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Agenda item 4

Development and transfer of technologies

Development and transfer of technologies

Draft conclusions proposed by the Chair

Addendum

**Recommendation of the Subsidiary Body for
Scientific and Technological Advice**

The Subsidiary Body for Scientific and Technological Advice, at its twenty-fifth session, decided to recommend the following draft decision for adoption by the Conference of the Parties at its twelfth session:

Draft decision [-/CP.12]

Development and transfer of technologies

The Conference of the Parties,

1. *Decides* to extend the Expert Group on Technology Transfer for one year including its current membership;
2. *Decides* to forward the text of a draft decision (see annex) (all in square brackets), for consideration by the Subsidiary Body for Scientific and Technological Advice, at its twenty-sixth session, with a view to adopting a decision on this matter at the thirteenth session of the Conference of the Parties.

ANNEX

[Draft decision proposed by the Co-Chairs

The Conference of the Parties,

Recalling chapter 34 of Agenda 21 and the relevant provisions of the programme for the further implementation of Agenda 21 on the transfer of environmentally sound technologies adopted by the United Nations General Assembly at its nineteenth special session,

Recalling the relevant provisions of the Convention, in particular Article 4, paragraphs 1, 3, 5, 7, 8 and 9, Article 9 paragraph 2(c), Article 11 paragraphs 1 and 5, and Article 12 paragraph 3 and 4,

Recalling its decisions 4/CP.7, 6/CP.10, and 6/CP.11,

Welcoming the progress of the work and achievements to date of the Expert Group on Technology Transfer (EGTT) since its inception in advancing and facilitating the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention and its related activities under the framework,

Noting the range of important actions and partnerships undertaken by Parties within and outside the framework of the Convention that contribute to the development, transfer and deployment of environmentally sound technologies, including through joint research and development programmes,

Noting also with appreciation the progress made by Annex II Parties to establish innovative or enhanced financing partnerships such as the, Global Energy Efficiency and Renewable Energy Fund and EU Energy Initiative,

Further noting the actions of Parties to contribute to addressing technology financing issues, through, among others, such vehicles as the GEF, the SCCF, the LDC Fund, the World Bank and the CTI,

Recognizing that there is a crucial need to accelerate innovation in the development, deployment, adoption, diffusion and transfer of environmentally sound technologies among all Parties, particularly from developed to developing countries, for both mitigation and adaptation,

Emphasizes that effective actions to address climate change require a broad portfolio of activities including the widespread uptake of new and existing technologies and the creation of appropriate enabling environments.

Recognizes that close collaboration between government, industry and the research community in particular through public private partnerships, can further stimulate the development of a broad portfolio of mitigation and adaptation technologies and reduce their costs.

[Further emphasizes that the rapid development and access to environmentally sound technologies requires suitable responses to the development, cost, ownership, and intellectual property rights issues associated with these technologies,]

[Further recognizing that current financial provisions and institutional arrangements in the form of the SCCF and the EGTT under the Convention are inadequate to deliver an immediate and urgent technology development, deployment, diffusion and transfer to developing countries,]

[Further recognizing that there is scope for enhancing the current institutional arrangements for the EGTT.]

1. *Agrees* 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.

2. *Adopts* the set of actions for enhancing the implementation of the five thematic areas of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5 of the Convention contained in the annex¹ to this decision, and that these activities would complement those actions identified in the current technology transfer framework contained in the annex to decision 4/CP.7, as a basis for the [EGTT] [Technology Development and Transfer Board (TDTB)] in formulating its future work programmes;

[Option 1

3. *Agrees* to the reconstitution of a strengthened EGTT as set out in Annex to 4/CP.7, and amended by this decision and the annexed revised terms of reference;

3.bis *Agrees* to review at its seventeenth (or eighteenth) session the progress of the work and terms of reference, including, if appropriate, the status and continuation of the EGTT;]

[Option 2

3. *Decides* to set up the TDTB as a standing body under the Conference of Parties to the Convention;]

4. *Adopts* the terms of reference for the [EGTT] [TDTB] as contained in the appendix² to this decision with the objective of furthering and addressing the crucial need for the implementation of Article 4, paragraph 5, of the Convention and thus contribute to achieving the ultimate objective of the Convention;

