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### CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY

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#### **EXPLORING POSSIBILITIES OF DEVELOPING A BIODIVERSITY TECHNOLOGY INITIATIVE, TAKING INTO ACCOUNT THE CLIMATE TECHNOLOGY INITIATIVE (CTI)**

*Note by the Executive Secretary*

#### **I. INTRODUCTION**

1. In paragraph 15 of decision VIII/12, on technology transfer and cooperation, the Conference of the Parties requested the Executive Secretary to “explore possibilities of developing a ‘Biodiversity Technology Initiative’, taking into account the Climate Technology Initiative”. The request came further to the consideration by the Conference of the Parties of proposals, prepared by the Executive Secretary with the assistance of the expert group on technology transfer and scientific and technological cooperation established pursuant to decision VII/29, of options to apply measures and mechanisms to facilitate access to technologies of relevance under the Convention by developing countries and countries with economies in transition. In these proposals, reference had already been made to the Climate Technology Initiative (CTI), as an example for the useful role of such an international network for the effective implementation of provisions on technology transfer. <sup>1/</sup>

2. The present note has been prepared pursuant to this request. The information in this document was retrieved from the websites of the CTI, the United Nations Framework Convention on Climate Change, and the International Energy Agency (IEA), <sup>2/</sup> as well as the publication *The History of the IEA*. <sup>3/</sup> A review of the note by the chair of the CTI Executive Committee, Mr. Elmer Holt, and the CTI secretariat is gratefully acknowledged. Comments provided by the UNFCCC secretariat on draft terms of reference for the exploration are also gratefully acknowledged.

\* UNEP/CBD/COP/9/1.

<sup>1/</sup> See document UNEP/CBD/COP/8/19/Add.2.

<sup>2/</sup> CTI: <http://www.climatetech.net/>; UNFCCC: <http://unfccc.int/>; IEA: <http://www.iea.org/>.

<sup>3/</sup> Scott, Richard (1994): *The History of the International Energy Agency*. Two volumes. OECD/IEA, Paris.

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3. An earlier version of the present note was made available to the meeting of the Ad Hoc Technical Expert Group on Technology Transfer and Scientific and Technological Cooperation, which took place in Geneva from 10 to 12 September 2007. The mandate of the Expert Group, in accordance with decision VIII/12, paragraph 4, was to collect, analyse and identify ongoing tools, mechanisms, systems and initiatives to promote technology transfer and scientific and technological cooperation under the Convention, and to propose strategies for practical implementation of the programme of work on this issue under the Convention on Biological Diversity. The meeting based its work on, *inter alia*, the existing proposals of options to apply measures and mechanisms to facilitate access to technologies of relevance under the Convention, referred to in paragraph 1 above.

4. The Ad Hoc Technical Expert Group considered the establishment of a Biodiversity Technology Initiative in section VI of its suggested strategy for the practical implementation of the programme of work, <sup>4/</sup> noting that committed Parties and organizations that act as champions of technology transfer can play an important role in promoting and supporting the effective implementation of Articles 16 to 19 and the programme of work on technology transfer and scientific and technological cooperation. The example of the CTI would indicate the useful role of such an international network of champions for the effective implementation of provisions on technology transfer. The establishment of a similar 'Biodiversity Technology Initiative' would be useful and welcome if effectively contributing to the implementation of the suggested strategy.

5. The Group noted that open questions remain, including on the funding needs, the potential portfolio of activities, and other questions as identified in the draft report, and suggested inviting Parties and relevant organizations to provide their views on these open questions. Such invitations were communicated by the Executive Secretary in notifications 2007-122 and 2007-131, of 9 October 2007 and of 26 October 2007, respectively. Comments were subsequently received from China, Colombia, the European Community, India, and Mexico, as well as the International Environmental Technology Centre of the United Nations Environment Programme (UNEP/IETC). Those comments have been reflected in the present note.

6. Section II of this note provides an overview of the CTI. Section III identifies issues and associated options to consider in the development of a Biodiversity Technology Initiative. Section IV concludes by suggesting a number of elements for further consideration and action.

