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Development and transfer of technologies

Draft interim report on progress of the review and assessment of the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention

Note by the secretariat

Summary

The Subsidiary Body for Implementation, at its twenty-ninth session, agreed on the terms of reference for the review and assessment of the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention. This note covers the progress of the review and assessment to date, and focuses on suggestions for the sources of data and other forms of input relevant for the completion of the work.

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I. Introduction

A. Mandate¹

1. The Subsidiary Body for Implementation (SBI), at its twenty-ninth session, agreed on the terms of reference for the review and assessment of the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention.² As part of the terms of reference, the secretariat was given a mandate to prepare a draft interim report covering the progress of the review, including initial findings and possible recommendations and comments by the Expert Group on Technology Transfer (EGTT), prior to SBI 30, and a revised draft interim report for consideration by Parties at that session.

B. Scope of the note

2. This draft interim report is prepared by the secretariat in response to the above mandate. Owing to the competing tasks of high priority during the inter-sessional period, the secretariat was unable to undertake its tasks on this matter in a comprehensive and timely manner. As such, this draft interim report provides only preliminary information on progress to date of the review and assessment. The report also identified potential sources of data and other forms of input relevant for the completion of the work. The secretariat will prepare a more comprehensive report and will seek comments from the EGTT as specified in the terms of reference for consideration by the SBI at its thirty-first session.

C. Possible action by the Subsidiary Body for Implementation

3. The SBI may wish to take note of the progress of the review and assessment and provide further guidance to the secretariat, as appropriate.

D. Background

4. The Conference of the Parties (COP), by its decision 4/CP.13 requested Parties to submit to the secretariat, by 15 February 2008, for compilation and synthesis, their views on elements for the terms of reference for the review and assessment, in accordance with decision 13/CP.3.

5. The SBI, at its twenty-eighth session, noted³ the submissions from Parties on their views on elements for the terms of reference for the review and assessment referred to in decision 4/CP.13, paragraph 7,⁴ and the synthesis report on those views prepared by the secretariat.⁵ The SBI requested its Chair to prepare draft terms of reference for this review for consideration by the SBI at its twenty-ninth session, taking into account the submissions from Parties, the deliberation among Parties at SBI 28 and the relevant work of the EGTT.

6. The SBI, at its twenty-ninth session,⁶ agreed on the terms of reference⁷ for the review and assessment. The COP, by its decision 2/CP.14, invited Parties and relevant organizations to make submissions to the secretariat, by 16 February 2009, based on the areas of focus set out in section IV of the terms of reference.

¹ FCCC/SBI/2008/19, paragraph 74.

² These terms of reference are contained in annex I to document FCCC/SBI/2008/19.

³ FCCC/SBI/2008/8, paragraph 61.

⁴ FCCC/SBI/2008/MISC.1 and Add.1.

⁵ FCCC/SBI/2008/7.

⁶ FCCC/SBI/2008/19, paragraph 74.

⁷ FCCC/SBI/2008/19, annex I.

II. Objectives, scope and approach for the work

7. The overall objectives of the work are:
 - (a) To review and assess the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention;
 - (b) To provide constructive inputs to the work related to development and transfer of technologies undertaken by the SBI, the Subsidiary Body for Scientific and Technological Advice, the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA), as well as the EGTT.
8. The review and assessment should address the following topics:
 - (a) Lessons learned from, and good practices in, the implementation of Article 4, paragraphs 1(c) and 5, and of decisions 4/CP.7, 3/CP.13 and 4/CP.13;
 - (b) The challenges faced and the remaining gaps identified in the implementation of Article 4, paragraphs 1(c) and 5, and of decisions 4/CP.7, 3/CP.13 and 4/CP.13.
9. As specified in the terms of reference, the review and assessment should draw upon related ongoing processes under and outside the Convention and its Kyoto Protocol, and should enrich discussions within the AWG-LCA. The review should cover the practical steps taken by Parties and other relevant participants in the process of development and transfer of technologies, and should comprise the following tasks:
 - (a) Review the extent to which actions have promoted and supported institutional systems and regulatory and legislative frameworks needed to scale up development and transfer of technologies;
 - (b) Review the range of practical actions taken and identify possible actions to promote innovative public and/or private partnerships and cooperation with the private sector, and consider steps that governments, the business sector and academia can take to facilitate effective participation by the private sector;
 - (c) Review the mechanisms and processes developed to enhance cooperation with relevant intergovernmental processes;
 - (d) Review efforts to promote collaborative research and development on and deployment of technologies for mitigation and adaptation;
 - (e) Review the adequacy and timeliness of the financial support provided, within the context of Article 4, paragraphs 1(c) and 5, for the purposes of development and transfer of technologies, the related activities and their results.
10. The review should take into account relevant information, including: the submissions referred to in paragraph 6 above and the forthcoming reports of the EGTT; compilation and synthesis reports prepared by the secretariat; reports and submissions by relevant organizations; and other relevant documents prepared by the secretariat.

