

Domestic Innovation of Cleantech By Developing Countries

Joy Xiang

Cleantech innovation is critical for a country to effectively address climate change and build sustainable development. Since the 1970s, the global community has been emphasizing transferring cleantech from developed countries to developing countries, since the former owns the majority of the existing cleantech and the latter needs cleantech. This emphasis has produced limited results.

The article proposes that the global community meanwhile supports developing countries to establish their own cleantech innovation systems. The article further proposes that such purposeful support may come in forms of international aid and mutually beneficial international cleantech cooperation. International aid is to help, e.g., the least developed countries, to build basic domestic capacities for cleantech innovation and cleantech importation. Mutually beneficial international cleantech cooperation is to help developing countries that have acquired such capacities to move further along toward domestic cleantech innovation.

For domestic cleantech innovation, the article proposes that developing countries build cleantech innovation systems according to their circumstances. The article suggests that, in principle, a developing country should send clear policy signals to its private sector to indicate the government's long-term commitment to cleantech innovation. The article further suggests that the government should leverage diverse innovation tools, including customized intellectual property right (IPR) regimes and non-IPR tools such as prizes and innovation commons.