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Thirty-second session

Bonn, 31 May to 9 June 2010

Item 4 of the provisional agenda

Development and transfer of technologies

SUBSIDIARY BODY FOR IMPLEMENTATION

Thirty-second session

Bonn, 31 May to 9 June 2010

Item 8 of the provisional agenda

Development and transfer of technologies

Report of the Expert Group on Technology Transfer

Note by the Chair of the Expert Group on Technology Transfer

Summary

This note reports on the work of the Expert Group on Technology Transfer (EGTT) in the period from January to May 2010, conducted in accordance with its two-year rolling programme of work for 2010–2011. It covers the outcomes of intersessional activities of the EGTT, including its special meeting held on 22–23 February 2010 in Sydney, Australia. It also presents the updated programme of work of the EGTT for 2010–2011, developed by the EGTT at its fifth regular meeting, held on 27–28 May 2010 in Bonn, Germany.

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I. Introduction

A. Mandate

1. The Conference of the Parties (COP), by its decision 3/CP.13, paragraph 3, agreed to reconstitute the Expert Group on Technology Transfer (EGTT) for a further five years, with the objective of enhancing the implementation of Article 4, paragraph 5, of the Convention and advancing the development and transfer of technologies under the Convention. The terms of reference of the EGTT, contained in annex II to decision 3/CP.13, specify that the EGTT shall provide a report at each session of the subsidiary bodies with a view to seeking guidance for further actions.

2. The Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI), at their thirty-first sessions, endorsed¹ the rolling programme of work of the EGTT for 2010–2011.² The SBSTA and the SBI noted that the EGTT will submit its updated programme of work, taking into account any technology-related agreed outcome of the fifteenth session of the COP, for consideration by them at their thirty-second sessions.³

B. Scope of the note

3. This note reports on the work of the EGTT in the period from January to May 2010, conducted in accordance with the two-year rolling programme of work of the EGTT for 2010–2011. It covers the outcomes of intersessional activities of the EGTT, including its special meeting held on 22–23 February 2010 in Sydney, Australia. It also presents the updated programme of work of the EGTT for 2010–2011, developed by the EGTT at its fifth regular meeting, held on 27–28 May 2010, in conjunction with the thirty-second sessions of the subsidiary bodies, in Bonn, Germany.

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

4. The SBSTA and the SBI may wish to take note of the information in this report and endorse the updated two-year rolling programme of work of the EGTT for 2010–2011, as contained in annex I to this document, and provide guidance to the EGTT on its implementation, as appropriate.

II. Organizational matters

A. Election of the Chair and Vice-Chair

5. In accordance with paragraph 8 of its terms of reference, referred to in paragraph 1 above, the EGTT elected, by consensus, Mr. Bruce Wilson (Australia) as its Chair and Mr. Nagmeldin Goutbi Elhassan (Sudan) as its Vice-Chair for 2010.

B. Members of the Expert Group on Technology Transfer

6. The terms of reference of the EGTT stipulate that the members of the EGTT shall be nominated by Parties for a period of two years and be eligible to serve two consecutive terms. Half of the members 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.

¹ FCCC/SBSTA/2009/8, paragraph 24, and FCCC/SBI/2009/15, paragraph 65.

² FCCC/SB/2009/INF.6, annex I.

³ FCCC/SBSTA/2009/8, paragraph 24, and FCCC/SBI/2009/15, paragraph 65.

7. In line with this procedure, Parties were requested to nominate or confirm, as appropriate, nine members of the EGTT for 2010 and inform the secretariat of these nominations at COP 15. The list of current members of the EGTT, including the length of their terms of membership, is presented in annex II to this document.

III. Update of the rolling programme of work of the Expert Group on Technology Transfer for 2010–2011

8. In response to the request made by the SBSTA and the SBI at their thirty-first sessions,⁴ at both its special meeting and its fifth regular meeting, referred to in paragraph 3 above, the EGTT discussed a possible update of its rolling programme of work. The group also discussed its strategy for implementing its programme of work, taking into consideration the heavy workload. The updated programme of work for 2010–2011 is presented in annex I to this document.

