



**UNITED  
NATIONS**



**Framework Convention  
on Climate Change**

Distr.  
GENERAL

FCCC/SBSTA/2006/INF.8  
5 November 2006

ENGLISH ONLY

**SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE**

**Twenty-fifth session**

**Nairobi, 6–14 November 2006**

**Item 4 of the provisional agenda**

**Development and transfer of technologies**

**Annual report of the Expert Group on Technology Transfer for 2006**

**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 to propose a programme of work for the following year for approval by the SBSTA. This note reports on the intersessional activities of the EGTT for 2006; a working session and a special meeting held in Brussels, Belgium, in March 2006; its ninth meeting, held in Bonn, Germany, in May 2006; and its tenth meeting, held in Nairobi, Kenya, in November 2006.

The Conference of the Parties, at its twelfth session, will review the progress of work and the terms of reference of the EGTT, including, if appropriate, its status and continuation. Therefore this annual report does not provide a programme of work for 2007, but instead recommends a continuation of activities as a logical follow-on to the work programme for 2006, by emphasizing the work to be done in the immediate future so as to keep the momentum of the technology transfer work under the Convention.

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## **I. Introduction**

### **A. Mandate**

1. The Conference of the Parties (COP), 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.
2. The SBSTA, at its twenty-third session, endorsed the programme of work of the EGTT for 2006 (FCCC/SBSTA/2005/10, para. 79).

### **B. Scope of the note**

3. This note reports on the work of the EGTT in 2006. It covers the outcomes of intersessional activities of the EGTT; its ninth meeting, held in Bonn, Germany, in May 2006; its tenth meeting, held in Nairobi, Kenya, in November 2006; and a working session and special meeting held in Brussels, Belgium, in March 2006.
4. The COP, at its twelfth session, will review the progress of work and the terms of reference of the EGTT, including, if appropriate, its status and continuation. Therefore this annual report does not provide a programme of work for 2007, but instead recommends a continuation of activities as a logical follow-on to the work programme for 2006, by emphasizing the work to be done in the immediate future so as to keep the momentum of the technology transfer work under the Convention.

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

5. The SBSTA may wish to take note of the information in this document, consider the various recommendations of the EGTT contained in the report, and determine what further actions would be necessary to advance technology transfer activities under the Convention. Parties may also wish to provide views on activities completed by the EGTT in 2006.

## **II. Organizational matters**

### **A. Nomination of new members**

6. The COP, at its twelfth session, will review the terms of reference of the EGTT (see para. 4 above). In this context, there is no nomination of any new members to serve in the group in the next period, unless the COP decides otherwise.

## **III. Implementation of the work programme of the Expert Group on Technology Transfer for 2006**

7. The EGTT expressed its appreciation for the financial contributions provided by the Governments of Belgium, Norway and the United States of America, and the European Community and the Climate Technology Initiative (CTI), which enabled the group to successfully implement its work programme for 2006.

### A. Technology needs assessments

8. The work programme for 2006 included two activities on technology needs assessments (TNAs):

- (a) Consider the synthesis report prepared by the secretariat on technology needs identified by Parties not included in Annex I to the Convention (non-Annex I Parties) in their national communications and available TNA reports, and the report of the preliminary analysis, finalized by the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP) in collaboration with CTI, to contribute to improving the quality of the TNA process and reports, in order to recommend appropriate next steps, including facilitation of the implementation of activities identified therein;
- (b) Provide advice to the SBSTA to improve the reporting of technology needs, taking into account lessons learned from the workshop on innovative options for financing the results of the technology needs assessments, held in Bonn in October 2005, and the TNA reports.

9. The SBSTA, at its twenty-first session, requested the secretariat to prepare a synthesis report on technology needs based on the preliminary analysis of the available TNAs compiled by UNDP, and on the technology needs identified by non-Annex I Parties in their national communications, and make this report available for consideration by the SBSTA at its twenty-fourth session.

10. At its special meeting in Brussels the group carried out an initial exchange of views on the TNA process based on a draft version of the synthesis report. Besides TNAs, national communications and national adaptation programmes of action (NAPAs) provide information about technology needs of non-Annex I Parties. Some members indicated that the information available on technology needs in national communications is limited, and highlighted the important role of the respective guidelines for national communications from non-Annex I Parties. The group also pointed out the need to streamline information about technology needs available in TNAs, national communications and NAPAs.

