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Item 3 (b) of the provisional agenda

**Review of issues pertinent to the subsidiary structure of
the Commission, including the work of the ESCAP
regional institutions: Trade and investment**

Report of the Governing Council of the Asian and Pacific Centre for Transfer of Technology on its seventh session

Summary

The seventh session of the Governing Council of the Asian and Pacific Centre for Transfer of Technology (APCTT) was held in Bangkok on 9 December 2011. The Council endorsed the Centre's draft programme of work for 2012-2013 on the basis of the recommendations of the Technical Committee, which had met in Guangzhou, China, on 28 and 29 November 2011. Commending the work accomplished by APCTT, the Council made suggestions for popularizing the work of the Centre.

The Council noted the financial and human resource status of the Centre. It urged member countries to augment their voluntary annual contributions to APCTT using the proposed guidelines of \$30,000 for developing countries and \$7,000 for least developed countries. In addition, the Council stressed the importance of timely and regular payments. It made suggestions regarding cost sharing with member countries in programme implementation and suggested that APCTT should consider inviting representatives from developed countries, funding agencies and chambers of commerce to future Technical Committee meetings to act as "dialogue partners" and encourage the formation of strategic partnerships.

The Council expressed its strong support for the involvement of APCTT in the establishment of a "technology bank" to assist in the deployment of technology with a view to fostering inclusive development in least developed countries. It urged that the secretariat of ESCAP work with United Nations agencies and international bodies to define the goals and operational strategy of the technology bank, with APCTT playing a well-defined role in its implementation. Aware of the scope of the programme, the Council noted the need for sufficient funding to ensure its success.

The Council expressed appreciation for (a) the support provided to APCTT by its host, the Government of India, (b) the voluntary contributions from other member States and (c) the support of the secretariat of ESCAP.

The Commission may wish to review the report of the Governing Council and provide guidance for the future work of the Centre.

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I. Matters calling for action by the Commission or brought to its attention

1. The Council made the following suggestions and recommendations for action by the Commission:

(a) Enhancement of institutional support:

(i) Seeking to strengthen the financial base in view of rising operational costs, the Council encouraged member States to augment their contributions to APCTT in line with the proposals of \$30,000 for developing countries and \$7,000 for least developed countries. It was explained that adherence to those recommended contributions by member countries would considerably strengthen the Centre's financial status;

(ii) The Council noted the observation, made by the Director of the Trade and Investment Division, the operating costs of any regional institute of ESCAP were expected to be fully met by the host Government;

(b) Technical cooperation project resources and joint activities:

(i) It was suggested that member countries could bear the local cost of conducting capacity-building programmes as a means of enabling APCTT to better utilize its programme funding. The Centre could work with its focal points to explore cost-sharing possibilities in implementing programmes recommended by the Technical Committee;

(ii) The Council suggested that APCTT could consider inviting representatives of developed countries, funding agencies and chambers of commerce to attend meetings of the Technical Committee. Their participation as “dialogue partners” could lead to the formation of strategic partnerships that could facilitate the implementation of programmes recommended by the Technical Committee. It was noted that the new resource mobilization strategy of ESCAP favoured such an approach since there was a distinct effort to move from traditional donor/recipient relationships towards strategic partnerships;

(c) Assignment of national experts:

(i) Member countries could consider providing the services of experts on a non-reimbursable loan basis to enhance the Centre’s professional capability. The representative of China indicated that her Government was seriously exploring that possibility.

2. The Council endorsed the suggestion made by the Executive Secretary of ESCAP, during her opening statement, with regard to the establishment of a “technology bank” for the purpose of accelerating inclusive and sustainable development in least developed countries (see para. 36). The Council noted that the “technology bank” could initially serve as a repository of tested and proven technologies that could be easily accessed by least developed countries to improve food security, strengthen energy security, promote green growth, foster female entrepreneurship and gender equality and enhance the competitiveness of small and medium-sized enterprises (SMEs). The work that had been done by APCTT thus far in establishing several technology databases and networks could be leveraged in that regard, with care being taken to ensure that clear and well-defined criteria are used to select the technologies. The Council urged the secretariat of ESCAP to work with other United Nations agencies and international bodies to define the goals the operational strategy of the “technology bank”, with APCTT playing a well-defined role in the implementation. The Council noted the need for sufficient funding to ensure the programme’s success.

