, at its nineteenth session, endorsed the programme of work of the EGTT for 2004 (FCCC/SBSTA/2003/15, para. 34 (b)).

B. Scope of the note

3. This note reports on the work of the EGTT in 2004. It covers the outcomes of intersessional activities of the EGTT, its fifth meeting held in Bonn, Germany, in June 2004, a special meeting held in Montreal, Canada, in September 2004, and its sixth meeting held in Buenos Aires, Argentina, in December 2004.

C. Possible action by the Subsidiary Body for Scientific and Technological Advice

4. The SBSTA may wish to take note of the information in this document and:
 - (a) Endorse the EGTT work programme for 2005 contained in the annex, and where necessary, provide guidance to the EGTT and the secretariat on the implementation of the EGTT proposed work programme for 2005
 - (b) Consider recommendations of the EGTT in various areas and determine what further actions would be needed to advance technology transfer activities under the Convention.

II. Organizational matters

A. Election of the Chair and the Vice-Chair

5. In accordance with paragraph 6 of its terms of reference, the EGTT at its sixth meeting elected, by consensus, Mr. Kishan Kumarsingh (Trinidad and Tobago) as Chair and Mr. Bernard Mazijn (Belgium) as Vice-Chair of the EGTT for 2005.

B. Nomination of new members

6. The terms of reference of the EGTT stipulate that half of the members nominated initially shall serve for a period of three years, taking into account the need to maintain the overall balance of the group. The remaining half of the members serve for a period of two years. Every year thereafter, half of the members shall be nominated for a period of two years.
7. In this context, Parties are requested to nominate or confirm, as appropriate, half of the members of the EGTT for the period 2005–2006 and inform the secretariat on these nominations at the session. The list and terms of EGTT members are contained in annex II to document FCCC/SBSTA/2003/15.

III. Implementation of the work programme of the Expert Group on Technology Transfer for 2004

A. Technology needs assessments

8. The work programme for 2004 included three proposed actions on technology needs assessments:
 - (a) Review progress in the implementation of the technology needs assessments
 - (b) Collaborate with the United Nations Development Programme (UNDP) and the Climate Technology Initiative (CTI) on the further development of the handbook on methodologies for technology needs assessments
 - (c) Cooperate with the CTI and others to organize and sponsor regional training on the conduct of technology needs assessments and related topics.

9. At its sixth meeting, the EGTT took note of the information provided by a representative of UNDP on the status of its work in providing support to Parties on their technology needs assessments, in response to the invitation by the SBSTA at its twentieth session. The EGTT further noted that fewer than 10 technology needs assessments reports had been received by UNDP to date. Using a limited number of these reports, UNDP initiated a preliminary analysis with the purpose of identifying technology priorities that may be common across countries and regions. UNDP anticipated that this information would assist Parties not included in Annex I to the Convention (non-Annex I Parties) in identifying issues relevant to the preparation of their second national communications. Thus, it will focus on lessons learned that could assist countries in the analysis of technology needs and gaps in the future.

10. The UNDP representative also informed the EGTT that the National Communications Support Programme (NCSP) of UNDP and United Nations Environment Programme (UNEP), financed by the Global Environment Facility (GEF), is scheduled to initiate its activities in early 2005. The NCSP will provide an integrated package of technical support to facilitate implementation of second national communications. The core focus of the programme is capacity-building, best practices and knowledge management. A key area of work will be technology needs assessments in the context of national mitigation and adaptation strategies.

11. The *Handbook on Conducting Technology Needs Assessments for Climate Change* prepared by UNDP in cooperation with the CTI was finalized and posted on the UNDP web site and circulated in August 2004. The handbook is now available in English and will be distributed at SBSTA 21. Spanish and French version are in preparation.

12. The EGTT encouraged Parties undertaking technology needs assessments to use the handbook to guide their work on technology needs assessments, as appropriate. The EGTT encouraged UNDP and CTI to continue their training and technical assistance efforts to assist non-Annex I Parties in conducting their technology needs assessments. The EGTT, in undertaking its activities in relation to technology needs assessments, will review further progress of this work in collaboration with UNDP, UNEP and the GEF with the aim to organizing a workshop in 2006 to share experience and lessons learned among Parties undertaking technology needs assessments.

B. Technology information

13. The 2004 work programme included two main proposed actions on technology information:
 - (a) Consider the outcome of the survey on TT:CLEAR
 - (b) Review the needs, logistical implications and institutional arrangements associated with networking international technology clearing houses and networks of regional and national technology centres.

