

## Twelfth meeting of the Technology Executive Committee

United Nations Campus (AHH building), Bonn, Germany  
5-8 April 2016

### Cover note

## Draft agenda of the in-session workshop on linkages between the Technology Mechanism and the Financial Mechanism

### I. Background

1. At its twenty-first session, the Conference of the Parties (COP 21) requested the Technology Executive Committee (TEC), the Climate Technology Centre and Network (CTCN) and the operating entities of the Financial Mechanism to continue to consult on and further elaborate, including through an in-session workshop at the forty-fourth sessions of the subsidiary bodies (May 2016), the linkages between the Technology Mechanisms and the Financial Mechanism.

### II. Scope of the note

2. This note contains the draft agenda of the in-session workshop on linkages between the Technology Mechanism and the Financial Mechanism, prepared by the TEC taskforce on finance.

### III. Expected action by the Technology Executive Committee

3. The TEC will be invited to consider the draft agenda of the in-session workshop on linkages between the Technology Mechanism and the Financial Mechanism, and determine the next steps to finalize the agenda for the workshop.



## Annex I

# Draft agenda of the in-session workshop on linkages between the Technology Mechanism and the Financial Mechanism of the Convention

## I. Background

1. COP 18 agreed to further elaborate, at COP 20, the linkages between the Technology Mechanism (TM) and the Financial Mechanism (FM) of the Convention, taking into consideration the recommendations of the Board of the Green Climate Fund (GCF),<sup>1</sup> and of the Technology Executive Committee (TEC).<sup>2, 3</sup>
2. COP 18 agreed to further elaborate, at COP 20, the linkages between the Technology Mechanism (TM) and the Financial Mechanism (FM) of the Convention, taking into consideration the recommendations of the Board of the Green Climate Fund (GCF), and of the Technology Executive Committee (TEC).
3. COP 21 requested the TEC, the Climate Technology Centre and Network (CTCN) and the operating entities of the FM to continue to consult on and further elaborate, including through an in-session workshop at SB 44, the linkages between the TM and the FM.
4. COP 21 also provided further guidance on the principles, aim and nature of the linkages between the TM and FM, including:<sup>4</sup>
  - (a) The importance of and the need for defined, mutually beneficial and functional linkages between the TM and the FM through its operating entities, the GEF and the GCF;
  - (b) That the definition and elaboration of linkages between the TM and FM has the aim of ensuring financial resources for, and scaling up action on, technology development and transfer;
  - (c) The need for the TEC, CTCN and the operating entities of the FM to enhance cooperation and collaboration with a view to enhancing the fulfillment and implementation of their respective mandates effectively, in accordance with Article 12, paragraph 4 of the Convention.

## II. Objectives of the workshop

5. The in-session workshop will be organized to provide a platform for the TEC, CTCN GCF and the GEF to continue to consult on, and further elaborate the linkages between the TM and FM, as requested by COP 21.
6. More specifically the workshop aims to:
  - (a) Enhance understanding on the potential linkages between the TM and FM and on how to access financial resources for, and scaling up action on, technology development and transfer;
  - (b) Identify ways to enhance coherence and synergies between the TM and FM;
  - (c) Identify ways to enhance cooperation and collaboration between the TEC, CTCN and the operating entities of the FM.

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<sup>1</sup> Developed in accordance with decision 3/CP.17, paragraph 17.

<sup>2</sup> Developed in accordance with decision 4/CP.17, paragraph 6.

<sup>3</sup> Decision 1/CP.18, paragraph 62.

<sup>4</sup> Decision 13/CP.21.

### III. Expected outcomes

7. The expected outcomes of the workshop will be:
  - (a) Enhanced understanding on the potential linkages between the TM and FM and on how to access financial resources for, and scaling up action on, technology development and transfer;
  - (b) Identified ways to enhance coherence and synergies between the TM and FM;
  - (c) Identified ways to enhance cooperation and collaboration between the TEC, CTCN and the operating entities of the FM.

### IV. Structure and format

#### Session 1: Linkages between the Technology Mechanism and the Financial Mechanism: what, why and how?

8. This session will focus on the linkages between the TM and FM at conceptual and operational level. What's the nature of the linkages between the TM and FM? What's the importance of having these linkages? How to ensure financial resources for, and scaling up action on, technology development and transfer? How could these linkages be implemented at operational level? The first will draw upon the recommendations of the TEC and the experiences of the GCF, while the latter will draw upon experiences and lessons learned from countries in accessing financial resources to support action on technology development and transfer. The presentations will be followed by Q&A.

