

G77+China Proposal for Further Consolidating and Streamlining the Section G of the Geneva Negotiating Text

G77+China welcomes co-Chairs' efforts of preparing the Tool released on July 24th. Regarding the Section G on technology development and transfer, it is the general perception of G77+China that the Tool doesn't fully reflect the negotiation progress in ADP 2.9 on the element of technology and the placement of the Geneva Negotiating Text (GNT) in three Parts of the Tool is imbalance. In particular, the Part I of the Tool, namely the draft agreement, lacks of integrality in comparison with other elements in Part I of the Tool. In this regard, G77+China would like to propose the revised Tool for the Section G of the GNT as the basis for the negotiation in the subsequent ADP sessions.

Annex:

Part One: Draft Agreement

GLOBAL GOAL FOR TECHNOLOGY [A global goal of technology development and transfer shall be established in order to meet the technology requirements for achieving an emission pathway consistent with **the** limit to global average temperature increase **referred to in Article 3 of the draft agreement** and for considerably improving the adaptation capacity of developing countries. Under this global technology goal, developed countries shall commit to conduct regular assessment on technologies that are ready for transfer, make the list of ready-to-transfer technologies, set target for supporting the development and transfer of each technology to developing countries, and mobilize resources to deliver the support.⁷²] {para 128 1st and 2nd sentences SCT}

FRAMEWORK FOR ENHANCED ACTION [Parties, in accordance with the principles and provision of the Convention, in order to promote and enhance technology development and transfer and facilitate the implementation of the Convention, shall establish a framework for enhanced action on technology development and transfer under the 2015 agreement to undertake technology assessments, to facilitate various options for enabling developing country access to technologies, to address financing for the implementation of technology needs of developing countries, and to address barriers and create appropriate enabling environments for technology development and transfer.] {para 130 SCT}

COOPERATIVE ACTION [Option 1: [All Parties] [Parties, in accordance with the principles and provisions of the Convention, including Article 4, paragraphs [1, 3 and] 5, [and Article 11], [in accordance with their common but differentiated responsibilities,] [reflecting the evolving economic realities]] [shall][should][other] strengthen cooperative action to promote and enhance technology development and transfer [and better facilitate the implementation of the Convention], including through the institutional arrangements for technology established under the Convention²³ and through the Financial Mechanism [and the climate resilience and sustainable development mechanism] [by enhancing the provision of support by [developed country Parties][Parties included in annex Y][all countries in a position to do so]][, in order to support the implementation of mitigation and adaptation [commitments][actions] under this agreement]. {para 129 opts 1 and 2 SCT}

Option 2: Developed country Parties, in accordance with the principles and provisions of the Convention, in particular Article 4, paragraphs 1, 3 and 5, and Article 11, shall promote and enhance access to environmentally sound technology and know-how for the implementation of the Convention, including through the Financial Mechanism.] {para 129 opt 3 SCT}

INDIVIDUAL EFFORTS – TECHNOLOGY COMPONENT All Parties with a commitment under Article 4, paragraph 5, of the Convention shall prepare, maintain, communicate and implement a component related to technology development and transfer to developing countries as well as to capacity-building, including, as appropriate, actions, policies and measures for technology development and transfer to developing countries and to promote capacity-building, with a view to assisting the implementation of the NDCs of developing countries. {para 131.7 SCT}

COLLECTIVE COOPERATION Developed country Parties shall cooperate with developing country Parties on enhancing technology development and transfer to enable developing country Parties to effectively implement their NDCs under the Convention and this agreement pursuant to Article 4, paragraph 7, of the Convention.] {para 131.8 SCT}

INDIVIDUAL EFFORTS

[Option 1:

FUNDING FOR TECHNOLOGY DEVELOPMENT AND TRANSFER

[[Support][Financial resources] provided [by developed country Parties] to [developing country Parties][Parties not included in annex X] for technology development and transfer and support provided to the Technology Mechanism to ensure the effective implementation of technology to be channelled [primarily] through the [GCF][operating entities of the Financial Mechanism][, [taking into account the roles of the public and private sectors in mobilizing finance for technology]][primarily from public sources, with supplementary funding to be drawn from private sources]].] {para 107 SCT}

ADDRESSING BARRIERS BY DEVELOPED COUNTRIES [Developed country Parties][Parties included in annex X] [shall][should][other] undertake steps to address barriers to accessing technology [and know-how] and to:

