



UNITED
NATIONS



Framework Convention
on Climate Change

Distr.
GENERAL

FCCC/SBI/2003/INF.12/Add.1
3 June 2003

ENGLISH ONLY

SUBSIDIARY BODY FOR IMPLEMENTATION

Eighteenth session

Bonn, 4–13 June 2003

Item 4 (a) of the provisional agenda

**FINANCIAL MATTERS RELATING TO PARTIES NOT INCLUDED IN
ANNEX I TO THE CONVENTION**

FINANCIAL MECHANISM: THE SPECIAL CLIMATE CHANGE FUND

Activities, programmes and measures of the Special Climate Change Fund

Views from the Least Developed Countries Expert Group

Addendum

VIEWS FROM THE EXPERT GROUP ON TECHNOLOGY TRANSFER

1. The Conference of the Parties, by its decision 7/CP.8, decided to further define the prioritized activities, programmes and measures to be funded out of the Special Climate Change Fund in areas enumerated in paragraph 2 of decision 7/CP.7. It invited the Expert Group on Technology Transfer and the Least Developed Countries Expert Group to submit, as soon as possible, views, relevant to their mandates, on the activities, programmes and measures referred to in decision 7/CP.7, paragraph 2, with a view to providing further guidance to the Global Environment Facility.
2. In addition to the submission received from the Least Developed Countries Expert Group, contained in document FCCC/SBI/2003/INF.12, a submission has been received from the Expert Group on Technology Transfer. This submission is reproduced below in the language in which it was received and without formal editing.

Annex

Submission by the Expert Group on Technology Transfer

Views on Activities, Programmes and Measures referred to in paragraph 2 of decision 7/CP.7 on Funding under the Convention - Initial Guidance to an Entity entrusted with the Operation of the Financial Mechanism of the Convention, for the operation of the Special Climate Change Fund

Background

The Conference of the Parties by its decision 7/CP.7 provided for the establishment of a special climate change fund to finance activities, programmes and measures, relating to climate change, that are complementary to those funded by the resources allocated to the climate change focal area of Global Environment Facility and by bilateral and multilateral funding. In this regard, transfer of technologies in accordance with decision 4/CP.7 was identified as area eligible for funding under this fund.

The COP, by its decision 4/CP.7, also adopted a framework for meaningful and effective actions to enhance the implementation of Article 4.5 of the Convention contained in the annex to the decision. The framework identified five key major areas for actions: technology needs assessments, technology information, enabling environment, capacity building and mechanisms for technology transfer. The decision further provided for the establishment of the Expert Group on Technology Transfer (EGTT). Since its establishment, the group has actively provided recommendations to the SBSTA for further considerations in various areas included in its programme of work approved for the biennium 2002-2003. Progress of work of the EGTT can be found in document FCCC/SBSTA/2002/9.

In preparing its views on the special climate change fund, the EGTT took into account information contained in the following documents: the GEF Strategic Business Planning: Directions and Targets - Annex 2 - Climate change directions and targets; evaluation report on Results from the GEF Climate Change Programme; report on Renewable Energy and Energy Efficiency in Developing Countries: GEF Climate Change Programmes and Experience; submissions from Parties (FCCC/SBI/2003/MISC.1) and views from the Least Developed Countries Expert Group (FCCC/SBI/2003/INF.12). The group also benefited from input from representatives from the GEF secretariat and the United Nations Environment Programme (UNEP) invited to take part in its third meeting held on 30-31 May 2003 in Bonn.

Activities, programmes and measures

The EGTT emphasizes the need for financial and technical supports for the implementation of the results of the country-driven technology needs assessments and the development and transfer of adaptation technologies.

The following activities, programmes and measures should be considered as priority areas for transfer of technologies for funding under the special climate change fund:

Technology needs assessments

1. Support the organization of regional workshops including one for small island States in order to advance the implementation of the results of the country-driven activities on technology needs assessments. The workshops are to be organized under the guidance of the Expert Group on Technology Transfer (EGTT).

2. Support the strengthening and/or establishment of regional, sub-regional and/or national centres of excellence, as appropriate, that would enhance the capacities of non-Annex I Parties and countries with economies in transition to update and implement the results of their technology needs assessments.
3. Contribute to buying down the initial investment costs or risks associated with prioritised technologies as determined by the technology needs assessments to enhance the transfer of technologies.
4. Support technology transfer programmes as determined by the technology needs assessments including investment projects, feasibility studies, training and demonstration programmes.

Technology Information

1. Support the strengthening of national climate change focal points and/or other appropriate national institutions for accessing and disseminating technology information as a support to the technology transfer process.
2. Support the strengthening and establishment, as appropriate, of regional and national networks to facilitate the flows of technology information.

Capacity-Building

1. Support capacity building programmes aimed at strengthening the negotiation skills (business and legal) that would lead to fair terms for technology transfer.
2. Strengthen institutions involved in technology assessments, acquisition and development.
3. Provide support for training, expert exchange, scholarship and cooperative research programmes in relevant national and regional institutions for the transfer, operation, maintenance, adaptation, diffusion and development of environmentally sound technologies with special attention to adaptation technologies.
4. Support programmes that enhance the awareness of financial institutions, of the need to evaluate environmentally sound technologies on an equal footing with other technology options.
5. Support the strengthening of endogenous capacities and capabilities in research, development, technological innovation, adoption and adaptation, and technology for systematic observation relevant to climate change and its associated impacts.

Enabling Environments

1. Provide support for the development of integrated and country-driven national technology transfer plan/strategy that addresses policy, institutional and legal frameworks in the context of climate change and sustainable development.
2. Provide support for projects that enhance regional cooperation on enabling environments, such as harmonization of policies, incentives, standards, legal instruments and institutional arrangements.

31 May 2003
