



Technology Cooperation Agreement Pilot Project Development-Friendly Greenhouse Gas Reduction

May 1999 Update

The Technology Cooperation Agreement Pilot Project (TCAPP) was launched by several U.S. Government agencies (USAID, EPA, and DOE) in August 1997 to establish a model for climate change technology cooperation with developing and transition countries. TCAPP is currently facilitating voluntary partnerships between the governments of Brazil, China, Kazakhstan, Korea, Mexico, and the Philippines, the private sector, and the donor community on a common set of actions that will advance implementation of clean energy technologies. The six participating countries have been actively engaged in shaping this initiative along with international donors and the private sector. This program helps fulfill the U.S. obligation to support technology transfer to developing countries under Article 4.5 of the United Nations Framework Convention on Climate Change. TCAPP also provides a mechanism to focus resources across international donor programs on the technology cooperation needs of developing and transition countries.

Goals

- Foster private investment in clean energy technologies that meet development needs and reduce greenhouse gas (GHG) emissions.
- Engage in-country and international donor support for actions to build sustainable markets for clean energy technologies.
- Establish technology cooperation agreements as an organizing structure for coupling in-country, donor, and private-sector climate change mitigation actions.

TCAPP Approach

TCAPP fosters a coordinated response by OECD countries, international donor organizations, and the international business community to the climate change technology cooperation needs of developing and transition countries through two basic steps. First, interagency teams in developing and transition countries establish frameworks that define their technology cooperation needs and the actions their government is ready to undertake in cooperation with donors and the private sector. Second, international donors and businesses support implementation of actions by the countries for reducing market barriers and directly facilitating private investment. The National Renewable Energy Laboratory, a DOE facility, leads the implementation of TCAPP, providing financial and technical support to the country teams.

Technology Cooperation Frameworks

- Country teams identify priority clean energy technologies that will achieve development goals and reduce GHG emissions.
- Country frameworks define in-country, donor, and private sector actions to foster private investment in these technologies.



Implementation of Investment Actions for Priority Technologies

Direct Investment Facilitation Country teams, together with businesses and donor organizations, issue investment solicitations, convene investment conferences, and provide project development and business financing assistance.

Removal of Market Barriers Country teams, together with businesses and donors, implement policy reforms, build local business capacity, support technology demonstrations, and implement other actions to reduce market barriers.

TCAPP Highlights

September 1998	Brazil, China, Kazakhstan, Mexico and the Philippines complete draft technology cooperation frameworks.
September 1998	TCAPP initiates network of international energy and investment companies interested in working with country teams on investment initiatives. (Over 200 companies and trade organizations are currently participating in TCAPP.)
October 1998	Meeting held with 30 international donor agency representatives to present frameworks and review opportunities for donor participation. (Washington, DC.)
March 1999	South Korea joins TCAPP and selects technology priorities at interagency scoping meeting.
April 1999	The Philippine Secretary of Energy approves, in principle, fast-track policy reforms to remove barriers to renewable energy investment.
April 1999	China's Minister for the State Development Planning Commission and the EPA Administrator sign a formal Letter of Intent to expand TCAPP work and share results with the UNFCCC technology transfer consultative process.
May 1999	TCAPP assists Climate Technology Initiative in launching Southern Africa regional clean energy technology needs assessment.

Examples of TCAPP Investment Actions

Brazil, China, Kazakhstan, Mexico, and the Philippines have identified technology cooperation priorities that integrate greenhouse gas mitigation with other national goals and are initiating work to design and implement actions to attract investment in these technologies. Below are examples from two countries.

The Brazilian Ministry of Mines and Energy leads an in-country TCAPP team that is implementing a variety of investment actions, including:

- Issuing solicitations to attract investors in an expanded rural renewable energy field testing program.
- Convening a transportation efficiency investment conference.
- Promoting international investment in industrial energy efficiency and direct use of natural gas.

The Philippine Department of Energy leads TCAPP in collaboration with other government agencies, the private sector, and NGOs and is:

- Implementing renewable energy policy reforms.
 - Streamlining project accreditation and approval
 - Allocating funds to renewable energy projects
- Facilitating rural renewable energy investments.
 - Identifying local renewable energy investment needs
 - Presenting investment needs to international businesses and donors at a renewable energy investment conference in the Philippines.

Sponsoring Agencies



Mr. Jeff Seabright
 Director, Office of Energy,
 Environment and Technology
 USAID
 Phone: 202-712-4370
 Fax: 202-216-3174
 E-mail: jseabright@usaid.gov



Mr. Paul Schwengels
 Program Manager, Climate Policy
 and Program Division
 USEPA
 Phone: 202-260-1192
 Fax: 202-260-6405
 E-mail: schwengels.paul@epa.gov



Mr. Chris Bordeaux
 Project Manager, USIJI and USCSP
 USDOE
 Phone: 202-586-3070
 Fax: 202-586-3485
 E-mail: christopher.bordeaux@ee.doe.gov

Lead Agencies for TCAPP Country Teams

Brazil	Ministry of Mines and Energy
China	State Development Planning Commission
Kazakhstan	Ministry of Energy, Industry and Trade
Korea	Ministry of Commerce, Industry and Energy
Mexico	National Commission for Energy Conservation
Philippines	Department of Energy

For Further Information, Contact:

Mr. Ron Benioff or Mr. Pat Keegan
 National Renewable Energy Laboratory
 Phone: 303-384-7504/7472
 Fax: 303-384-7411/7419
 E-mail: ron_benioff@nrel.gov
pat_keegan@nrel.gov

Ms. Lisa Jacobson
 Business Council for Sustainable Energy
 Phone: 202-785-0507
 Fax: 202-785-0514
 E-mail: ljacobson@bcse.org

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