## II. THE CLIMATE TECHNOLOGY INITIATIVE

### A. Background

7. Launched in 1995, the Climate Technology Initiative (CTI) is an initiative of nine members of the Organization for Economic Cooperation and Development (OECD). <sup>5/</sup> Its mission is to bring countries together with a view to foster international cooperation on the development and diffusion of climate-friendly and environmentally sound technologies and practices, consistent with the objectives of the United Nations Framework Convention on Climate Change (UNFCCC) and, in particular, the framework for technology transfer adopted at the Conference of the Parties to the UNFCCC at its seventh meeting. <sup>6/</sup> This includes technologies for both the mitigation of and adaptation to climate change.

8. While independent from the UNFCCC, the CTI works closely with the UNFCCC process, including its Secretariat and the Expert Group on Technology Transfer (EGTT), as well as with relevant Implementing Agreements of the International Energy Agency (IEA) and other international

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<sup>4/</sup> See UNEP/CBD/COP/9/18, annex

<sup>5/</sup> Austria, Canada, Finland, Germany, Japan, Norway, Republic of Korea, United Kingdom, and the United States.

<sup>6/</sup> See Article 4.5 of the UNFCCC and, as regards the framework, document FCCC/CP/2001/13/Add.1

organizations or initiatives. In particular, the promotion of technology transfer under the Framework Convention, as incorporated in the Marrakech Accords, is at the core of the CTI's work.

### **B. Evolution of the institutional structure and host institution arrangements**

9. In June 1994, the International Energy Agency (IEA) prepared a "scoping study" on a climate technology initiative as a technological option in response to climate change and as a method for accelerating technology development. <sup>7/</sup> Based on this work, the CTI was launched at the first Conference of Parties to the UNFCCC, held in March 1995. Starting in 1996, the IEA hosted the CTI on a temporary basis, with CTI activities being part of the IEA programme of work, funded largely by voluntary contributions.

10. Beginning in 2000, alternative institutional options were considered since not all IEA member countries participated in the CTI. The CTI Board of Management proposed to establish the CTI as a "special activity" within IEA, under Article 65.1 of the International Energy Program (IEP) Agreement. However, in 2002, the IEA Governing Board determined that the levels of firm member-country commitment and dedicated financial resources were not sufficient to warrant establishment of the CTI as an IEA "special activity". Subsequently, in 2003, the CTI was reorganized as an IEA Implementing Agreement, the difference being that as a "special activity", the CTI would depend on the IEA Secretariat as the "operating agent", rather than an outside party.

11. The CTI is governed by an Executive Committee, composed of representatives from each of the CTI's Member countries. Before the CTI reorganization as an IEA Implementing Agreement in 2003, the CTO governing body was called Board of Management.

12. The International Center for Environmental Technology Transfer (ICETT) in Japan <sup>8/</sup> was named to serve as the CTI's secretariat, responsible *inter alia* for supporting all activities of the CTI, including meetings of the CTI Executive Committee, seminars, publications, workshops, and side events at UNFCCC meetings.

13. In 2006, the CTI was reviewed by the IEA Committee on Energy Research and Technology (CERT), and the term of the CTI Implementing Agreement was extended for a period of five years, to 2011.

### **C. Funding**

14. According to the CTI Annual Reports, the CTI derives all of its funding from contributions of participating countries. Table 1 below provides an overview of the CTI total budget from 2003 to 2006. A common fund has been established, to which every CTI member makes a minimum core contribution of €10,000 in order to carry out programme-wide support activities to facilitate the efficient functioning of the CTI programme of work. For instance, the common fund covers the costs of communicating and publishing CTI activities through pamphlets, documents and a well-maintained website. Upon consent of the Executive Committee, funds are sometimes redirected from the common fund to provide financial assistance to certain CTI projects, like the Private Financing Advising Network (PFAN) pilot programme in 2006.

15. CTI members also provide in-kind contributions to CTI activities, for instance, by sending their government officials to meetings, by finding appropriate private sector experts, and by bridging with relevant organisations such as United Nations bodies.