- Establish and strengthen their necessary policy frameworks in order to facilitate the removal of barriers and enable and accelerate technology development and transfer to [developing country Parties][Parties not included in annex X];
- [Leverage enhanced support from the private sector for technology development and transfer to [developing country Parties][Parties not included in annex X]] [Promote access to public sector technology and promote development and transfer to developing country Parties];
- Provide financial and human resources and institutional and technical support for technology development and transfer to [, and for the development and enhancement of endogenous capacities and technologies of] [developing country Parties][Parties not included in annex X]. {paras 131.1 and 131.3 SCT}

ADDRESSING BARRIERS BY DEVELOPING COUNTRIES [Developing country Parties][Parties not included in annex X], with the support of [developed country Parties][Parties included in annex Y][all countries in a position to do so], [shall][should][other] undertake steps to address barriers to [equal access to] [access] technology and to establish and strengthen their national structures, policy frameworks, institutions and capacity in order to enable and accelerate the **strengthening of** endogenous capacity for the absorption, development and transfer of technologies in developing countries, and endogenous technology development and transfer, attract investments and enhance country ownership and innovation[, building on traditional technologies already used by local communities, including women, and according to their needs and capacities, so as to be able to build and develop their own technological base][including those stemming from traditional knowledge systems of indigenous peoples and local communities]; {para 131.2 SCT}

ACCESS AND INNOVATION [All Parties] [Developed country Parties], in accordance with the principles of and obligations under the Convention, [shall][should][other] establish means to facilitate and promote access to and the deployment, application and diffusion, including transfer, of safe, appropriate and environmentally, economically and socially sound adaptation and mitigation technologies, practices and processes, while promoting, enhancing and rewarding innovation in technologies [and on the basis of the strengthening of sustainable development trajectories and poverty eradication]; {para 131.4 SCT}

[Option (i):

- In accordance with Article 4 [, paragraphs 3, 5 and 7,] of the Convention, [developed country Parties][Parties included in annex Y][all countries in a position to do so] [shall][should][other] provide financial resources to address barriers created by intellectual property rights (IPRs) and facilitate access to and the deployment of technology, including, inter alia, by utilizing the Financial Mechanism and/or establishing a funding window under [the GCF [to meet the full costs of IPRs of environmentally sound technologies and know-how, and such technologies will be provided to developing country Parties free of cost in order to enhance their actions to address climate change and its adverse impacts]] [the operating entities of the Financial Mechanism] [and the climate resilience and sustainable development mechanism]; {para 131.4 opt (i) a. and d. SCT}
- An international mechanism on IPRs [shall][should][other] be established to facilitate access to and the deployment of technology to [developing country Parties][Parties not included in annex X];
- Other arrangements [shall][should][other] be established to address IPRs, such as collaborative research and development, shareware, commitments related to humanitarian or preferential licensing, fully paid-up or joint

licensing schemes, preferential rates and patent pools. {para 131.4 opt (i) b. and c. SCT}

Option(ii): Parties recognize that IPRs create an enabling environment for the promotion of technology innovation in environmentally sound technologies.

Option (iii): IPRs are not to be addressed in this agreement.

Option (iv): Developed country Parties [shall][should][other] make available intellectual property (IP) through multilateral institutions as a public good, through purchase of IP. {para 131.4 opts (ii) – (iv) SCT}

TECHNOLOGY NEEDS ASSESSMENT [Developing country Parties][Parties not included in annex X], with the support of [developed country Parties][Parties included in annex Y][all countries in a position to do so], [shall][should][other] conduct an assessment of their technology needs on the basis of their national circumstances and priorities [and [shall][should][other] update the same periodically] with a view to ensuring nationally determined and environmentally, economically and socially sound resulting project proposals, [and to effectively implement the outcomes of such an assessment] in order to support the implementation of this agreement. Developed country Parties shall provide support for developing country Parties to improve their capacities for conducting technology [needs] assessments;⁷³ {chapeau of para 131.5 SCT}

RESEARCH, DEVELOPMENT AND DEMONSTRATION [All Parties] [Global participative collaboration] [enabled] [led] by [Annex II Parties][Parties included in annex Y][developed country Parties][all countries in a position to do so] [shall][should][other] accelerate [global collaboration on] the research, development [and][,] demonstration [and the scaling-up of the implementation] of technologies. {chapeau of para 131.6 SCT}