14. The EGTT, at its fifth meeting, considered the results of the TT:CLEAR survey carried out by the secretariat. It provided recommendations to the SBSTA at its twentieth session with regard to future work of the secretariat on TT:CLEAR. The SBSTA, at the same session, requested the secretariat to pursue its work on maintaining and improving TT:CLEAR, taking into account recommendations of the EGTT and the results of the TT:CLEAR survey.

15. In view of the above, the EGTT wished to inform the SBSTA of the useful contributions being made by the UNFCCC technology information clearing house (TT:CLEAR) to assisting Parties to gain access to relevant technology information.

16. In that regard, the EGTT recommended that financial support be allocated to maintain and improve TT:CLEAR on an ongoing basis. It also recommended to define more narrowly what topic areas TT:CLEAR can best focus upon while enhancing use and access to TT:CLEAR as indicated in the report on the results of TT:CLEAR survey (FCCC/SBSTA/2004/INF.8) presented for consideration by the SBSTA at its twentieth session.

17. The EGTT considered document FCCC/SBSTA/2004/10 prepared by the secretariat on resource implications for the maintenance and further development of TT:CLEAR. It recommended that the SBSTA encourage the secretariat, resources permitting, to pursue its work described therein.

18. With regard to its second activity (see paragraph 13(b) above), the secretariat informed the EGTT of its activity to explore with UNEP/SANet, Natural Resources Canada and Climate Technology Cooperation Gateway (United States of America) opportunities for cost-effective sharing of electronic information between TT:CLEAR and their web portals. A functioning pilot information sharing network was established with UNEP/SANet and Canada's Clean Energy Portal to test the feasibility of the technical solution proposed and to estimate the logistical implications, institutional arrangements and the costs associated with networking national technology centres.

19. The secretariat also prepared an informal paper for consideration by the EGTT at its sixth meeting to document the above exercise and to provide information on options and estimated technical and financial resource requirements for extending this network to cover two to three national/regional centres in developing countries for testing the feasibility of the system as a pilot phase. The EGTT decided to seek more information and continue its discussion on this issue at its seventh meeting. This work is related to task 3 identified in document FCCC/SBSTA/2004/10 and is reflected in the EGTT work programme for 2005.

C. Enabling environments

20. The 2004 work programme contained three actions in the area of enabling environment:

- (a) Consider the outcome of the senior-level round-table discussion on enabling environments for technology transfer held at COP 9
- (b) Cooperate with business and industry in the organizations of sector-specific workshops as mandated by the SBSTA at its eighteenth session
- (c) Analyse the interaction of climate and environmentally related legislation and policies on national technology choices and transfer.

21. The EGTT, at its fifth meeting, considered the report of the senior-level round-table discussion (FCCC/SBSTA/2004/2) and provided the SBSTA with some highlights on key points from the round-table discussion. Based on the recommendation of the EGTT, the SBSTA at its twentieth session reaffirmed its encouragement to business and industry to organize sector specific workshops as encouraged by the SBSTA at its eighteenth session, and to report on progress to the SBSTA at its twenty-first session.

22. During the intersessional period, the EGTT consulted with business and industry through the International Chamber of Commerce (ICC) and provided input on the preparation of this event. The business and industry representatives will organize this activity in conjunction with SBSTA 21 on Monday, 13 December 2004, from 1800 to 2000 hours.

23. The EGTT was not able to undertake its work to analyse the interaction of climate and environmentally related legislation and policies on national technology choices and transfer, because the SBSTA at its nineteenth session did not endorse the EGTT's suggestion that Parties submit their views on this matter.

D. Capacity-building

24. The 2004 work programme included two actions relating to capacity-building:

- (a) Analysis of trends (e.g., capacity-building for hardware operation, human resources and institutional capacity-building) and gaps and overlaps in the implementation of different capacity-building activities
- (b) Analysing ways to strengthen institutional capacities and promote closer regional cooperation of national focal points.

25. Because overall progress on activities relating to capacity-building will be reviewed at COP 10, the group decided to base its work on the information provided in documents FCCC/2003/TP/1 and FCCC/2004/TP/1 prepared by the secretariat for consideration by the SBSTA at its nineteenth session and by the Subsidiary Body for Implementation (SBI) at its twentieth session, respectively. The EGTT formed a small group to work on this issue. However, due to the heavy workload in other areas, the group was not able to complete its work as planned. In pursuing its work on this matter, the EGTT decided to integrate activities on capacity-building with other activities in the cross-cutting area of the proposed work programme for 2005 as contained in the annex to this report.

E. Mechanisms

26. Under this area, the 2004 work programme included an action to identify links and possible collaboration with other conventions.

