

Divergent views on bodies of the UNFCCC technology mechanism

Bonn, June 8 (Hilary Chiew and Meena Raman) – The contact group of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) reconvened on Monday, 7 June, to discuss enhanced action on technology development and transfer and cooperative sectoral approaches and sector-specific actions in agriculture.

The Chair Margaret Mukhahanana-Sangarwe requested Parties to address both issues together in their respective interventions.

[According to the Chair's facilitative text, the 'Technology Mechanism' is to consist of a Technology Executive Committee (TEC) and a Climate Technology Centre and Network (CTCN).]

Developed and developing country Parties held opposing views over the role of, and the relationship between, the TEC and the CTCN.

Developed countries, including the United States, Canada, Japan and Australia wanted that the TEC and CTCN to be independent of each other and be of equal status. Developing countries on the other-hand, led by G77 and China, wanted the TEC be of a high status than the CTCN, with the TEC giving guidance to the CTCN. Developed countries also wanted the TEC to report to the Subsidiary Body for Scientific and Technological Advice (SBSTA), while the developing countries wanted it to report directly to the Conference of Parties.

Another issue that was contentions was intellectual property rights (IPRs). While developing countries emphasised the need for removal of barriers to technology deployment and transfer of climate technologies including that of IPRs, developed countries preferred no negotiation or reference to be made to IPRs.

On technology development and transfer, the Chair asked Parties to consider the following questions: how will the TEC and the CTCN interact with each other to ensure effectiveness; what would be the respective roles of the Subsidiary Body on Implementation (SBI), the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the TEC; and what should be the inter-linkages between the technology mechanism (TEC and CTCN) and non-financial aspects of the existing and proposed institutional arrangements for adaptation and mitigation?

Argentina, speaking for **G77 and China**, said the Group believed that the technology mechanism should address the needs of the developing countries based on a country-driven process. In this sense, it saw the TEC as having a clear mandate over the CTCN with the view to align its activities with country-driven actions. The TEC should set priorities and technical criteria and it should work as a contact point for developing countries, said G77 and China.

It also believed that TEC should be a stand-alone body reporting directly to the Conference of Parties (COP) and if there was a role for the SBI and SBSTA, that should be defined when the functions of the TEC are established.

South Africa speaking for the **African Group** said that the questions posed by the Chair did not include the issue of IPRs. It said that this was a critical element and it was in favour of a system of a global technology pool, where the access to patented technologies as well as those in the public domain is ensured. It said that the TEC would provide policy guidance to the CTCN while the latter would ensure implementation.

India said it would be useful to think first about

what Parties want the technology mechanism to accomplish and then to see how the inter-linkages are configured so as to ensure effectiveness. It believed that the accelerated transfer and diffusion of clean and environment-friendly technologies, and the associated local capacity building for their absorption is critical to long term sustainable solutions to climate change, referring to both mitigation and adaptation.

The mechanism, said India, should also enable international cooperation that allows countries and companies to do more than what they would do on their own, adding that this additionality is something that the mechanism should bring to each country's and company's business-as-usual efforts, so that barriers of all kinds can be jointly addressed.

It said these public-private activities would require the TEC to provide guidance on the kinds of activities to be promoted by the mechanism, establish priorities, and provide oversight to the activities of the CTCN. In cases where financial support for these activities is sought from the financial mechanism, the TEC could review these proposals for congruence with objectives of the mechanism.

India said that the scope of activities of the CTCN would be set by the TEC and the former would periodically report their activities to the TEC which in turn would report its own work and that of the CTCN to the COP.

China said that a strong technology mechanism is critical to coordinate actions for enhanced implementation of technology development and transfer. It supported the idea that the TEC played such a role where it would make decisions, set programmes, give guidance to the CTCN, mobilise technical and financial support for the actions identified through country-driven process etc. It suggested that the TEC will be the only contact point with the financial mechanism regarding the technology development and transfer activities under the Convention.

It also believed that the TEC should be a stand-alone body that was strong and operative, independent from the SBI and SBSTA. It should report directly to the COP. China was however open to exploring the contribution of SBI and SBSTA to the technology mechanism to enhance the technology development and transfer according to the functions to be decided and agreed on.

