



United Nations

FCCC/SBI/2022/INF.6



Framework Convention on  
Climate Change

Distr.: General  
20 May 2022

English only

---

## **Subsidiary Body for Implementation**

### **Fifty-sixth session**

Bonn, 6–16 June 2022

Item 13(a) of the provisional agenda

### **Development and transfer of technologies and implementation of the Technology Mechanism**

### **Linkages between the Technology Mechanism and the Financial Mechanism of the Convention**

## **Activities undertaken by the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to strengthen linkages between the Technology Mechanism and the Financial Mechanism**

### **Note by the secretariat**

#### *Summary*

This note contains information on activities undertaken by the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to strengthen linkages between the Technology Mechanism and the Financial Mechanism, including on institutional and activity linkages, mobilization of support for technology development and transfer, and challenges and lessons learned in strengthening such linkages.



## Abbreviations and acronyms

COP	Conference of the Parties
CTCN	Climate Technology Centre and Network
GCF	Green Climate Fund
GEF	Global Environment Facility
NDA	national designated authority
NDE	national designated entity
PSP	Poznan strategic programme on technology transfer
SB	sessions of the subsidiary bodies
SBI	Subsidiary Body for Implementation
TEC	Technology Executive Committee
TNA	technology needs assessment
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization

## **I. Introduction**

### **A. Mandate**

1. SBI 52–55 requested the secretariat to prepare, subject to the availability of financial resources, an information note on activities undertaken by the TEC, the CTCN and the operating entities of the Financial Mechanism to strengthen linkages between the Technology Mechanism and the Financial Mechanism for consideration at SBI 56.<sup>1</sup>

### **B. Scope of the note**

2. This note contains information on activities and progress of the TEC, the CTCN, the GCF and the GEF in strengthening linkages between the Technology Mechanism and the Financial Mechanism. Chapter III below elaborates on progress in establishing and strengthening institutional and activity linkages and thus in enhancing mobilization of support for technology development and transfer; while chapter IV below presents challenges and lessons learned in strengthening such linkages.

3. The note draws on information contained in the annual reports of the TEC, the CTCN, the GCF and the GEF to the COP, which have included since 2017 information on their actions to strengthen linkages between the Technology Mechanism and the Financial Mechanism.<sup>2</sup>

### **C. Possible action by the Subsidiary Body for Implementation**

4. The SBI will be invited to consider the information contained in this note and to recommend a draft decision on linkages between the Technology Mechanism and the Financial Mechanism for consideration and adoption at COP 27 (November 2022).

## **II. Background**

### **A. Technology Mechanism**

5. The Technology Mechanism, comprising the TEC and the CTCN, was established in 2010 to facilitate implementation of enhanced action on technology development and transfer to support action on mitigation and adaptation.<sup>3</sup>

6. The technology framework was adopted in 2018 to provide overarching guidance to the work of the Technology Mechanism in promoting and facilitating enhanced action on technology development and transfer in order to support implementation of the Paris Agreement in pursuit of the long-term vision<sup>4</sup> on the importance of fully realizing technology development and transfer so as to improve resilience to climate change and reduce greenhouse gas emissions.<sup>5</sup>

#### **1. Technology Executive Committee**

7. The TEC, as the policy arm of the Technology Mechanism, analyses technology policy issues and provides recommendations with a view to supporting countries in their efforts to enhance climate technology development and transfer.<sup>6</sup>

<sup>1</sup> FCCC/SBI/2021/16, para. 87(b).

<sup>2</sup> As per decision 14/CP.22, para. 9.

<sup>3</sup> Decision 1/CP.16, paras. 113 and 117.

<sup>4</sup> As per Article 10, para. 1, of the Paris Agreement.

<sup>5</sup> Decision 15/CMA.1, para. 1, and annex, para. 1.

<sup>6</sup> See decision 1/CP.16, para. 121, for the functions of the TEC in detail.

8. To fulfil its mandates, the TEC organizes its work in thematic areas<sup>7</sup> and implements its activities on the basis of a rolling workplan. The TEC has successfully completed implementation of three rolling workplans, for 2012–2013, 2014–2015 and 2016–2018, and is currently implementing its rolling workplan for 2019–2022.<sup>8</sup>

9. Key outputs of the TEC are its policy recommendations for Parties, which highlight measures that countries may take to accelerate climate technology action. The TEC also produces policy briefs and technical documents to enhance sharing of information on climate technology.