11. At its ninth meeting, the group considered the final version of the synthesis report.<sup>1</sup> The report presents information on technology needs for mitigation of and adaptation to climate change contained in 23 TNAs and 25 initial national communications of non-Annex I Parties. The synthesis report was well received by the group, which indicated that the report came at an opportune moment as it provided relevant information for the group to further elaborate its recommendations for enhancing the implementation of the technology transfer framework. In addition, the group indicated that this report provides a good opportunity for further outreach on TNAs. The group raised a number of issues relating to the TNA process, including coherence with the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) and their work on national communications, available funding for TNAs, outreach activities of the synthesis report at SBSTA 24 and the importance of sharing the report with the Global Environment Facility (GEF), UNDP and UNEP.

12. During the intersessional period, the EGTT worked closely with the CGE in developing a template on cross-cutting issues in national communications. The Chair of the CGE requested the EGTT to provide comments on a draft template developed by the CGE, with the assistance of the secretariat. This template aims to guide non-Annex I Parties on the information that may be provided under the section "Other information considered relevant to the achievement of the objective of the Convention", including information on activities relating to technology transfer.

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<sup>1</sup> FCCC/SBSTA/2006/INF.1.

13. At the tenth EGTT meeting the group welcomed the update provided by UNEP<sup>2</sup> with regard to the status of work on technology needs assessment. It noted that 86 countries have received funding for phase II enabling activities, some of which may include the preparation of TNAs, upon completion of their initial national communication prior to the start of the second national communication. To date eight countries have each received an additional USD 50,000 for the preparation of their TNAs while preparing their second national communication. It also noted that non-Annex I Parties that have not received any funding for the preparation of their TNAs would receive USD 50,000 to do so, and that non-Annex I countries that received the top-up fund and have not conducted TNAs will not have the opportunity to use this USD 50,000 with their preparation of second national communication. It is expected that 10 phase II enabling activity reports that may include TNAs will be completed in the coming year.

14. In line with the working programme for 2006 the group discussed ways and means for improving the reporting of technology needs, taking into account lessons learned from the synthesis report on technology needs, in order to advise the SBSTA. While endorsing the recommendations on technology needs assessments included in annex II of the report of the SBSTA at its twenty-fourth session,<sup>3</sup> it concluded that there is, for the forthcoming year, a need for immediate action:

- (a) It is important to encourage, without delay, non-Annex I Parties that have not yet undertaken or completed their TNAs to do so by:
  - (i) Providing guidance on good practice on conducting TNAs;
  - (ii) Improving the link between the TNAs and national communications and between the TNAs and follow-up activities;
  - (iii) Finalizing the template on cross-cutting issues in national communications to be prepared by the CGE, taking into account comments relating to technology transfer activities provided by the EGTT;
- (b) These activities need to be complemented as soon as possible with further efforts to:
  - (i) Link with the outputs on the work of innovative financing (e.g. the technical paper on innovative options for financing the development and transfer of technologies, *A guidebook on preparing technology transfer projects for financing*,<sup>4</sup> hereinafter referred to as practitioners' guidebook) with a view to considering financing aspects at an early stage of the project development cycle;
  - (ii) Link with improving enabling environments with a view to attracting private and public financing.

15. In this regard the EGTT stressed the need to better mainstream the outcomes of technology needs assessments in national development plans in order to improve their implementation.

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<sup>2</sup> The representative of UNEP informed the group that at this meeting he was also representing the UNDP and the GEF.

<sup>3</sup> FCCC/SBSTA/2006/5.

<sup>4</sup> FCCC/TP/2006/1.