Moderator: TEC Chair

#### Presentations and Q&A (75 minutes)

1. Coherence and synergy between the Technology Mechanism and the Financial mechanism:  
TEC recommendations  
TEC Vice-Chair
2. Supporting action on technology development and transfer and engagement with thematic bodies  
GCF-Co Chair(s)
3. Experiences and lessons learned from accessing financial resources to support action on technology development and transfer  
Developing country experience
4. Q&A

#### Session 2: Enhancing cooperation and collaboration between the TEC, CTCN and the operating entities of the FM

9. The panel discussion will focus on enhancing cooperation and collaboration between the TEC, CTCN and the operating entities of the FM. The panel discussion will be guided by guiding questions and will be followed by Q&A.

Moderator: TEC Vice-Chair

#### Panel discussion and Q&A (105 minutes)

1. Panel discussion – panelists:
  - Chair of the TEC
  - Chair of the Advisory Board of the CTCN
  - Co-Chair of the Board of the GCF
  - GEF
  - Asian Development Bank
  - RINGO
  - WBCSD

2. Guiding questions for the panel discussion:
  1. What do you consider to be the common goals of the Technology Mechanism and the Financial Mechanism?
  2. What potential synergies are there to be made between the Technology Mechanism and the Financial Mechanism?
  3. What are potential areas of collaboration between the TEC, CTCN and the operating entities of the Financial Mechanism?
  4. How could cooperation and collaboration between the TEC, CTCN and the operating entities of the Financial Mechanism be enhanced?
  5. How could the Technology Mechanism and the Financial Mechanism work together in a coherent and complementary manner in supporting action on mitigation and adaptation on the ground?
3. Q&A.

## V. Timing

10. Saturday 21 May, 10.00–13.00 hrs. (tbc)

## VI. Process for finalizing the agenda for the in-session workshop and recommendations on TM-FM linkages

#	What	Week nr.
1	Organize a conference call among the taskforce on finance to frame the in-session workshop	10
2	Prepare draft agenda for the in-session workshop	10
3	Share draft agenda with taskforce for comments	10/11
4	Share draft agenda with TEC for consideration at TEC 12	12
5	Consider draft agenda at TEC 12	14
6	Share agenda with CTCN, GEF and GCF for comments	15/16
7	Initiate organization in-session workshop	16
8	Hold in-session workshop at SB 44	20
9	Organize a meeting between GCF, GEF, CTCN and TEC at SB 44 to coordinate preparation of recommendations on TM-FM linkages	21
10	Consideration by the GCF Board of engagement with thematic bodies under the Convention at GCF 13	26
11	Incorporate findings from the consultations on TM-FM linkages, including the in-session workshop, in the joint annual report of the TEC and the CTCN <sup>5</sup>	TEC 13
12	GCF 14	October (tbc)
13	Consideration of TM-FM linkages at COP 22 <sup>6</sup>	45–46

<sup>5</sup> Decision 13/CP.21, paragraph 9.

<sup>6</sup> Decision 13/CP.21, paragraph 4.

## Annex II

### Background on linkages between the Technology Mechanism and the Financial Mechanism

1. The COP agreed to further elaborate, at COP 20, the linkages between the Technology Mechanism (TM) and the Financial Mechanism (FM) of the Convention, taking into consideration the recommendations of the Board of the Green Climate Fund (GCF), developed in accordance with decision 3/CP.17, paragraph 17, and of the TEC, developed in accordance with decision 4/CP.17, paragraph 6.<sup>7</sup> The TEC has undertaken a number of activities in response to this mandate (see Table 1).

**Table 1: Activities undertaken by the TEC on TM-FM linkages**

Timing	TEC activities on TM-FM linkages	Outcome
TEC 8	Prepared a background note on linkages between the TM and FM	Identified activities to elaborate linkages between the TM and FM
TEC 9	Organized a thematic dialogue on climate technology financing with participation of GCF, GEF, SCF and CTCN	Identified possible linkages between the TM and FM
TEC 9	Prepared a value proposition paper	Summarized TEC work of relevance to the FM
TEC 9	Prepared recommendations on linkages between the TM and the FM	TEC recommendations were considered at COP 20
COP 20	Consideration of TEC recommendations at COP 20	Deferred to COP 21
TEC 10	Consultations with GCF on TM-FM linkages (participation GCF sec in TEC meeting)	Send letter to GCF Co-Chairs with concrete areas for collaboration with the GCF
August 2015	Conference call between TEC Chairs and GCF Board Co-Chairs	Received feedback on the letter to GCF and possibility of TEC Chair attending GCF Board meeting
TEC 11	Consultations with GCF on TM-FM linkages (participation GCF Co-Chair in TEC meeting)	Updated on state-of-play of the GCF, its priorities for 2015 and how the Board plans to respond to COP request on TM-FM linkages
TEC 11	Prepared a TEC brief on climate technology financing	Key messages on climate technology financing
COP 21	Meeting between GCF Board Co-Chairs, CTCN-AB Chair and TEC Chair	Continued dialogue between the GCF, TEC and CTCN through conference calls and/or face-to-face meetings
COP 21	Consideration of TM-FM linkages at COP 21	<ul style="list-style-type: none"> <li>-Invites the GCF Board to provide its recommendations, in accordance with decision 1/CP.18, paragraph 62, for consideration by COP 22;</li> <li>-Requests the TEC, the CTCN and the operating entities of the FM to continue to consult on and further elaborate, including through an in-session workshop at the SB 44, the linkages between the TM and the FM;</li> <li>-Also requests the TEC to include, in its annual report, the findings arising from the activities referred to in paragraph 8 above for consideration by COP 22, taking into consideration the recommendations referred to in paragraph 4 above.</li> </ul>

<sup>7</sup> Decision 1/CP.18, paragraph 62.