[5. *Requests* the EGTT to present its proposed programme of work for the period 2007-2008, for endorsement by SBSTA at its twenty-sixth session, considering the set of possible actions included in the above referenced recommendations and the four new sub themes of the technology transfer framework;]

[Option 1

[6. *Decides* to give immediate effect to the set of actions for the implementation of the technology transfer framework referred to in paragraph 2 above in order to assist developing country Parties to implement their commitments under the Convention keeping in mind article 4.5 of the Convention on the commitments of developed country Parties on transfer of technologies;]

¹ This annex, which contains two options, is referred to as appendix I in this document.

² This appendix is referred to as appendix II in this document.

[Option 2

6. *Requests* the EGTT in formulating its first program of work to take up the activities for immediate follow-up identified in section V of the annual report of the EGTT for 2006;]

7. *Requests* the [EGTT] [TDTB] , with the assistance of the secretariat, to consult with relevant international organizations, and solicit information on their capabilities and abilities to support certain activities identified in the framework for meaningful and effective actions contained in Annex II of FCCC/SBSTA/2006/5 and to report on its findings to [SBSTA at its twenty-ninth session] [COP at its next session];

8. *Urges* non-Annex I Parties to use the UNDP handbook *on Conducting Technology Needs Assessments for Climate Change* when undertaking their technology needs assessments;

9. *Urges* Parties, and in particular developed country Parties, to provide technical and financial assistance, as appropriate, through existing bilateral and multilateral cooperative programmes to support the effort of the Parties in implementation of the recommendations in the Annex II of FCCC/SBSTA/2006/5 to enhance the implementation of Article 4, paragraph 5, of the Convention;

10. *Urges* Parties included in Annex II to the Convention, relevant intergovernmental organizations, and international financial institutions, and other activities including the Climate Technology Initiative (CTI) in a position to do so, to provide technical and financial support to non-Annex I Parties and countries with economies in transition to conduct, further identify and help implement prioritized technology needs;

[Option 1

11. *Urges* all Parties, in particular Annex II Parties to provide the enabling environment for industry and the research community through a range of instruments such as carbon pricing, carbon taxes, tradable carbon permits, carbon contracts[, tax exemptions, technology export insurance or loans, and subsidies], and/or implicitly through regulation to directly support the research for new ways to reduce greenhouse emissions; raising the level of support for research, development and demonstration projects, both in public research institutions and the private sector; and provide support for early stage commercialization investments in some sectors];

[Option 2

11. *Urges* all Parties, in particular Annex II Parties to provide the enabling environment for industry and the research community through a range of actions to stimulate new ways to reduce GHG emissions; raising the level of support for research, development and demonstration projects, both in public research institutions and the private sector; and provide support for early stage commercialization investments in some sectors];

[12. *Decides* to establish the Multilateral Technology Acquisition Fund (MTAF), in addition to current funding mechanisms to fund the development, deployment, diffusion and transfer technologies to developing countries, through, inter alia, the buying out of intellectual property rights;]

[12bis. Further decides to put in place the modalities and governance for the operationalisation of the MTAF at the 13th session and requests Parties to make submissions on the modalities and structure by 15 August 2007;]

13. *Requests* the [TDTB] [EGTT] to take up in its first work programme [issues associated with] the development of monitoring and performance [criteria] [indicators] to regularly monitor and evaluate the effectiveness, impact and progress of the implementation of the set of actions for enhancing the implementation of the technology transfer framework contained in annex to this decision, and report [to the thirteenth session of the COP for its adoption] [in its annual report to SBSTA 29;]

[Option 1

14. *Invites* Parties to provide information through national communications and other reports to enable the SBSTA to monitor progress in the implementation of this framework;]

[Option 2

14. *Invites* Parties to provide information through national communications, structure submissions and other reports to enable the COP to monitor progress in the implementation of this framework;]

15. *Requests* the secretariat to facilitate the implementation of the actions for enhancing the implementation of the technology transfer framework contained in annex to decision 4/CP.7 and further elaborated in Annex to this decision as well as the work of the [TDTB] [EGTT] in cooperation with Parties, the GEF, other relevant international organizations, initiatives, and intergovernmental processes.]