- [Developed country Parties][Parties included in annex Y][All countries in a position to do so] [shall][should][other] provide support to [developing country Parties][Parties not included in annex X], including financial and intellectual support, to accelerate the research, development and demonstration of technologies, including endogenous technologies;
- Modalities for a global collaborative programme on the research, development and demonstration of technologies [shall][should][other] be established, attracting and integrating relevant stakeholders;
- Climate change related technologies may be prioritized, special modalities will be worked out under IPRs, and innovative modalities for a technology transfer mechanism will be put in place for developing countries for INDCs or otherwise for mitigation and adaptation;
- Technology assessment to ensure civil society participation with a gender perspective, and integrate a multilateral, independent and participatory

evaluation of technologies for their social, economic and environmental impacts. {para 131.6 a. – d. SCT}

[Option 2: No commitments on technology in the agreement.] {para 131 opt 2 SCT}

INSTITUTIONAL ARRANGEMENTS TO SERVE THE AGREEMENT [The [Technology Mechanism] [and] [[any] institutional arrangements for technology [development and transfer]] established under the Convention [, including the TEC and the Climate Technology Centre and Network (CTCN)] [including the climate resilience and sustainable development mechanism,] shall [serve this agreement by facilitating enhanced action on technology development [and] [,] transfer [and know-how] in order to achieve the objectives of this agreement] [support Parties in implementing their [commitments][contributions] under this agreement].] {paras 132 and 132.1 SCT}

STRENGTHENING INSTITUTIONAL ARRANGEMENTS [**Decides that** the governing body [may][shall] provide further guidance to [and strengthen] the [Technology Mechanism] [institutional arrangements for technology [development and transfer]] established under the Convention and serving this agreement, taking into account the specific needs of [developing countries][Parties not included in annex X] and countries with special circumstances in Africa, the LDCs and SIDS and promoting needs-based development, access, management and control, emphasizing the most marginalized; the guidance provided by the governing body shall not conflict with the guidance provided by the COP;] {chapeau of para 132.2, and opt 1 a. ii. and iii. SCT}

PERIODIC ASSESSMENT OF INSTITUTIONAL ARRANGEMENTS [**Decides that** [the governing body] [an ad hoc review and monitoring mechanism shall be established and] shall conduct a periodic assessment of the effectiveness and adequacy [and implementation] of the [Technology Mechanism] [institutional arrangements] for technology development and transfer. [The [Technology Mechanism] [institutional arrangements] shall improve their performance, and be mandated new functions, as needed, in accordance with the result of the assessment;] {para 132.2 opt 1 b. vii. and opt c. SCT}

Part Two: Draft Decision 1/CP.21

TECHNOLOGY NEEDS ASSESSMENT [**Decides** to strengthen the technology needs assessment (TNA) process⁵² to **support** the operationalization of this agreement **by**:

- Enhancing the implementation of the outcomes of the TNA process;
- Aligning TNAs more closely with bankable finance projects and improving TNAs to result in implementable projects;

- Linking TNA to other processes under the Convention, such as NAMAs and NAPs, **as appropriate;**] {para 131.5 i. - iii. SCT}

SUPPORT OPERATIONALIZATION AND DELIVERY [**Decides that** the [TEC and the CTCN] [Technology Mechanism] shall support the operationalization and delivery of the commitments related to technology development and transfer in this agreement, including provisions on accounting;] {para 132.2 chapeau of opt 1 a., and i SCT}

ENHANCING COOPERATION [**Decides that** the Technology Mechanism shall enhance cooperation and synergy with other institutional arrangements under [and outside] the Convention [and stakeholders, as well as the coherence and effectiveness of technology action and initiatives under the Convention] **by:**

- Establishing linkages⁵³ between the Technology Mechanism, the Financial Mechanism and capacity-building institutions;
- [Linking and/or guiding the Poznan strategic programme on technology transfer;⁵⁴]
- [**Establishing** provisions or measures related to other technology initiatives or regional centres;]
- [Enhancing the role of the private sector to support the implementation of the Technology Mechanism;]
- [Facilitating the role of public research and development, incentives for commercial research and development, the development of technologies and the reaching of economies of scale;]] {para 132.2 opt 1 b. i. - v. SCT}