*Responses of the TEC and the GCF*

2. In response to the request from the COP, the TEC prepared its recommendations on linkages between the TM and the FM for COP 20.<sup>8</sup> The recommendations of the TEC focus on institutional linkages between the TEC, the operating entities of the FM (GCF, GEF) and the SCF. For each of these entities the TEC identified possible areas for collaboration and provided its recommendations focusing on:

1. Inputs into the decision-making process of the operating entities of the FM;
2. Inputs by the operating entities of the FM into the decision-making process of the TEC;
3. Linkage modalities between the TM and the FM.

3. In its report on linkages between the TM and FM, the TEC further highlighted the need to establish linkages with the Board of the GCF on issues of common interest. The TEC has identified potential areas within the Board's workplan which may benefit from inputs by the TEC. The TEC further highlighted that, in order to jointly determine which future work would provide greater value, consultations with the GCF Board are required.

4. The GCF Board is yet to consider the recommendations requested by the COP on this matter, as reported in the report of the GCF to COP 21.<sup>9</sup>

*Possible areas for collaboration between the TEC and the GCF*

5. Based upon its analytical work in various workstreams, the TEC is in a position to provide critical information and advice to the operating entities of the Financial Mechanism on how technology development and transfer in developing countries could be supported most effectively.

6. At TEC 10 (March 2015), the TEC identified the following areas for possible collaboration with the GCF:

1. Provide inputs into the work undertaken by the Investment Committee on the Investment Framework, as it relates to definition of activity specific sub-criteria and activity specific indicators, minimum benchmarks and methodologies to assess the relative quality and innovativeness of comparable proposals;
2. Provide inputs into the work undertaken by the Independent Technical Advisory Panel of the Board by evaluating technological aspects of projects on a need basis (potential role of the TEC as an advisory body);
3. Financial support for technology actions, including implementation of the results of Technology Needs Assessments (Technology Action Plans and project ideas) in the context of the GCF readiness programme, project pipeline development and projects for which benefits are difficult to quantify (e.g. Research, Development and Demonstration, innovation, etc.);
4. Knowledge and information sharing between the National Designated Entities (NDEs) of the Climate Technology Centre and Network (CTCN) of the Technology Mechanism and the National Designated Authorities (NDAs) of the GCF.

7. These areas were also highlighted in the letter which was sent by the TEC Chair/Vice-Chair to the Co-Chairs of the GCF.

*Ongoing consultations between the TEC and the GCF Board*

8. Consultations with the GCF have been initiated through an exchange of letters between the TEC Chair/Vice-Chair and the Co-Chairs of the GCF, a conference call, participation of the GCF Co-Chairs in TEC 11 and a meeting between the GCF Co-Chairs, TEC Chair and CTCN-AB Chair at COP 21.

9. At TEC 11 (September 2015), the TEC Chair informed the TEC about the outcomes of the conference call with the Co-Chairs of the GCF. TEC members welcomed the information provided by the

<sup>8</sup> <<http://unfccc.int/resource/docs/2014/cop20/eng/06.pdf>>.

<sup>9</sup> <<http://unfccc.int/resource/docs/2015/cop21/eng/03.pdf>>.

TEC Chairs and encouraged to engage the CTCN in the meeting with the Co-Chairs of the GCF during COP 21.

10. The GCF reported on the engagement with the TEC to discuss possibilities for continued engagement in its report to COP 21.

11. During COP 21, a meeting between the GCF Board Co-Chairs, the TEC Chair and CTCN-AB Chair was organized to consider elements for making the linkages between the TEC and the GCF more concrete.

*Consideration of linkages between the TM and FM at COP 21*

12. Parties continued to elaborate on the linkages between the TM and FM at COP 21, with the following outcomes:

- COP 21 invited the Board of the GCF to provide its recommendations, in accordance with decision 1/CP.18, paragraph 62, for consideration by COP 22;
  - COP 21 requested the TEC, the CTCN and the operating entities of the FM to continue to consult on and further elaborate, including through an in-session workshop at SB 44, the linkages between the TM and the FM;
  - COP 21 also requested the TEC to include, in its annual report, the findings arising from the activities referred to in paragraph 8 above for consideration by COP 22, taking into consideration the recommendations referred to in paragraph 4 above.
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