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<sup>7/</sup> [Ministry of the Environment Quality of the Environment in Japan 1995 \[MOE\]](#)

<sup>8/</sup> [www.icett.or.jp](http://www.icett.or.jp) .

**Table 1. CTI budget – total contributions from participating countries 2003-2006**

Year	2003	2004	2005	2006
CTI Funds (in Euros)	677,900	810,000	805,000	572,500

**D. Portfolio of activities**

16. CTI participating countries undertake a broad range of cooperative activities in partnership with developing countries and countries with economies in transition, as well as other international bodies. Instead of developing an autonomous body of expertise, the CTI has used the expert capabilities of several technical institutions of its member countries, notably the National Renewable Energy Laboratory of the United States Department of Energy; the Japanese New Energy and Industrial Technology Development Organization; the United Kingdom Department of Trade and Industry; Natural Resources Canada, and the Greenhouse Response Branch of the Australian Ministry of Industry, Tourism and Resources, as well as some bilateral programmes and United Nations agencies such as the United Nations Industrial Development Organization (UNIDO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). <sup>9/</sup>

17. CTI activities are roughly divided into five overlapping categories, <sup>10/</sup> described below.

*Seminars and symposia*

18. The CTI has an ongoing programme of seminars and workshops designed to support the UNFCCC process and facilitate the diffusion of climate friendly and environmentally sound technologies and practices, with the active participation of the private sector, international organizations and financial institutions. Notably, the CTI has organized a series of regional joint industry seminars, as well as seminars on energy efficiency and project formation and financing through a variety of alternative approaches. The CTI has held 23 seminars and symposia to date, reaching more than 2,300 estimated participants through these events.

*Technology needs assessments (TNAs)*

19. The CTI provides technical assistance to selected countries in carrying out technology needs assessments. It collaborates with UNDP and UNEP on technology needs assessment methods training, including workshops, and develops and disseminates relevant materials and information on lessons learned. Specific activities include:

- (a) Capacity-building for technology needs assessments;
- (b) Technical assistance to countries carrying out needs assessments;
- (c) Development of methodological approaches to technology needs assessments in partnership with relevant international organizations;
- (d) Exchange of experiences about successful approaches to conducting technology needs assessments;
- (e) Facilitating interaction between governments, agencies and relevant international organizations on technology needs assessment.

20. Between 2001 and 2004, countries that have received direct technical assistance from the CTI include Bolivia, the Dominican Republic, Georgia, Ghana, Malawi, and Nigeria.

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<sup>9/</sup> See OECD document COM/ENV/EPOC/IEA/SLT(2004)1

<sup>10/</sup> Structure and content of output descriptions obtained from the CTI website: <http://www.climatetech.net/>

*Implementation activities*

21. The CTI facilitates the implementation of technologies, identified during the technology needs assessment process, through a variety of actions, including:

- (a) Based on outcomes from the technology needs assessment process, identifying priority clean energy technology sectors in partnership with developing countries;
- (b) Implementing targeted activities in selected priority sectors to foster market development and clean energy technology transfer;
- (c) Evaluating activities, and disseminating lessons learned, to inform market development and country activities in other regions and sectors;
- (d) Developing a strategy for eliminating any barriers to establishing the necessary enabling environment for technology transfer.

22. An example of CTI work in this area is the Private Financing Advisory Network (PFAN) program. Undertaken in cooperation with the UNFCCC Expert Group on Technology Transfer (EGTT), the PFAN seeks to broaden access to financing for the transfer of climate friendly technology by identifying projects in developing countries and countries with economies in transition that may be suitable for private sector international finance at an early stage, and then acting as a "free" project financing consultancy service to guide these projects to bankability and financial closure. PFAN activities started in early 2006 and are currently being conducted as a pilot programme projected to run into mid- to late 2007.