Bolivia said that technology transfer is part of the climate debt of developed countries and therefore should be free from conditions or impositions. Instead, it said, there must be free exchange of information, knowledge and technologies, under the principles of solidarity, reciprocity, transparency and equity permitting and inter-scientific dialogue of knowledge and skills. Hence, the TEC should be the main entity under the COP and its functions should be the development of a technology action plan to support concrete programmes and actions with short, medium and long term actions and programmes that covers all sectors. Indigenous and traditional knowledge and technologies in addressing climate change should be recognised.

Bolivia also stressed that nothing in IPR agreements shall be interpreted or implemented in a manner that limits or prevents developing countries from taking measures to address climate change issues.

Pakistan said that it recognized the importance and relevance of intellectual property rights in the promotion of technology development, diffusion and transfer of technology. In this context, it supported efforts that aim at overcoming barriers that prevent the diffusion and deployment of climate friendly for both mitigation and adaptation. A balanced outcome on this issue must stem from Parties' collective endeavors to overcoming a challenge that hinges on the wide spread diffusion and deployment of technologies.

It said that TEC, which will operate under the authority of the COP will not only support the development and enhancement of the endogenous capacities and technologies of the developing countries but also seek to achieve the removal of barriers that prevent the development, deployment, diffusion and transfer of the environmentally sound technology capacities in the developing country. This body will provide its recommendation and advice to the financial mechanism. Consequently, it believed that TEC will be a stand-alone body, independent of SBSTA and SBI, and reporting to the COP (Conference of the Parties of the UNFCCC).

Nicaragua said technologies must be useful, socially appropriate and clean. Climate technologies must be free from IPRS rather than benefit private monopolies. They must remain in the public domain.

The **United States** said the TEC and CTCN have different tasks and neither body is above or below

each other. Both are equal in standing with different tasks and functions. The TEC should report through SBSTA which has the explicit task to advise on ways and means for technology transfer as it was critical to ensure that these activities complement other institutional arrangements under the Convention.

On finance, it said the subsidiary bodies can provide advice and information but are not part of the formal structure.

Australia said the TEC and CTCN will have to interact with each other and the latter will have to be nimble and be responsive with a strong degree of operational autonomy. Both entities would report to SBSTA.

Japan advocated for strict protection of IPRs and called for Option 2 of Paragraph 11 in Chapter III of the Chair's text to be eliminated. (Option 2 relates to measures to address IPRS).

It said that the TEC and CTCN can have close communication while maintaining mutual independence.

On *agriculture*, the AWG-LCA Chair said Parties had discussed this topic extensively in Copenhagen and were close to the point of completion although there were some brackets in the text to deal with. She urged Parties to focus on those outstanding issues and resolve them in Cancun so that a work programme can be launched there.

Saudi Arabia said some Parties are indicating that this sector will be part of fast-start financing and warned that this cannot happen. It said under the Bali Action Plan, there is no indication that some issues will enjoy fast-start and some issues later,

which meant that some issues will be left behind.

Bolivia said that a policy framework for agriculture for the purpose of addressing the climate crisis must be appropriate and meet the interests of local communities, indigenous people and protect the environment which require a change in provisions of trade agreements, loan and aid conditionalities.

A work programme on agriculture must be founded on the recognition and promotion of food sovereignty as a vital part for agricultural transformation required to address the climate crisis. The concept of food sovereignty is to be understood as the right of people to control their own seeds, land, water and food production.

Nicaragua said that cooperation in the agriculture sector must ensure that small farmers have the right to and maintain control their own seeds, land and food production.

On *emissions from aviation and bunker fuels*, several developed and some developing countries including the **European Union** stressed that it was important to have the issue as part of an AWG-LCA outcome in the near future and asked the Chair to inform on how she intends to advance work on this matter.

Developing countries on the other hand such as **Saudi Arabia**, felt that this issue was better dealt with by the International Maritime Organisation and the International Civil Aviation Organisation.

Sangarwe in response said that she would come back to Parties on how to proceed on technology transfer and the bunker fuel issue.