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Report on Afternoon SBSTA Session, 11/04/98

Report by B. Breced, D. Benton and P. Schwengels.

SBSTA met to discuss: 1) **Development and transfer of technology:** Interventions by Dr. Abe Haspel as Chair of Climate Technology Initiative, Austria for the EU, Canada, Australia and Japan, stressed the wide range of positive activities on technology cooperation currently supported by Annex II Parties, the importance of the private sector, the need for removal of barriers to markets for clean technology, the creation of an enabling environment for commercial technology transfer, a cautious approach on centers and networks, and opposed creation of new mechanisms. Most of these countries supported a focus on capacity building in the Secretariat work plan, with the exception of Australia which argued for an emphasis on assessment of technology transfer and emerging technology. Australia and Canada stressed the role that CDM could play in accelerating clean technology transfer.

Uganda spoke for the G77/China with the traditional position lamenting the lack of action on technology transfer by Annex II Parties and calling for 1) a Technology Transfer Mechanism to provide technology on non-commercial, preferential terms, 2) the establishment of Intergovernmental Technology Advisory Panels, 3) support for international technology centers and networks, and 4) a focus on capacity building. Iran, Mauritius, Grenada and the Marshall Islands supported the G-77 position with the island states also stressing the importance of adaptation technology. China took an even harder position stressing that only preferential terms of transfer are acceptable and that any linkage to CDM is unacceptable. Argentina, Malaysia, and the Philippines made more moderate interventions, with the Philippines citing the US supported Technology Cooperation Agreements Pilot Project (TCAPP) as a positive model. Korea made a very positive intervention, stressing the role of the private sector.

The US elaborated on a bottom-up, practical approach as the way forward -- building on bilateral and existing multilateral experience, focused on sector specific and country driven priority needs. The US opposed creation of a new Technology Transfer Mechanism, and proposed a process of information sharing on existing "bottom-up" technology cooperation approaches as a next step. The US offered the AID, EPA, DOE Technology Cooperation Agreements Pilot Program (TCAPP) as a model for future for consideration in this process. The US also supported a secretariat proposal for a consultation process and suggested starting with a focused consultation with Parties and key experts on next steps for centers and networks. The US distributed to delegations 1) our compilation of US technology cooperation activities currently underway, 2) a status report on the TCAPP work, and tabled a draft COP technology decision as an alternative to the G-77/China draft already available.

The Chair established a contact group lead by Thailand and Switzerland to report back with a draft decision by Monday.

2) **Research and systematic observation:** The discussion was unique in that everyone speaking agreed that there was a great need for global observing systems, that the systems were not originally designed for the task at hand, and that there is a need to prevent their further decline in funding for these systems. It began with the WMO presentation of a report on behalf of the

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organizations participating in the Climate Agenda, on the adequacy of the global observing system. The report presented 6 recommendations.

The US emphasized that "this issue needs the commitment of all nations".

Of note, the Marshall Islands identified a number of observation activities it is involved in, including the USDOE ARM program. The Bahamas reported that all 15 of its stations could be lost in one hurricane season.

Due to the global consensus, the Chair suspended discussions, and formed a contact group to be lead by Australia and Tanzania, with a draft decision due Friday.