

Ninth meeting of the Technology Executive Committee

Langer Eugen, Bonn, Germany
18-21 August 2014

Background paper

Implementation of the Poznan Strategic Programme on Technology Transfer

I. Introduction

A. Background

1. SBI 40 invited the Technology Executive Committee (TEC) to evaluate the Poznan Strategic Programme on Technology Transfer (PSP) with the aim of enhancing the effectiveness of the Technology Mechanism and to report back to COP 20 through SBI 41.¹

B. Scope of the paper

2. This background paper provides an overview of the PSP. It provides a history of the programme, a description of the programme's progress of work and an outline of the SBI conclusions on the programme. The background paper concludes with guiding questions that the TEC may consider as it evaluates the PSP.

C. Possible action by the Technology Executive Committee

3. The TEC may wish to consider this information and agree on further action, with a view to reporting back to COP 20 on this matter.

II. Overview of Poznan Strategic Programme on Technology Transfer

A. History

4. COP 13 requested the Global Environment Facility (GEF) to develop a programme to promote investment in technology transfer. The programme had the objective of helping developing countries address their needs for environmentally sound technologies (ESTs).²

5. In November 2008, the GEF Council approved a strategic programme on technology with funding of \$50 million USD (\$35 million USD from the GEF Trust Fund and \$15 million USD from the Special Climate Change Fund (SCCF)). The programme had three funding windows:

- (a) Technology needs assessments (TNAs);
- (b) Piloting priority technology projects linked to TNAs;
- (c) Dissemination of GEF experience and successfully demonstrated ESTs.

¹ FCCC/SBI/2014/8, paragraph 142. <<http://unfccc.int/resource/docs/2014/sbi/eng/08.pdf>>.

² Decision 4/CP.13, paragraph 3.



6. COP 14 renamed this programme the *Poznan Strategic Programme on Technology Transfer*.³ In the context of this programme, COP 14 requested the GEF to initiate and facilitate the preparation of projects for approval and implementation under the strategic programme. It also requested the GEF to collaborate with its implementing agencies to provide technical support to developing countries in preparing or updating their TNAs. Thirdly, it requested the GEF to consider the long-term implementation of the PSP.⁴ Finally, it requested the GEF to report to COP 16 on the progress made in carrying out the activities above.⁵

7. At COP 16, a GEF report described the progress made in undertaking the activities described in paragraph 6 and included a plan for the long-term implementation of the PSP. This plan contained five elements:

- (a) Support for climate technology centres and a climate technology network;
- (b) Piloting priority technology projects to foster innovation and investments;
- (c) Public-private partnership for technology transfer;
- (d) TNAs;
- (e) GEF as a catalytic supporting institution for technology transfer.

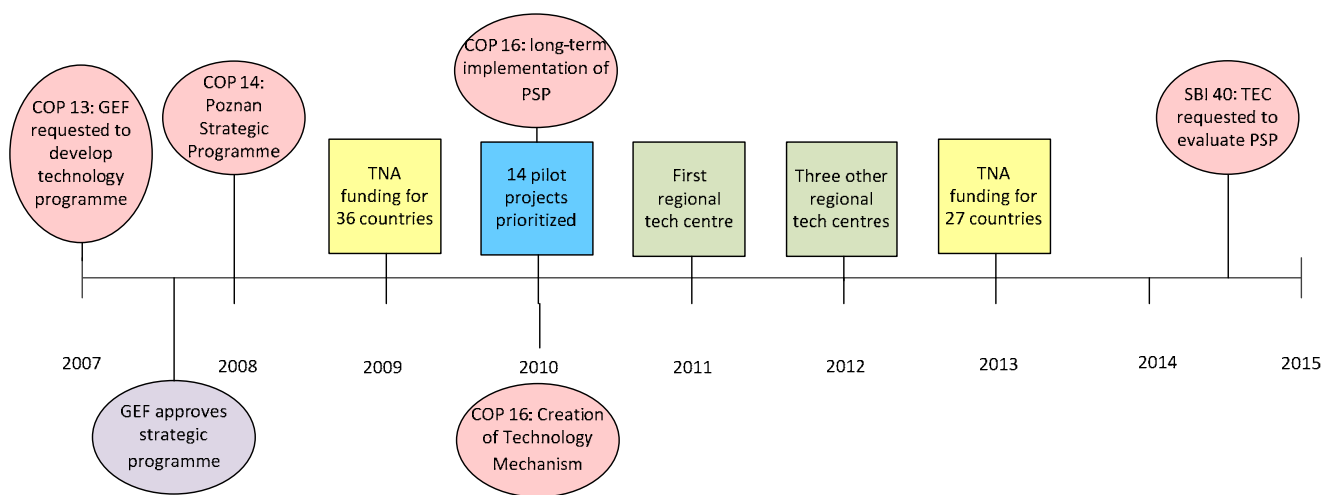
8. The GEF noted that three of the long-term elements (piloting projects, TNAs and GEF as a catalytic supporting institution) are a direct continuation and scaling up of the three elements of the initial PSP (see paragraph 5).⁶