II. Summary of the discussions

A. Report on the activities of APCTT from December 2010 to November 2011 and presentation of the programme of work for the biennium 2012-2013

(Agenda item 4)

3. The Council had before it the following documents: (a) report on the activities of the Centre during the period December 2010 to November 2011 (TID/APCTT/GC(7)/3); (b) report on the status of financial resources (TID/APCTT/GC(7)/4).

4. The report on the Centre’s activities from December 2010 to November 2011 gave an overview of the year’s specific activities. Activities had been directed towards technology capacity-building, promotion and management of innovation as well as subregional and regional networking, to help countries of the region respond to the challenges posed by the new global economy and to promote inclusive development.

5. In introducing the report on the activities of the Centre, the Head of APCTT informed the Council that it provided a general overview of the main programme initiatives, including specific activities.

6. He expressed the hope that, through its initiatives to assist countries in the region in bridging the “technological capacity imbalance” that currently prevailed, and with the Council’s support and guidance, APCTT could help member countries promote inclusive development and accelerate economic progress through effective management of the transfer of technology and innovation.

7. He stated that, since January 2010, APCTT was being backstopped by the Trade and Investment Division of ESCAP. He added that one of the areas of thrust of the Division was fostering the growth of small and medium-sized enterprises. He stated that since the Centre’s work programme also focused on strengthening the technology transfer and innovation management capacity of small and medium-sized enterprises, that backstopping arrangement had led to considerable synergy and had integrated the Centre’s work programme with that of the Trade and Investment Division as reflected in the Capacity Development Project document for the period 2011-2013.

8. He added that, as part of its endeavour towards technology capacity-building, APCTT continued to strengthen its well established and regionally accepted web-based networks such as www.technology4sme.net and www.business-asia.net as well as its APTITUDE search engine which facilitated the use and sharing of knowledge relevant to technology transfer. Those networks and partnerships had enabled the Centre to expand the geographical coverage of its activities in the Asian and Pacific region. He stated that those websites and the search engine continued to provide effective and user-friendly delivery of technology transfer services, played a useful role in facilitating national and international technology transfers and promoted new and emerging technologies in member countries.

9. He informed the Council that the implementation of the three-year National Innovation System (NIS) Phase 2 project, which had commenced in 2010, with the generous funding support of the Department of Scientific and Industrial Research of the Government of India, was progressing well. He added that the web-based Asia-Pacific National Innovation Systems Online Resource Centre (www.nis.apctt.org) continued to be a valuable resource for member countries and was being upgraded on a continual basis with details of the activities completed.

10. He informed the Committee that the implementation of the project entitled, “Establishing an institutional cooperation mechanism to promote renewable energy”, funded by the Ministry of New and Renewable Energy of the Government of India, was also progressing well. He then outlined several activities that had been completed under that programme.

11. He explained how the Centre’s activities attempted to strengthen cooperation with least developed countries, landlocked developing countries and small island developing States. He further elaborated on the normative and analytical work of APCTT and on its partnering and cooperation initiatives with leading national and United Nations agencies.

12. He stated that the Centre’s periodicals continued to play an essential role in the dissemination and promotion of technology information and utilization. Those free, web-based periodicals, the *Asia-Pacific Tech Monitor* and the Value Added Technology Information Services (VATIS) updates, which discussed such topics as ozone layer protection, waste technology, biotechnology, food processing, and non-conventional energy, continued to be used widely by member countries.

13. He mentioned that, with the availability of a steady stream of funding under those two projects and support from ESCAP through Section 22 funds, APCTT had been able to implement several capacity-building activities in 2011. That would continue in 2012 as well.

