

14 September 2000

ENGLISH ONLY

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

Subsidiary Body for Scientific and Technological Advice
Thirteenth session
Lyon, 11-15 September 2000
Agenda item 10

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES

**STATUS OF THE CONSULTATIVE PROCESS
(DECISION 4/CP.4)**

Submissions from Parties

Note by the secretariat

1. At the first part of the thirteenth session of the Subsidiary Body for Scientific and Technological Advice, the Group of 77 and China submitted a draft decision on the development and transfer of technologies, for consideration at the second part of that session.
2. In accordance with the procedure for miscellaneous documents, this submission* is reproduced in the language in which it was received and without formal editing.

* In order to make this submission available on electronic systems, including the World Wide Web, it has been electronically scanned and/or retyped. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

PAPER NO. 1: GROUP OF 77 AND CHINA

G-77 AND CHINA

DRAFT DECISION ON THE DEVELOPMENT AND TRANSFER OF TECHNOLOGIES

The Conference of the Parties,

Recalling Chapter 34 of Agenda 21 of the UN Conference on Environment and Development (UNCED), and paragraphs 88 to 97 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 in 1997,

Basing itself on Articles 4.1, 4.3, 4.5, 4.7, 4.8, and 4.9, as well as Articles 9.2 (c), 11.1, 11.5, 12.3 and 12.4 of the Convention,

Keeping in mind Articles 10 (c) and 11.2 (b) of the Kyoto Protocol to the UN Framework Convention on Climate Change,

Taking fully into account its decisions 11/CP.1, 13/CP.1; 9/CP.3, 2/CP.4, 4/CP.4, and 9/CP.5,

Reaffirming its decision 1/CP.4 on the Buenos Aires Plan of Action, which in its paragraph 2 resolves to demonstrate substantial progress on the implementation of the Convention, including on the development and transfer of technologies,

1. *Agrees* that the promotion of the implementation of the commitment of developed country Parties and other developed Parties included in Annex II for the transfer of, or access to, environmental sound technologies and know-how, as stated in Article 4.5, together with the provision of new and additional financial resources as stated in Article 4.3, are essential conditions for the effective implementation of developing country Parties of their commitments under the Convention, taking fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties;
2. *Agrees also* that issues relating to the implementation of Article 4.5 on transfer of and access to technology is a continuing process, and that, *inter alia*, the assessment of technologies, terms of access, and technological needs of Parties will continue to be undertaken in the Convention, to ensure that real progress is achieved promptly.
3. *Decides*, for this purpose, to establish an intergovernmental panel of experts, nominated by governments and based on equitable geographical representation, to provide scientific and technical advice on the implementation of the commitment on Article 4.5, including assessments of technologies and technology needs under the Convention.
4. *Decides also* to establish a separate funding mechanism for technology transfer through which technical and financial assistance from Annex II Parties shall be made available to

achieve meaningful and effective actions to enhance implementation of Article 4.5 of the Convention, in accordance with the modalities contained in the Annex.