9. In 2014, the SBI 40 invited the Technology Executive Committee (TEC) to evaluate the Poznan Strategic Programme on Technology Transfer (PSP) with the aim of enhancing the effectiveness of the Technology Mechanism and to report back to COP 20 through SBI 41.

10. The development and progress of work of the PSP may be observed in figure 1.

Figure 1

The development and progress of work of the Poznan Strategic Programme



³ Decision 2/CP.14, paragraph 1.

⁴ In accordance with decision 2/CP.14, paragraph 2, this includes: (i) addressing the gaps identified in current operations of the GEF relating to investment in the transfer of ESTs; (ii) leveraging private-sector investment; and (iii) promoting innovative project development activities.

⁵ Decision 2/CP.14, paragraph 2.

⁶ See FCCC/CP/2013/3, annex, paragraph 140.

B. Progress of work

11. At each SBI session, the GEF has submitted a report which outlines the progress made in carrying out the PSP. The table in annex I illustrates the progress of work of the five elements of the PSP, based on the information provided in the GEF progress reports (see also figure 1). The following is an approximate summary of the progress made on each element, based on the GEF reports:⁷

Support for climate technology centres and a climate technology network

12. The GEF is supporting four regional technology projects.⁸ The GEF expects these projects to generate lessons learned to help inform the ongoing process to operationalize the Technology Mechanism, in particular the Climate Technology Centre and Network (CTCN).

Piloting priority technology projects to foster innovation and investments

13. Following a 2009 call for submissions, 14 pilot projects were prioritized for funding, with a total of \$36.9 million USD from the PSP funding window. Nine projects are being implemented, with two projects expected to be implemented soon. Three projects were cancelled. The GEF also funded projects that addressed the promotion and transfer of innovative low-carbon technologies or were aimed at market transformations for specific technologies. These were funded through the GEF Trust Fund, the LDCF and the SCCF.

Public-private partnership for technology transfer

14. Four public-private partnership programs were approved by the GEF Council, using \$65 million USD of funding from the GEF-5 private set-aside. The projects focused on clean energy and biodiversity protection.

Technology Needs Assessments

15. In 2009, \$9 million USD was allocated through the PSP funding window for a TNA project to support 36 developing countries to update or undertake TNAs. In 2013, the GEF Council approved a new UNEP project to support 27 low- and medium-income countries to undertake TNAs.

GEF as a catalytic supporting institution for technology transfer

16. The GEF participates in international discussions supporting the development of technology transfer initiatives. It also supports the dissemination of information on GEF experiences and successfully demonstrated ESTs. The GEF website is updated periodically with specific information on technology transfer.