10. In developing its policy recommendations, the TEC works closely with key partners and stakeholders. Under the Convention and the Paris Agreement, the TEC engages with the Adaptation Committee, the CTCN, the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts, the GCF, the GEF, the Least Developed Countries Expert Group, the Paris Committee on Capacity-building, the Standing Committee on Finance and other entities. Stakeholder engagement includes providing inputs to TEC work, taking part in TEC meetings, and participating as experts on TEC task forces and at workshops, thematic dialogues, expert meetings and side events organized by the TEC. To reach a wide audience, TEC meetings are webcast and open to observers, and social media is used to increase stakeholder engagement.

## **2. Climate Technology Centre and Network**

11. The CTCN is the implementation arm of the Technology Mechanism. It operates on a demand-driven basis and is mandated to support developing countries in deploying transformative climate technologies as they seek to fulfil climate goals in line with their nationally determined contributions.

12. The CTCN works across the entire technology cycle, from identification and prioritization through design and piloting to deployment and scale-up, while strengthening the frameworks and conditions necessary to foster technology deployment in developing country markets.

13. It provides training and capacity-building to developing countries; develops and shares knowledge-based resources, tools and case studies through its technology portal and webinars; and supports networking and collaboration among governments, the private sector and financial institutions.

14. The CTCN is hosted by UNEP and supported by over 700 institutions, organizations and companies in 75 countries. These Network members provide the expertise needed to develop solutions that are tailored to countries' needs and therefore enable them to implement their nationally determined contributions.

## **B. Financial Mechanism**

15. The Financial Mechanism was established under Article 11 of the Convention to provide financial resources on a grant or concessional basis, including for technology transfer. It functions under the guidance of, and is accountable to, the COP, which decides on its policies, programme priorities and eligibility criteria for funding.

16. Two entities, the GCF and the GEF, are entrusted with the operation of the Financial Mechanism.<sup>9</sup>

17. The Financial Mechanism, including its operating entities, also serves the Paris Agreement.<sup>10</sup>

---

<sup>7</sup> Innovation, implementation, enabling environment and capacity-building, collaboration and stakeholder engagement, and support.

<sup>8</sup> Available at <https://unfccc.int/ttclear>.

<sup>9</sup> As per decision 1/CP.16, para. 102, for the GCF.

<sup>10</sup> As per Article 9, para. 8, of the Paris Agreement.

## 1. Green Climate Fund

18. The arrangements between the COP and the GCF are set out in the annex to decision 5/CP.19. The GCF is governed by its Board and is accountable to and functions under the guidance of the COP. The GCF supports projects, programmes, policies and other activities of developing country Parties through thematic funding windows.

## 2. Global Environment Facility

19. The GEF provides financing for country-driven climate change mitigation and adaptation projects. The relationship between the COP and the GEF Council is defined in a memorandum of understanding,<sup>11</sup> under which the COP provides, inter alia, guidance to the GEF on policies, programme priorities and eligibility criteria for funding.

20. The GEF was entrusted by the COP to administer the Least Developed Countries Fund, which finances projects relating to, inter alia, technology transfer,<sup>12</sup> and the Special Climate Change Fund, which supports a work programme for, inter alia, assisting the least developed country Parties in preparing and implementing national adaptation programmes of action.<sup>13</sup> Both Funds were established under the Convention in 2001 and also serve the Paris Agreement.<sup>14</sup>

21. The GEF implements work under the PSP, established in 2007 for scaling up the level of investment in technology transfer and support for developing countries to address their needs for environmentally sound technologies.<sup>15</sup>

## III. Progress in strengthening linkages between the Technology Mechanism and the Financial Mechanism

22. Consideration of linkages between the Technology Mechanism and the Financial Mechanism started in 2012, when COP 18 agreed to elaborate on them.<sup>16</sup> The consideration, including through consultations of the TEC, the CTCN, the GCF and the GEF,<sup>17</sup> continued until COP 21, when the linkages were considered under a dedicated agenda item for the first time. COP 22 and 24 provided guidance to the TEC, the CTCN, the GCF and the GEF on strengthening the linkages, as did SBI 52–55. An overview of the consideration of linkages between the Technology Mechanism and the Financial Mechanism is provided in the annex.

23. In response to guidance and mandates from the COP, the TEC, the CTCN and the operating entities of the Financial Mechanism have made progress in establishing and strengthening institutional and activity linkages between the Financial Mechanism and the Technology Mechanism and thus in enhancing mobilization of support for technology development and transfer.

