

PREPCOM 3 HIGHLIGHTS: FRIDAY, 31 MARCH 2017

On Friday, 31 March, the informal working group on capacity building and technology transfer (CB&TT) met throughout the day.

INFORMAL WORKING GROUP ON CB&TT

Several delegations emphasized that CB&TT is a crosscutting issue, with FIJI underscoring its critical role for ILBI implementation for developing countries. The G-77/CHINA stressed the need to establish a legal framework for international cooperation at all levels.

SCOPE: The G-77/CHINA proposed including: scientific support; educational and technical assistance, including for individual capacity building; exchange of experts; research cooperation programmes; awareness raising; knowledge sharing, including on MGRs, ABMTs and EIAs; and development of technology and infrastructure. CHINA suggested including equipment.

CARICOM cautioned against listing CB&TT activities, with TONGA and the COOK ISLANDS adding that, if created, the list should be flexible and subject to periodic reviews. SINGAPORE cautioned against being overly prescriptive, to adapt to changing needs and technology. MEXICO favored an indicative and non-exhaustive list. FIJI suggested categorizing CB&TT needs.

The US advocated focusing on MSR, EIAs, efforts to protect the marine environment and marine spatial planning. The PHILIPPINES provided a list of critical areas for capacity development, including marine taxonomy, bioinformatics, and implementation of EIAs and ABMTs. SENEGAL noted that capacity building should support developing countries' legislative, technical and scientific frameworks. MEXICO emphasized the need to ensure that states have the capacities to: access MGRs *in situ*, *ex situ* and *in silico*; develop their own research on MGRs for the benefit of humanity; and preserve the marine environment.

PRINCIPLES: The G-77/CHINA called for CB&TT on fair and reasonable terms and conditions, with AOSIS adding it should be country-specific and drawing attention to the SIDS Accelerated Modalities of Action (SAMOA) Pathway, particularly references to the adverse effects of climate change and the need for access to appropriate and affordable technology. TONGA highlighted, supported by AUSTRALIA, that CB&TT results can be mutually beneficial for donors and recipients.

SWITZERLAND, with CANADA, JAPAN and the US, noted that technology transfer should be voluntary, based on mutually agreed terms. BANGLADESH lamented limited implementation of UNCLOS technology-transfer obligations. THAILAND stressed that technology transfer should be free of charge. The REPUBLIC OF KOREA noted that CB&TT should be conducted in

a cooperative and voluntary manner, in accordance with UNCLOS Article 266 (promotion of marine technology development and transfer).

The AFRICAN GROUP underscored the duty to provide scientific and technical assistance to developing countries, in addition to relevant UNCLOS principles. CARICOM noted duties to: cooperate and collaborate; promote technological capacity; provide scientific assistance; and provide preferential treatment to developing countries. IUCN stressed that CB&TT are aspects of the common concern of humankind. CHILE proposed implementing CB&TT under the principle of cooperation at scientific, multi- and bilateral levels. The FSM illustrated the interactions of traditional knowledge and capacity building, as well as with all other elements of the ILBI.

MODALITIES: The G-77/CHINA noted that needs and priorities for capacity building could be reviewed by an ILBI advisory or decision-making body, and should be related to areas requiring further scientific knowledge. The AFRICAN GROUP emphasized that states involved in bioprospecting should provide CB&TT to developing countries through an ABS mechanism linked to the ILBI.

The REPUBLIC OF KOREA emphasized cooperating within, harmonizing and building upon existing programmes. Zambia, for the LAND-LOCKED DEVELOPING COUNTRIES (LLDCs) underscored that most MSR and data-sharing initiatives are currently North-led and involve limited cooperation.

SOUTH AFRICA called for meaningful and binding capacity building, pointing, with TONGA and CHILE, to the ISA capacity-building activities. HONDURAS supported the promotion of an effective mechanism to implement CB&TT through a subsidiary scientific body, promoting cohesive cooperation with other mechanisms. SENEGAL called for the ILBI to support coordination of bilateral CB&TT.

Linkage with MGRs: FIJI proposed linking CB&TT to access to MGRs, similarly to the ISA. ARGENTINA and others stated that CB&TT are linked to benefit-sharing from MGRs. Calling, with BANGLADESH, for an international instrument to provide adequate and sustainable funding, the FSM cautioned against making funding for CB&TT conditional upon access to and use of MGRs. The AFRICAN GROUP stressed that a clear, single-access regime to MGRs found both in the Area and the water column could incentivize private-sector contributions for CB&TT, recommending an integral link between CB&TT, a global ABS mechanism and a benefit-sharing fund. The EU and CANADA stressed that the CB&TT regime depends upon discussions on other aspects, including MGRs.

Clearinghouse: The G-77/CHINA proposed a CHM and a capacity-building network, using open-access, web-based tools to enable evaluation, publishing and information dissemination.

AOSIS underscored the importance of a CHM, calling for a central repository of information, also accessible to international organizations and private entities, and noting that existing mechanisms may be used as long as they comply with the ILBI conditions and special needs. CARICOM suggested that the clearinghouse be accessible and not overly burdensome, and match needs with CB&TT opportunities. PSIDS, supported by SINGAPORE, proposed a globalized clearinghouse hosted by the ILBI secretariat, as well as a network of CHMs at regional and national levels, with FIJI clarifying that the regional marine scientific and technological centers foreseen under UNCLOS could perform clearinghouse functions.

