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Article

Technology Transfer Under Climate Change Regime: A Critical Evaluation

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Name of Author:
Raghini Singh Wazir[1]

Affiliation:
[1]Scholar, Department of Law, University: University of Jammu, University Address: Baba Saheb Ambedkar Road, Tawi, Jammu, Jammu and Kashmir 180006, E-mail ID: raghini.wazir07@gmail.com

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Abstract: Technology transfer has become a cornerstone of international environmental governance, bridging the divide between technologically advanced developed nations and developing countries that face the brunt of climate change and ecological degradation. Under major international environmental agreements such as the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol, the Paris Agreement, the Montreal Protocol, and the Convention on Biological Diversity (CBD), the diffusion of environmentally sound technologies (ESTs) has been identified as a key strategy for achieving sustainable development. 1 However, despite normative recognition of its importance, implementation remains fraught with challenges, including intellectual property rights (IPR) disputes, financial gaps, weak institutional capacities, and the persistent North–South divide. This paper critically examines the role of technology transfer in international environmental law. It traces its conceptual origins, explores its incorporation in environmental treaties, evaluates institutional mechanisms, and highlights case studies from India, China, Brazil, and African states. Particular attention is paid to the justice and equity dimensions of technology transfer, analyzing why frameworks such as the Montreal Protocol achieved relative success while climate treaties have struggled. The study argues that technology transfer has largely remained aspirational, with weak obligations and inadequate enforcement mechanisms.
The paper concludes that for technology transfer to fulfill its transformative potential, reforms are necessary: binding commitments for developed nations, reformed IPR regimes, stronger financing mechanisms, South–South cooperation, and capacity-building initiatives. Only through a balanced framework rooted in equity and the principle of common but differentiated responsibilities (CBDR) can international environmental law bridge the technological divide and foster genuine sustainable development.

INTRODUCTION

Global environmental problems such as climate change, biodiversity loss, desertification, and ozone depletion have emerged as defining challenges of the twenty-first century.[1] While these crises affect all nations, their impacts are disproportionately borne by developing countries that lack adequate resources and technological capacities.[2] Addressing such global issues requires more than political will—it demands access to **environmentally sound technologies (ESTs)** that enable sustainable production, renewable energy deployment, biodiversity conservation, and climate adaptation.[3]

Technology transfer has thus become a central feature of international environmental agreements. It involves not just the physical transfer of machines or equipment, but also the **sharing of knowledge, technical expertise, and capacity-building**.[4] As defined by *Agenda 21* (1992), technology transfer is a process "of enabling developing countries to obtain access to and effectively use environmentally sound technologies."[5] The rationale is simple: without access to clean technologies, developing nations cannot leapfrog to sustainable development

[1] Intergovernmental Panel on Climate Change, *Climate Change 2021: The Physical Science Basis* (2021).
[2] U.N. Dep't Econ. & Soc. Affs., *World Social Report 2020* (2020).
[3] Rio Declaration on Environment and Development, U.N. Doc. A/CONF.151/26 (Vol. I), princ. 9 (1992).
[4] Agenda 21, U.N. Doc. A/CONF.151/26/Rev.1 (Vol. I), ch. 34 (1992).
[5] Id.

pathways, thereby undermining global environmental goals.[6]

Historically, environmental treaties have linked technology transfer to the principle of **common but differentiated responsibilities (CBDR)**. CBDR recognizes that developed countries, having contributed most to environmental degradation through industrialization, bear a special responsibility to provide resources and technology to developing nations.[7] This principle underlies the UNFCCC (1992) and subsequent climate agreements, the Montreal Protocol (1987), and the Convention on Biological Diversity (1992).[8]

However, the practice of technology transfer has been contested. Developed nations often resist binding obligations, preferring market-driven approaches.[9] Intellectual property rights (IPR) regimes under the World Trade Organization (WTO) complicate the sharing of patented technologies.[10]Financial mechanisms such as the Global Environment Facility (GEF) and Green Climate Fund (GCF) have struggled with adequacy and accessibility.[11] As a result, the **gap between promise and reality** in technology transfer persists.

This paper critically examines technology transfer under international environmental agreements. Section 2 outlines the conceptual framework, situating technology transfer in international law. Section 3 analyzes major treaties and their treatment of technology transfer. Section 4 explores barriers to effective implementation. Section 5 presents case studies from India, China, Brazil, and Africa. Section 6 provides a critical analysis of successes and failures. Section 7 proposes reforms, and Section 8 concludes.

The central argument advanced here is that while technology transfer is normatively embedded in international environmental law, **its implementation has been hindered by weak obligations, financial shortfalls, and political resistance**. To achieve equity and effectiveness, reforms must move toward enforceable commitments, restructured IPR regimes, and genuine cooperation.