### A. Institutional linkages

24. To enhance coherence of engagement and facilitate exchange of views in the context of planning and decision-making processes, the TEC, the CTCN and the operating entities of the Financial Mechanism have maintained regular interaction by (1) cross-participating in meetings, as well as participating in the meetings of other relevant bodies and entities, (2) providing inputs to one another's work and (3) enhancing coordination among NDEs for

<sup>11</sup> Decisions 12/CP.2, annex, and 12/CP.3.

<sup>12</sup> Decision 7/CP.7, para. 6.

<sup>13</sup> Decision 7/CP.7, para. 2.

<sup>14</sup> Decision 3/CMA.1, para. 7.

<sup>15</sup> Decision 4/CP.13, para. 3.

<sup>16</sup> Decision 1/CP.18, para. 62.

<sup>17</sup> See document FCCC/CP/2014/6, which contains recommendations of the TEC on the linkages for COP 20, and document FCCC/SB/2016/1, which presents outcomes of the consultations among the TEC, the CTCN, the GCF and the GEF on the linkages.

technology development and transfer, NDAs (GCF focal points) and GEF operational focal points.<sup>18</sup>

## 1. Cross-participation in meetings

25. Since 2015, representatives of the secretariats of the GCF and the GEF have been regularly participating in the meetings of the TEC and the CTCN Advisory Board, where they share information on progress in supporting technology development and transfer, innovation, incubation and acceleration, as well as on efforts to strengthen linkages with the Technology Mechanism.

26. Since COP 22, the Co-Chairs of the GCF Board have held annual meetings with the UNFCCC constituted bodies in the lead-up to or during the sessions of the COP to identify mutual strategic visions, common objectives and opportunities to enhance collaboration between the GCF and the constituted bodies. The Chairs of the TEC and the CTCN Advisory Board regularly participate in the annual meetings of the GCF Board and exchange views on topics on the meeting agendas, including on enhancing private sector engagement and increasing ambition of nationally determined contributions. The GCF and CTCN secretariats have held several bilateral meetings on the margins of the sessions of the COP to enhance their strategic collaboration. In addition, they have organized regular consultations with a view to enhancing coordination and fostering concerted action in areas of mutual importance.

27. COP 22 encouraged the GCF Board to invite the Chairs of the TEC and the CTCN Advisory Board to its future meetings on issues of common interest.<sup>19</sup> In 2017, the Chairs of the TEC and the CTCN Advisory Board participated in the 18<sup>th</sup> meeting of the GCF Board to exchange views on approaches to supporting collaborative research, development and demonstration in developing countries. After considering the interventions by the Chairs of the TEC and the CTCN Advisory Board, the GCF Board directed its secretariat to develop terms of reference for a request for proposals to support the work of climate technology incubators and accelerators in developing countries.

28. The GEF secretariat held regular coordination meetings in 2012–2018 on the PSP pilot regional climate technology transfer and finance centres with regional development banks, UNEP, UNIDO and the CTCN secretariat on the margins of GEF Council meetings. The meetings enabled participants to discuss and coordinate their collaboration and share progress on implementing the PSP pilot projects supporting the transfer of technology for climate change mitigation and adaptation. The majority of these pilot projects are now closed or nearing closure.

29. The GEF secretariat also regularly meets with the CTCN secretariat during the sessions of the COP and the subsidiary bodies with the aim of encouraging collaboration between the CTCN and the PSP regional climate technology transfer and finance centres.

## 2. Provision of inputs

30. Since 2015, the TEC has been providing inputs, on the basis of the annual reports of the GCF and the GEF, to the draft guidance for the operating entities of the Financial Mechanism prepared by the Standing Committee on Finance.

31. In 2015, the TEC prepared an evaluation report on the PSP for consideration at SBI 43.<sup>20</sup> The report covers the effectiveness and efficiency of the PSP in terms of providing support for the regional climate technology transfer and finance centres and a climate technology network; the piloting of priority technology projects to foster innovation and investment; public–private partnerships for technology transfer; TNAs; and the role of the GEF in catalysing technology transfer. The TEC updated the PSP evaluation report in 2019 for consideration at SBI 50.<sup>21</sup>

---

<sup>18</sup> The main contact of the GEF secretariat, GEF agencies and national stakeholders with respect to countries' environmental strategies and objectives, GEF project information and countries' GEF project reports.

<sup>19</sup> Decision 14/CP.22, para. 3.

