#### **Technology Transfer** - Fundamentals & success stories -

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## Fundamentals

#### Has technology transfer happened?

- Yes, in emerging economies, especially China.
- No, in most LDCs.
- Reasons
  - The size of market or demand
  - The maturity of the manufacturing industry in recipient countries.

The entity responsible for technology development & deployment is the private sector.

# Example of success (1) Coke Dry Quenching (CDQ)

- Power generation system using residual heat in ironworks; a large-scale clean technology.
- The first CDQ was supplied to China in the 1990s for free.
- A Japanese company and a Chinese company together established a new firm in China for manufacturing & selling CDQ.



Source: Nippon Steel Corporation

### Example of success (2) Cement manufacturing technology (Kilns)

- Up-to-date NSP kiln technology was developed by a Japanese firm to improve energy efficiency.
- The technology has been transferred to China.
- A Japanese company and a Chinese company have jointly established a manufacturing firm.
- Now China has the capability to produce NSP kilns and export them to other Asian countries.



Source: Mitsubishi Material Co.

Example of success (3) Coal-fired power plant technology

 Power generation technology has progressed, leading to improved energy efficiency.
sub-critical in critical in critical

super-critical

- Each of 3 major Chinese vendors has an alliance with a Japanese or EU company and has received technology.
- These vendors now have larger production capacity than Japanese companies, and export products to Asian countries.



Source: Dongfang Electricity Co. website http://www.dbc.com.cn/

# Example of success (4) Small-scale wind power generators

- A Japanese manufacturer exported the first 3 generators to India through an Indian partner in 2006.
- The Japanese company hopes that the Indian partner will manufacture the technology in India.
- Technology transfer has begun, and a survey on material procurement in India is underway.



Source: Shinko Electric Co. Ltd.

# Japan's View

- The major player in technology transfer is the private sector. The role of government is limited; it can only act as a <u>catalyst</u>.
- Japanese government and industry have together been one of the major technology transfer contributors in the world.
  - The Japanese government will strengthen its efforts in this area.
  - Financial mechanisms for technology transfer should be discussed along with other issues in a comprehensive manner, such as adaptation and deforestation.