## B. Technology information

16. The work programme for 2006 included two activities on technology information:
- (a) Consider the outcomes of the pilot project on networking between the UNFCCC technology information clearing house (TT:CLEAR) and regional and national technology information centres;
  - (b) Based upon the outcomes of the activity referred to in subparagraph (a) above, consider ways and means to enhance the capabilities of clean technology centres in developing countries.
17. The COP, by its decision 6/CP.10, encouraged the secretariat to continue its work on a pilot project on networking between TT:CLEAR and national and regional technology information centres. The SBSTA, at its twenty third session, took note of the initial report by the secretariat on the pilot project.<sup>5</sup> It acknowledged the useful contribution this activity could make towards enhancing networking among technology information centres and in enabling Parties to gain access to relevant information, and encouraged broader participation through seeking more partners from both developed and developing countries and international organizations.
18. At the ninth meeting of the EGTT, the secretariat informed the group about the status of the pilot project. Twenty-seven centres have been approached from Africa, Asia and the Pacific, and Latin America and the Caribbean. Three centres expressed interest: the International Technology Trade Centre of Tsinghua University, China; the Tunis International Centre for Environmental Technologies and the Sahara Sahel Observatory, Tunisia; and the Caribbean Community Climate Change Centre, Belize. The secretariat indicated that the pilot project is in the implementation stage and that the information centre in China is fully operational as part of the pilot network. The group encouraged the secretariat to make this initiative known to technology centres in developing countries and some members indicated the need to address regional balance when expanding the pilot network.
19. At its tenth meeting, the EGTT reinforced its recommendations on the technology information theme of the framework, as contained in annex II to the report of the SBSTA at its twenty-fourth session. It noted that the process could benefit from an update of the survey on the effectiveness of the use of TT:CLEAR, carried out in 2004, contained in document FCCC/SBSTA/2004/INF.8.
20. During the discussions the EGTT:
- (a) Expressed concern about the capabilities of the centres for enhancing the dissemination of technology transfer information through the current pilot network and recommended that UNEP and the United Nations Industrial Development Organization (UNIDO), which have experience in working with clean production centres, and UNDP, which has experience in capacity-building, be involved in this work;
  - (b) Emphasized the need for a client driven process of networking technology centres, in particular building on the gaps and barriers identified in the synthesis report on technology needs identified by non-Annex I Parties;<sup>6</sup>
  - (c) Noted that it will be necessary to assess the results of the pilot project on networking between TT:CLEAR and regional and national technology information centres against the initial objectives, including alternative means of sharing information between these centres before further expansion of the pilot network.

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<sup>5</sup> FCCC/SBSTA/2005/INF.9.

<sup>6</sup> FCCC/SBSTA/2006/INF.1.

### **C. Enabling environments**

21. The work programme for 2006 contained one activity in the area of enabling environments:
- (a) Organize a side event on issues relating to the transfer of publicly owned technologies and those in the public domain based on the informal paper prepared by the EGTT in 2005 on this subject.
22. The EGTT, at its seventh meeting, considered an informal paper on issues surrounding the transfer of publicly owned technologies and those in the public domain. The paper reaffirmed that governments can, through partnering arrangements with the private sector and academia, play a catalytic role in the development of technologies and processes by providing public funds to foster research and promote technologies. It noted that retention of property rights by the entities investing their creative and financial resources is a necessary condition for maintaining sufficient incentives to keep these talents and other resources involved in the long term. The group had a constructive discussion on this paper and agreed to further explore this issue.
23. The EGTT planned in its work programme for 2006, which was endorsed by SBSTA 23, to organize a side event at SBSTA 24 on issues relating to the transfer of publicly owned technologies and those in the public domain. The SBSTA, at its twenty-third session, further requested the EGTT to consider appropriate next steps on those issues, including the role of governments in facilitating, to the extent practicable, the access to and transfer of such technologies to developing country Parties and Parties with economies in transition, taking into consideration the discussion at the side event, and to report back to the SBSTA at its twenty-fifth session.
24. The side event aimed to generate discussions on and understanding of this matter and focused on technical aspects and views from Parties. The panel discussion that followed addressed technology transfer and renewable energy technologies; the implementation of patent principles as a vehicle to stimulate innovation and creativity; and the implications of trade-related aspects of intellectual property rights to technology transfer activities.
25. The EGTT, at its tenth meeting, discussed possible next steps on this matter based upon a briefing on the side event by the secretariat, and agreed that promoting joint research and development (R&D) could provide a context in which to address intellectual property rights (IPR) issues. The EGTT also referred to its recommendations in document FCCC/SBSTA/2006/INF.4, in particular under the enabling environment theme and the sub-themes related to joint R&D under the mechanism.

### **D. Capacity-building**

26. Activities of the EGTT in 2006 on areas relating to capacity-building are described in the sections on technology needs assessments (III. A), technology information (III. B) and innovative financing (III. F).

### **E. Mechanisms**

27. The work programme for 2006 contained three activities in the area of mechanisms:
- (a) 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, the United Nations Convention to Combat Desertification and the Montreal Protocol on Substances that Deplete the Ozone Layer, to encourage complementarity and avoid duplication of efforts;

- (b) Enhance cooperation with the CGE and the Least Developed Countries Expert Group (LEG), constituted bodies under the Convention, and explore ways for possible cooperation with the Executive Board of the clean development mechanism (CDM);
- (c) Consider the outcomes of the fourteenth session of the United Nations Commission on Sustainable Development (CSD-14) in the area of technology transfer and capacity-building for technology transfer.