<sup>20</sup> FCCC/SBI/2015/16.

<sup>21</sup> FCCC/SBI/2019/7.

32. The GCF and the GEF continue to provide inputs to the TEC and the CTCN for preparing technical papers and official documents that present information on the technology support provided by the operating entities to developing country Parties. For instance, in 2021 they contributed to a technical paper commissioned by the TEC that analyses experience, lessons learned and good practices related to the support that they had provided for technology with a view to enhancing collaboration under the Technology Mechanism and the Financial Mechanism.

### 3. Enhancement of coordination

33. The CTCN has continued to reach out to GCF and GEF representatives, including by organizing meetings for NDEs, NDAs and operational focal points to strengthen their working relationships.

34. The GEF secretariat and the GEF agencies discussed with the CTCN its collaboration with the regional climate technology transfer and finance centres on various occasions, including at a meeting held on the margins of the 52<sup>nd</sup> meeting of the GEF Council in May 2017 with regional development banks (implementing agencies of the PSP). One-to-one meetings were held with the European Bank for Reconstruction and Development and the Asian Development Bank to identify areas for collaborating and scaling up technologies, but no specific actions resulted from the meetings.

35. In October 2021, the Ministry of Science and Information and Communication Technology and the city of Incheon of the Republic of Korea signed an agreement with UNEP to establish the first CTCN Partnership and Liaison Office, to be located in Songdo, Republic of Korea. In addition to increasing collaboration with the GCF, the CTCN Partnership and Liaison Office will support regional partnerships, including with the Asian Development Bank and other regional donors, and with regional network members and CTCN Consortium partners. The Office will also serve as a centre for research, development and demonstration of climate technologies and, as such, a liaison office for universities, research institutes, private sector organizations and other key research, development and demonstration stakeholders.

36. The GCF secretariat organizes regional dialogues to provide a space for NDAs and NDEs to interact and enhance synergy between the parallel finance and technology processes under the Convention and the Paris Agreement. It has organized 12 regional structured or programming dialogues, held either in person or virtually, since 2017. The aim of the regional dialogues is to enable GCF stakeholders to exchange information, experience and best practices with a view to developing and implementing a robust pipeline of GCF projects and programmes.

37. The GEF secretariat requests feedback from the CTCN annually on the collaboration between operational focal points and NDEs.<sup>22</sup> The CTCN provided feedback on this collaboration in 2018 (see para. 50 below).

38. The GEF engages with developing country Parties through its Country Support Program. Activities were held virtually in 2020–2021 as a result of the coronavirus disease 2019 pandemic. The CTCN has been encouraged to use the GEF Country Support Program as an entry point to facilitate further coordination with operational focal points and to explore potential cooperation in a country-driven manner.

## B. Activity linkages

39. The TEC, the CTCN and the operating entities of the Financial Mechanism have on several occasions co-organized events and co-produced publications with a view to sharing experience, showcasing good practices and further exploring collaboration in relation to technology development and transfer.

<sup>22</sup> As per decision 10/CP.23, para. 13(a).

## 1. Events

40. The CTCN organizes a series of regional forums every year to provide opportunities for NDEs, Network members and other stakeholders to discuss key issues related to the CTCN and share experience of climate technology development and transfer. In 2017, these forums were organized in parallel with the GCF structured dialogues with the aim of enhancing coordination between NDEs and NDAs, thus enabling development of GCF funding proposals that would facilitate access to funding for the deployment of climate technologies at the national level.

41. In 2017, the GEF held a side event at SB 46, inviting stakeholders of the PSP and TEC members to share innovative financing tools and encouraging them to prioritize activities to enhance technology transfer.

42. In February 2018, the CTCN held an expert meeting that brought together representatives of the TEC, the GCF, government, international organizations and academia to discuss possible elements of CTCN support for developing countries to strengthen their national systems of innovation.<sup>23</sup> The meeting also covered the role of climate technology incubators and accelerators and the GCF request for proposals referred to in paragraph 27 above.

43. The TEC, the CTCN and the GCF jointly conducted, in conjunction with the 16<sup>th</sup> meeting of the TEC, in March 2018, a thematic dialogue on the promotion of climate technology incubators and accelerators in developing countries.<sup>24</sup> One of the purposes of the dialogue was to assist the GCF secretariat in developing a request for proposals on this topic for consideration by the GCF Board.