C. SBI conclusions on the Poznan Strategic Programme

17. Since 2008, at each session the SBI has considered the GEF progress reports and agreed on conclusions regarding the PSP. The table in annex II illustrates the SBI conclusions relevant to each element of the PSP. The following is an approximate summary of the SBI conclusions on each element:

Support for climate technology centres and a climate technology network

18. The SBI has noted the need for the further implementation of this element and for this element to be aligned with the support for the operationalization and activities of the CTCN.

Piloting priority technology projects to foster innovation and investments

19. The SBI has noted the pilot projects being proposed and implemented. It has identified that the majority of the projects address mitigation to climate change and that there is a need to balance support between mitigation and adaptation projects. It has requested the GEF to expedite the implementation of the pilot projects.

⁷ This section is based on information included in the GEF progress reports.

⁸ These are: the Pilot Asia-Pacific Climate Technology Network and Finance Center (ADB/UNEP), the Pilot African Climate Technology Finance Center and Network (AfDB), the Regional Climate Technology Transfer Center (EBRD) and the Climate Technology Transfer Mechanisms and Networks in Latin America and the Caribbean (IDB).

Public-private partnership for technology transfer

20. No conclusions refer to this element.

Technology Needs Assessments

21. The SBI has noted the support provided to 36 non-Annex I Parties and a further 27 non-Annex I Parties to update or undertake TNAs. It has identified the need for Parties to enhance and follow up the TNA process by further promoting the development and implementation of economically, environmentally and socially sound project proposals. It has invited the GEF to support the implementation of the results of TNAs, including technology action plans and project ideas.

GEF as a catalytic supporting institution for technology transfer

22. The SBI has invited the GEF to enhance awareness of the PSP and to enhance the GEF's outreach and awareness-raising efforts on funding opportunities for projects related to technologies for adaptation. It has invited the GEF to further elaborate on experiences gained and lessons learned, including success stories and challenges faced in carrying out PSP activities.

III. Conclusions

23. Established in 2008 to promote investment in technology transfer, the GEF's Poznan strategic programme on technology transfer has been in operation for six years. At the time of its establishment, the Technology Mechanism had not yet been created. Now that the Technology Mechanism is operational, Parties, through the SBI, have considered it important to evaluate the programme with the aim of enhancing the effectiveness of the Technology Mechanism.

24. In evaluating the PSP, the TEC may wish to consider the following questions:

Substantive

- (a) COP 13 requested the GEF to develop a programme to promote investment in technology transfer. To what extent has the PSP been effective in promoting investment in technology transfer?
- (b) To what extent has the PSP been effective in reaching its overall objective, to help developing countries address their needs for environmentally sound technologies?
- (c) To what extent are the five elements of the long-term plan of the PSP relevant to the operations of the Technology Mechanism? How can these elements be strengthened to enhance the effectiveness of the Technology Mechanism?
- (d) How can the PSP be strengthened to enhance the effectiveness of the Technology Mechanism?
- (e) What recommendations could the TEC give to the SBI to strengthen the PSP and enhance the effectiveness of the Technology Mechanism?

Process

- (f) What further action could be taken by the TEC to evaluate the PSP, with the aim of enhancing the effectiveness of the Technology Mechanism?