Appendix I

[Option 1

[See Annex II of FCCC/SBSTA/2006/5.]¹

Option 2

[A set of actions for enhancing the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention²

A. Purpose

1. The purpose of these complementary actions is to enhance the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention (referred to hereinafter as the technology transfer framework).

B. Overall approach

2. The successful development and transfer of environmentally sound technologies and know-how requires a country-driven, integrated approach, at a national and sectoral level. This should involve cooperation among various stakeholders (the private sector, governments, the donor community, bilateral and multilateral institutions, non-governmental organizations and academic and research institutions), including activities on technology needs assessments, technology information, enabling environments, capacity building and mechanisms for technology transfer.

C. Key themes and areas for meaningful and effective actions

1. Technology needs and needs assessments

3. To enhance the implementation of this theme, based on lessons learned in its implementation:

- (a) Non-Annex I Parties that have not yet undertaken or completed their TNAs are encouraged, to do so as soon as possible, and to make these reports available to the secretariat for posting on the UNFCCC technology information clearing house (TT:CLEAR);
- (b) Non-Annex I Parties are encouraged to provide updated information on their technology needs in their second national communications and other national reports and to make them available to the secretariat;
- (c) The secretariat is requested to prepare a synthesis report(s) of the information mentioned in paragraph 4 (a) and (b) above for consideration by the Conference of Parties
- (d) The Global Environmental Facility (GEF) and its implementing agencies, other intergovernmental organizations (IGOs), international financial institutions (IFIs), Climate Technology Initiative (CTI) and Parties that are in a position to do so are

¹ The annex II of FCCC/SBSTA/2006/5 contains the EGTT recommendations as endorsed by the SBSTA at its twenty-fourth session.

² This content of option II is not edited as it was submitted by a group of Parties.

requested to provide capacity-building for non-Annex I Parties to conduct, report and use TNAs;

- (e) The secretariat is requested, in collaboration with the TDTB, United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP) and CTI, to update the handbook for conducting technology needs assessments before the fourteenth session of the Conference of Parties (COP), taking into account experience and lessons learned indicated in the synthesis report on technology needs prepared by the secretariat, cross referencing the work on innovative financing and technologies for adaptation, and to widely disseminate the updated handbook to Parties through TT:CLEAR and other means in different United Nations official languages;
- (f) The TDTB is requested, with the assistance of the secretariat, to prepare, not later than 2009 a report on good practices for conducting TNAs in collaboration with UNDP, UNEP and CTI for consideration by the COP, and disseminate it to relevant stakeholders and practitioners;
- (g) The secretariat is requested to make available the results of TNAs, related experience and lessons learned in the TNA process and to share them at national and international levels through the network of technology information centres, including through the organization of workshops in collaboration with relevant international organizations and initiatives;
- (h) The secretariat is requested to provide regular updates on progress of the implementation of the results of technology needs identified in TNAs, including success stories for consideration by the COP at its subsequent sessions, as appropriate;
- (i) The TDTB is invited to cooperate closely with the other expert groups constituted under the Convention, especially the Consultative Group of Experts on National Communication from Parties not included in Annex I to the Convention (CGE), with the aim of coordinating activities relating to TNAs and national communications.

2. Technology information

- 4. To enhance the implementation of this theme, based on lessons learned in its implementation:
 - (a) The secretariat is requested:
 - (i) To maintain, update and further develop TT:CLEAR taking into account relevant conclusions of the SBSTA at its twentieth session and client surveys;
 - (ii) To enhance outreach activities by the secretariat to increase the numbers of users of TT:CLEAR from developing country Parties;
 - (iii) To share experiences and lessons learned among national and regional experts participating in the pilot project on TT:CLEAR networking through the organization of expert meetings;
 - (iv) To encourage the link between TT:CLEAR and technical information providers, including the private sector, in technology transfer;
 - (v) To organize training programmes and workshops in collaboration with the TDTB and relevant national, regional and international organizations for

building capacity of experts in the creation of their national technology information databases;

- (b) Parties are encouraged:
 - (i) To use TT:CLEAR and the network of technology centres developed through the current pilot programme to share technical information on technologies for adaptation and the associated capacity-building to meet the needs for technology information of vulnerable communities and countries;
 - (ii) To provide more information on technology transfer activities in their national communications.

