

Progress on technology issues blocked by developed countries

Warsaw, 17 Nov (Hilary Chiew) – Progress on the negotiations on technology transfer is being blocked by two developed country Parties, according to a statement by the Philippines’ negotiator made at the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) open-ended consultations on technology at the Warsaw climate talks.

The Philippines’ negotiator on technology issues under the UNFCCC, Elpidio Peria, expressed his delegation’s deep concern over an impasse in the Subsidiary Body on Scientific and Technological Advice (SBSTA) track on technology that happened at 1:30pm on 15 November.

He said that a compromise draft text offered by the co-facilitators (at the informal consultation on development and transfer of technologies and the implementation of the Technology Executive Committee) that Parties already had agreement on is being blocked by Australia and the United States.

He added that the draft text is a severely watered-down one which reads: “Requests the Technology Executive Committee to consider, at its 8th meeting, the issue of participation of the Technology Executive Committee as an observer at meetings of organizations outside the Convention, such as the World Intellectual Property Organization (WIPO) and the World Trade Organization (WTO).”

It is learnt that the Umbrella Group which includes the US and Australia wanted the reference to the WIPO and WTO to be deleted but this was rejected by the Group of 77 and China (G77-China).

Peria noted that if this is the way some Parties make it difficult for the UNFCCC to deal with the issue, which India had referred to on 14

November as ‘the word that should not be named’ (referring to Intellectual Property Rights), we would not be able to undertake meaningful actions on technology development and transfer that can be enhanced for the post-2020 period.

He recalled that as the ADP Co-Chair Kishan Kumarsingh (Trinidad and Tobago) fittingly said, we should not fear that word, and any enhanced action on technology development and transfer that should be made an integral part of the 2015 agreement, is a meaningful, clear and binding provision dealing with Intellectual Property Rights (IPRs). (For more details, please see TWN Warsaw Climate News Update No. 9).

Peria emphasised that a Party cannot do mitigation without transfer of technology, and this is what is long mandated by Article 4.1(c) and 4.5 and other related provisions of the Convention. Any increased ambition that the developing country Parties will undertake depends on the fulfilment by the developed country Parties on their commitments on the means of implementation, technology development and transfer being one of them.

Parties’ interventions were guided by two questions provided by the Co-chairs: (i) How could technology development and transfer be reflected in the 2015 agreement, and (ii) What institutional arrangements would be required in the post-2020 period for technology development and transfer.

The Philippines said as a preliminary step, before suggesting any further institutional arrangements post-2020, the 2015 agreement should have a built-in review mechanism or procedure of all the institutions within the Technology Mechanism such that as we move to post-2020, this review mechanism or procedure should be able to identify or assess whether these

institutions within the Technology Mechanism have lived up to their supposed aims, including their priority areas and specific mandates, as provided for in the Cancun, Durban and Doha and later, eventually, the Warsaw decisions on technology development and transfer.

This review, it added, should enable the strengthening, and whenever necessary, the reconfiguration of these institutions within the Technology Mechanism in order to fully achieve the enhanced action on technology development and transfer as earlier articulated in the Bali Action Plan. This review should also consider assessing and raising the level of financial support that will be provided within our existing arrangements and the linkages between the Technology Mechanism and financial mechanism that we will adopt in Peru (that will host the 2014 COP session).

In response to the United States on TNAs, the Philippines said TNAs are not the only source of information on the technology needs of a country; those who may have participated in those workshops on TNAs may not even be familiar with what IPRs are. One issue with TNAs is that as our experience has shown, all those TNAs that we have done have not resulted in actual, real and meaningful technology transfer.

As we have consistently asked in our small group on technology here that took this up: when will we really do actual technology transfer after doing all those TNAs. To our consternation, no one has yet given us a definitive answer, it stressed.

Swaziland speaking for the African Group said its understanding is that the 2015 Agreement is about enhancing the implementation of the Convention which includes enhancement of the mechanism that has been developed under the Convention. It expects the Agreement to reflect the established technology mechanism as an important building block. The Agreement should build provisions for assessment of the adequacy of the mechanism as well as to support addressing climate change for both mitigation and adaptation actions. It called for a five-year programme that includes substantive elements for these institutions (TEC and CTCN).

On the second guiding question, it said it is about further elaboration of Article 4 (of the Convention) and for this specific topic of technology development and transfer it is about Article 4.3. It identified three ways in which such commitment can be done – (1) Financial support

through an appropriate mechanism of the Convention; (2) A consideration of domestic policy of Annex II Parties to leverage their private sector support related to IPRs that some Annex II countries had raised; and (3) Where technologies are public goods, Annex II Parties should explore such options in their commitments.

The Group, it said, also called for assessment of delivery of the TEC and reiterated that as most private sector operate within national jurisdictions, it does not justify Annex II Parties not taking the responsibilities to address IPRs. It also called for specific support for innovation and technologies development in developing countries, including indigenous technologies.

South Africa said the 2015 Agreement should contain an assessment of the adequacy of the Technology Mechanism not only for mitigation but also adaptation. It sees the agreement as the platform to give meaning to the relevant Convention Articles in providing financial support and deployment of technologies by Annex II Parties (developed countries) and put in place efforts to leverage their private sector support as most IPRs reside with the private sector in developed countries. It also called for support for the development of endogenous technologies.