*Training courses*

23. Training courses are organized in collaboration with relevant international organizations, with a focus on the special requirements and circumstances of target countries, typically on a regional basis. Since its inception, CTI has organized 35 training courses, reaching almost 1,800 participants. Specific activities include:

- (a) Capacity-building for technology needs assessment, project planning and assessment, and establishment of institutional settings;
- (b) Information dissemination about environmentally sound technologies and best practices appropriate to the region and circumstances of the target country;
- (c) Identification of financing needs and alternative means of project financing;
- (d) Exchange of experiences in the use of successful environment energy policy instruments (e.g. law, taxes, subsidies etc.);
- (e) Professional education and training;
- (f) Initiation and strengthening of networking between agencies/centres for energy saving, energy efficiency and renewable energies;
- (g) Facilitating interaction between governments, agencies, and relevant international and other organizations with particular emphasis on engaging both the foreign and domestic private business and finance communities.

*Information dissemination*

24. One objective of CTI is to facilitate information dissemination among Governments, industry, academia and relevant international and other organizations, and to support the diffusion of climate-friendly and environmentally sound technologies and practices.

25. CTI conducted an Awards Program from 1999 to 2002 in order to recognize individuals and organizations that have demonstrated outstanding achievements in furthering the goals of technology transfer under the UNFCCC.

26. CTI provides technical assistance and contributes to the UNFCCC process, including support for the Secretariat and EGTT. It also provides support for UNFCCC-organized seminars and workshops, designed to better inform participants on key technology transfer issues, including enabling environments, technology needs assessment, technology information resources and capacity-building.

27. CTI organizes side-events at UNFCCC events to share experiences and lessons learned from CTI-supported technology-transfer activities in collaboration with developing and transition country partners. It has organized 22 information-dissemination events, most of which have been side-events to UNFCCC conferences and meetings, and has reached almost 1,400 participants through these events.

### III. POSSIBILITIES OF DEVELOPING A BIODIVERSITY TECHNOLOGY INITIATIVE (BTI), TAKING INTO ACCOUNT THE CLIMATE TECHNOLOGY INITIATIVE

#### A. *Portfolio of activities*

28. As explained in the previous section, the CTI portfolio of activities is geared towards the promotion and facilitation of the development and diffusion of climate-friendly and environmentally sound technologies, that is, both technologies for mitigation of climate change and technologies for adaptation to climate change, with particular emphasis on capacity-building and training. Insofar as capacity constraints are a major impediment to the effective implementation of Articles 16 to 19 of the Convention and the related programme of work, a similar portfolio of activities could be envisaged for a possible Biodiversity Technology Initiative.

29. However, provisions on technology transfer that are specific to the Convention on Biological Diversity may presumably require a portfolio design that goes beyond a direct emulation of CTI. For instance, the Ad Hoc Technical Expert Group on Technology Transfer and Scientific and Technological Cooperation, in its suggested strategy for the practical implementation of the programme of work, noted that technology transfer will not be effective as an on-off and one-way activity, but needs to be embedded in a participatory decision-making process as well as in integrated, long-term scientific and technological cooperation.<sup>11/</sup> The Group underlined that this observation is valid in particular in the context of the third objective of the Convention – the fair and equitable sharing of benefits arising out of the utilization of genetic resources.<sup>12/</sup> Article 15, on access to genetic resources, states in paragraph 6 that each Party shall endeavour to develop and carry out scientific research based on genetic resources provided by other Parties with the full participation of, and where possible in, such Contracting Parties. A similar provision is contained in Article 19, paragraph 1, of the Convention. These provisions could provide entry points for putting emphasis, in the activity portfolio of the BTI, on, *inter alia*, the promotion of international research cooperation by, for instance, catalysing or facilitating the establishment of research alliances or consortia, joint ventures, or twinning arrangements.<sup>13/</sup>

30. In commenting on the first draft of the present report, China expressed the view that developing a BTI would conform to the provisions and tenet of the Convention, and would contribute to attaining its three objectives. As developing countries face serious biodiversity conservation challenges for lack of technology, funding, and capacity, China would support the establishment of a 'Biodiversity Technology Initiative'. Developed countries should transfer technology to developing countries on a fair and most favourable basis according to the requirements of the Convention, and developed and developing

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<sup>11/</sup> For the suggested strategy for implementation of the programme of work, developed by the Ad hoc Technical Expert Group, see UNEP/CBD/COP/9/18, annex, paragraph 3.