3. Enabling environments for technology transfer

5. To enhance the implementation of this theme, based on lessons learned in its implementation:

- (a) Parties, TDTB, the secretariat, relevant international organizations and initiatives, and the private sector are invited to prepare, for consideration by the COP, technical studies on barriers, good practice and recommendations for developing enhanced enabling environments that accelerate the development and transfer of environmentally sound technologies (ESTs), at the national and international levels. This should cover related trade issues, technology development (including endogenous technologies), and technology push and market pull factors;
- (b) Parties are encouraged to avoid trade and intellectual property rights policies, or lack thereof, restricting transfer of technology;
- (c) Parties are encouraged to make available through TT:CLEAR and other means information on ongoing and planned publicly funded research and development (R&D) activities where there are opportunities for non-Annex I Parties to jointly participate in such R&D activities, along with the terms under which Parties might participate and the steps necessary to establish such a collaborative relationship;
- (d) Parties are encouraged to promote close cooperation with public and/or private partnerships that focus on improving enabling environments for accelerating development and transfer of ESTs and which have been established in the context of processes such as the World Summit on Sustainable Development, the Group of Eight, and other initiatives (Renewable Energy and Energy Efficiency Partnership, Johannesburg Renewable Energy Coalition, Carbon Sequestration Leadership Forum, and CTI and other International Energy Agency implementing agreements);
- (e) Parties are encouraged to integrate the objective of technology transfer into national policies and to enhance the interaction between governments and the private sector.
- (f) Annex II Parties to provide the enabling environment for industry and the research community through a range of instruments such as carbon pricing, through carbon taxes, tradable carbon permits, carbon contracts and/or implicitly through regulation to directly support the research for new ways to reduce greenhouse emissions; raising the level of support for research, development and demonstration projects, both in public research institutions and the private sector; and provide support for early stage commercialisation investments in some sectors such as power generation, transport, energy use and agriculture.

4. Capacity-building for technology transfer

6. To enhance the implementation of this theme, based on lessons learned in its implementation:
- (a) Parties, TDTB, IGOs and other institutions and initiatives are encouraged to support capacity-building activities to promote technology transfer, at the regional and national levels, that are targeted to respond to priority capacity-building needs identified by non-Annex I Parties in their TNAs, national communications and other national reports;
 - (b) The secretariat, under the guidance of the Chair of the TDTB, is requested to prepare periodic reports containing information relating to capacity-building needs for the development, deployment, application and transfer of technologies from all relevant sources of information, such as national communications of non Annex I Parties, reports of TNAs, and National Capacity Self Assessment reports supported by the GEF for consideration by the SBSTA. To the extent possible, those reports should identify key elements for successful capacity-building for development and transfer of technologies for both mitigation of and adaptation to climate change;
 - (c) The secretariat is requested to increase communication and outreach with regard to technology transfer activities under the framework and the work of the TDTB by creating learning centres (tools and methods) and partnership fairs (opportunities) in parallel with subsidiary body sessions and side events;
 - (d) Parties, IGOs and other institutions and initiatives are encouraged to organize training in management and operation of climate technologies; to establish/strengthen relevant organizations/institutions in developing countries for capacity-building for technology transfer; to establish/strengthen training, expert exchange, scholarship and cooperative research programmes in relevant national and regional institutions in developing countries for transfer of ESTs; and to organize seminars/training/workshops on capacity-building for adapting to the adverse effects of climate change.

5. Mechanisms for technology transfer

7. The following actions were built on ongoing work of the secretariat and the EGTT in different areas for enhancing the implementation of the technology transfer framework.