44. In July 2018, the CTCN convened a regional NDE forum in Seoul.<sup>25</sup> Participants from the Asia-Pacific region shared best practices and lessons learned related to the work of the CTCN, including the collaboration with the GCF, and information on opportunities arising from the provision of pro bono contributions to CTCN technical assistance projects.

45. In April and September 2018, the CTCN was invited by the GCF secretariat to lead a session at its structured dialogues with Asia and with Eastern Europe and Central Asia, respectively. At both sessions, the CTCN highlighted its efforts to enhance linkages with the Financial Mechanism and presented work undertaken with the support of the GCF Readiness and Preparatory Support Programme.<sup>26</sup>

46. In 2019, the GEF participated in a TEC technical dialogue on endogenous capacities and technologies at COP 25,<sup>27</sup> and it participated in the event entitled “From technology needs to climate action” at the UNFCCC Climate Dialogues 2020.<sup>28</sup>

47. In response to a recommendation resulting from the updated evaluation of the PSP by the TEC,<sup>29</sup> a virtual dialogue was held in November 2020 between the GEF, the CTCN and the PSP pilot regional climate technology transfer and finance centres to identify lessons learned and options for continuing the work of the centres in a collaborative manner.

<sup>23</sup> 2022. *CTCN Experts meeting on National Systems of Innovation (presentations and summary)*. Available at <https://www.ctc-n.org/news/ctcn-experts-meeting-national-systems-innovation-presentations-and-summary>.

<sup>24</sup> UNFCCC. 2018. *Thematic Dialogue on incubators and accelerators*. Available at [https://unfccc.int/ttclear/events/2018\\_event2](https://unfccc.int/ttclear/events/2018_event2).

<sup>25</sup> CTCN. 2018. *CTCN Regional Forum for the National Designated Entities (NDEs) in Asia and the Pacific*. Available at <https://www.ctc-n.org/calendar/events/ctcn-regional-forum-national-designated-entities-ndes-asia-and-pacific>.

<sup>26</sup> Green Climate Fund. 2018. *Structured Dialogue with Asia 2018*. Available at <https://www.greenclimate.fund/event/structured-dialogue-asia-2018> and Green Climate Fund. 2018. *Structured Dialogue with Eastern Europe and Central Asia*. Available at <https://www.greenclimate.fund/event/structured-dialogue-eastern-europe-and-central-asia>.

<sup>27</sup> UNFCCC. 2019. *Building countries capacities to develop and implement their climate technology solutions*. Available at [https://unfccc.int/ttclear/events/2019\\_event9](https://unfccc.int/ttclear/events/2019_event9).

<sup>28</sup> UNFCCC. 2020. *Climate Dialogues 2020 - From Technology needs to Climate Action*. Available at [https://unfccc.int/ttclear/events/2020/2020\\_event11](https://unfccc.int/ttclear/events/2020/2020_event11).

<sup>29</sup> FCCC/SBI/2019/7, para. 113(f).

48. In 2021, the GEF participated in the donor round table convened by the CTCN at COP 26. The objectives of the meeting were to (1) obtain inputs on the long-term planning of the CTCN for providing technical assistance to developing countries, (2) discuss the best ways of meeting the long-term financial needs of the CTCN in a sustainable and predictable manner, (3) identify priority channels and actions for resource mobilization and (4) obtain stakeholder buy-in.<sup>30</sup>

49. Representatives of the GCF and the GEF regularly participate in side events on the Technology Mechanism and TNAs at sessions of the COP.

## 2. Knowledge-sharing and publications

50. In 2018, the CTCN conducted a survey of NDEs to collect feedback on their collaboration with operational focal points on matters relating to the development and transfer of climate technologies. The results of the survey provided useful insights for the CTCN and the GEF into how to improve coordination and collaboration between NDEs and operational focal points.<sup>31</sup>

51. The GEF circulates annual surveys to the agencies implementing PSP projects in an effort to collect feedback on the collaboration between the CTCN and the regional climate technology transfer and finance centres. The surveys, whose results are reported in the GEF annual reports to the COP, provide valuable inputs for the CTCN and the GEF implementing agencies on how to strengthen their collaboration and identify new synergies in their work.