28. With regard to the synergies with other global conventions and processes the EGTT took note of the work of the Joint Liaison Group. It stressed, however, the need for increased activities to encourage complementarity and avoid duplication of efforts.

29. At SBSTA 24 a meeting was organized between the Chairs of the SBSTA and the Subsidiary Body for Implementation (SBI) with the Chairs of the expert groups established under the Convention (CGE, EGTT and LEG). The aim of this meeting was to identify possible areas for collaborative activities based on the work programmes of the expert groups, in particular on reporting in the second national communications of non-Annex I Parties, on adaptation to climate change and on needs for technical and financial support. The Chairs of the groups also met bilaterally after the meeting to agree on details of these collaborations. At the same session, in a bilateral meeting between the Chairs of the EGTT and the CDM Executive Board, the EGTT Chair gave a briefing on EGTT activities on innovative financing, in particular the development of the practitioners' guidebook.

30. In 2006 the EGTT continued its cooperation with other expert groups under the Convention, for example on facilitating the exchange of views and inviting representatives of the CGE and the LEG to participate in EGTT events, including the hands-on training in preparing project proposals, organized in Nairobi on 3 November 2006. During the intersessional period, the EGTT also worked closely with the CGE to provide input on the development of their template on cross-cutting issues in national communications, as discussed in the section under TNAs.

31. At its tenth meeting, the EGTT further considered the outcomes of CSD-14 in the area of technology transfer and capacity-building for technology transfer. The EGTT noted with interest the discussion in other international fora on technology transfer and capacity-building for technology transfer.

32. In the biennium 2006–2007 the CSD is dealing with energy, industrial development, air pollution and climate change. On several occasions during CSD-14 reference was made to technology transfer and capacity-building for technology transfer. The EGTT considers its work over the last five years as a useful input for the policy review to be held during CSD-15.

33. Therefore, the EGTT advises SBSTA to request the UNFCCC secretariat to summarize the work of EGTT, based on the information in document FCCC/SBSTA/2006/INF.4, and forward this information to the CSD and other relevant international fora. This information should capture the results of the work of the EGTT, be concise and written in a language that can be understood by those who are not familiar with the UNFCCC process.

34. The EGTT noted with interest the Chair's conclusions from the ministerial meeting on the Gleneagles Dialogue on Climate Change, Clean Energy, and Sustainable Development that met on 3–4 October 2006 in Monterrey, Mexico. The thematic areas of discussion on enabling environments, technologies, adaptation to climate change, and financing correspond directly to the work streams within the EGTT programme of work and many of the areas that have been addressed during the past five years since the creation of EGTT.

35. The EGTT emphasizes the need for a summary of its work as input to the G8 Gleneagles process, in particular the next ministerial meeting, and invites the participants in this process, as well as the World



Bank, the International Energy Agency (IEA) and other relevant organizations to draw on the comprehensive work of the EGTT in identifying barriers and challenges to accelerating the transfer of environmentally sound technologies (ESTs), as described in the EGTT deliverables, including the advice that has been made available to Parties over the tenure of the EGTT.

#### **F. Cross-cutting issues**

36. The EGTT work programme provided for specific areas of activity relating to innovative financing and technologies for adaptation.

##### **1. Innovative financing**

37. The work programme for 2006 contained three activities in the area of innovative financing:

- (a) Prepare a technical paper on innovative options for financing the development and transfer of technologies;
- (b) Develop a practitioners' guide to assist project developers in developing countries and relevant stakeholders in preparing project proposals that will meet the standards of international finance providers;
- (c) Consider the outcomes of the workshop on innovative options to finance the results of the TNAs to determine further steps in this area, including establishing a network of financing experts through CTI, and drawing on the experience of others, such as UNEP and the International Finance Corporation (IFC), to provide technical assistance to project developers in the preparation of project proposals to facilitate access to financing.