A. Innovative options for financing the development and transfer of technologies

8. The actions in this area are:
- (a) Relevant international organizations and initiatives, such as CTI, in collaboration with the TDTB and the secretariat, are invited to provide technical support through coaching and training programmes for project developers in developing countries and countries with economies in transitions (EITs) to transform project ideas resulting from TNAs into project proposals that meet the standards of the international financial providers;
 - (b) The secretariat is requested to disseminate the new UNFCCC practitioners' guide for preparing and presenting project financing proposals to Parties and practitioners in developing countries and encourage its use in the activity mentioned in paragraph 13 (a) above; to post the guide on TT:CLEAR for distance learning purposes and for use in other training programmes;

- (c) The TDTB is requested to promote success stories in financing technology transfer projects in emerging markets involving the private sector, including carbon funds, corporate social-responsible, and triple-bottom-line investors;
- (d) Parties are encouraged to create an environment conducive for private sector investments by providing such incentives as greater access to multilateral sources and other sources of targeted “smart” subsidy schemes that trigger private sector co financing;
- (e) Parties are encouraged to scale up and/or develop innovative public private financing mechanisms and instruments that increase access by developing country project and business developers that play a role in the transfer, development, and/or deployment of ESTs, focusing in particular on:
 - (i) Increasing the potential of public funds to leverage private sector capital;
 - (ii) Increasing options for sharing and mitigating risks and for bundling small-scale projects to bridge the distance between large-scale infrastructure investors and small-scale project and business developers;
 - (iii) The role that small and medium-sized enterprises, particularly joint ventures, can play in transferring, deploying and developing environmentally sound technologies;
 - (iv) Providing options for integrated technical assistance to help developing, managing and operating EST projects and businesses;
 - (v) Promoting enterprise and corporate driven R&D, innovation, and cost reductions;
- (f) Parties are invited to strengthen the dialogue between government and industry to encourage discussions between relevant ministries in recipient countries and private sector organizations to enhance the investment conditions for climate friendly technologies;
- (g) The TDTB is requested to report regularly on the implementation of the mechanisms for technology transfer as spelled out in this document on a regular basis with a view to recommending new approaches that will further enhance technology transfer.

B. Possible ways and means to enhance cooperation with relevant Conventions and intergovernmental processes

9. The actions in this area are:

- (a) The TDTB is requested to explore possible ways to enhance cooperation between the UNFCCC and other multilateral environmental agreements (MEAs), through, inter alia, the Joint Liaison Group and other intergovernmental processes, in particular the Commission on Sustainable Development, and other processes (e.g. World Trade Organization, International Energy Agency (IEA), the Group of Eight, Asia-Pacific Economic Cooperation) where technology transfer is considered;
- (b) The secretariat is requested to be proactive in sharing information and experiences relating to the transfer of technologies, in particular for adaptation;

- (c) Parties are encouraged, when formulating climate change strategies programmes and projects, to take into consideration objectives of other MEAs;
- (d) Parties are invited to identify areas for potential cooperation and formulation of clear objectives for this cooperation.

C. Promotion of endogenous development of technology through provision of financial resources and joint R&D

10. The actions in this area are:

- (a) Non-Annex I Parties are invited to provide information on barriers encountered in the development of endogenous technologies. Parties are invited to share good experiences in the promotion of endogenous technologies in non-Annex I Parties;
- (b) Parties are invited to consider options for encouraging the setting up of institutions such as national systems of innovation that could lead to the endogenous development of technologies in developing countries and countries with economies in transition;
- (c) Parties are invited to share lessons learned in endogenous technology development through TT:CLEAR;
- (d) Parties are requested to report regularly to the COP on endogenous technology development and seek further guidance from the COP.

D. Promotion of collaborative research and development on technologies

11. The actions in this area are:

- (a) The TDTB is requested to provide guidance for TNA reporting on joint R&D needs and use of information in the national communications and TNAs to identify needs and opportunities for R&D;
- (b) Parties are invited to provide reports on joint R&D agreements, including voluntary agreements, on TT:CLEAR;
- (c) Relevant intergovernmental organizations (e.g. Intergovernmental Panel on Climate Change, United Nations Development Programme, United Nations Environment Programme, United Nations International Development Organization, Food and Agriculture Organization of the United Nations) and international organizations (e.g. IEA) are invited to provide information on supported R&D activities relating to climate change;
- (d) Parties are requested to consider options for promoting regional research platforms, making use of existing networks of centres of excellence, where possible;
- (e) The secretariat is requested to prepare periodic stock-taking papers on status, opportunities, and needs for further R&D;
- (f) Governments are invited to encourage academia and industry to develop research programmes to address climate friendly technologies and to promote investment in climate change.]