III. Progress report

A. Background

11. At each session of the COP, Parties have taken decisions on the development and transfer of environmentally sound technologies (ESTs). These decisions laid down specific actions to be undertaken by Parties, the subsidiary bodies, the EGTT and the secretariat to promote the development and transfer of ESTs. Four main periods can be identified in the evolution of the issue over time:

- (a) COP 1 up to COP 4: the Berlin Mandate and work on technology transfer (decision 13/CP.1);
- (b) COP 4 up to COP 7: the Buenos Aires Plan of Action and the consultative process on technology transfer (decision 4/CP.4);
- (c) COP 7 up to COP 12: the Marrakesh Accords and the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention contained in the annex to decision 4/CP.7 (the technology transfer framework);
- (d) COP 13 up to COP 15: the Bali Action Plan and the implementation of the technology transfer framework, complemented with the set of actions set out in annex I to decision 3/CP.13.

12. By its decision 6/CP.10, the COP initiated a process to review and enhance the implementation of the technology transfer framework. It requested the EGTT to make recommendations for enhancing the implementation of the technology transfer framework. In response to this mandate, the EGTT conducted a review of the implementation of the framework and assessed the progress of work in various areas under each of the framework's key themes. The results of this assessment are contained in document FCCC/SBSTA/2006/INF.4, which describes progress and effectiveness in the implementation of the framework and identifies gaps and barriers to further progress.

13. The COP, by its decision 3/CP.13, agreed with the EGTT recommendations that the five themes listed in the technology transfer framework as contained in the annex to decision 4/CP.7, and the structure, definitions and purpose of this framework, continue to provide a solid basis for enhancing the implementation of Article 4, paragraph 5, of the Convention. By the same decision, the COP also adopted the set of actions contained in annex I to that decision covering the period until the end of 2012 or COP 18.

14. The recommendations by the EGTT in response to decision 6/CP.10 covered a number of areas that are similar to the areas of focus referred to in paragraph 9 above, and could be drawn upon, including:

- (a) Practical actions to enhance innovative public and/or private partnerships and cooperation with the private sector, and concrete steps that governments, business and academia can take to enable effective participation by the private sector;
- (b) Ways to enhance cooperation with relevant conventions and intergovernmental processes;
- (c) Promotion of 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.

B. Identification of information sources for the review and assessment

15. In their submissions in response to decision 2/CP.14, Parties indicated that the areas of focus for the review and assessment as referred to in paragraph 7 of the terms of reference are very broad and the time available to provide input is rather short. Some Parties also referred to the ongoing work of the EGTT on the development of the performance indicators which could be one of the possible tools to support this review. In conducting the review, it is necessary that Parties and relevant international organizations provide reliable information and data.

16. Recent informal dialogue between the EGTT and the business community organized in conjunction with the last meeting of the EGTT held on 12 May 2009 in Bonn suggested the need for information on private-sector investment on ESTs in developing countries. To date, such information has never been made available in a collective manner. The secretariat has identified a number of potential sources of data required initially to support the review and assessment:⁸

- (a) Submissions from Parties, including the submissions from Parties in response to the invitation in decision 2/CP.14 referred to in paragraph 6 above;
- (b) National communications of Parties included in Annex I to the Convention (Annex I Parties) and Parties not included in Annex I to the Convention (non-Annex I Parties), including their compilation and synthesis reports;
- (c) Technology needs identified by non-Annex I Parties and the compilation and synthesis reports prepared by the secretariat;
- (d) Reports and submissions by relevant organizations, including the annual reports of the Global Environment Facility to the COP.
- (e) Reports of the EGTT, including:⁹
 - (i) Performance indicators to monitor and evaluate the effectiveness of the implementation of the technology transfer framework (FCCC/SB/2009/1);
 - (ii) Recommendations on future financing options for enhancing the development, deployment, diffusion and transfer of technologies under the Convention (FCCC/SB/2009/2);
 - (iii) Strategy paper for the long-term perspective beyond 2012, including sectoral approaches, to facilitate the development, deployment, diffusion and transfer of technologies under the Convention (FCCC/SB/2009/3);
 - (iv) Recommendations of the Expert Group on Technology Transfer for enhancing the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention (FCCC/SBSTA/2006/INF.4).

17. The information contained in this draft interim report draws upon the EGTT recommendations contained in document FCCC/SBSTA/2006/INF.4 and the submissions from Parties in response to decision 2/CP.14. The secretariat has received 11 such submissions¹⁰ and has prepared a synthesis report

⁸ The identification of these information sources was guided by information provided in the terms of reference.

⁹ The COP, by its decision 3/CP.13, requested the EGTT to prepare the first three reports. The outcomes of these tasks could serve as input for the review and assessment to be carried out by the SBI.

¹⁰ FCCC/SBI/2009/MISC.4.

on these submissions for consideration by Parties at SBI 30.¹¹ The synthesis report contains findings and possible recommendations for the review and assessment.

18. As indicated in the terms of reference, the review and assessment should be completed by the SBI at its thirty-first session, with a view to the SBI making recommendations for consideration by the COP at its fifteenth session.

IV. Next steps

19. The focus of this work for the period leading up to COP 15 will be on further analysing the information contained in the sources identified in paragraph 16 above, with a view to identifying lessons learned, good practices, challenges faced and the remaining gaps identified in the implementation of Article 4, paragraphs 1(c) and 5, and of decisions 4/CP.7, 3/CP.13 and 4/CP.13, as per the terms of reference.

20. The performance indicators to monitor and evaluate the effectiveness of the implementation of the technology transfer framework, which are currently being developed by the EGTT, may be used as one of the tools for reviewing and assessing the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5.

¹¹ FCCC/SBI/2009/INF.1.