Annex I

Progress of work of the Poznan Strategic Programme on Technology Transfer

Climate technology centres and a climate technology network	Piloting priority technology projects to foster innovation and investments	Public-private partnership (PPP)	Technology needs assessments	GEF as a catalytic supporting institution
<ul style="list-style-type: none"> The GEF is supporting four regional projects. All projects receive funding from the GEF Trust Fund for mitigation and from the Special Climate Change Fund (SCCF) for adaptation. They are expected to generate lessons learned to help inform the ongoing process to operationalize the Technology Mechanism, in particular the CTCN. 	<p><u>Within the Poznan Strategic Programme (PSP)</u></p> <ul style="list-style-type: none"> 14 pilot projects were prioritized for funding following a 2009 call for submissions. 3 projects were subsequently cancelled. Total of \$36.9 million USD from PSP funding window (including cancelled projects). Total GEF funding of \$58 million USD. 9 projects are being implemented, with 2 projects expected to be implemented soon. <p><u>Within the long-term implementation of the PSP</u></p> <p><i>1. Mitigation</i></p> <ul style="list-style-type: none"> GEF-5 (FY 2010-2013) supported 221 projects with technology transfer objectives with \$1.5 billion USD of funding. 55 projects addressed the promotion and transfer of innovative low-carbon technologies. 166 were aimed at market transformation for specific technologies. <p><i>2. Adaptation</i></p> <ul style="list-style-type: none"> The GEF, through the LDCF and SCCF-A, supports a portfolio of adaptation projects. These projects contribute towards the demonstration, deployment and diffusion of climate-resilient technologies as part of broader strategies to reduce vulnerability. 	<ul style="list-style-type: none"> Four PPP programs were approved by the GEF Council, using \$65 million USD of funding from the GEF-5 private set-aside. The projects focused on clean energy and biodiversity protection. 	<ul style="list-style-type: none"> 2009: \$9 million USD allocated through the PSP funding window for a TNA project to support 36 developing countries to update or undertake TNAs. 2013: GEF Council approved a new UNEP project to support 27 low- and medium-income countries to undertake TNAs. 	<ul style="list-style-type: none"> The GEF participates in international discussions supporting the development of technology transfer initiatives. The GEF supports the dissemination of GEF experiences and of successfully demonstrated ESTs, under the Poznan Strategic Program. This includes by disseminating GEF publications. The GEF website is updated periodically with specific information on technology transfer. See: http://www.thegef.org/gef/technology_transfer.
Funding:				
GEF-5 Trust Fund and SCCF	GEF-5 Trust Fund, PSP and SCCF	GEF-5 private sector set-aside	2009 project: SCCF; New project: not specified	-

All information in this table is based on the GEF progress reports.

Annex II

SBI conclusions on the Poznan Strategic Programme on Technology Transfer

Climate technology centres and a climate technology network

SBI 33

111. In view of the ongoing discussions taking place under the Convention regarding the structure of the Technology Mechanism, the SBI noted that any activities proposed by the GEF should not prejudice the outcome of the negotiations under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention. In particular, the SBI noted that the GEF should align its long-term programme on technology transfer following the outcome of the negotiations.

SBI 35

99. The SBI invited the GEF to support the operationalization and activities of the Climate Technology Centre and Network without prejudging any selection of the host.

SBI 36

200. The SBI stressed the need for the further implementation of the element of the Poznan strategic programme included in document FCCC/SBI/2012/9, paragraph 23(a), to be aligned with, and to enable, the operationalization and activities of the CTC and its Network, taking into account paragraphs 185 and 187 above, and decision 2/CP.17, paragraph 140.

SBI 37

123. The SBI stressed the need for the further implementation of the element of the Poznan strategic programme on support for climate technology centres and a climate technology network, which should be aligned with, and support, the operationalization and activities of the CTCN, taking into account decision 2/CP.17, paragraph 140.

124. The SBI invited the GEF to consult with the CTCN, through its advisory board, on the support the GEF will provide for the work of the CTCN and to report on the findings of those consultations to the COP at its nineteenth session.

SBI 39

137. The SBI invited the GEF to continue to consult with the CTCN, through its Advisory Board and the United Nations Environment Programme as the host of the Climate Technology Centre, on the support that the GEF will provide for the work of the CTCN and to report on the concrete results of the consultations at SBI 40.

138. The SBI reiterated the need to align the further implementation of the element of the Poznan strategic programme on support for climate technology centres and a climate technology network with the operationalization and activities of the CTCN, taking into account decision 2/CP.17, paragraph 140.

SBI 40

2. The SBI invited the GEF to continue to consult with the Advisory Board of the CTCN on the support that the GEF will provide for the implementation of the five-year programme of work of the CTCN and to report on its findings for consideration at SBI 41 (December 2014).