Conceptual Framework of Technology Transfer in International Law

Defining Technology Transfer

Technology transfer in the environmental context refers to processes that facilitate the dissemination of ESTs from developed to developing nations.[12] These include renewable energy technologies, pollution control mechanisms, biotechnology for biodiversity conservation, and adaptation tools for climate resilience.[13]The UNFCCC defines technology transfer as encompassing "the transfer of know-how, equipment, and capacity-building to enable effective application."[14]

The process involves multiple dimensions:

- **Hardware transfer** – machinery, equipment, physical technologies.[15]
- **Software transfer** – knowledge, processes, technical expertise.[16]
- **Capacity-building** – training, institutional strengthening, human resource development.[17]
- **Adaptation and localization** – modifying technologies to suit local conditions.[18]

Technology Transfer and Sustainable Development

Technology transfer is linked to **sustainable development goals (SDGs)**, particularly SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation, and Infrastructure), and SDG 13 (Climate Action).[19] Without technology, developing nations face a lock-in of unsustainable pathways.

Legal Basis in International Law

Technology transfer finds legal expression in several international instruments:

- **Rio Declaration (1992), Principle 9** – calls for cooperation in developing and transferring technology.[20]
- **Agenda 21, Chapter 34** – emphasizes enabling developing nations to access ESTs.[21]
- **SDG 17.6** – stresses global partnerships for technology.[22]

The Principle of Common but Differentiated Responsibilities (CBDR)

CBDR justifies technology transfer obligations by recognizing historical responsibility. Developed countries, having benefitted from industrialization, must assist developing nations in accessing technologies.[23]

Intellectual Property Rights and Technology Transfer

The WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) complicates environmental technology transfer.[24] While patents incentivize innovation, they also raise barriers to affordability.[25] The tension between environmental necessity and proprietary rights remains unresolved.[26]

Technology Transfer under Major Environmental Agreements UNFCCC (1992)

The **United Nations Framework Convention on Climate Change (UNFCCC)** is the foundational treaty for climate governance. It explicitly embeds technology transfer in its text. Article 4(1)(c) requires all parties to

[6] Id.
[7] UNFCCC, supra note 1, art. 3(1).
[8] Montreal Protocol on Substances that Deplete the Ozone Layer art. 5, Sept. 16, 1987, 1522 U.N.T.S. 29.
[9] Rajamani, supra note 4, at 130.
[10] Agreement on Trade-Related Aspects of Intellectual Property Rights art. 27, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299.
[11] UNFCCC, *Green Climate Fund: Status Report 2023* (2023).
[12] Bodansky, supra note 2, at 178.
[13] Id. at 182.
[14] UNFCCC, supra note 1, art. 4(5).
[15] Agenda 21, supra note 8, ch. 34.
[16] Id.
[17] Id.
[18] Id.
[19] G.A. Res. 70/1, Transforming Our World: The 2030 Agenda for Sustainable Development, U.N. Doc. A/RES/70/1 (Oct. 21, 2015).
[20] Rio Declaration, supra note 7, princ. 9.
[21] Agenda 21, supra note 8, ch. 34.
[22] G.A. Res. 70/1, supra note 23, Goal 17.6.
[23] UNFCCC, supra note 1, art. 3(1)
[24] TRIPS Agreement, supra note 14, art. 27.
[25] Carlos M. Correa, Intellectual Property Rights, the WTO and Developing Countries 97–102 (2000).
[26] Id.

"promote and cooperate in the development, application, and diffusion" of technologies that reduce greenhouse gas emissions.[27] Article 4(3) obliges developed countries to provide financial resources to support technology transfer, while Article 4(5) emphasizes their duty to facilitate access to environmentally sound technologies (ESTs) in developing nations.[28]

The **Technology Mechanism**, established at COP 16 in Cancun (2010), consists of the **Technology Executive Committee (TEC)** and the **Climate Technology Centre and Network (CTCN)**.[29] The TEC provides policy advice, while the CTCN supports implementation by connecting countries with technical expertise.[30] Despite this institutional architecture, the mechanism has faced criticism for inadequate funding, slow project approval, and limited reach.[31]

KYOTO PROTOCOL (1997)

The **Kyoto Protocol** introduced legally binding targets for Annex I (developed) countries. Its most significant contribution to technology transfer came through the **Clean Development Mechanism (CDM)**.[32] CDM allowed developed countries to invest in emission reduction projects in developing countries and earn carbon credits.[33]

While CDM financed renewable energy and energy-efficiency projects in countries like India, China, and Brazil, critics argue that genuine technology transfer was limited. Many projects relied on existing, relatively low-cost technologies rather than advanced innovations.[34] Furthermore, the mechanism incentivized projects with high credit potential, rather than those most beneficial for sustainable development.[35]

Paris Agreement (2015)

The **Paris Agreement** strengthened the recognition of technology as a pillar of climate governance. Article 10 establishes a **Technology Framework** to guide the work of the TEC and CTCN.[36] It envisions a cycle of innovation, development, and transfer of environmentally sound technologies.

