

Intellectual Property and Health and Environment Policy in Developing Economies - Setting the Policy Context

IP and Green Technology

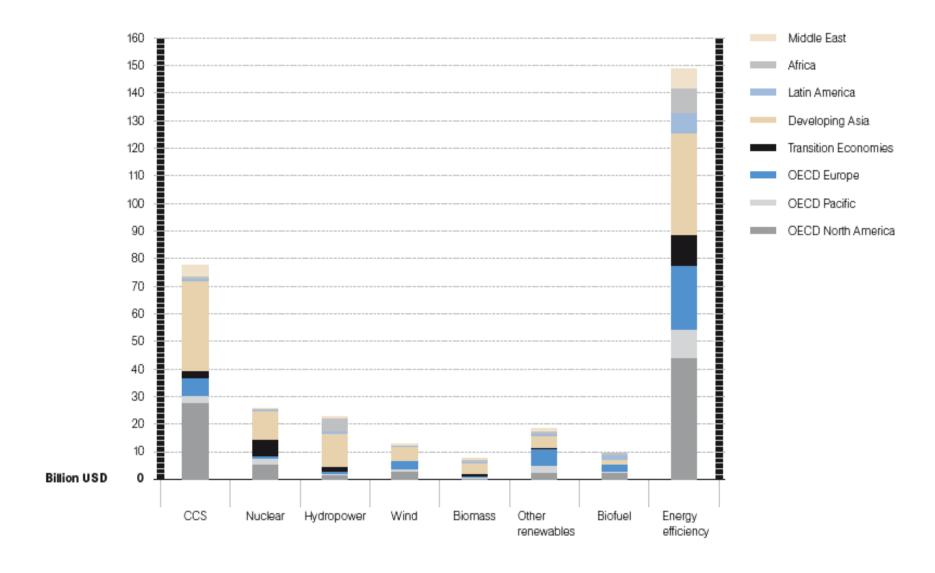
V. Lakshmikumaran, Managing Partner



- IP (patents) generally thought of as enriching society through technological progress
- Controversy surrounding IP blocking access to necessary technology (e.g. Medicines);
- System attempts to provide in-built flexibilities (e.g. Doha Declaration & Compulsory Licenses)



Figure IV-16. Annual additional investment by technology and by region under the mitigation scenario in 2030



Source: UNFCCC, 2007



Required Investment

- USD 200-210 Bn! (to maintain Green House Gas levels at current level)
- Diversified investment in multiple areas of technology

Govt.
Investment in energy R&D?

- USD 9.5 Bn in 2005 (60% from US, JP)
- Only 12% of that on energy efficiency and renewables
- Private R&D spending discouraged since fossil fuels are subsidized to double or triple the total government spending on energy R&D.

SO?

- Mitigation not possible without tech. development and transfer
- Pvt. Invst. and PPP is also critical

Source: UNFCCC, 2007



"But man has almost constant occasion for the help of his brethren, and it is in vain for him to expect it from their benevolence only.....Give me that which I want, and you shall have this which you want, is the meaning of every such offer; and it is in this manner that we obtain from one another the far greater part of those good offices which we stand in need of. It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages."



(Adam Smith, Wealth of Nations)



- IP incentivizes pvt. Investment
- Innovation build upon cumulated knowledge
 - W/O an active IP system, companies would revert more towards corporate secrecy
 - Would adversely affect pace of innovation
 - May more fundamentally affect tech. transfer (less likely to be transferred to developing countries)



IP - Issues of Tech. Transfer



By incentivizing tech. development through
 IP

.....does it create problems for tech. transfer / dissemination?

- Policy makers need to understand that creating tech. / innovation and enabling tech. transfer are distinct points
 - Govts. cannot adversely affect innovation in order to enable tech. transfer
 - * w/o tech. development there is nothing to transfer



market barriers to technology transfer

energy producers dominate

costs

costs

pared to traditional technologies

ition

to credit

sts

income

es

ices, subsidies, tariffs

t costs

resources