3. The SBI also invited the CTCN to include information on the support that it has received from the GEF and other relevant organizations in the 2014 joint annual report of the Technology Executive Committee (TEC) and the CTCN for consideration by the Conference of the Parties (COP) at its twentieth session (December 2014).

4. The SBI recalled its conclusions at SBI 39, namely the need for the GEF to align the further implementation of the element of the Poznan strategic programme on support for climate technology centres and a climate technology network with the operationalization and activities of the CTCN, taking into account decision 2/CP.17, paragraph 140, and to consult with the Advisory Board of the CTCN on this matter and report on its findings for consideration at SBI 41.

Piloting priority technology projects to foster innovation and investments**SBI 33**

110. ... The SBI further noted the progress made in providing financial support for technology transfer pilot projects that support the deployment, diffusion and transfer of technologies. It noted that the pilot projects proposed and/or being implemented under the Poznan strategic programme on technology transfer mainly address mitigation; therefore it welcomed the development of a Technology Transfer Program for Climate Adaptation as announced by the GEF in its report on the progress made in carrying out the Poznan strategic programme on technology transfer.

SBI 34

136. The SBI welcomed the progress made by the GEF in providing support for piloting priority technology projects as part of the Poznan strategic programme. The SBI noted that the pilot project proposals submitted by non-Annex I Parties and supported by the GEF included only one project on technologies for adaptation. The SBI also noted the importance of projects on technologies for adaptation, including on the development and strengthening of local knowledge, and invited the GEF, Parties and relevant organizations in a position to do so to provide financial support for project proposals, including those for pilot projects, of the types supported by the Poznan strategic programme related to technologies for adaptation.

SBI 35

96. The SBI acknowledged the support provided by the GEF for the implementation of technology transfer pilot projects and for the conduct of technology needs assessments (TNAs). It further acknowledged the progress made in implementing the long-term programme on technology transfer. Furthermore, it urged the GEF and Parties to expedite the process for the early implementation of projects submitted before 30 September 2009.

97. The SBI encouraged non-Annex I Parties to develop and submit project proposals, particularly for technologies for adaptation, to the GEF in line with elements of the long-term programme on technology transfer described in document FCCC/SBI/2011/14, annex, paragraphs 46 and 47. The SBI invited the GEF to raise awareness of the long-term programme on technology transfer.

SBI 36

196. The SBI noted the support provided by the GEF for the implementation of technology transfer pilot projects under the Poznan strategic programme and the views expressed by Parties on the need to balance support for mitigation and adaptation projects. The SBI invited the GEF to enhance the balance between adaptation and mitigation projects in the long-term implementation of the Poznan strategic programme, including by enhancing its outreach and awareness-raising efforts on funding opportunities for projects related to technologies for adaptation. The SBI recalled its conclusion at its thirty-fifth session encouraging non-Annex I Parties to submit project proposals, particularly for technologies for adaptation, to the GEF in line with the elements of the long-term programme described in document FCCC/SBI/2011/14, annex, paragraphs 46 and 47.

197. The SBI invited the GEF and its implementing agencies to expedite the process for the implementation and completion of the remaining technology transfer pilot projects submitted in 2009 for support under the Poznan strategic programme.

Technology needs assessments**SBI 30**

70. The SBI noted the interim report of the GEF on the progress made in carrying out the Poznan strategic programme on technology transfer. The SBI requested the GEF to expedite this work, particularly in providing financial support for developing country Parties in conducting and updating their technology needs assessments and in acting on the results. The SBI invited the GEF and its implementing agencies to promote, when providing support under the Poznan strategic programme on technology transfer, the use of the updated handbook Conducting Technology Needs Assessments for Climate Change by non-Annex I Parties.

SBI 33

110. The SBI ... noted the progress made in providing technical and financial support to assist non-Annex I Parties in developing and/or updating their TNAs.

