

## **ENABLING ENVIRONMENTS FOR TECHNOLOGY TRANSFER**

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Good morning, distinguished guests,

Thank you Halldor for giving me the opportunity to speak to such a prestige gathering on Enabling Environments for Technology Transfer at COP9. As noted by other speakers, this discussion is highly pertinent to the COP9 Round Tables, where a debate on *Theme 2: Technology: Use, Development and Transfer* will take place. It is also very timely, as now we will have to reflect what the future regime on climate change will look like.

When I was asked to contribute to this event, I kicked off from three basic instruments, the Climate Change Convention, the Summary Report for Policymakers of IPCC/TAR, and Decision 4 of the Marrakesh Accords. I was once again astonished by the huge gap between what shall, should and can be done as indicated in the Convention and the IPCC/TAR, and what so far has achieved as demonstrated in Decision 4/CP.7. Both documents, IPCC/TAR and Decision 4, contain lists, long or short, of measures that need to be taken to enhance the enabling environments in countries. However, because of their nature and other limitations, they are not to pinpoint the most fundamental factor underlying the subject under discussion, namely political will.

Technology Transfer is not a new issue. A global debate was staged when the movement for a new international economic order mounted its heat in the UN in 60s and 70s last century. It was not a surprise that the fight and cry had led to no substantive results in the alteration of rules, not to say systems, in international economic transactions. Decades seem needed to prove a supreme rule in international market that "There is no free lunch", or in the Chinese version, "No dumpling falls from the sky".

Today, however, the world we are living in seems somewhat different. There is a global concern about the global environment, including climate change. The Climate Change Convention, the landmark achievement we have reached, has in another context revitalized the debate some decades ago. Articles 4.5 and 4.7, among other provisions, are directly relevant to our discussion here. They outline the objectives of technology transfer and set up a platform, at the international level, on which more favorable enabling environments could be built. The process of the climate change negotiations has shown that the provisions of the Convention relating to technology transfer are one of the building blocks of the political basis for an international

package against climate change, while in most, if not all, developing countries climate change is not their top environmental priority.

Last June in Bonn in a workshop, I put forward my suggestion that technology use, development and transfer be identified as the subject matter of a core agreement of a cluster of post-Kyoto arrangements. One of the benefits of doing so is to forge a stronger linkage between international mitigation actions and the requirements of Articles 4.5 and 4.7, or, in the discourse of today, to create better enabling environments at the international level to make technology transfer more possible. Having revisited the large gap between what shall do and what has been achieved, my idea becomes firmer. COP9 is supposed to be a session for us to explore a blueprint of the so called "future", while in here the agenda item on technology transfer, as on other developing country issues, has just a thin breath to gain. The progress in the contact group on technology transfer has been so difficult, as always. Even no new decision appears likely in COP9 to let the EGTT work harder on this extremely demanding matter.

Given this situation, I wish to share with this distinguished audience my strong feeling that the political basis established by the Convention has been suffering a severe erosion. This is just part of the political obstacle we need to remove for a better enabling environments. This is in no way an easy task. Fortunately, however, there is a fairness in all rules. "There is no free lunch", or "No dumpling falls from the sky" remains equally true today for issues of either technology transfer or the well known "developing country participation".

The purpose of this panel discussion is simply to double the chances for developing countries to be more able and then willing to participate in mitigation actions in the future. We must do something really meaningful and useful for that goal, rather than claiming to do so, while at the same time doing something undercutting ourselves. When the political basis for the international collaboration is reinforced, the enabling environments for technology transfer would gradually gain momentum through necessary reform and innovation.

In this context, let me express my appreciation to the Government of the United States for taking the leadership in facilitating a number of developing countries to join in the innovative R&D fora for two crucial technologies, carbon sequestration and hydrogen economy. These initiatives, I am sure, will be warmly embraced by the developing world as steps exemplifying how enabling environments could be improved in one possible way. I would also like to thank the Government of Italy for the project just mentioned by Mr. Corrado Clini between China and Italy, which is running so smoothly in China. It is our anticipation that other imaginative models would soon follow so as to give the people in the South who want to act more confidence and hope.

Thank you for your attention. ☺