52. On the basis of the findings from the thematic dialogue referred to in paragraph 43 above, the TEC, in collaboration with the CTCN and the GCF, produced a report on climate technology incubators and accelerators<sup>32</sup> and a summary thereof on catalysing finance for incubators and accelerators.<sup>33</sup>

53. Since 2018, the CTCN has supported capacity-building for developing GCF concept notes for climate financing through its Vision to Concept programme. The aim of the programme is to help countries to develop a pipeline of concept notes for projects that have been prioritized in accordance with national needs. The activities enhance the skills of project proponents and technical personnel of line ministries, institutions and other entities relevant to preparing concept notes for submission to the GCF. As at March 2022 the programme had been implemented in six countries and it has led to the drafting of concept notes that are now being elaborated by entities accredited to the GCF with a view to being submitted to the GCF for funding approval.

54. The CTCN and the West African Development Bank are collaborating on the development of a GCF concept note on enhancing climate information, knowledge services and climate-resilient infrastructure to build resilient agricultural communities in countries of the Sahel.

## C. Support for technology development and transfer

55. COP 21 recognized that the definition and elaboration of linkages between the Technology Mechanism and the Financial Mechanism has the aim of ensuring financial resources for, and scaling up action on, technology development and transfer.<sup>34</sup> Progress has been made in this regard and financial resources have been mobilized through GEF and GCF projects and programmes for the technical assistance activities of the CTCN.

<sup>30</sup> 2021. *Donors to enhance support for CTCN's green technology assistance*. Climate Technology Centre & Network. Available at <https://www.ctc-n.org/news/donors-enhance-support-ctcns-green-technology-assistance>.

<sup>31</sup> UNFCCC. 2018. *Report of the Global Environment Facility to the Conference of the Parties*. Available at <https://unfccc.int/sites/default/files/resource/6e.pdf#page=23>.

<sup>32</sup> UNFCCC. 2018. *Full report: Climate Technology Incubators and Accelerators*. Available at <https://unfccc.int/ttclear/incubators/#fullreport>.

<sup>33</sup> UNFCCC. *Summary: Catalysing Finance for Incubators and Accelerators*. Available at <https://unfccc.int/ttclear/incubators/#summary>.

<sup>34</sup> Decision 13/CP.21, para. 6.

56. At COP 23, the Executive Directors of the GCF and UNEP exchanged letters to formalize the linkages between the GCF and the CTCN on technology-related matters, including the CTCN as a readiness delivery partner.

57. Since then, the GCF and the CTCN have partnered under the GCF Readiness and Preparatory Support Programme: the CTCN provides services and expertise in response to developing countries' requests using GCF country resources. Countries have increasingly sought CTCN support (via UNEP and UNIDO as accredited delivery partners) to utilize their readiness allocation for projects focusing on priority technologies. The CTCN is now the largest provider of readiness support for technology. As at March 2022, 31 GCF readiness support proposals prepared with the assistance of the CTCN had been approved, totalling almost USD 10.4 million in funding.

58. With the goal of capitalizing on the findings of TNAs and applying them in preparing GCF funding proposals, in 2021 the CTCN and the GCF initiated discussions on co-developing a programmatic approach, with an emphasis on adaptation and climate technology, and strengthening engagement with direct access entities to develop funding proposals with robust adaptation and technology elements.

59. Under its annual operating plan for 2022, the CTCN will conduct, in partnership with the GCF, an analysis to take stock of lessons learned from and identify future opportunities for implementing GCF readiness projects. As at March 2022, 29 projects had been implemented, several of which relate to developing or updating TNAs.

60. The GCF secretariat is formulating the following two workstreams to support climate technology incubators and accelerators, in consultation with the TEC, the CTCN, other climate funds, and stakeholders including investors, GCF accredited entities, NDAs and technology practitioners:

(a) A workstream under which a climate innovation facility will be developed. The GCF has approved a concept note on the facility, and the GCF accredited entity selected to lead the process is developing the funding proposal;

(b) A workstream under which the request for proposals referred to in paragraph 27 above will be developed and submitted to the GCF Board for consideration at one of its meetings in 2022.

61. The GEF has supported climate technology development and transfer through four regional projects and a global project on promoting accelerated transfer and scaled-up deployment of mitigation technologies through the CTCN. The global project, implemented by UNIDO, includes (1) technical assistance for climate technology in response to requests submitted to the CTCN, (2) partnerships for accelerating investment in and transfer of climate technology and (3) networks and capacity-building related to climate technology.<sup>35</sup> The regional projects generate information that can be used under the Technology Mechanism, particularly by the CTCN, on countries' expectations of and opportunities for climate technology development and transfer through regional and subregional coordination mechanisms and partnerships.