<sup>12/</sup> Ibid.

<sup>13/</sup> Ibid., at paragraph 26.

countries should cooperate on the basis of mutual respect and create a win-win situation for biodiversity technology transfer through the concerted efforts of both sides.

31. Colombia welcomed the initiative, which would allow creating a mechanism for technology transfer related to biodiversity among member countries, and noted that such transfer must include components such as knowledge, conservation and sustainable use of biodiversity, with topics of interest including:

- (a) On knowledge: systematics, taxonomy, genomics (structural and functional), proteomics, and metabolomics;
- (b) On conservation: collections of *ex situ* and *in situ* germplasm banks;
- (c) On use: biological resources and biomass and their possible application in sectors such as energy, health, agriculture, livestock, industry, and the environment.

32. According to Colombia, the BTI should also address biosecurity, bioethics, intellectual property and intellectual negotiation and licensing of technologies, certification of laboratories, bioterios, and policy and legislation. Furthermore, it should include a strong component for the formation and training of human resources, and should enable collaborative work between research groups, through joint projects and programmes.

33. The European Community proposed the following potential activities of a BTI as part of a pilot phase, to provide financial support to:

- (a) Facilitate and support national technology needs assessments (TNAs) in a simple, fast and unbureaucratic way;
- (b) Develop a guidebook with clear and practical descriptions on how to undertake TNAs taking into account the experiences and work of the UNFCCC and the CTI;
- (c) Capacity-building and training on biodiversity-related TNA;
- (d) Facilitate the experience exchange among Parties with TNA on their practical findings and work;
- (e) Facilitate specifically arranged technology transfer (TT) fairs and TT match-making arrangements in conjunction with meetings under the Convention on Biological Diversity.

34. The European Community also underlined that a coherent approach is crucial to make the BTI work. Technology transfer issues should be considered in Parties' national biodiversity strategies and action plans and also in their national development plans such as poverty reduction strategies. Within developed countries, coherence should be sought with other instruments of technical assistance and technology transfer such as those under official development assistance (ODA), in order to avoid duplications and facilitate synergies.

35. India expressed the view that activities should promote fast-track implementation of the Convention's Articles 16 to 19 in linkage with the provision under paragraph 6 of Article 15, and raise funds and other necessary resources to achieve this objective.

36. Mexico expressed the view that the BTI should use the skills of experts from member countries and from various technical institutions, and could emulate some of the following activities developed by CTI, namely:

- (a) Seminars and symposiums which would support the Convention process to help the promotion of environmentally friendly technologies and practices, encouraging the active participation of the private sector, international organizations and financial institutions;
- (b) Training courses and regional workshops in collaboration with relevant international organizations, with special emphasis on the requirements and circumstances of target countries;
- (c) Assessment of technology needs and provision of technical assistance to target countries;

(d) Facilitate the implementation of technologies identified during the assessment process of technology needs;

(e) Facilitate information dissemination and lessons learned among governments, the private sector, academia and international organizations, and support the promotion of environmentally friendly technologies and practices.

37. UNEP/IETC provided a tentative list of activities including: (i) capacity-building; (ii) technology needs assessment; (iii) facilitation of implementation; and (iv) information-sharing. UNEP/IETC expressed the view that, in order to carry out these activities effectively, there may be a need for setting up a separate institution or for specifically entrusting an existing institution to carry out these tasks with adequate resources provided.

### ***B. Funding needs as well as possible funding mechanisms and arrangements***

38. The portfolio of activities will determine the funding needs and will arguably have an impact on possible funding mechanisms and arrangements. The question of funding mechanisms is also tied to the choice of the host institution (see section C below). China, Colombia, the European Community, India, and Mexico, as well as IETC/UNEP, provided views on the issue of funding.

39. China noted that the annual financial resources made available to CTI are very limited and that funding on a similar scale would not be able to satisfy the need for biodiversity technology transfer. Efforts should be made to explore more funding channels and innovative approaches for more funds for biodiversity conservation and sustainable use.