38. The EGTT, at its ninth meeting, discussed the outcomes of the workshop on innovative options for financing the results of the TNAs held in Bonn in October 2005,<sup>7</sup> to determine further steps in this area. The group indicated that additional capacity-building in the preparation of project proposals was needed and that the pre-workshop coaching provided by financing experts was considered an effective approach in this regard. One of the outcomes of the workshop was to consider establishing a network of financing experts to provide technical assistance to project developers. One member provided an update of the status of this network and indicated that the establishment of this network is a work in progress and reported that six experts have been identified, some of whom also participated in the workshop.

39. The EGTT work programme for 2006 includes the preparation of a practitioners' guidebook to assist project developers in developing countries and relevant stakeholders in preparing financing proposals that will meet the standards of international finance providers. As an output from the workshop on innovative options for financing technology transfer held in Montreal, Canada in 2004<sup>8</sup> and follow-up work on this matter, the practitioners' guidebook has been developed by the secretariat in close collaboration with the EGTT and a number of practitioners with first-hand experience in project development and financing. The secretariat presented a draft of the practitioners' guide at the ninth EGTT meeting. This draft was also used as a reference document at a learning centre event on "Financing Sustainable Development", organized at CSD-14 by UNEP and E+Co. The launch of the practitioners' guidebook at COP 12 will be accompanied by a number of events, including a side event and a field trip to a geothermal plant in Kenya. The practitioners' guide will become available in three languages, English, French and Spanish.

40. In conjunction with the tenth EGTT meeting, a hands-on training on preparing project proposals was organized as a pilot for possible training and coaching programmes in the future. Current and former

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<sup>7</sup> FCCC/SBSTA/2006/3.

<sup>8</sup> FCCC/SBSTA/2004/11.

EGTT members, members from the CGE and the LEG and local practitioners were invited to participate in the training session. The EGTT recognized the need to further enhance capacity of project developers and other stakeholders in developing countries to prepare project proposals. It strongly recommended that regional training and coaching programmes on this matter be organized in the period 2006–2007. Based on the lessons learned from the pilot hands-on training, the practitioners' guide could be used as a tool for these training programmes.

41. The technical paper has been prepared by the secretariat in close collaboration with the EGTT.<sup>9</sup> It provides an overview of issues relating to the topic of innovative financing for technology transfer relating to climate change. It also includes an analysis of progress in the area of innovative financing, both in the public and the private sectors, a synthesis of successes and failures, and means to address financial barriers. The paper argues that creating innovative options for financing the transfer of environmentally sound technologies implies finding new ways to connect actors and interests, and not just designing or developing new financing products. An important aspect of this crossover between the financing community and the climate change community is the attention given to elements of financial viability, which are at the core of many climate change projects. The paper elaborates on these developments and explores options, with cases and examples from mitigation and adaptation practice.

42. At its tenth meeting the group considered the technical paper on innovative options for financing the development and transfer of technologies and pointed out that innovative financing is a new area of work for the EGTT that could assist Parties to bridge private and public financing and as such has the potential to enhance the transfer of technologies.

43. The group also suggested that inter-linkages with other processes dealing with technology transfer innovative financing issues should be strengthened, within the UNFCCC process, and TNAs in particular, and initiatives outside the UNFCCC process such as the G8 Gleneagles process. It also emphasized that these inter-linkages should provide a two-way information flow that allows for further outreach activities on innovative financing to these initiatives as well as for receiving feedback from these initiatives.

44. The EGTT welcomed the presentation of the new practitioners' guidebook and the hands-on training on preparing project proposals conducted by Phil LaRocco, the main author of the guidebook. The training focused on preparing project proposals for financing and discussed two case studies with the participants.

45. It concluded with the need for establishing a concrete roll-out programme for the dissemination and use of the practitioners' guidebook as soon as possible. The EGTT recommends that this plan is based on the following four building blocks with consideration given to necessary promotional and training activities:

- (a) Learning centre events to be held in conjunction during the sessions of the subsidiary bodies targeting two categories of audiences:
  - (i) UNFCCC delegates and key stakeholders (e.g. national focal points, government officials dealing with technology transfer). The purpose would be to provide a hands-on finance primer, based on practical cases;
  - (ii) Staff from international organizations and financial institutions (e.g. UNEP, UNDP, GEF, World Bank) offering a "train the trainer" facility to ensure that the practitioners' guidebook will be broadly used in the field;

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<sup>9</sup> FCCC/TP/2006/1.