The EU called for defining the clearinghouse objectives, pointing, with NEPAL, to the usefulness of a gap analysis of international information systems. NORWAY, supported by ICELAND, drew attention to the FAO Port State Measures Agreement having established a working group on capacity building, with FAO adding that it is also tasked to oversee the funding mechanism. CHILE proposed an intersessional working group to further develop the terms of an ILBI CHM.

Favoring a single CHM, MEXICO supported using the ISA as a model, proposing the creation of accessible databases, managed by the ILBI secretariat, offering options to obtain infrastructure and software. TONGA supported a single global CHM, playing a coordinating role among existing CHMs, with the FSM underscoring information asymmetry in the context of CB&TT. BANGLADESH called for a global information flow to maximize the benefits of scientific and technical knowledge.

AUSTRALIA supported creating a new CHM. NEW ZEALAND noted that the clearinghouse could be used for: collecting information on relevant activities; recording needs and matching offers; expanding knowledge on available assistance; identifying gaps; and catalyzing new assistance. JAPAN queried the type of information to be shared and the way similar information is currently shared at the regional and global levels. CHINA advocated making use of existing platforms and organizations.

CANADA noted that a central CHM could assist in providing prioritized lists of CB&TT needs, supporting, with THAILAND, CHILE and CHINA, the need to make use of existing guidance, such as the IOC Guidelines. The US expressed interest in working with the IOC for developing technology-transfer modalities. JAPAN called for clarifying the relationship between the IOC and the ILBI. SENEGAL noted the need for additional support for the IOC to play a coordinating role. The REPUBLIC OF KOREA, with the US, supported a voluntary, online information-sharing mechanism.

IPRs: AOSIS called for further assessing the role of IPRs for technology transfer and addressing potential barriers. The EU, with MEXICO and JAPAN, recommended respecting IPRs. The EU, JAPAN, the REPUBLIC OF KOREA, the US and SWITZERLAND suggested leaving IPR discussions to other fora. CANADA underscored that any approach to CB&TT must be consistent with other obligations, including IPRs. ERITREA noted that the ILBI could provide for eliminating barriers to technology transfer and unfavorable trading regimes.

FUNDING: The G-77/CHINA, supported by SINGAPORE, highlighted the need for a sufficient and predictable funding mechanism, to be complemented by a voluntary trust fund. In addition to a global BBNJ trust fund, PSIDS called for an additional funding mechanism or endowment fund managed by the ILBI secretariat to support CB&TT, as well as MSR in ABNJ. The AFRICAN GROUP called for a benefit-sharing fund, financed through mandatory and voluntary contributions.

Drawing attention to the ISA funding mechanism, AOSIS called for a common fund, without prejudice to other financial mechanisms like a rehabilitation fund, which will: address the cross-cutting nature of capacity building; include both voluntary

and mandatory contributions; and be open to the private sector and international organizations. INDONESIA stressed the need for a funding mechanism for conserving BBNJ, not contingent on benefits deriving from MGR use. SOUTH AFRICA, opposed by CANADA, preferred mandatory contributions to a new funding mechanism.

MEXICO called for innovative financing, mandatory contributions, and a percentage of funding from the commercialization of MGRs, which was supported by THAILAND, who added private-public partnerships and private funding. The RUSSIAN FEDERATION underscored challenges in generating royalties from MGRs and in attracting private funding.

Pointing to the CBD LifeWeb initiative as a model, TONGA underscored: transparency and predictability of funding; and the need for a clear, monitored and result-based framework providing legal certainty and accountability.

NEPAL proposed a global fund for capacity building, taking into account the special case of LLDCs. ARGENTINA stated that a new funding mechanism should not prejudice access to existing ones. ERITREA emphasized funding particularly for Least Developed Countries, and using the ILBI to incentivize partnerships between recipient states and the private sector. The US, JAPAN and ICELAND supported using the Global Environment Facility (GEF), and voluntary financing.

MONITORING AND REVIEW: AOSIS supported a periodic, transparent and comprehensive review of CB&TT support and needs, to provide recommendations in consultation with relevant actors. TONGA called for the review to address constraints in achieving timely implementation, utilizing both quantitative and qualitative data, and building on lessons learned from national and regional review processes.

The EU favored periodically evaluating CB&TT efforts with an outcome-focused approach, based on quantitative and qualitative data undertaken at national, regional and international levels. CARICOM proposed that an annual ILBI COP assess CB&TT needs and delivery, with a review conference, similar to that under UNFSA, undertaking a periodic review of the state of implementation and providing guidance. MEXICO supported tasking the ILBI decision-making body with monitoring of CB&TT. PSIDS lamented current minimal levels of monitoring and reporting of CB&TT. FIJI proposed regular status updates on CB&TT needs and implementation, as well as recommendations, from the regional to the international level. JAPAN recommended exchanging success stories and lessons learnt on CB&TT under ILBI.

IUCN proposed periodic review of funding needs and funding sources. The HIGH SEAS ALLIANCE: linked CB&TT with participation in MPAs, EIAs and SEAs; noted the role of a clearinghouse to share information on ABMTs, including MPAs, to ensure best available science and best environmental practices; and underscored coherence in oceans management and funding, as well as, with IUCN, acquisition of environmental information.

IN THE CORRIDORS

As a developing country delegate noted with a tinge of irony, those who have been “shedding tears” over the risk of undermining existing regimes, did not lose sleep over the notorious lack of implementation of exiting UNCLOS obligations on capacity building and technology transfer. While views on mandatory vs voluntary approaches, including for underlying funding, varied quite noticeably, many convened on the promises of global information-sharing to address current capacity asymmetries. On the sidelines, however, representatives of the research community noted that the mantra “information is power” is only true when those accessing information have the capacity and means to use it.