Appendix II¹

[Terms of reference of the [expert group on technology transfer][Technology Development and Transfer Board]

Legend: Text in *italics* is amendment to existing TOR (option 1 only). Open and closed brackets (e.g., []) indicate that text was deleted from original ToR in 4/CP.7. The paragraphs were grouped by functions and options. If an option has several paragraphs for a function then the paragraphs are numbered with bis, ter, etc.

Option 1

1. The expert group on technology transfer (EGTT) shall have the objectives of enhancing the implementation of *the Convention provisions relevant to advancing the transfer, development, and deployment of environmentally sound technologies in particular Article 4, paragraph 5 and related provisions under the Kyoto Protocol.*

Option 2

1. The Technology Development and Transfer Board (TDTB) shall have the objectives of enhancing and addressing the urgency required in the implementation of Article 4, paragraph 5, of the Convention and advancing activities relating to the transfer of, and access to, environmentally sound technologies and know-how under the Convention.

1bis. The TDTB shall be a standing body under the Convention that shall be responsible for the development, deployment, diffusion and transfer of environmentally sound technologies.

Option 1

2. The EGTT shall analyse and identify ways to facilitate and advance technology transfer activities[]. *Activities will build on the work of the EGTT for the period 2001-2006, in particular those actions identified in decision X/CP.12 , and make recommendations to the Subsidiary Body for Scientific and Technological Advice (SBSTA).*

Option 2

2. The TDTB shall provide technical support for the implementation of the set of actions for enhancing the implementation of the technology transfer framework contained in the annex I² to this decision and continue to support the implementation of the technology transfer framework in accordance to decision 4/CP.7 and its annex.

2bis. In addition, the TDTB shall have the objective of assessing and responding, as appropriate, to the technology development, deployment, diffusion and transfer needs of the various regions of the developing countries whilst taken into consideration the development priorities of the countries within these regions. It shall have specialized programmes for the African Region and small island developing countries which are among the least developed and which will suffer most from the adverse effects of climate change.

¹ This appendix will be edited for the report of the Subsidiary Body for Scientific and Technological Advice at its twenty-fifth session. Time did not allow for this to be edited prior to consideration by the SBSTA.

² This annex is referred to as option 2 in appendix 1.

2ter. The TDTB shall have the powers to decide, advice, and/or make recommendations and also report directly to the Conference of Parties (COP) on scientific, technical, financial and implementation issues related to the development, deployment, diffusion and transfer of environmentally sound technologies to developing countries

Option 1

3. The EGTT shall [] propose a two-year programme of work for the following years for decision by the SBSTA. *A first work programme will be presented at SBSTA26 and cover a period until SBSTA29.*

Option 2

3. The TDTB shall propose a three-year rolling programme of work for consideration and endorsement by the COP, and report on progress of its work each year to the COP.

Option 1

4. *The EGTT shall develop and propose short, medium and long term strategies and approaches, (including sectoral approaches), to further accelerate the development, transfer and diffusion of technologies, particularly considering needs, barriers and opportunities in developing countries.*

Option 2

4. TDTB shall develop and adopt short, medium and long term strategies and approaches, (including sectoral approaches), to the development, transfer and diffusion of technologies to developing countries. These strategies and approaches should lead to actual and concrete technology development, deployment, diffusion and transfer to developing countries.

4.bis The TDTB shall present, after two years of operation (by 2009 to coincide with the work on Future Dialogue and AWG), its short, medium and long term strategy for technology development and transfer and shall assess, among others, the potential for the adoption by Parties an international agreement for technology development and transfer, creation of the necessary enabling environment by the Annex I Parties, (“push” factors) to ensure easy access to technologies by Non-Annex I Parties, and guidance to the COP to deal with the issue of intellectual property rights.

