



UNITED STATES MISSION TO THE UNITED NATIONS

799 UNITED NATIONS PLAZA
NEW YORK, N.Y. 10017-3505

June 14, 2013

Dear Mr. Seth:

The United States appreciates the opportunity to share its views on the development, transfer and dissemination of clean and environmentally sound technologies and the capacity building needs of developing countries.

Enclosed is the U.S. written submission from Ms. Nerissa J. Cook, the Deputy Assistant Secretary of International Organizations of the Department of State. We appreciate the attention of the Secretariat to drafting a balanced report which reflects the complexity of the issue and the broad array of considerations and actors in the field.

Sincerely,

A handwritten signature in cursive script that reads "Terri L. Robl".

Terri L. Robl
Deputy Representative to ECOSOC

Mr. Nikhil Seth

Director of the Division for Sustainable Development
Division for Sustainable Development
Department of Economic and Social Affairs
Room S-2620, United Nations, New York, N.Y. 10017.



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Dear Mr. Seth:

Thank you for the opportunity to express the views of the government of the United States on the development, transfer and dissemination of clean and environmentally sound technologies and the capacity building needs of developing countries. The appropriate diffusion of knowledge and technology has clear potential to help developing economies meet their development goals while avoiding the negative environmental outcomes sometimes seen with rapid economic growth and industrialization.

Addressing the challenge of promoting development and environmental sustainability simultaneously will require innovative thinking and we are pleased to be able to participate in this discussion. We welcome the opportunity to discuss how best to strike a balance between making use of new technologies and preserving incentive structures that provide the basis for the innovation and entrepreneurialism essential to future growth and economic well-being.

Over the past two months, Member States heard from a wide array of technical experts on some of the challenges countries face in developing R&D capacity and then moving from demonstration to widespread adoption of sustainable technologies as well as analysis of the international architecture that facilitates the spread of environmentally relevant technologies and knowledge. We thank the Secretariat, and the Department of Economic and Social Affairs in particular, for convening these workshops and bringing together broad expertise on the subject. Those sessions provided useful foundational information on this complex issue and will help in producing a useful and comprehensive report, as called for in the resolution of the General Assembly on Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development and of the United Nations Conference on Sustainable Development (A/Res/67/203).

As the Secretariat begins to compose this report, the United States believes it is important that we adhere closely to the mandate for the report established in operative paragraph eight of

Mr. Nikhil Seth

Director of the Division for Sustainable Development

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A/Res/67/203, which invites the President of the General Assembly and UN Secretariat to organize workshops that:

“...will discuss, inter alia, the technology needs of developing countries, options to address those needs, capacity-building and options for a technology facilitation mechanism, taking into account existing mechanisms, ... [and] submit a report for consideration by the General Assembly at its sixty-eighth session on the discussions, options and recommendations from the workshops, including on the way forward, as well as on additional inputs from Member States and the United Nations system;”

That mandate was carefully written to cover a range of issues impacting the spread of knowledge and technologies beyond a “technology facilitation mechanism.” The report must look closely as well at technology needs and capacity building efforts, rather than focus solely or overwhelmingly on the question of the need for a new mechanism.

Turning back to the recent workshops, a review of notes from participants and observers makes clear how much activity in this sphere is already taking place. Numerous initiatives to develop capacity and disseminate knowledge to developing countries on green technologies are in place or under development. In the attached annex, we list a representative cross-section of those initiatives, but the range and scope of those efforts is striking. Much of this is already occurring under UN auspices, facilitated by the World Intellectual Property Organization (WIPO). WIPO’s support for the Access to Research for Development and Innovation (ARDI) program and the nascent WIPO Green, for example, are promising avenues for developing economies to access know-how and implementation assistance.

Simultaneously, other UN agencies are active on capacity development and systems that will promote innovation and investment in key technologies as are numerous bilateral donors. The United States is a major provider of capacity building assistance on a bilateral basis. Among other efforts, the Building Opportunities Out of Science and Technology (BOOST) program trains young scientists and engineers to perform innovative research and connect with the international scientific community. For example, the United States recently supported a BOOST project with students from Egypt and Morocco on the collection, interpretation and publication of hydrologic data. In addition, our Global Innovation through Science and Technology (GIST) initiative identifies and supports young entrepreneurs through skills development, networking, and access to financing. This initiative promotes the transition of new ideas and solutions into the marketplace by enhancing individual capacity.

Even a limited review of the array of existing bilateral and international resources makes it hard to sustain the view that yet another “mechanism” is needed. For these reasons, the United States sees no clear rationale for establishing a new “technology transfer mechanism” under UN auspices. Instead, my Government advises the Secretariat to conduct a broad and methodical examination of gaps in technology development, dissemination and adoption. This analysis should include basic capacity issues such as STEM education, development of innovation ecosystems and the importance of intellectual property.