- (b) Regional training sessions and offering hands-on training courses and assistance to prepare qualitative financing proposals by national project developers;
- (c) A facility like a help desk to:
  - (i) Assist trainers and project developers in applying the practitioners' guidebook;
  - (ii) Collect feedback on the practitioners' guidebook and tools;
  - (iii) To advise on the improvement of the use of the practitioners' guidebook and on possible future versions;
- (d) Project finance facility to:
  - (i) Provide a forum for project developers to present their proposals to finance practitioners;
  - (ii) Obtain guidance of possible funding channels;
  - (iii) Possibly offer a matching function function, between finance, demand and supply.

46. The EGTT believes that implementing such a roll-out programme would facilitate the implementation of Article 4, paragraph 5, of the Convention, and efforts with regard to technology transfer within (e.g. NAPA, CDM) and outside of the Convention.

47. At its tenth meeting the EGTT welcomed a presentation on the Global Energy Efficiency and Renewable Energy Fund and noted with appreciation the commitment by the European Commission to contribute EUR 80 million to initiate this innovative public private partnership which could offer significant potential for complementary funding of technology transfer projects.

## 2. Technologies for adaptation to climate change

48. The work programme for 2006 contained two activities in the area of technologies for adaptation to climate change:

- (a) Prepare a technical paper on the application of environmentally sound technologies for adaptation to climate change, based on the outcomes of the seminar on the development and transfer of technologies for adaptation to climate change, and consider possible activities that could enhance or be responsive to the SBSTA five-year programme of work on impacts, vulnerability and adaptation to climate change;
- (b) Present the work of the EGTT in this area through an event and further consider possible activities that could enhance or be responsive to the above-mentioned five-year programme of work.

49. The SBSTA, at its twenty-first session, requested the secretariat to prepare a technical paper on applications of environmentally sound technologies for adaptation to climate change for consideration by the SBSTA at its twenty-fourth session. The technical paper provides an overview of the current knowledge and understanding of adaptation to climate change; a framework for assessing technologies for adaptation to climate change; the process of technology development and transfer as relevant to adaptation to climate change; examples of important technologies for adaptation in five sectors (coastal zones, water resources, agriculture, public health and infrastructure), together with case studies for each sector; and a synthesis of findings that have implications for climate policy.<sup>10</sup>

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<sup>10</sup> FCCC/TP/2006/2.

50. The EGTT considered the technical paper on application of environmentally sound technologies to climate change to be an informative document that could serve as an input for the discussion on the SBSTA five-year programme of work. The group also recommended that this paper should be shared with a wider audience and agreed to produce a brochure based on the paper for this purpose.

51. The secretariat organized an informal meeting of representatives from Parties in Vienna, Austria, from 13 to 15 March 2006, in order to further elaborate the draft indicative list of activities for the SBSTA programme of work. At the ninth meeting of the EGTT the secretariat provided a briefing of this meeting by referring to the meeting report.<sup>11</sup> The group discussed the potential role of the EGTT in the implementation of this work programme, in particular the sub-themes relating to methods and tools, adaptation planning and practices, and technologies for adaptation. EGTT also indicated that the programme of work on adaptation could benefit from the work undertaken by the EGTT to date, in the areas of TNAs, technology information and innovative financing, and stressed that duplication of efforts should be avoided.

52. The EGTT acknowledged that the outputs of its work on this matter (e.g. the report of the seminar on environmentally sound technologies for adaptation to climate change, the above-mentioned technical paper) could contribute to enhance the work of the SBSTA on matters relating to adaptation. The group was also aware of the need to be responsive to a possible request by the SBSTA for the EGTT to undertake activities arising from the SBSTA five-year programme of work.

53. At its tenth meeting the EGTT noted that its work on technologies for adaptation is not well known, including the scope of this work (e.g. soft and hard technologies, sectoral approach), and will outreach these activities at the side event to be held on 8 November 2006 in Nairobi. It also requested the secretariat to distribute the technical paper at relevant workshops and discussed possible activities that could enhance or be responsive to the above-mentioned five-year programme of work.

#### **IV. Activities in response to decision 6/CP.10**

54. The COP, by its decision 4/CP.7, adopted the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention (technology transfer framework) and established the EGTT with a provision to review its status and mandate at COP 12.

