



ICC's Commission on Environment and Energy

Business: Part of the solution

Technology development and deployment to address climate change

With an expected rise in global population from 6.5 to 8 billion, a 50% increase in energy demand and a doubling of economic output in the next 25 years, it is critically important to marshal the necessary technological resources to address sustainability challenges and increase the pace of technological innovation, cooperation and dissemination.

The International Chamber of Commerce (ICC) believes that the availability of economically feasible options to address the challenge of climate change will depend on the development, commercialization and widespread dissemination of both effective existing technologies and new, currently non-commercial technologies that can help reduce greenhouse gas (GHG) emissions into the atmosphere. Moreover, innovation will substantially improve the future performance of current and proposed technologies. The global economy today functions in the context of the market economy and the private sector has been and will continue to be, responsible for the vast majority of investments and the development and diffusion of the new and improved technologies that will be essential to meeting the challenge of global climate change.

Business is the primary source of innovation and a critical actor in the development, demonstration, commercialization and dissemination of technology. Business does not do this in isolation and often forms partnerships with governments, academic and other non profit research organizations to leverage resources and benefits. The most efficient means of rapidly moving government and academic research to market is the transfer of patent or the licensing of patents and related know how to the private sector thereby creating an incentive for the private partner to invest the necessary capital in the joint enterprise. Governments should increase funding for basic research and ensure that policies facilitate innovation and dissemination of technology. They should also encourage more public-private partnerships, particularly at the local and city level, to address the critical challenge of climate change.

Key messages:

The development and deployment of technologies to address climate change will be greatly facilitated if several key factors and fundamental conditions are met:

- a stable economic system including intellectual property rights protection, strong contractual arrangements and open trade;
- a long-term commitment and dedication of resources by all partners;
- performance criteria for acceptable technology, but no banning of technologies based on current performance;
- reduction and elimination of barriers to trade in environmental goods and services;



Business: Part of the solution

- cost-effective solutions and supporting mechanisms should be defined for advanced infrastructure development including broadband information and communications technologies;
- support to address investment risks related to technology development;
- enabling frameworks to advance capacity-building;
- recognition and support by the UNFCCC of many avenues for technological innovation and dissemination;
- the Clean Development Mechanisms (CDM) should be simplified and more accessible as well as keep all technology options open;

UNFCCC perspective: Technology development and deployment

ICC encourages the UNFCCC to enhance technological development and deployment through an extension of existing and new market mechanisms. Technology transfer is underlined in the United Nations Framework Convention on Climate Change in Article 4.511 and has been managed by the Expert Group on Technology Transfer (EGTT) which has carried out considerable work including the development of technology needs assessments. It is also a fundamental part of the Bali Roadmap. We encourage the UNFCCC to recognize and support the many avenues for technological innovation and dissemination that contribute, whether specifically under the Convention, through partnerships, or in commercial transactions. Traditional technology development and implementation needs to be enhanced and broadened to help support the implementation of climate policies and objectives under the UNFCCC and Kyoto Protocol through tools such as the Clean Development Mechanism.

Contact:

Carlos Busquets

Policy Manager, ICC Commission on Environment and Energy

carlos.busquets@iccwbo.org

Tel: +33 (0) 1 49 53 29 75

Mobile: +33 (0) 6 09 83 49 83