27. Based on recommendations of the EGTT, the SBSTA at its twentieth session requested the EGTT to explore possible ways to enhance synergy with other global conventions and processes where technology transfer and capacity-building for technology transfer are considered, in particular with the Convention on Biological Diversity (CBD) on its programme of work and its expert group on technology transfer and technological and scientific cooperation, the United Nations Convention to Combat Desertification, and the Montreal Protocol, and to consider the outcomes of the work of the Joint Liaison Group, to encourage complementarity and avoid duplication of efforts, and to report on the progress to the SBSTA at its twenty-second session.

28. At the special meeting of the EGTT held in September 2004 in Montreal, Canada, the secretariat presented an update of the ongoing work of the Joint Liaison Group (FCCC/SBSTA/2004/INF.9). The secretariat of the CBD was also invited to present technology transfer activities under the CBD, including possible collaboration between the EGTT and the CBD expert group on technology transfer and technological and scientific cooperation.

29. The EGTT will continue to explore possible areas for collaboration with other Conventions and processes and will report on the progress to the SBSTA as requested.

F. Cross-cutting issues

30. The 2004 work programme included two actions relating to cross-cutting issues:
- (a) Explore opportunities to enhance the capabilities of existing institutions to serve as clean technology/energy centres in order to facilitate climate technology transfer at the national and regional level
 - (b) Encourage the development of environmentally sound technologies in particular adaptation technologies.
31. At its sixth meeting, a representative from United Nations Industrial Development Organization (UNIDO) was invited as a resource person to provide information on UNIDO activities on cleaner production centres. The EGTT agreed to explore further possible collaboration with UNIDO and other relevant organizations on work relating to clean technology/energy centres in the context of technology centres and networking.
32. The EGTT completed its work in preparing a scoping paper on technologies for adaptation to climate change. Based on recommendations from the EGTT, the SBSTA at its twentieth session, requested the secretariat to organize a seminar in 2005 and to prepare a technical paper on this subject. The EGTT, at its sixth meeting, agreed on the terms of reference for a seminar on development and transfer of environmentally sound technologies for adaptation to climate change, including endogenous technologies.

G. Innovative financing

33. The 2004 work programme provided for a specific area of activity relating to innovative financing, which included, as main activities, the preparation of the terms of reference for a workshop and the organization of a workshop on this subject before SBSTA 21. The workshop on innovative options for financing the development and transfer of technologies was organized by the secretariat under the guidance of the EGTT. It took place on 27–29 September 2004 in Montreal, Canada, and its report is contained in document FCCC/SBSTA/2004/11. The EGTT recognized the kind assistance of Natural Resources Canada and the financial support for the organization of the workshop provided by the Governments of Finland and the United States of America, the European Commission and the CTI.
34. As requested by the SBSTA at its twentieth session, the EGTT considered the outcomes of the workshop and the report of the workshop prepared by the secretariat. The EGTT found the workshop useful in broadening the understanding of workshop participants on the role and interest of governments and the private sector, including local project developers, entrepreneurs and the financial community, and on conventional as well as innovative financing approaches currently applied and/or under development with regard to the transfer of technologies within and outside the Convention process. It agreed to continue its work on this area as proposed in the proposed work programme for 2005.

H. Work programme for the year 2005

35. Having considered the need to advance technology transfer activities under the Convention, and taking into account mandates given by the SBSTA at its nineteenth and twentieth sessions, the EGTT agreed to propose its work programme for 2005 for endorsement by the SBSTA at its twenty-first session as contained in the annex to this report.
36. The EGTT recognized the need to undertake work in many areas, including that requested by the SBSTA at its nineteenth and twentieth sessions. However, within the limited time and resources available in 2005, the EGTT would caution that it may not be able to respond fully to all requests by the SBSTA. In this context, the EGTT agreed to focus its activities in 2005 on:

- (c) Areas relating to technology needs assessments
- (d) Organization of a seminar and preparation of terms of reference for a technical paper on technologies for adaptation to climate change, including endogenous technologies
- (e) Innovative financing for the development and transfer of technologies by preparing a practitioners' guide, as called for at the Montreal workshop, and by organizing a workshop to advance the issue
- (f) Enabling environments in relation to issues surrounding publicly owned technologies and those technologies in the public domain.

I. Cooperation with other expert groups established under the Convention

37. In implementing its work programme for 2004 the EGTT continued to cooperate on cross-cutting issues with the other expert groups established under the Convention. The Chair of the Least Developed Countries Expert Group (LEG) attended the workshop on innovative options for financing technology transfer, held in Montreal, Canada, and the special meeting of the group organized back-to-back with the workshop. On that occasion, he presented to the group the work programme of the LEG and discussed options for improving the cooperation between the groups on issues relating to adaptation to climate change. At the sixth meeting of the EGTT the outgoing Chair and incoming Chair of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) were invited to present the work of their group and to identify possible areas for cooperation. In this context, the role of technology needs assessments and their link with the national communications of non-Annex I Parties was addressed, as well as the EGTT activities on technologies for adaptation.