40. Colombia suggested funding through an annual membership fee, differentiated in accordance with levels of development. International public and private resources could also be sought. The initiative could also be linked to other initiatives and/or programmes which work on the formation and training of human resources and technology transfer in issues related to biodiversity.

41. The European Community stated that the involvement in a potential BTI should be on a purely voluntary basis. Potential contributors should be invited to submit their interest. This should be based on a clear and structured description of the objectives of a BTI as well as on the clear indication of its limited and voluntary nature. The European Community further stated that there is a need to learn and obtain the maximum benefit from the available experiences assembled so far on the practical work of the CTI.

42. India expressed the view that new technologies, including biotechnologies, are mostly protected by intellectual property rights and are proprietary products of private sector actors. Their transfer would carry high price tags, besides additional research effort to assess, adapt and refine them in order to suit them to local conditions and to the needs of local communities. As such, sizeable funds would be required for transfer of worthwhile new technologies. Additional funds would also be needed for capacity-building preparatory to technology transfer projects.

43. Mexico suggested funding through minimum voluntary contributions by its members, (especially developed countries), established by mutual agreement. The private sector could also be invited to contribute financially. Additional contributions by BTI members could include the financial support for official representatives to attend meetings and workshops.

44. UNEP/IETC suggested that the initiative have some core funding from a dedicated funding source (seed fund), expressing the view that membership funding would be a good idea, but might present a challenge for the developing countries (which would be the core target audience for the services provided by the BTI) to provide sufficient funding to maintain the centre operations.

### ***C. Identifying a host institution as well as an institution providing secretariat services***

45. The specific institutional arrangement of CTI – as an IEA Implementing Agreement – is consistent with its focus on climate and energy technologies, but again seems not to be amenable to a direct emulation by a prospective “Biodiversity Technology Initiative” (BTI). The arrangement seems



however to indicate that it is important to identify a strong “umbrella” organization that can act as institutional host. A potential host institution of the prospective BTI should, *inter alia*: (i) be a centre of excellence regarding relevant technical capacity and expertise on the Convention on Biological Diversity, on its three objectives, and, in particular, on Articles 16 to 19, which concern access to, and transfer of, technologies, including biotechnologies, for the conservation and sustainable use of biodiversity or technologies that make use of genetic resources and do not cause significant harm to the environment, as well as scientific and technological cooperation; (ii) provide access to a strong international network of relevant experts and partner institutions; (iii) guarantee impartiality, ideally through a global multilateral governance structure; (iv) provide sufficient institutional flexibility to enable the establishment of a Biodiversity Technology Initiative under its umbrella (such as under the IEA provisions on special activities and implementing agreements).

46. The specific arrangements for hosting the BTI would need further exploration of the specific statutes and governance structure of the potential host, for instance:

(a) Whether it is possible to establish the BTI as an activity of a sub-set of members of the host institution;

(b) Whether suitable funding arrangement can be made; for instance, if a decision is made to operate the BTI with new and additional funds, whether it is administratively feasible to establish a special fund to operate the BTI under the umbrella of the host institution.

47. The European Community expressed the view that the identification of a possible candidate should be based on an invitation to those institutions potentially being interested in this task. They should be invited to submit a description of their vision and implementation plan for hosting such a BTI bearing in mind the indicative list of criteria provided in the draft report. The European Community proposed further to request the Executive Secretary to complete, if necessary, the indicative list of criteria, and to develop a concept for the identification of a candidate.

48. India expressed the view that all capable institutions based on merit, including national governmental departments, non-governmental organizations, international organizations and private sector agencies, could be considered as potential candidates.

49. A related but not necessarily identical question pertains to the selection of an institution providing secretariat services. Mexico suggested the establishment of a secretariat of the BTI with representatives from developing countries.

50. In the case of the CTI, secretariat services are provided by the International Center for Environmental Technology Transfer (ICETT) in Japan. UNEP/IETC suggested looking into the suitability of ICETT, in particular with regard to its technical capacity and expertise on the Convention on Biological Diversity and biodiversity/technology issues.