9. In accordance with decision 3/CP.13, paragraph 2, the updated programme of work covers activities included in recommendations for enhancing the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention (hereinafter referred to as the technology transfer framework) contained in annex I to that decision. The programme of work also includes other activities which the EGTT believes can contribute to advancing the development and transfer of technologies under the Convention.

10. When elaborating its rolling programme of work, which was presented for endorsement by the subsidiary bodies at their thirty-first sessions, the EGTT identified areas where possible updates might be required to take into account any technology-related outcome of COP 15. In this regard, the EGTT noted the advancement of deliberations among Parties on technology-related matters within other bodies and processes under the Convention, in particular the possible establishment of a new Technology Mechanism under the Convention.

11. In this context, the EGTT discussed at length the possible contribution that it could make to enriching the above-mentioned deliberations among Parties on technology-related matters, drawing upon its past work to facilitate the implementation of the current technology transfer framework, as well as how its ongoing activities could possibly fit in with the work of the proposed Technology Mechanism. The latter includes how its ongoing work under the current technology transfer framework on, inter alia, technology needs assessments, technology information and innovative financing for technology transfer could support the continued work of Parties on mitigation and adaptation in the context of a possible agreed outcome on technology and other related matters at COP 16, taking into account its work on the three reports delivered in 2009 on options for financing technology development and transfer,⁵ a long-term strategy for technology development and transfer,⁶ and performance indicators.⁷ Proposed activities in relation to this matter are contained in section 4 of the programme of work contained in annex I to this document.

12. The EGTT and the secretariat would welcome further financial support from Parties for the implementation of the updated programme of work.

⁴ FCCC/SBSTA/2009/8, paragraph 24, and FCCC/SBI/2009/15, paragraph 65.

⁵ FCCC/SB/2009/2.

⁶ FCCC/SB/2009/3.

⁷ FCCC/SB/2009/4.

IV. Implementation of the rolling programme of work of the Expert Group on Technology Transfer for 2010–2011

13. The SBSTA and the SBI, at their thirty-first sessions, endorsed the rolling programme of work of the EGTT for 2010–2011.⁸

A. Technology needs assessments

14. At the special meeting of the EGTT referred to in paragraph 3 above, the representative of the United Nations Development Programme (UNDP) elaborated on the progress made in updating the UNDP handbook *Conducting Technology Needs Assessments for Climate Change* (hereinafter referred to as the UNDP handbook).⁹ He highlighted the revisions made to the UNDP handbook based on feedback received at an expert review workshop held in November 2009. He demonstrated some of the supporting tools for conducting technology needs assessments (TNAs), such as TNAAssess (a tool to facilitate multi-criteria decision-making) and ClimateTechWiki (a web-based platform that hosts, or provides links to, information on technology options). A revised draft of the UNDP handbook is scheduled to be available in April 2010 and a final revised version is foreseen for May 2010. The representative also discussed the next steps of the project to update the UNDP handbook, including the TNA support project of the United Nations Environment Programme (UNEP) and the development of climate change and low-emission strategies.

15. At its fifth regular meeting, the EGTT discussed preparations for a Global TNA Workshop later in 2010 which would focus on the implementation of the results of TNAs and the future of the TNA process in the context of the proposed Technology Mechanism and other possible outcomes of the negotiations under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA).

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

1. Latin America and Caribbean regional workshop on preparing technology transfer projects for financing

16. The COP, at its thirteenth session, requested¹⁰ the secretariat to coordinate, with the participation of relevant international organizations, the implementation of a regional training programme on project preparation. This activity was also included in the rolling programme of work of the EGTT for 2010–2011 (activity 2.1). In response to this request, the secretariat, under the general guidance of the EGTT, in collaboration with the Global Environment Facility (GEF), the Inter-American Development Bank and the Climate Technology Initiative, and with the assistance of the Government of Belize, organized the Latin America and Caribbean regional training workshop on preparing technology transfer projects for financing, held in Belize City, Belize, on 5–7 May 2010.¹¹

17. The aim of the workshop was to enhance the capacity of project developers in Latin America and the Caribbean to prepare project proposals that will meet the standards of international providers of finance. More specifically, the aim was to support efforts to implement the results of TNAs, with a view to scaling up the level of investment in technology transfer in order to help developing countries to address their needs for environmentally sound technologies (ESTs).