62. A CTCN proposal on piloting innovative financing for climate adaptation technologies in medium-sized cities was selected by the GEF out of more than 400 submissions as 1 of 10 proposals to receive funding from its Challenge Program for Adaptation Innovation. With a grant of USD 677,000, the project, approved in March 2022, will help urban planners in Nelson's Dockyard National Park, Antigua and Barbuda; Kaysone Phomvihane, Lao People's Democratic Republic; and Chokwe, Mozambique, in adopting a systematic approach to prioritizing infrastructure needs, identifying key investment projects for matching with private financiers, and obtaining climate change technology information and data from CTCN Network partners.

---

<sup>35</sup> 2015. *Promoting Accelerated Transfer and Scaled up Deployment of Mitigation Technologies through the Climate Technology Centre & Network (CTCN)*. Available at <http://www.thegef.org/projects-operations/projects/5832>.

## IV. Challenges and lessons learned

63. The CTCN has partnered successfully with the GCF and the GEF. To date, it has collaborated with the GEF to deliver climate technology support in eight countries and with NDAs and NDEs to prepare 31 GCF readiness support proposals. The potential exists to further enhance collaboration with both institutions in order to leverage additional finance and deliver more climate technology solutions, particularly for the least developed countries and small island developing States. A stronger focus on collaboration between NDEs, NDAs and operational focal points has the potential to strengthen relationships and synergies and facilitate processing and implementation of technical assistance at the national level.

64. Engagement between the CTCN and the GCF has steadily increased with respect to the provision of funding and technical assistance to developing countries via the GCF Readiness and Preparatory Support Programme. The CTCN and the GCF collaborated closely to overcome difficulties faced by CTCN delivery partners in complying with GCF operational modalities, including the rigorous project proposal review and reporting requirements. The CTCN and the GCF continue to collaborate to further facilitate developing countries' access to GCF readiness funding and identify new ways of engaging with each other.

65. Capacity-building designed to strengthen, empower and connect developing country NDEs and build their relationship with other focal points has been key to ensuring that CTCN technical assistance has a long-term impact and leads to additional external investment. For instance, a strong working relationship between a country's NDE and NDA increases the likelihood of submission of a funding application to the GCF following completion of a CTCN technical assistance project.

66. Partnering of the CTCN with NDAs provides an opportunity to implement the guidance contained in COP decisions on technology and linkages between the Financial Mechanism and the Technology Mechanisms in order to better engage NDEs and NDAs in supporting scaled-up action on climate technology.

67. In anticipation of the expansion of areas of collaboration under the Technology Mechanism and the Financial Mechanism, maintaining robust communication channels between the GCF and the CTCN remains essential to facilitating effective coordination through designated focal points.

68. Feedback from the annual surveys conducted by the GEF of its implementing agencies as well as the increasing number of requests for technical assistance have highlighted the significant demand from developing countries for the type of services that the CTCN delivers. However, not all requests necessarily relate to the deployment of climate technologies. Lessons learned in this regard include the following:

(a) The GEF and the CTCN pursue compatible objectives, but identifying common ground between their operational modalities is not always straightforward. As GEF financing is allocated in a country-driven manner, requests for CTCN assistance must originate from the countries themselves;

(b) GEF operations being based on the System for Transparent Allocation of Resources and the GEF co-financing policy, which requires mobilizing significant additional funding from sources other than the GEF, are the main deterrent to the CTCN approach for small-scale interventions and early-stage support;

(c) There is a demonstrated need for services such as those provided by the CTCN to complement other mechanisms and initiatives;

(d) The CTCN can contribute to early-stage support of climate technology deployment;

(e) The CTCN has a wide range of ready-to-use resources and a network of international experts covering a broad range of technologies;

(f) Multiple opportunities exist for scaling up and replicating technologies;

(g) Owing to its demand-driven nature, the CTCN is well positioned to gauge country needs and priorities.