We wish to underscore women’s critical role in advancing sustainable development. All over the world, women are advancing the sustainable development -- from transforming farming,

to creating businesses around clean technology, to investing in renewable energy. Tapping into the knowledge, leadership, and experience of women will be critical to ensuring the successful adoption of new technologies, and in turn, achieving sustainable development. The report should emphasize supporting women's full participation in decision-making processes, from the international to grassroots levels, provide women and girls with access to STEM education, and ensure that women receive the support they need to start and grow sustainable businesses.

As the Secretariat drafts this report, it also needs to remain cognizant of the fact that most of the technology and knowledge in question is privately held, that it was developed in a broader market context, and that it is spread most efficiently through market mechanisms. Because most technology is not government-controlled, there are limits to what governments can do to foster diffusion. Developing countries can take aggressive government actions to promote adoption of a new technology – but in isolation, this action is often counterproductive. Without the underlying private sector know-how and support systems and services, the costs of maintaining new technology infrastructure can outstrip the ability of the domestic economy to support it.

Furthermore, approaches such as mandatory requirements for the transfer of intellectual property or domestic procurement as a precondition for investment are market-distorting and actually weaken a country's economic competitiveness. The World Bank Doing Business Report has shown a strong correlation between improvements in the doing business rankings – which includes the protection of property rights – and improvements in global competitiveness. [<http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB13-full-report.pdf> (pg 20).] And specifically the report has noted that:

“...as economies develop, they may add to or improve on regulations that protect investor and property rights. Many also tend to streamline existing regulations and prune outdated ones. One finding of Doing Business is that dynamic and growing economies continually reform and update their business regulations and the implementation of those regulations”

The United States strongly believes that the transfer of technology should be voluntary between parties and on mutually agreed terms and conditions. We do not believe that technology can be successfully "pulled" in by government action; rather we believe that market forces must push technologies organically.

What governments can do most effectively is to lay the policy foundation for the functioning of that broader market. This includes creation of a regulatory environment that stimulates competition, entrepreneurship, commerce and investment, and a strong intellectual property regime. These basic structures serve to protect new ideas in the marketplace and preserve the incentives necessary for future technological innovations that will be key to sustainable development. In fact, developing countries that are putting in place these kinds of policy and regulatory frameworks are seeing increases in homegrown technology innovation and entrepreneurship as well as technology transfer from abroad. The growing importance of technology innovation in developing countries is illustrated by the substantial growth in recent years in the number of registrations of intellectual property at WIPO originating with developing country entrepreneurs and companies.

The United States appreciates the opportunity to share its views on this subject and the attention of the Secretariat to drafting a balanced report which reflects the complexity of the issue and the broad array of considerations and actors in the field.

Sincerely,

A handwritten signature in black ink, appearing to read "Nerissa J. Cook". The signature is written in a cursive, flowing style.

Nerissa J. Cook
Deputy Assistant Secretary, International
Organization Affairs

Annex – Illustrative List of Technology and Knowledge Diffusion Platforms and Initiatives

The below listing is not exhaustive and is provided with the intent of demonstrating why an analysis of what is already being done to contribute to diffusion of technology and knowledge is an important focus for the UN in crafting the report. Identifying gaps will help the international community determine how existing initiatives might be expanded or linked to make them more useful and limit redundancies.

The below listing does not an endorsement of these initiatives or the products by the United States.

- United Nations Environment Programme (UNEP) Technology Needs Assessments
- International Renewable Energy Agency (IRENA) Renewable Readiness Assessment
- Committee on Sustainable Assessment (COSA) Certification programs
- World Bank Climate Innovation Centers
- United Nations Framework Convention on Climate Change (UNFCCC) Climate Technology Center and Network
- Consultative Group on International Agricultural Research (CGIAR)
- Eco-Patent Common
- Green Exchange
- International Patent Classification (IPC) Green Inventory, World Intellectual Property Organization (WIPO)
- WIPO Green knowledge sharing platform
- Organization for Economic Co-operation and Development (OECD) Green Knowledge sharing platform
- WIPO Patentscope
- WIPO Patent Reports
- WIPO ARDI (Access to Research for Development and Innovation program)
- WIPO ASPI (Access to Specialized Patent Information)
- WIPO TISCs (Technology and Innovation Support Centers)
- New clean energy patent classification, European Patent Office (EPO)
- National-level programs, including those that fast track green patent applications
- Bilateral and regional cooperative efforts, such as:
 - The US-China Clean Energy Forum
 - US-India Clean Energy Partnership
 - IBSA (India Brazil South Africa) Dialogue Forum
 - China-India Climate Cooperation Accord
 - EU-India Solar Energy Cooperation
 - Civil-society led programs (e.g., Systems of Rice Intensification; Farmer-led Global Seed Diversification)