⁸ FCCC/SBSTA/2009/8, paragraph 24, and FCCC/SBI/2009/15, paragraph 65.

⁹ UNDP. 2009. *Handbook for Conducting Technology Needs Assessments for Climate Change*. Available at <http://unfccc.int/ttclear/pdf/TNAHandbook_9-15-2009.pdf>.

¹⁰ FCCC/CP/2007/6, paragraph 79 (a).

¹¹ More information available at: <<http://unfccc.int/ttclear/jsp/TrnDetails.jsp?EN=TrainingWorkshopBelize>>.

18. The methods and tools used for the workshop build on information contained in the UNFCCC publication *Preparing and Presenting Proposals: A Guidebook on Preparing Technology Transfer Projects for Financing*.¹² In addition, a call for project proposals was organized in advance of the workshop in order to generate inputs to the discussions and hands-on training at the workshop. The submitted project proposals were reviewed by a team of experts to assess their finance and investment potential. A selected number of these proposals were integrated into the training material and were further developed by the participants over the course of the workshop in a number of targeted exercises aimed at improving the quality of the proposals.

19. The regional workshop for Asia and the Pacific is scheduled to be held in the second half of 2010.

2. Update on the development of a proposal by the secretariat for an online training programme on preparing technology transfer projects for financing

20. The programme of work of the EGTT for 2010–2011 includes the consideration of a proposal by the secretariat for the development of an online training programme on preparing technology transfer projects for financing (activity 2.2), which would draw on the experiences of the EGTT from its work on innovative financing and those of the secretariat from its work on providing training for the greenhouse gas inventory reviews.

21. At the special meeting of the EGTT, the secretariat presented a draft proposal for such an online training programme, highlighting its objectives, scope and expected outcomes, as well as providing a description, and details of the target audience and content, of the programme. It also elaborated on possible partners and resource implications.

C. Collaborative research and development

22. The programme of work of the EGTT for 2010–2011 includes an activity (3.1) to prepare terms of reference for a report on options for facilitating collaborative research and development (R&D) in relation to ESTs. At its special meeting, the EGTT discussed the background, objectives and scope of, as well as the approach to organizing, this work.

23. Members of the EGTT emphasized that it would not be productive to take a top-down approach to establishing the arrangements for this collaborative R&D under the Convention. Rather, it would be essential to build upon existing initiatives and identify strategies to enhance collaboration both under and outside of the Convention.

24. The terms of reference referred to in paragraph 22 above are contained in document FCCC/SBSTA/2010/INF.4 and will be considered by the SBSTA at its thirty-second session.

D. Enhancing cooperation with relevant international organizations

25. The identification of areas with the potential for enhanced cooperation between the UNFCCC, other multilateral environmental agreements and intergovernmental processes, and the business community is an ongoing activity of the EGTT (activity 4.1 of its programme of work for 2010–2011). To this end, experts from other relevant international organizations were invited to the meetings of the EGTT, where priority was given to discussing topics contained in the rolling programme of work of the EGTT and topics emerging from technology-related negotiations under the AWG-LCA.

26. At the special meeting of the EGTT, the representative of the GEF provided an update on progress with the implementation of the Poznan strategic programme on technology transfer.

¹² Available at <<http://ttclear.unfccc.int/ttclear/jsp/>>.

He highlighted the progress made in relation to the three funding windows of the programme: (a) TNAs; (b) technology transfer pilot projects; and (c) the long-term implementation of the programme. He elaborated on the latter by highlighting the objectives for the fifth replenishment of the GEF Trust Fund, which include: (a) demonstration, deployment and transfer of innovative low-carbon technologies; (b) market transformation for energy efficiency in industry and the building sector; (c) investment in renewable-energy technologies; and (d) establishment of energy-efficient, low-carbon transport and urban systems.

27. The representative of UNEP elaborated on the second funding window of the Poznan strategic programme on technology transfer. He highlighted the approach to the work, which is aimed at developing technology action plans, and elaborated on the core elements of that approach, namely country-specific plans and the implementation of those plans, the provision of technical support, communication and outreach. In addition, he presented the initial group of 15 countries selected for the project to field test the updated UNDP handbook, and he elaborated on the planning of that project.