5 *The EGTT shall as part of its work programme advice the COP or the SBs as appropriate on the different agenda items dealing with aspects of technology without delaying the process.*

6. The EGTT shall report on its work *for the first time at SBSTA 27 and update its rolling work programme each year.*

7. The members of the [EGTT][TDTB] shall be nominated by Parties for a period of two years and be eligible to serve two consecutive terms. The SBSTA shall ensure that half of the members of the expert group nominated initially shall serve for a period of three years, taking into account the need to maintain the overall balance of the group. Every year thereafter, half of the members shall be nominated for a period of two years. Appointment pursuant to this paragraph shall count as one term. The members shall remain in office until their successors are nominated. The members from the following *six* relevant international organizations shall serve *as permanent members: UNEP, UNDP, UNIDO, GEF, WB, IEA. If needed, the group can invite resource persons on an issue-oriented basis.*

8. If a member of the [EGTT][TDTB] resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the [expert group][TDTB] may decide, bearing in

mind the proximity of the next session of the Conference of the Parties, to request the [group][Party] that had nominated the member to nominate another member to replace the said member [for the remainder of that member's mandate. In such a case, the expert group shall take into account any views expressed by the group that had nominated the member.]

9. The [EGTT][TDTB] shall annually elect a chairperson and a vice-chairperson from among its members, with one being a member from a Party included in Annex I and the other being a member from a Party not included in Annex I. The positions of chairperson and vice-chairperson shall alternate annually between a member from a Party included in Annex I and a member from a Party not included in Annex I.

Option 1

10. The members of the [EGTT][TDTB] shall serve in their personal capacity and shall have expertise in any of the following areas, *inter alia*, greenhouse gas mitigation and adaptation technologies, technology assessments, information technology, resource economics *including public and or private financing instruments*, or social development.

11. *The EGTT may call on experts to develop and/or implement its programme of work. Experts will be drawn from a roster of experts in the fields covered by its mandate.*

Option 1

12. The EGTT shall comprise 23 experts, as follows:

- (a) Three members from each of the regions of the Parties not included in Annex I, namely Africa, Asia and the Pacific, and Latin America and the Caribbean;
- (b) One member from the small island developing States;
- (c) Seven members from Parties included in Annex I; and
- (d) *Six* members from relevant international organizations.

Option 2

12. The TDTB shall consist of twenty-five persons nominated by Parties. Fifteen of these nominees shall be from developing countries (five from Africa, Four from Latin America and the Caribbean, Four from Asia and two from Small Island Developing States) and ten from developed countries. In addition, five permanent international and/or intergovernmental organizations including at least one representative from the World Bank Group shall serve on the TDTB. Members of the TDTB shall have expertise in the five thematic areas of the current framework taking into consideration potential revisions by Parties at the Twelfth Session of the COP.

Option 1

13. The secretariat shall facilitate the organization of meetings of the group and the preparation of its reports to the SBSTA at its subsequent sessions and to the Conference of the Parties.

Option 2

13. The secretariat shall facilitate the organization of meetings of the board and the preparation of its reports to the Conference of the Parties.

Option 1

14. The EGTT shall meet *at least* twice a year in conjunction with the sessions of the subsidiary bodies. *Resource permitting, additional sessions may be organised.*

Option 2

14. The TDTB shall hold meetings twice a year in conjunction with and Convention Subsidiary Bodies and in addition hold at least four inter-sessional meetings, two meetings before each of the Conventions Subsidiary Bodies' meetings

Options 2:

15. The TDTB shall also present options to the COP as to how Parties that ensure the actual development and transfer of technologies to developing countries could be rewarded through such mechanisms as the technology development and transfer credits.

16. The TDTB shall set up Expert Panels on the five thematic areas under the current framework who, among others, shall provide technical advice to the Board on the effectiveness of the thematic areas in contributing

17. The TDTB shall invite additional technical experts as resource persons to its meetings as and when needed. To ensure transparency and active involvement of other stakeholders, especially the industry and the private sector, the TDTB shall allow observers to its meetings.

18. The TDTB shall develop and approve its own rule of procedures taken into considerations requests from the Parties.]