However, unlike the Montreal Protocol, the Paris Agreement does not impose binding obligations on developed nations to provide technology. Instead, it relies on **voluntary contributions and cooperative initiatives**, linked to the global stocktake.[37] Critics argue that this weakens accountability and perpetuates dependence on goodwill rather than enforceable commitments.[38]

Montreal Protocol (1987)

The **Montreal Protocol on Substances that Deplete the Ozone Layer** is widely celebrated as one of the most successful environmental treaties.[39] Article 10 established the **Multilateral Fund** in 1990 to provide financial and technical support to developing nations for phasing out ozone-depleting substances (ODS).[40]

The Fund, financed by developed countries, enabled effective technology transfer by covering both the incremental costs of transitioning to alternatives and the associated capacity-building.[41] As a result, countries like India and China successfully transitioned away from chlorofluorocarbons (CFCs).[42] The Montreal Protocol demonstrates that **binding commitments with adequate financial backing** can deliver successful technology transfer.[43]

CONVENTION ON BIOLOGICAL DIVERSITY (1992)

The **Convention on Biological Diversity (CBD)** addresses technology transfer primarily in the context of genetic resources and biotechnology. Article 16 requires states to ensure access to and transfer of technologies relevant to biodiversity conservation and sustainable use.[44]Article 18 promotes scientific and technical cooperation.

However, disputes persist, particularly regarding biotechnology and genetic resources. Developed nations often invoke IPR protections, while developing countries stress the importance of equitable benefit-sharing.[45]The debate over "biopiracy" highlights the tension between proprietary rights and environmental justice.[46]

Barriers to Effective Technology Transfer

Despite normative recognition, technology transfer remains constrained by several barriers:

1. **Intellectual Property Rights (IPR).** Patents make many clean technologies prohibitively expensive for developing countries.[47] The WTO's TRIPS Agreement strengthens global IPR standards, limiting flexibility in accessing environmentally sound technologies.[48]
2. **Financial Constraints.** Mechanisms like the Global Environment Facility (GEF) and the Green Climate Fund (GCF) often suffer from inadequate funding, delays, and complex eligibility criteria.[49]
3. **Institutional Weakness.** Developing countries frequently lack absorptive capacity, skilled

[27] UNFCCC, supra note 1, art. 4(1)(c).
[28] Id. art. 4(3), 4(5).
[29] Decision 1/CP.16, Establishment of the Technology Mechanism, in *Report of the Conference of the Parties on Its Sixteenth Session* (2010).
[30] Id.
[31] UNFCCC, *TEC Annual Report 2022* (2022).
[32] Kyoto Protocol to the UNFCCC art. 12, Dec. 11, 1997, 2303 U.N.T.S. 162.
[33] Id.
[34] Axel Michaelowa, CDM: Success or Failure?, 6 REV. ENVTL. ECON. & POL'Y 248, 254 (2012)
[35] Id. at 258.
[36] Paris Agreement art. 10, Dec. 12, 2015, T.I.A.S. No. 16-1104.
[37] Id.
[38] Rajamani, supra note 4, at 143–46.
[39] Montreal Protocol, supra note 12.
[40] Id. art. 10.
[41] Multilateral Fund Secretariat, *Thirty Years of the Multilateral Fund* (2020).
[42] Id. at 45–47.
[43] Bodansky, supra note 2, at 225
[44] Convention on Biological Diversity art. 16, June 5, 1992, 1760 U.N.T.S. 79.
[45] Id. art. 18.
[46] Graham Dutfield, *Intellectual Property, Biogenetic Resources and Traditional Knowledge* 65–72 (2004).
[47] Correa, supra note 29, at 98.
[48] TRIPS Agreement, supra note 14, art. 27
[49] UNFCCC, *Green Climate Fund: Status Report 2023*, supra note 15.

personnel, and robust governance systems.[50]

4. **North–South Divide.** Developed nations favor voluntary, market-driven transfer, while developing nations call for binding commitments grounded in equity and CBDR.[51]
5. **Market-Oriented Models.** Private sector dominance means technology is transferred primarily on commercial terms, prioritizing profit over accessibility.[52]

CASE STUDIES

India

India has been an active participant in mechanisms for technology transfer, particularly under the CDM. By 2012, India hosted over 1,500 CDM projects, ranging from renewable energy to waste management.[53] However, most projects involved incremental improvements rather than transfer of advanced technologies.[54]