14. He outlined the work programme recommended by the Technical Committee at its seventh session, for implementation under the current programmatic approach, which had included:

(a) Increased capacity of policymakers and renewable energy specialists to promote the development and application of renewable energy resources at the national level through knowledge sharing, networking, technology transfer, and cooperative programmes, including South-South cooperation;

(b) Target national institutions, such as SME support agencies, chambers of commerce, and government research and development institutions, have gained skills on technology transfer project planning and implementation to assist SMEs;

(c) Increased capacity in member States to strengthen national innovation systems;

(d) Increased capacity of participating member country nodal institutions to formulate policies and adopt measures to promote a sustainable and commercially viable traditional medicine sector through the Asia-Pacific Traditional Medicine and Herbal Technology Network;

(e) Target policymakers and intermediaries have increased capacity to put in place policies and programmes that facilitate the commercialization of grass-roots innovations to foster inclusive development and social entrepreneurship.

15. He reported to the Council on the administrative and financial status of APCTT, in particular its financial and human resources, on funds received by the Centre and on its expenditures during the reporting period. He added that, in spite of the introduction of several cost-cutting measures, it was becoming increasingly difficult for the Centre to expand its programme of work due to increasing local operating costs. Contributions from member States had not kept pace with increasing costs. He urged the Council to implement its 2009 recommendation, which it had reiterated in 2010, that contributions for institutional support be made at the proposed levels of \$30,000 for developing countries and \$7,000 for least developed countries. He expressed gratitude to the Governments of China and Thailand for enhancing their institutional support to APCTT in 2011 to the recommended levels.

16. The Council commended the work done by APCTT and stated that its work and accomplishments should be brought to the attention of leading government agencies and senior policymakers in member countries. It was suggested that the Centre's focal points should disseminate details of its websites to national institutions. It was also suggested that when it conducted programmes in member countries, the focal points could arrange meetings to be held with senior policymakers where the Head of APCTT could make a succinct presentation on the Centre's mandate and work programme. It was pointed out that greater visibility could be realized if the Centre could work with its national focal points to participate in national technology fairs and exhibitions.

17. The Council suggested that APCTT should aim at developing a means of assessing the impact of its work programme. It appreciated the difficulties involved in making such an assessment, given the fact that the Centre's focus was on being a capacity-building institution, and that any impact would also depend on the initiative taken by member countries to build upon the Centre's work. Nevertheless, such an assessment could be beneficial in the long term.

18. The Council noted the administrative and financial status of APCTT, in particular its financial and human resources. It discussed the possibility of member States augmenting their contributions and modalities to ensure that payments were remitted on a regular basis.

B. Report of the Technical Committee on its seventh meeting
(Agenda item 5)

19. The Council had before it the report of the Technical Committee on its seventh meeting (TID/APCTT/GC(7)/5).

20. The Council noted with interest the proposals of the Technical Committee to strengthen the capacity of member countries to: (a) transfer and utilize renewable energy technologies; (b) plan and implement technology transfer projects; (c) promote national innovation systems; (d) promote a sustainable and commercially viable traditional medicine sector; and (e) facilitate the commercialization of grass-roots innovations.

21. The Council endorsed the report of the Technical Committee on its seventh meeting.

C. Proposed future projects and programme of work for the biennium 2012-2013
(Agenda item 6)

22. The Council endorsed the activities planned for 2012 as described in paragraph 79 of the report of the Technical Committee. It stressed the importance of partnership for improved efficiency and sustainability and suggested that the member countries take the lead in developing projects while providing, where possible, the necessary expertise and in-kind contribution to facilitate South-South cooperation.

23. Suggestions for future activities and new projects under the programmatic approach consisted of the following, subject to approval by national Governments where country-specific initiatives were indicated:

(a) *Output 1c of the Capacity Development Project*: Increased capacity of policymakers and renewable energy specialists to promote the development and application of renewable energy resources at the national level through knowledge sharing, networking, technology transfer, and cooperative programmes, including South-South cooperation;

(i) Capacity-building for promoting technology transfer in areas such as biomass gasification based electricity generation, and related areas such as bio-briquetting and biogas;

(ii) Sharing of expertise through South-South cooperation in the transfer of micro-hydropower technologies to enhance energy security in rural areas;

(iii) Organizing a policymakers' forum to share experiences on policy measures and instruments that could be introduced to enable the rapid transfer and utilization of renewable energy technologies;

