

REFORMS OF INSTITUTIONAL ARRANGEMENTS UNDER UNFCCC ON DEVELOPMENT AND TRANSFER OF TECHNOLOGIES

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Outline

- Overview of Development and Transfer of Technologies (DTT) under United Nations Framework Convention on Climate Change and the Kyoto Protocol
- The Old and Current Institutional Arrangements
- DTT under the Bali Action plan
- New Institutional Reform for DTT

Overview

- The United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol have paid attention to the need for development and transfer of environmentally sound technologies to developing countries,
 - For the purposes of enabling these countries to achieve advancement in their development whilst limiting their greenhouse gas emissions and adapting to the impacts of climate change.

Overview

- ▣ The Article 4.1 (c) of the UNFCCC commits all Parties to the Convention to promote and cooperate in the development, application and diffusion, including transfer of technologies, practices and processes that control, reduce or prevent anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol in all relevant sectors, including the energy transport, industry, agriculture, forestry and waste management sectors.

Overview

- ▣ Article 4.5 commits the developed country Parties and other developed Parties in Annex II to the Convention to “take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of or access to, environmentally sound technologies and know-how to other Parties, particularly developing country Parties to enable them implement the provisions of the Convention....”

Overview

- Article 4.7 states that “the extent to which developing countries under the Convention will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources (Article 3.1) and transfer of technology (Article 4.5) and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties”.

Overview

- ❑ The Article 3.14 of the KP on commitments, acknowledges the need to minimize the adverse impacts of climate change on developing countries and notes among the “issues to be considered shall be the establishment of funding, insurance and technology transfer”.
- ❑ Article 10.6(b) of KP recognises that adaptation technologies would improve adaptation to climate change.

Overview

- Article 10.6 (c) of KP commits Parties to “cooperate in the promotion of effective modalities for the development, application and diffusion of, and take all practicable steps to promote, facilitate and finance practices and processes pertinent to climate change, in particular to developing countries including the formulation of policies and programmes for the effective transfer of environmentally sound technologies that are publicly owned or in the public domain and the creation of enabling environment for the private sector, to promote and enhance the transfer of access to, environmentally sound technologies.

Overview

- Furthermore, Article 11.1 (b) of the KP commits developed countries Parties and other developed Parties in Annex II to the Convention to “provide financial resources, including the transfer of technology, needed by developing countries to meet the agreed full incremental costs of advancing the implementation of existing commitments under Article 4.1 of the Convention

Overview

- The design of Article 12 of the Kyoto Protocol i.e. Clean Development Mechanism should also lead to the transfer of environmentally sound technologies.
 - Smaller & lower-income developing countries still to see the benefits

What has been the Institutional Arrangement to date?

- ❑ Several decisions have been made since the adoption of the UNFCCC and later the KP
- ❑ In Marrakech, 2001 the Expert Group on Technology Transfer (EGTT) was established and with a 5-year mandate
- ❑ EGTT was placed under the Subsidiary Body for Scientific and Technological Advice (SBSTA) to provide advice and recommendations to SBSTA

EGTT's Limitations

- ❑ Over the years (since 2001) EGTT has produced very good technical papers
- ❑ In 2006 in Nairobi, developing countries did not see the need to renew the mandate of the EGTT
- ❑ Because the EGTT has not lived to the expectations of developing countries in terms of actual technology development and transfer to these countries.
- ❑ Because the EGTT under the SBSTA has failed to address the following:
 - *Implementation of DTT actions because of the institutional limitations of the SBSAT itself.*
 - *The setting up of specific technology goals*
 - *Development of indicators and accounting systems to track progress on technology transfer?*

The EGTT after Bali

- Recognizing that the commitments of developed countries under the UNFCCC and the KP on technology development and transfer have not been met and that there is the need to urgently address the implementation issues of DTT:
- In Bali in 2007 an agreement was reached to renew the mandate of the EGTT by placing it under both the SBSTA and the Subsidiary Body for Implementation (SBI).

DTT under the Bali Action Plan (BAP)

- ❑ The BAP rightly recognizes again that development and transfer of technologies to developing countries as one of the means to support actions on mitigation and adaptation to climate change.
- ❑ DTT is now one of the four major building blocks to be discussed and agreed upon in Copenhagen.

Key issues under the Bali Action Plan on DTT

- ❑ Effectiveness of tools & mechanisms for technology co-operation
- ❑ Removal of barriers to promoting technology transfer including:
 - Financing
 - Intellectual property rights
 - Tariffs and non-tariffs
 - Capacity
- ❑ Ways to accelerate deployment, diffusion and transfer of technologies
- ❑ Co-operation on research and development

BAP as Basis for New Institutional Arrangements

- The BAP invariably calls for the creation of a new **international framework agreement for technology development and transfer with a new institutional arrangements** that addresses both mitigation and adaptation, in order to boost the effectiveness in innovation and investment required around the world to address climate change.

The Required Institutional Reform as part of the Copenhagen Climate Change Deal!!!