51. UNEP/IETC also pointed out that it might be desirable to look for an institution in a developing country where the need for raising awareness is higher.

#### ***D. Involvement and participation of developing countries***

52. The Climate Technology Initiative (CTI) is an initiative of nine OECD countries, all of them developed countries. The support of developed countries in funding the BTI will be crucial to its success. However, the Conference of the Parties also underlined that successful transfer of technology requires a country-driven process and that specific approaches must be developed that address the prioritized needs of countries based on their national biodiversity strategy and action plans (see decision VII/29, annex, paragraph 2, and decision VIII/12, second preambular paragraph). Hence, it will be important to ensure the full involvement and participation of developing countries in the programming and decision-making process of the BTI, and the question of the most effective mechanism for undertaking this task will need careful consideration.

53. As explained above, such consideration is particularly important in light of the third objective of the Convention and the provisions of Article 16, paragraph 3, Article 19, paragraphs 1 and 2, and Article 15, paragraph 6, and the subsequent promotion of collaborative research and joint venture projects in developing countries.

54. China expressed the view that efforts should be made to encourage developed and developing countries to participate extensively in the initiative.

55. The European Community expressed the view that any activity aimed at the creation of a BTI should be based on a transparent, open and consultative process among Parties and other stakeholders with special emphasis on the participation of developing countries and countries with economies in transition. The European Community further expressed its belief that a potential BTI should be closely related and linked to the needs identified by the Parties.

56. Mexico expressed the view that developing countries and countries with economies in transition must identify their capacity-building needs in order to perform an assessment of their technology needs. The BTI could support the enhancement of technical capacities. Developed countries participating in the BTI would have to engage in a wider range of activities to promote cooperation in partnership with developing countries and countries with economies in transition, as well as with other international organizations.

## ***E. Governance issues***

### *1. Relationship with the Convention and its bodies*

57. The relationship between the prospective Biodiversity Technology Initiative, its host institution, and the Convention on Biological Diversity is an important issue to consider. As described above, the CTI is independent from the UNFCCC, but works closely with the UNFCCC Secretariat and the Expert Group on Technology Transfer (EGTT). The relevance and value of the CTI and, accordingly, of the prospective BTI, is derived from their ability to be responsive in a timely manner to the needs identified by and within the respective convention.

58. India expressed the view that the proposed BTI may function even if working independently, under the overall supervision of the Conference of the Parties. The BTI may have effective linkages with the other relevant bodies of the Convention on Biological Diversity, which will be expected to approve, guide and coordinate projects approved for technology transfer, to ensure fast-track implementation of the mandated plan of work.

59. Mexico suggested that the BTI should be an organization independent of the Convention on Biological Diversity, but working closely with the Convention, its Secretariat and its Ad Hoc Technical Expert Group on Technology Transfer and Scientific and Technological Cooperation, as well as other relevant agreements and international organizations and initiatives. The timely promotion of technology transfer under the Convention should be the central objective of the BTI.

60. UNEP/IETC noted that, if the BTI is to be housed in a host institution with its own funding, then there has to be a clear division of responsibility and tasks between the Secretariat of the Convention on Biological Diversity and the BTI.

### *2. Cooperative arrangements with other organizations and conventions, and stakeholders*

61. As has been discussed elsewhere, <sup>14/</sup> substantial synergy can be realized by identifying, providing access to, and transferring technologies that are of joint interest and relevance to several conventions. For instance, there seems to be a substantial overlap between technologies of relevance under the Convention on Biological Diversity and technology for adaptation to climate change. Any limitations to synergy will also need to be addressed through well-established and smoothly working channels of cooperation, in particular in case of negative impacts on biodiversity where proactive cooperation is imperative in order

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<sup>14/</sup> See paragraphs 25-32 of document UNEP/CBD/COP/8/19/Add.2.

to minimize the trade-offs involved in the transfer and application of such technology. For these reasons, mechanisms would be needed to ensure the effective cooperation of the BTI with the United Nations Framework Convention on Climate Change and the CTI, as well as with any other conventions and initiatives with shared interests, in order to avoid duplication of work on similar technologies and practices.