E. Dialogue with representatives of the business community

28. The EGTT had two informal meetings with representatives of the business community, led by the World Business Council for Sustainable Development and the International Chamber of Commerce, in 2009. The EGTT and the representatives of the business community agreed on several follow-up activities to these meetings, and also agreed on the usefulness of their dialogue in generating a better understanding of the contribution that the business community could make to the work of the EGTT.

29. During the special meeting of the EGTT, the group continued its dialogue with representatives of the business community. The dialogue focused on: (a) enabling frameworks in support of technology deployment, as a follow-up to their previous discussions; (b) sharing information about the project for the European Commission on options for engaging the business community in the UNFCCC process and the World Bank's Climate Investment Funds; and (c) considering the focus of future work.

V. Future meetings of the Expert Group on Technology Transfer

30. The sixth regular meeting of the EGTT is tentatively scheduled to take place from 1 to 2 November 2010 to enable the EGTT to advance its work and finalize its reports in time for the thirty- third sessions of the subsidiary bodies.

Annex I

The updated rolling programme of work of the Expert Group on Technology Transfer for 2010–2011

Activities	Key actors	Possible partners ^a	Target dates	Mandate
1. Technology needs assessments				
1.1 Provide advice to the secretariat and relevant international organizations and initiatives, including through the organization of workshops, on their collaborative efforts: <ul style="list-style-type: none"> • To assist non-Annex I Parties in conducting, updating and improving their TNAs; • To promote the use of the updated UNDP handbook;^c • To share experiences and lessons learned, including in relation to barriers and good practices, from the TNA process and from the implementation of the Poznan strategic programme on technology transfer. 	EGTT, secretariat	CGE, UNDP, UNEP, the GEF, CTI and IFIs	Prior to the thirty-third session of the SBSTA	Paragraphs 8 (e) (ii), 8 (f), 8 (h) and 12 (a) of the set of actions ^b
1.2 Report on progress and findings made in the implementation of the above-mentioned activities, for consideration by the subsidiary bodies.	EGTT, secretariat		SBSTA 33 and 35	

Table (continued)

Activities	Key actors	Possible partners ^a	Target dates	Mandate
2. Mechanisms: innovative financing				
2.1 Organize the two remaining regional training workshops for Asia and the Pacific and Latin America and the Caribbean to assist project developers in non-Annex I Parties in preparing technology transfer projects that will meet the international standards for obtaining financing for mitigation and adaptation actions.	EGTT, secretariat	The GEF, UNDP, UNEP, UNIDO, CTI and regional commissions	Prior to SBSTA 32 and 33	Paragraph 79 (a) of FCCC/CP/2007/6
2.2 Consider a proposal by the secretariat for the development of an online training programme on the preparation of technology transfer project proposals for financing, drawing on experiences from the work of the EGTT on innovative financing and from the work of the secretariat on providing training for the greenhouse gas inventory reviews.	EGTT, secretariat	UNEP, UNDP, UNIDO, UNITAR, CTI, RETScreen and WBCSD	EGTT 6	Paragraph 17 (b) of the set of actions
2.3 Prepare a report, for consideration by the subsidiary bodies, to promote success stories in relation to financing technology transfer projects in non-Annex I Parties involving the private sector, including carbon funds and corporate-social-responsible and triple-bottom-line investors.	EGTT, secretariat	The GEF, UNDP, UNEP, IFIs, CTI, WBCSD and regional commissions	SB 34	Paragraph 17 (c) of the set of actions
3. Mechanisms: collaborative R&D				
Prepare the terms of reference for a report on options for facilitating collaborative R&D on environmentally sound technologies.	EGTT, secretariat	IEA and CGIAR	SBSTA 32	Paragraph 23 (e) of the set of actions

Table (continued)