38. In 2005, the EGTT will further enhance this cooperation, including on facilitating the exchange of views between the groups by organizing back-to-back meetings and inviting members of the other groups to brief the EGTT on their activities, by linking the web pages of the groups and by improving the exchange of information and documentation.

IV. Future meetings of the Expert Group on Technology Transfer

39. The seventh meeting of the EGTT will take place on 12 and 13 May 2005 in conjunction with SBSTA 22 in Bonn, Germany. The eighth meeting will be held on 2–4 November 2005 in conjunction with SBSTA 23. The group tentatively planned to convene a special meeting in conjunction with the seminar on technologies for adaptation to climate change to be organized by the secretariat in late June 2005.

Annex

Work programme of the Expert Group on Technology Transfer (EGTT) for 2005

<i>Activities</i>	<i>Actions</i>	<i>Responsible actors</i>	<i>Target dates</i>
Area 1: Technology needs assessments			
Integrate the results of the technology needs assessments in the work of the EGTT	Consider the preliminary analysis of the results of the technology needs assessments studies prepared by United Nations Development Programme (UNDP)	EGTT	EGTT 8
	Continue to draw on the results of the technology needs assessments as a resource for future work of the EGTT in consideration of its activities and work programme	EGTT	Ongoing
Area 2: Technology information			
Progress in the implementation of the results of the TT:CLEAR survey Initiate a pilot network of national and regional technology information centres	Review progress	EGTT	
	Secretariat to prepare a draft scope of work in consultation with relevant organizations for consideration by EGTT 7 to address the concerns raised at EGTT 6	Secretariat, EGTT	EGTT 7

Area 3: Enabling environments			
Define and better understand the issues surrounding publicly owned technologies and those in the public domain	Prepare an informal paper	EGTT	EGTT 7
Continue to cooperate with business and industry and public-private partnerships in the organization of sector-specific workshops	Consider the outcomes of the event organized at COP 10	EGTT	EGTT 7
Area 4: Capacity-building			
Capacity-building activities for 2005 are reflected under related activities in area 6: Cross-cutting activities			
Area 5: Mechanisms			
Explore possible ways to enhance synergy with other global conventions and processes where technology transfer and capacity-building for technology transfer are considered, in particular with the Convention of Biological Diversity (CBD), the United Nations Convention to Combat Desertification (UNCCD) and the Montreal Protocol, to encourage complementarity and avoid duplication of efforts	Invite representatives of other Conventions to the seminar on technologies for adaptation	Secretariat, EGTT	SBSTA 22

Area 6: Cross-cutting activities				
<p>Innovative financing: begin to address the outcome of the workshop on innovative options to finance the development and transfer of technologies</p>		<p>Prepare a technical paper on innovative options for financing the development and transfer of technologies, drawing on, inter alia, the outcome of the Montreal workshop and the background paper prepared by the secretariat for the workshop</p>	<p>Secretariat with EGT inputs</p>	<p>SBSTA 23</p>
		<p>Prepare and agree on terms of reference for the practitioner's guide</p>	<p>EGTT</p>	<p>EGTT 7 Draft by February 2005</p>
		<p>Develop a practitioner's guide to assist project developers in developing countries and relevant stakeholders in preparing project proposals that will meet the standards of international finance providers</p>	<p>To be determined</p>	<p>Work will start in 2005, and end in 2006</p>

	<p>Cooperate with United Nations Environment Programme (UNEP), UNDP, the Global Environment Facility (GEF), Climate Technology Initiative (CTI) and others to organize and conduct with the assistance of the secretariat, a workshop focusing on solutions to reach financial closure of actual proposals drawn from the results of the technology needs assessments and to take forward the ongoing work on innovative public private financing mechanisms identified in the Montreal workshop</p>	<p>Secretariat, EGTT in cooperation with UNEP, UNDP, the GEF, CTI and others</p>	<p>Prior to SBSTA 23</p>
<p>Technologies for adaptation: address key issues encompassing technologies for adaptation to climate change, including endogenous technologies</p>	<p>Organize a seminar on the development and transfer of environmentally sound technologies for adaptation based on the terms of reference agreed at the sixth meeting of the EGTT Consider the outcome of the seminar on development and transfer of environmentally sound technologies for adaptation organized by the secretariat Draft terms of reference for the technical paper on the applications of environmentally sound technologies for adaptation to climate change, based on the outcomes of the above-mentioned seminar</p>	<p>Secretariat with EGTT inputs EGTT EGTT</p>	<p>End of June 2005 EGTT 8 Before EGTT 8</p>

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