62. In this connection, India noted that technology transfer forms part of work programme of several global conventions and international agreements like the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change, among others. India expressed the view that a suitably different approach would be required for such efforts under the Convention on Biological Diversity wherein provisions for implementation of technology transfer are linked to access to genetic resources and also favourable consideration of the aspirations of developing countries in this context.

63. A key lesson learned from CTI activities is the importance of partnerships, like those formed between the private sector and Governments. In particular, the engagement of the private sector has been viewed as crucial to the success of much of the work of CTI, such as the current pilot PFAN project. A proposed BTI might do well to consider placing the facilitation of such partnerships at the core of its work, in particular in light of the recent decision by the Conference of the Parties on private-sector engagement in the implementation of the Convention (decision VIII/17).

64. In this connection, China expressed the view that great importance should also be attached to the participation of colleges, research institutes, and enterprises.

65. Colombia expressed the view that national competent entities should be involved in the initiative, including ministries, universities, research centres and institutes, public and private partnerships, as well as associations, including industry associations.

66. With regard to business engagement, the European Community underlined that the BTI's ability to attract private-sector engagement will be crucial for its success, and therefore further proposed to reflect on how to get the business sector involved in providing support to a potential BTI. A "Business & Biodiversity Award" for the most innovative champion of the year might be potentially attractive to the business sector in order to champion activities related to a BTI.

67. Mexico expressed the view that cooperative agreements must be established between the BTI and other relevant organizations and initiatives, in order to promote synergy and avoid the duplication of efforts. Working meetings can be conducted in different existing forums, such as the Convention on Biological Diversity, the United Nations Framework Convention on Climate Change or the Climate Technology Initiative, which could enable the sharing of experiences, lessons learned and relevant information material without additional costs for BTI members.

### 3. *Governing body and evaluation*

68. The CTI is guided by an Executive Committee composed of representatives from each of the CTI's Member countries. A review of the CTI was undertaken in 2006, by the IEA Committee on Energy Research and Technology (CERT), and the term of the CTI Implementing Agreement was extended for a period of five years.

69. Colombia suggested establishing national inter-agency committees involving relevant entities at the national level, such as the state agencies whose mandate is to establish a political biodiversity framework, as well as the national agencies for science and technology. These committees would allow identifying national needs as well as the country's position.

70. The European Community proposed that a potential BTI should be guided by a steering committee composed of Parties, relevant international organizations, the private sector and the Secretariat of the Convention on Biological Diversity. The cost of the steering committee should be covered by the voluntary contributions to the BTI.

71. The European Community also expressed the view that the BTI should be evaluated after a certain period of time to see whether it has proved to be a useful tool for the implementation of the programme of work on technology transfer and scientific and technological cooperation.

### III. CONCLUSIONS

72. The experience with the CTI, and the CTI portfolio of activities as outlined above, seems to generally indicate that a similar initiative by committed Parties to the Convention on Biological Diversity may play a very useful role in promoting and fostering more effective technology transfer and cooperation under the Convention on Biological Diversity. However, for a number of reasons, including the specific focus of the CTI and the specific provisions related to the objective of the Convention to ensure the fair and equitable sharing of benefits arising out of the utilization of genetic resources, a prospective Biodiversity Technology Initiative cannot be emulated directly from the CTI.

73. In its consideration of the issue, the Conference of the Parties at its ninth meeting may wish to further consider and identify activities needed from a prospective BTI, and may wish to invite interested Parties to establish such an initiative, taking into consideration the following elements, as discussed in the present report and, as necessary and appropriate, further developed by the Conference of the Parties:

- (a) Funding needs, mechanisms and arrangements;
- (b) Identification of candidates that could act as a host institution, bearing in mind the indicative list of criteria provided above, as well as of an institution providing secretariat services, if different from the above;
- (c) Involvement and participation of developing countries and corresponding institutional mechanisms and arrangements;
- (d) Relationship with the Convention and its bodies;
- (e) Cooperative mechanisms with other organizations and initiatives, and stakeholder;
- (f) Governing body and evaluation.

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