SBI 34

135. The SBI welcomed the progress made in providing technical and financial support to assist 36 non-Annex I Parties in developing and updating their technology needs assessments (TNAs). The SBI noted that many non-Annex I Parties expressed their interest to conduct or update their TNAs. The SBI recommended that the COP, at its seventeenth session, invite the GEF to continue to provide financial support to other non-Annex I Parties, as appropriate, to conduct or update their TNAs, noting the availability of the updated handbook Conducting Technology Needs Assessments for Climate Change.

SBI 35

98. The SBI welcomed the results of the TNAs that are being prepared under the Poznan strategic programme in cooperation with the United Nations Environment Programme (UNEP). The SBI noted information provided orally by the Climate Technology Initiative's Private Financing Advisory Network on its collaboration with UNEP to assess any projects identified under the TNAs to determine their suitability for private-sector investment in order to accelerate implementation.

SBI 36

198. The SBI acknowledged the support provided by the GEF to assist 36 non-Annex I Parties in conducting their technology needs assessments (TNAs). The SBI recalled decision 11/CP.17, paragraph 2, which invited the GEF, in the context of TNAs, to continue to provide financial support to other non-Annex I Parties, as appropriate, to conduct or update their TNAs.

SBI 37

122. The SBI acknowledged the support provided by the GEF to assist 36 non-Annex I Parties in conducting their technology needs assessments (TNAs). It reiterated decision 11/CP.17, paragraph 2, in which the GEF was invited to continue to provide financial support to other non-Annex I Parties, as appropriate, to conduct or update their TNAs. It invited the GEF to report on its support provided to other non-Annex I Parties to conduct or update their TNAs in its report to the COP at its nineteenth session.

SBI 39

135. The SBI acknowledged the support provided by the GEF to assist 36 non-Annex I Parties in conducting their technology needs assessments and welcomed the financial and technical support that the GEF will provide to 24 non-Annex I Parties for conducting or updating their technology needs assessments.

SBI 40

6. The SBI welcomed the approval by the GEF Council of a new project of the United Nations Environment Programme which provides technical and financial support to 27 Parties not included in Annex I to the Convention (non-Annex I Parties) for conducting or updating their technology needs assessments (TNAs) and technology action plans, as well as the approval of six national projects incorporating TNA support activities.

7. The SBI noted the need for Parties to enhance and follow up the TNA process by further promoting the development and implementation of economically, environmentally and socially sound project proposals.

8. The SBI invited the GEF to further support the implementation of the results of TNAs, including technology action plans and project ideas prepared by non-Annex I Parties.

GEF as a catalytic supporting institution**SBI 35**

97. ... The SBI invited the GEF to raise awareness of the long-term programme on technology transfer.

SBI 36

196. The SBI noted the support provided by the GEF for the implementation of technology transfer pilot projects under the Poznan strategic programme and the views expressed by Parties on the need to balance support for mitigation and adaptation projects. The SBI invited the GEF to enhance the balance between adaptation and mitigation projects in the long-term implementation of the Poznan strategic programme, including by enhancing its outreach and awareness-raising efforts on funding opportunities for projects related to technologies for adaptation.

199. The SBI recalled the conclusion at its thirty-fourth session inviting the GEF to provide reports on the progress made in carrying out its activities under the Poznan strategic programme, including its long-term implementation, for consideration by the SBI at its thirty-fifth and subsequent sessions. The SBI invited the GEF in its future progress reports to further elaborate on:

- (a) The activities undertaken by the GEF to enhance its outreach and awareness-raising efforts on funding opportunities for projects related to technologies for adaptation, in order to address the need for balanced support for projects related to technologies for adaptation;
- (b) Experiences gained and lessons learned, including success stories and challenges faced in carrying out the activities under the Poznan strategic programme;
- (c) Progress made by its implementing agencies in the delivery of technology transfer under the Poznan strategic programme;
- (d) The efforts carried out to support, pursuant to decision 2/CP.17, the operationalization and activities of the CTCN.

Note: There were no SBI conclusions on the element of the Poznan Strategic Programme related to public-private partnerships.