Climate Technology Centre
Governance structure and terms of reference

Bangkok, April 4th, 2011

PLURINATIONAL STATE OF BOLIVIA

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The Goal

- Transfer of skills and know-how to use, operate, maintain as well as to understand the technology hardware.
- Promote research and further independent innovation by developing countries.
- Development of technology through imitation or reverse engineering to adapt it to local conditions.
- Finance and acquisition of equipment and innovation.
- Identify, suggest and promote initiatives to remove obstacles for technology transfer to developing countries (Intellectual Property Rights).
- Recover and promote traditional and indigenous knowledge.
- Support the evaluation, in an independent manner and without conflict of interest, of the potential environmental, health, social, and economic impacts of new technologies before they are spread.

Technology Action Plans

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Safeguards

- The CTC should not be reduced to a showcase for the sale of technologies by developed countries.
- Climate technology should not be a new source of monopoly profits.
- Many dangerous technologies have been released in the market before their environmental or health impacts are known, or before their social and economic impacts on poor people and developing countries are understood. This is currently the case with genetically modified organisms, agrochemicals, biofuels, nanotechnology, and synthetic biology.
- Geoengineering and all forms of artificial manipulation of the climate should be prohibited, for they bring the enormous risk of further destabilizing the climate.

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Organization

- The CTC should be under the Technology Executive Committee.
- At national level should be lead and coordinated by the National State involved entities.
- At regional level its necessary to identify existing entities that can coordinate the CTC.
- All Stakeholders should participate, and not only be limited to a Public-Private Partnership, but also Public-Public Partnership and Public-Social Partnership.

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Obstacles for TT

- Finance
- High cost of certain technology and equipment suppliers,
- Inadequate laws and regulations,
- Lack of absorptive capacity,
- Shortage of skilled personnel,
- Poor infrastructure,
- Intellectual property rights (particularly patents and trade secrets).

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Strong IPRs for TT?

- It is often argued that availability of effective IPR protection provides foreign companies an incentive to transfer protected technologies to developing countries and will encourage the inflow of FDI.
- The availability (and enforceability) of IPRs is by no means a sufficient condition for an increase in FDI or for transfer of technology to occur. Countries with weak IPR regimes have been among the major technology borrowers (e.g., South Korea, Taiwan, Brazil in the years preceding the coming into force of the World Trade Organization (WTO).
- Meanwhile, many countries (including many African countries) with IPR regimes comparable to those of developed countries have a poor record of being technology importers.
- Strong IP protection means that the IP holder can control the use of his technology, and decide when, where and how to use it and whether to transfer it and the ways in which the technology can be utilized, if at all, in those countries where protection has been obtained.

Source: Intellectual Property and Technology Transfer Issues in the Context of Climate Change, Third World Network, Sangeeta Shashikant and Martin Khor.

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Intellectual Property Rights: resources, patents and royalties

10 developed countries account for 84% of resources spent on R&D globally, control 94% of the technological output in terms of patents taken out in the US between 1977-2000 and received 91% of global cross-border royalties and technology licensing fees in 1997

Table 1: Major Source Countries of Technologies, 2000

Country	R&D expenditure (1997)		US patents taken (1977-2000)		Technology fees received (1997)	
	$ billion PPP	% of total	'000	% of total	$ billion	% of total
USA	212.8	40.8	1337.0	57	33.8	42.2
Japan	98.1	17.2	428.4	18	6.9	8.6
Germany	42.0	8.0	170.8	7	11.9	14.9
France	28.1	5.4	68.2	3	2.2	2.7
UK	22.6	4.3	67.4	3	5.8	7.2
Italy	12.1	2.3	28.0	1	1.6	2.0
Canada	11.4	2.2	48.6	2	1.1	1.4
Netherlands	7.5	1.4	22.0	1	6.2	7.7
Sweden	7.1	1.4	22.9	1	0.4	0.5
Switzerland	4.5	0.9	3 .0	1	2.8	3.5
Subtotal 10	438.5	84.0	2224.1	94	72.9	91.0

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Experiences

- Prior to 1970, when India allowed patent protection for pharmaceuticals, multinational corporations dominated the supply of medicines and the Indian manufacturers supplied only 32% of the Indian market.
- In 1970, the Indian law was amended and patents on pharmaceutical products were not allowed.
- Over the years the share of the Indian pharmaceutical market supplied by domestic companies increased to 77%.
- India moved from being a net importer of medicines to a net exporter, with exports worth $3,177 million in 2003-04. It exports to 65 countries, including developed regions such as the United States and Europe and developing countries.

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CTC & IPR

- Identify the concrete IPR obstacles and propose alternatives
- Support in the use of flexibilities available within the TRIPS Agreement:
  - compulsory licenses,
  - exceptions to patent rights,
  - regulating voluntary licenses,
  - strict application of patentability criteria
- Support in the development of proposal for national legislation that allowed more flexibilities in IPRs
- Initiatives to promote and fully benefit from innovations that are in Public Domain
- Analyze and propose initiatives to deal with other patent issues.