## Annex

### Overview of the consideration of linkages between the Technology Mechanism and the Financial Mechanism

<i>Session</i>	<i>Date</i>	<i>Source</i>	<i>Actions and outcomes</i>
COP 18	November–December 2012	Decision 1/CP.18, paragraph 62	The COP agreed to further elaborate, at COP 20, linkages between the Technology Mechanism and the Financial Mechanism taking into consideration the recommendations of the GCF Board, developed in accordance with decision 3/CP.17, paragraph 17, and of the TEC, developed in accordance with decision 4/CP.17, paragraph 6
COP 20	December 2014	FCCC/CP/2014/6, chapter II	The TEC submitted its recommendations on linkages between the Technology Mechanism and the Financial Mechanism for consideration at COP 20
COP 21	November–December 2015	Decision 13/CP.21, paragraphs 1, 4 and 8–10	The COP welcomed with appreciation the recommendations of the TEC on the linkages between the Technology Mechanism and the Financial Mechanism and: <ul style="list-style-type: none"> <li>(a) Invited the GCF Board to provide its recommendations, for consideration at COP 22;</li> <li>(b) Requested the TEC, the CTCN and the operating entities of the Financial Mechanism to continue to consult on and further elaborate, including through an in-session workshop at SB 44, linkages between the Technology Mechanism and the Financial Mechanism</li> <li>(c) Requested the TEC to include, in its annual report, the findings arising from the activities referred to in (b) above for consideration at COP 22, taking into consideration the recommendations of the GCF Board</li> <li>(d) Invited the GCF Board, in line with paragraph 38 of the Governing Instrument for the GCF (contained in the annex to decision 3/CP.17) to consider ways to provide support, pursuant to the modalities of the GCF, for facilitating access to environmentally sound technologies in developing country Parties, and for undertaking collaborative research and development for enabling developing country Parties to enhance their mitigation and adaptation action</li> </ul>
SB 44	May 2016	FCCC/SB/2016/1, annex I, paragraph 4	The TEC, the CTCN and the operating entities of the Financial Mechanism organized an in-session workshop on linkages between the Technology Mechanism and the Financial Mechanism and included outcomes of the workshop in the joint annual report of the TEC and the CTCN for 2016 for consideration at SBI 45
COP 22	November 2016	Decision 14/CP.22, paragraphs 2 and 8–10	The COP welcomed the decision of the GCF Board to hold annual meetings between the GCF and the UNFCCC constituted bodies, and its invitation to the Chairs of those bodies to its 14 <sup>th</sup> meeting, and: <ul style="list-style-type: none"> <li>(a) Encouraged the TEC, the CTCN and the operating entities of the Financial Mechanism to enhance the involvement of stakeholders as they undertake actions to strengthen linkages between the Technology Mechanism and the Financial Mechanism</li> </ul>

<i>Session</i>	<i>Date</i>	<i>Source</i>	<i>Actions and outcomes</i>
			<ul style="list-style-type: none"> <li>(b) Invited the TEC, the CTCN and the operating entities to provide information on their actions in strengthening linkages between the Technology Mechanism and the Financial Mechanism in their annual reports to the COP for guidance on further action if needed</li> <li>(c) Agreed to continue consideration of the matter at COP 24</li> </ul>
COP 24	December 2018	Decision 14/CP.24, paragraphs 1–9	<p>The COP welcomed the information provided by the TEC, the CTCN, the GCF and the GEF on their actions in strengthening linkages between the Technology Mechanism and the Financial Mechanism in their annual reports to the COP and:</p> <ul style="list-style-type: none"> <li>(a) Acknowledged the ongoing coordination between NDEs, NDAs and operational focal points</li> <li>(b) Welcomed with appreciation the increased engagement between the CTCN and the GCF</li> <li>(c) Invited them to continue enhancing collaboration</li> <li>(d) Welcomed the support provided for technology development and transfer by the GCF and the GEF through projects and programmes</li> <li>(e) Invited developing country Parties to seek support from the CTCN for developing and submitting technology-related projects to the GCF and the GEF for implementation</li> <li>(f) Invited the CTCN to consult with the GCF and the GEF to identify ways to enhance information-sharing among NDEs, NDAs and operational focal points</li> <li>(g) Welcomed with appreciation the collaboration between the TEC, the CTCN and the GCF on climate technology incubators and accelerators</li> <li>(h) Requested SBI 53 to take stock of progress in strengthening linkages between the Technology Mechanism and the Financial Mechanism</li> </ul>
SBI 52–55	November 2021	FCCC/SBI/2021/16, paragraph 87	<p>The SBI welcomed the progress of the TEC, the CTCN, the GCF and the GEF in strengthening linkages between the Technology Mechanism and the Financial Mechanism and:</p> <ul style="list-style-type: none"> <li>(a) Requested the secretariat to prepare an information note on activities undertaken by the TEC, the CTCN, the GCF and the GEF to strengthen linkages between the Technology Mechanism and the Financial Mechanism for consideration at SBI 56</li> <li>(b) Agreed to continue consideration of the matter at SBI 56</li> </ul>