The Key Characteristics of the New Institutional Arrangements

- ❑ Be accountable directly to the Conference of Parties (COP)
- ❑ Be able to make decisions
- ❑ And most importantly be able to follow through with the implementation of these decisions

Possible Functions of the New Institutional Arrangements

- ❑ The new institutional arrangements must be able to:
 - ❑ Support, supervise, monitor and evaluate the effectiveness of the implementation of agreed actions on technology development and transfer;
 - ❑ Ensure compliance and enforcement under the new technology transfer regime
 - ❑ Support capacity building and capacity development in developing countries for technology development, adoption, deployment, diffusion and transfer including, inter alia, support for national systems of innovation

The Executive Body for DTT

- Executive Body under the COP shall comprise of and supported by:
- **Strategic Planning Committee consisting of regional/sub-regional committees and national systems of innovation** to: develop strategies; provide regular guidance; assess and elaborate technology-related matters; continuously evaluate progress; and develop updates for the Technology Action Plan,
- In particular, the national systems of innovations must
 - Ensure technology is adapted to meet local needs
 - Generate support for projects at local level via stakeholder engagement and awareness campaigns
 - Support build-up of local capabilities
 - Develop national regulations and standards

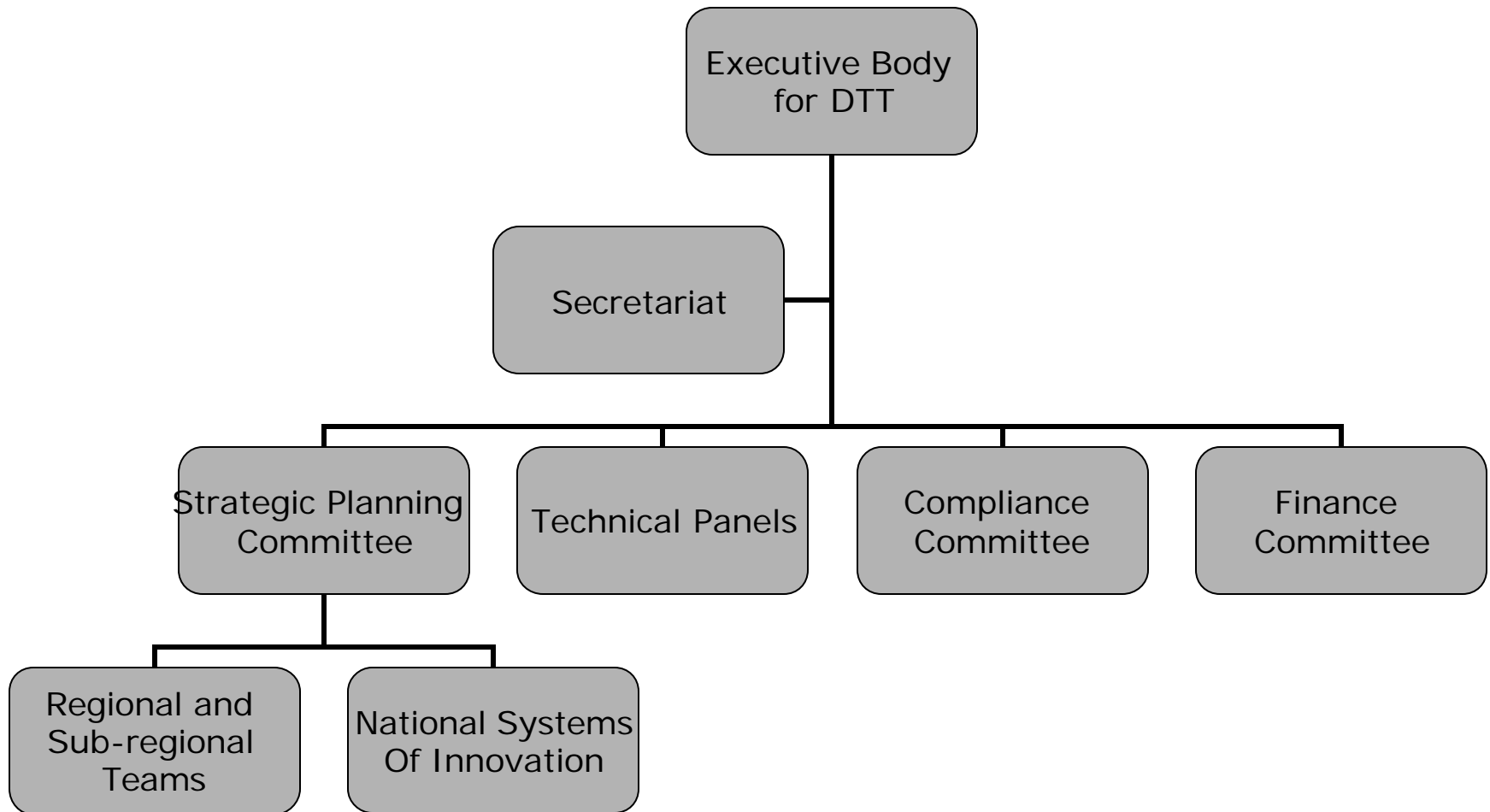
The Executive Body for DTT

- **Technical Panels** to generate and compile current expert information related to: capacity building; policies and measures; intellectual property cooperation; sectoral, cross-sectoral, and cross cutting cooperation; assessment, monitoring and compliance; and other necessary topics.
- **Compliance Committee** to monitor and evaluate the effectiveness of the implementation of agreed actions on technology development and transfer and to verify the financial and technological contributions made to the mechanism in accordance with the overall “measurable, reportable, verifiable” requirement of Decision 1/CP.13.

The Executive Body for DTT

- **Financial Committee** to ensure that funds are available to developing countries for all stages of technology development and transfer (e.g., R&D support, subsidies during commercialization)
- **Secretariat** to support and facilitate the activities of the Executive Body.

The Executive Body for DTT



Thank you