It said it is necessary to ensure that innovation continued to be incentivised but work needs to be done to ensure that technologies are make more accessible to developing country Parties, particularly those that are vulnerable, to enable them to implement urgent and long term actions (to address climate change).

Mali said the policy framework should be reflected in the 2015 Agreement and elaboration on ex-ante revision of adequacy for support of technologies should be key. It said the TNAs should be the entry point in the technology pillar and noted that according to the assessment of TNAs, 90% of technological needs are in adaptation actions. It also said it is important to define very concrete and functional linkage with the financial mechanism to ensure certainty in terms of funding to avoid risking having adaptation plans and programmes not being funded. We should explore a funding window for technologies in the Green Climate Fund.

Iran recalled the intervention of Venezuela on 14 November which said we are not talking in vacuum. It also said we have not addressed the barriers for technology transfer especially in relation to IPR, and the financial issues in relation

to means of implementation. It lamented that all the tools are there in the Convention but the problem is the commitment by developed country Parties. It hoped the Co-chair can capture the issue and have a balanced report on this matter.

Argentina expressed surprise with the second guiding question by the Co-chair. It said we have had long negotiations on technology development and transfer for many years resulting in the Technology Mechanism from Cancun (COP16). It opined that TEC is already producing results with key messages, recommendations and technology briefs for the Conference of Parties. CTCN is barely a-year-old and is allowing developing countries to submit their requests for technology matters. It urged for the technology mechanism to do its work and ensure that it is given the necessary financial resources. We have the 'car', we now need to fill up the tank.

United Arab Emirates said the Technology Mechanism should be maintained as it believed the structure can be successful.

In response to Argentina's analogy of the technology mechanism to a car, **Switzerland** said as a country with leading technologies, it should be let's charge the 'car'. We have to strengthen existing institutions and link the work better. It does not want to repeat on IPR but endorsed the EU's statement.

Peru speaking for the Independent Alliance for Latin America and the Caribbean (AILAC) said climate change must be the new driver of innovation and technological change in the post-2020 period. This technical integration must include indigenous and traditional knowledge. It called for enhancement of coherence with the goal to tackle barriers and accelerate technology transfer and scaling up international collaboration in this matter.

Zambia noted that the adequacy and effectiveness of the institutions and processes need to be strengthened and done in a holistic manner, in reference to the removal of all barriers and the appropriate treatment of IPRs and removal of patents. It further noted with concern that Annex I countries continue to push responsibilities of technology transfer to the private sector, thus leaving the ambition to solve the technology challenges to the market that is attached with conditions.

Saudi Arabia said as part of the Technology Mechanism, TEC should provide guidance on appropriate technologies and it would like to see

synergy within the mechanism for the acceleration of environmentally-sound and nationally appropriate technologies.

The United States in relation to the proposal made by others to address IPRs, explained why it has the view that it does, so it would be understandable to others. Fundamentally, it said innovation is needed to tackle climate change. It said making innovation possible benefits every country when clean technology become cheaper than fossil fuel technology and taking action (to address climate change) is no longer a cost. It noted that a strong IPR regime reduces the risks for companies which otherwise will not innovate. It is essential that companies are allowed to innovate which should be regarded as an opportunity rather than a threat as we need their support for progress.

With regards to technology transfer in developing countries, citing the assessment of the Technology Needs Assessments (TNAs) reports of developing countries by the Technology Executive Committee (TEC), it said developing countries' practitioners identified 20 barriers that inhibit technology transfer and they are financial and economic barriers, and it is telling that IPRs were not identified as a barrier.

It also said technology development and transfer is part of our work going forward and we are open to discussing its importance by thinking through each element and how support is gaining ground. It agreed with those that said the institutions should endure beyond 2020 and how Parties can facilitate technology development and transfer both for mitigation and adaptation. It strongly supports the Climate Technology Centre and Network (CTCN) in providing on-the-ground support for Parties in technology transfer. It said additionally, sub-national entities, particularly cities, can play an important role in technology solution and the technology mechanism should support that effort.

Canada said promoting environmentally sound technology and know-how is at the heart of the technology discussion, and going forward it should be driven by the technology mechanism which has just begun. On IPRs, it said it is a key tool among a suit of policies to promote innovation and create greater clean technology and the matter is most appropriately addressed by WIPO and the WTO.

The **European Union** said it fully recognised the efforts to accelerate technologies in the 2015

Agreement and proposed three actions: (1) Promote technology cooperation in meeting longer term greenhouse gas mitigation; (2) Emphasise the role of the CTCN and TEC; and (3) Emphasise the importance of both public and private finance.

It further said technology development and transfer is through the Technology Mechanism which should be the technology component for the post-2020 period, and stressed the importance of enabling environments.

On the issue of IPRs, it said the EU position is well-known, in that IPR regulation is far more complicated and the TEC had numerous discussions on this matter and WIPO and WTO

had looked into this issue as well. However, it stressed that the TEC has not identified a single incident that IPR is a barrier, adding that the EU would work with Parties to further strengthen the function of the Technology Mechanism.

Mexico said the existing Technology Mechanism should lead the effort of technology development and transfer. It also said Parties can learn from the frankness of Parties on this issue and identify concrete actions. We need to enable the technology mechanism to increase its ambition and it is clear that funding for the institutions must be increased. It also said the TEC and CTCN must step up their efforts and demonstrate their impact.