55. The COP, by its decision 6/CP.10, requested the EGTT to make recommendations for enhancing the implementation of the technology transfer framework prior to SBSTA 24. The SBSTA, at its twenty-second session, agreed on the terms of reference to guide the EGTT in conducting this task.<sup>12</sup> To enable the group to formalize its recommendations in time for consideration by the SBSTA at its twenty-fourth session, the SBSTA requested the secretariat to organize a special working session in early 2006. The working session was organized with the aim of allowing the EGTT to continue to undertake the tasks as requested in the terms of reference agreed at SBSTA 22 and was held in Brussels, Belgium, on 9–10 March, 2006. This working session was organized as a combined effort between EGTT members whose term had expired in December 2005 and the EGTT members of 2006. The group focused its deliberations on the following topics:

- (a) Review the progress made and effectiveness in the implementation of activities identified under each key theme of the technology transfer framework;
- (b) Identify gaps and barriers and suggest ways and means to better facilitate and advance the implementation of the technology transfer framework;

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<sup>11</sup> FCCC/SBSTA/2006/4.

<sup>12</sup> FCCC/SBSTA/2005/4, annex II.

- (c) Identify practical actions to enhance innovative public and/or private partnerships and cooperation with the private sector, and consider concrete steps that governments, business and academia can take to enable effective participation by the private sector;
- (d) Consider ways to enhance cooperation with relevant conventions and intergovernmental processes;
- (e) Consider possible medium- and long-term strategies for enhancing the implementation of the technology transfer framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, including issues relating to the medium- and long-term planning of the work of the EGTT;
- (f) Consider ways to promote collaborative research and development on technologies for mitigation and adaptation between Parties included in Annex II to the Convention and Parties not included in Annex I to the Convention;
- (g) Recommend possible revision of the key themes in the existing technology transfer framework based on the outcomes detailed above.

56. The EGTT finalized its recommendations at its ninth meeting. These recommendations are contained in document FCCC/SBSTA/2006/INF.4. The SBSTA, at its twenty-fourth session, welcomed the recommendations by the EGTT, contained in annex II to the SBSTA report,<sup>13</sup> and recognized that they constitute a set of possible actions for enhancing the implementation of the technology transfer framework that could be considered by the COP for a possible decision on this issue at its twelfth session or at any future sessions. It endorsed the recommendation that the five themes listed in the framework, and the structure, definitions and purpose of the current technology transfer framework, continue to provide a solid basis for enhancing the implementation of Article 4, paragraph 5, of the Convention, and welcomed in particular the sub-themes that the EGTT had identified under the fifth theme, on mechanisms for technology transfer.

## **V. Activities for immediate follow-up**

57. The COP, at its twelfth session, will review the progress of the work and terms of reference, including, if appropriate, the status and continuation of the EGTT in accordance with decision 4/CP.7. The terms of reference of the EGTT specified that the EGTT is to report on its work each year to the SBSTA and propose a programme of work for the following year for approval by the SBSTA (FCCC/CP/2001/13/Add.1). Therefore this annual report does not provide a programme of work for 2007, but instead recommends a continuation of activities as a logical follow-on to the work programme for 2006, by emphasizing the work to be done in the immediate future so as to keep the momentum of the technology transfer work under the Convention. The EGTT has identified the following activities for the next six months which need immediate follow-up to keep momentum of its work on technology transfer.

- (a) Technology needs assessments:
  - (i) Prepare a paper on good practices with conducting TNAs;
  - (ii) Organize a workshop to share best practices with non-Annex I Parties working on TNAs in collaboration with UNEP, UNDP, GEF, and CTI;

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<sup>13</sup> FCCC/SBSTA/2006/5.

- (b) Technology information:
  - (i) Organize a small seminar for the technology information centres participating in the pilot project to share lessons learned from the pilot project on networking in collaboration with UNIDO, UNEP and UNDP;
- (c) Mechanisms:
  - (i) Prepare a concise summary of EGTT achievements over the last five years written in a language that can be understood by those who are not familiar with the UNFCCC process;
  - (ii) Prepare a scoping paper on joint R&D (including stock-taking);
- (d) Innovative financing:
  - (i) Promote and disseminate the practitioners' guidebook to target audiences;
  - (ii) Produce a brochure based on the technical paper on innovative financing;
  - (iii) Disseminate the brochure to target audiences;
- (e) Technologies for adaptation:
  - (i) Disseminate the brochure on technologies for adaptation to target audiences.

58. The EGTT noted that the technology will be one of the main themes for discussions at the next meeting under the Dialogue on long-term cooperative actions for enhancing the implementation of the Convention, to be held in conjunction with the twenty-sixth session of the subsidiary bodies. It stressed the need to provide information on its work as input for this discussion.

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