Activities	Key actors	Possible partners ^a	Target dates	Mandate
4. Areas of the programme of work updated in the light of the outcomes of COP 15				
4.1 Identify areas with the potential for enhanced cooperation between the UNFCCC, other MEAs and intergovernmental processes, and the business community.	EGTT, secretariat	MEAs, WTO, IEA, Group of Eight, APEC, WIPO, WBCSD and regional commissions	Ongoing	Paragraph 19 (a) of the set of actions
4.2 Prepare a background paper to promote information sharing, including through: <ul style="list-style-type: none"> • Consideration of options for encouraging the setting up or strengthening of institutions such as national systems of innovation that could lead to the development of technologies in developing countries and countries with economies in transition; • Organization of an expert meeting with relevant national, regional and international organizations for building the capacity of the experts in these institutions, including the capacity to create national technology information databases and networks. 	EGTT, secretariat		EGTT 6	Paragraph 21 (a) of the set of actions
4.3 Elaborate on options for operational modalities of the proposed Technology Executive Committee based on the functions listed in document FCCC/CP/2010/2, annex IV, paragraph 7.	EGTT, secretariat	UNEP, UNDP, UNIDO and the GEF	EGTT 6	

Table (continued)

Activities	Key actors	Possible partners ^a	Target dates	Mandate
4.4 Elaborate on options for operational modalities of the proposed climate technology centre and network based on the functions listed in document FCCC/CP/2010/2, annex IV, paragraph 10.	EGTT, secretariat	UNEP, UNDP, UNIDO and the GEF	EGTT 6	
4.5 Prepare a stocktaking paper on the role of international property rights in technology transfer.	EGTT, secretariat	WIPO, WBCSD and ICC	EGTT 6	

Abbreviations: APEC = Asia-Pacific Economic Cooperation, CGE = Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention, CGIAR = Consultative Group on International Agricultural Research, COP = Conference of the Parties, CTI = Climate Technology Initiative, EGTT = Expert Group on Technology Transfer, GEF = Global Environment Facility, ICC = International Chamber of Commerce, IEA = International Energy Agency, IFIs = international financial institutions, MEAs = multilateral environmental agreements, non-Annex I Parties = Parties not included in Annex I to the Convention, R&D = research and development, SB = subsidiary bodies, SBSTA = Subsidiary Body for Scientific and Technological Advice, TNAs = technology needs assessments, UNDP = United Nations Development Programme, UNEP = United Nations Environment Programme, UNIDO = United Nations Industrial Development Organization, UNITAR = United Nations Institute for Training and Research, WBCSD = World Business Council for Sustainable Development, WIPO = World Intellectual Property Organization, WTO = World Trade Organization.

Notes: Capacity-building is a cross-cutting activity – see activities in relation to TNAs and mechanisms.

^a This is an indicative list of possible partners. Additional partners could be added, as needed.

^b The set of actions is contained in annex I to decision 3/CP.13.

^c United Nations Development Programme. 2009. *Handbook for Conducting Technology Needs Assessments for Climate Change*. Available at: <http://unfccc.int/ttclear/pdf/TNAHandbook_9-15-2009.pdf>.

^d FCCC/CP/2007/6, paragraph 79 (a).

Annex II

Members of the Expert Group on Technology Transfer for 2010

Africa

Mr. Nagmeldin Goutbi Elhassan (Sudan)

Mr. Ben Mohamed Abdelkrim* (Niger)

Mr. Birama Diarra (Mali)

Asia and the Pacific

Mr. Pak Sum Low (Malaysia)

Mr. Can Wang* (China)

Mr. John Korinihona* (Solomon Islands)

Latin America and the Caribbean

Ms. Marcela Gregori* (Argentina)

Mr. Carlos Villon (Ecuador)

Mr. Arthur Wellington Rolle (Bahamas)

Small island developing States

Mr. Taito Nakalevu (Fiji)

Other Parties not included in Annex I to the Convention

Ms. Marina Shvangiradze* (Georgia)

Parties included in Annex I to the Convention

Mr. Jukka Uosukainen (Finland)

Mr. Holger Liptow (Germany)

Mr. Ronald Schillemans* (Netherlands)

Mr. Michael Rantil* (Sweden)

Mr. Bruce Wilson (Australia)

Mr. Kunihiko Shimada* (Japan)

Ms. Margaret E. Martin (Canada)

Mr. Elmer Holt* (United States of America)

* Members nominated for 2010–2011. The mandate for the other members will expire at the end of 2010.