The **National Solar Mission (2010)** promoted collaboration with foreign companies, leading to expansion of solar power.[55] Yet India remains dependent on imports of solar panels and components, particularly from China.[56] Indian courts have also linked the right to clean technologies with constitutional rights under Article 21 (Right to Life), as seen in *M.C. Mehta v. Union of India*, where the judiciary mandated cleaner fuels for public health.[57]

China

China leveraged CDM projects and joint ventures to build domestic capacity. Initially reliant on foreign firms, China quickly absorbed, adapted, and localized technologies.[58] By 2020, it had become the world's largest producer of solar panels and wind turbines.[59] This success demonstrates that **state-led industrial policy**, coupled with technology transfer, can foster domestic innovation and leadership.[60]

Brazil

Brazil's biofuel program is a significant example of domestic innovation supported by international cooperation. Technology transfer agreements with the U.S. and the EU facilitated ethanol production and distribution.[61] However, under the CBD, disputes over Amazon biodiversity highlight ongoing tensions between technology transfer and IPR.[62] Cases of "biopiracy" reflect how indigenous knowledge is exploited without fair benefit-sharing.[63]

Africa

African countries face acute challenges in accessing and implementing technologies. Weak infrastructure, limited financing, and dependence on donor-driven projects undermine sustainability.[64] Programs such as the **Africa Adaptation Fund** and UNFCCC's CTCN initiatives have introduced technologies for water management, agriculture, and renewable energy. Yet[65] many remain pilot projects with limited scalability.[66]

CONCLUSION & SUGGESTIONS

International environmental agreements consistently recognize the importance of technology transfer. Yet most obligations remain **soft law** or aspirational, lacking enforcement.[67] The principle of CBDR demands that developed countries take primary responsibility for providing technology. Failure to operationalize this principle undermines environmental justice, leaving developing nations disproportionately burdened.[68] The success of the Montreal Protocol demonstrates that **binding commitments, backed by finance and clear timelines**, make technology transfer effective.[69] The Paris Agreement's reliance on voluntary contributions illustrates the limits of **bottom-up architecture**. Without enforceable obligations, technology transfer depends on goodwill and market forces, which are insufficient to meet urgent climate challenges.[70] These shortcomings can be overcome by implementing or incorporating the following reforms:

1. **Binding Commitments.** Developed countries should bear enforceable obligations for technology provision, linked to CBDR.[71]
2. **IPR Reform.** Compulsory licensing, patent pools, and open-source innovation models should be promoted for green technologies.[72]
3. **Financing Expansion.** Strengthen GEF and GCF through innovative mechanisms, such as carbon taxes and climate bonds.[73]
4. **Capacity-Building.** Invest in human resources and institutions in developing countries.[74]
5. **South–South Cooperation.** Encourage regional and inter-regional partnerships, such as BRICS clean energy collaboration.[75]
6. **Monitoring and Accountability.** Establish compliance mechanisms with transparent reporting.[76]

Technology transfer is indispensable for addressing global environmental challenges. While treaties such

[50] U.N. Dev. Programme, *Capacity-Building for Sustainable Development* (2018).
[51] Rajamani, supra note 4, at 155.
[52] Michaelowa, supra note 38, at 260.
[53] UNFCCC, *CDM Project Database* (2012).
[54] Michaelowa, supra note 38, at 253–54.
[55] Government of India, *Jawaharlal Nehru National Solar Mission: Mission Document* (2010).
[56] Int'l Energy Agency, *Renewable Energy in India 2021* (2021).
[57] M.C. Mehta v. Union of India, (2002) 4 SCC 356 (India).
[58] Joanna Lewis, *Green Innovation in China: China's Wind Power Industry and the Global Transition to a Low-Carbon Economy* 103–07 (2013).
[59] Int'l Renewable Energy Agency, *Renewable Capacity Statistics 2020* (2020).
[60] Lewis, supra note 62, at 110.
[61] International Energy Agency, *Biofuel Policies in Brazil* (2019).
[62] Dutfield, supra note 50, at 77.
[63] Id.
[64] African Union, *Africa's Adaptation Gap Report 2020* (2020).
[65] UNFCCC, *CTCN: Africa Regional Reports* (2022).
[66] Id.
[67] Bodansky, supra note 2, at 229.
[68] Rajamani, supra note 4, at 160.
[69] Montreal Protocol, supra note 12, art. 10.
[70] Paris Agreement, supra note 40, art. 10.
[71] Rajamani, supra note 4, at 165–66.
[72] Correa, supra note 29, at 105.
[73] UNFCCC, *Standing Committee on Finance Report 2022* (2022)
[74] U.N. Dev. Programme, supra note 54.
[75] BRICS Energy Centre, *Clean Energy Cooperation Report* (2021).
[76] UNFCCC, *Global Stocktake Technical Report* (2023).