5. *Decides further* that the funding mechanism will provide the necessary resources, including for the following purposes:
 - a) enhance capacity-building for developing countries, including through demonstration projects, as shown in the annexed initial framework;
 - b) promote joint research and development programmes between Annex I and non-Annex I Parties, and also non-Annex I Parties among themselves;
 - c) develop and implement concrete programmes to conduct technology needs identification and needs assessment, taking into account the different levels of readiness among developing countries;
 - d) develop specialised information centers relating to the state-of-the-art, environmentally-sound and economically-feasible technologies and know-how that are accessible and available to developing countries, their accessibility and conditions for accessibility; and
 - e) leverage other funding sources to initiate concrete transfer of technology projects for energy-efficient technologies, new and renewable energies, enhancing sinks and preparing for adaptation to adverse impacts of climate change.
6. *Requests* the Chairman of the SBSTA, building upon the progress done so far in the consultative process, as contained in the initial framework for the implementation of Article 4.5 of the Convention, and in order to move forward in the implementation of 4.5, to continue the consultations on this item, focused at addressing the remaining questions contained in the Annex to decision 4/CP.4, in particular on practical steps to promote, facilitate and finance, as appropriate, transfer of, and access to, environmentally-sound technologies and know-how, and to identify concrete actions for the implementation of the commitment in Article 4.5.
7. *Agrees*, in this regard, to take fully into account the recommendations contained in IPCC special report on technology transfer; paragraphs 34.18 to 34.21 of Chapter 34 of Agenda 21, and the secretariat technical papers on terms of transfer and adaptation technologies; the information contained in national communications of Annex I Parties on details of measures taken to implement Article 4.5, in accordance with Article 12.3, and any other information provided by interested international organizations and other institutions on the availability and conditions of transfer of and access to climate-related environmentally-sound technologies, especially adaptation technologies;
8. *Requests also* the Chairman of the SBSTA to include in its work programme, the establishment of the intergovernmental panel of experts on transfer of technology, in order to assist in the implementation of the commitments under Article 4.5 of the Convention,
9. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism of the Convention and acting in accordance with Article 11.1, which calls for new and additional financial resources to be provided on a grant and concessional basis including for transfer of technology, to ensure that their programmes for facilitating transfer of, and access to, environmentally-sound technologies follow closely the guidance

and the timetables contained in the relevant COP decisions, in particular decision 2/CP.4, and to report on the progress of this implementation in their report to the COP;

10. *Requests* the secretariat to provide the necessary assistance for the discussions on this item, including making available the documentation referred to in paragraph 7 above, both in printed and electronic form, and to focus its subsequent work on transfer of technology transfer on the availability of technologies, conditions of access, means of facilitating access to these technologies, in particular adaptation technologies.

11. *Decides* to continue the consideration of this item at each session under the 4, “midh atters relating to commitments”, as provided for in decision 13/CP.1.

Annex

Modalities of a Funding Mechanism for Technology Transfer

1. There hereby is established the Developing Countries' Technology Transfer Fund (hereinafter called "the Fund");
2. The annual funding level of the Fund shall be at the rate of ___ billion U.S. dollars beginning with the year 2001 and continuing at that level each year thereafter during the period ending 31 December 2005 unless the funding level is changed by decision of the Conference of the Parties;
3. Each year on the 15th day of April, during the period beginning in 2001 and ending in 2025, each developed country Party and other developed Parties included in Annex II of the Convention (hereinafter called "Annex II Party") shall contribute to the Fund its share of the annual funding level of the Fund in accordance with the formula set forth in Annex I to this Decision; and
4. "Failure of an Annex II Party to make its annual contribution to the Fund, as provided for in Paragraph 2(c), automatically be the subject of a proceeding by the Enforcement Branch in accordance with Decision___."

Executive Body

5. The Fund shall be administered by the Developing Countries' Technology Transfer Fund Executive Body (hereinafter called the "Executive Body");
 - (a) The Executive Body shall consist of __members, reflecting equal representation of each of the five United Nations regional groups, who have been elected by the Conference of the Parties upon the nomination of the regional groups to serve for a term of two years;
 - (b) The first election of members of the Executive Body shall be held at the sixth session of the Conference of the Parties;
 - (c) The Executive Body shall invest and reinvest the monies held by the Fund, pending distributions from the Fund and its income to developing country Parties, in accordance with guidelines for investments to be adopted by the Conference of the Parties no later than at its seventh session and, until such guidelines are adopted, in accordance with the highest standards of care to be exercised by bodies or persons entrusted with managing Funds of comparable size for the benefit of others; and

- (d) The Executive Body shall make distributions from the Fund and its income to developing country Parties on an equitable basis, by way of grants, loans and loan guarantees, in accordance with guidelines adopted from time to time by the Conference of the Parties for the acquisition of technologies, including know-how, by developing country Parties to facilitate their implementation of their commitments under the Convention.

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