(b) *Output 1d of the Capacity Development Project:* Target national institutions, such as SME support agencies, chambers of commerce, and government research and development institutions have gained skills on technology transfer project planning and implementation to assist SMEs;

(i) Conduct a training-of-trainer programme on the planning and implementing of technology transfer projects;

(ii) Provide assistance for the establishment of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation's Technology Transfer Facility;

(iii) Link APCTT technology transfer facilitation portals (www.technology4sme.com.cn, www.business-asia.com, the Biotechnology Information Network for Asia and the Renewable Energy Cooperation-Network for the Asia-Pacific) with key databases in India for greater synergy;

(iv) Facilitate South-South cooperation for technology transfer in food processing and conservation (rice and fruits);

(v) Provide assistance to conceptualize and design a technology transfer centre for Bangladesh;

(vi) Work with the Pakistan Council of Scientific and Industrial Research to link its database with the APTITUDE search engine;

(c) *Output 2a of the Capacity Development Project:* Increased capacity in member States to strengthen national innovation systems:

(i) Build capacity at the national level in order to enable policymakers to understand the importance, key components and implementation strategy and management practices of NIS and its organic linkages with subnational and sectoral innovation systems;

(ii) Engage in a strategic partnership with the Science and Technology Policy Institute of the Republic of Korea to mobilize funds and expertise to help countries with special needs in South Asia and South-East Asia to develop science, technology and innovation policy guidelines and strategies to enable them to develop customized science, technology and innovation initiatives;

(iii) Explore, with the Ministry of Science and Technology of China, the feasibility of developing a working arrangement with the UNESCO Centre that is being established in China to undertake research and training on policy initiatives related to national innovation systems;

(iv) Disseminate (a) methodologies for the assessment and approval of high-tech business incubators and (b) best practices and strategies for the strengthening of high-tech business incubators currently in operation;

(v) Share approaches and international best practices for financing the growth of new technology-based firms;

(vi) Share the experiences of India's model of inclusive innovation in target developing countries;

(d) *Output 2c of the Capacity Development Project:* Increased capacity of participating member country nodal institutions to formulate policies and adopt measures to promote a sustainable and commercially viable traditional medicine sector through the Asia-Pacific Traditional Medicine and Herbal Technology Network:

(i) Organize a meeting in China with partnering member countries to discuss and develop the terms of reference and a programme of work to examine the feasibility of upgrading the Asia-Pacific Traditional Medicine and Herbal Technology Network to an Asian and Pacific Consortium for Subhealth Intervention Technology;

(ii) Link the Asia-Pacific Traditional Medicine and Herbal Technology Network to the Traditional Knowledge Digital Library;

(e) *Output 2d of the Capacity Development Project:* Target policymakers and intermediaries have increased capacity to put in place policies and programmes that facilitate commercialization of grass-roots innovations to foster inclusive development and social entrepreneurship;

(i) Popularize strategies for the commercialization of grass-roots innovations geared towards poverty alleviation through capacity-building workshops;

(ii) Network with the National Innovation Foundation database in India to widely disseminate the more than 100,000 ideas, innovations and traditional knowledge practices that have been documented in order to promote cross-fertilization of ideas;

(iii) Share the experiences of the Community Innovation Fund of Malaysia through the use of community-based technologies, promoting poverty alleviation and fostering inclusive development based on information that could be made available by the Malaysian Foundation for Innovation;

(iv) Share the experiences of Thailand, under the "One Tambon One Product (OTOP)" project, in using research and development units and universities to transfer technologies in order to strengthen the capacity of villages to develop and market products on a viable commercial basis.

24. The Council endorsed the work programme proposed for 2012- 2013.

D. Date and venue of the eighth session of the Governing Council
(Agenda item 7)

25. The Council welcomed the offer of the Philippines to host the eighth meeting of the Technical Committee during the last week of November 2012. In line with the ESCAP recommendation, the Council recommended that its eighth session be held at ESCAP headquarters in Bangkok in mid-December 2012.

E. Other matters

(Agenda item 8)

26. The Council noted with appreciation the funding provided by the Government of India to APCTT for programmatic and institutional support and non-routine maintenance.

27. The Council expressed appreciation for the guidance and valuable backstopping support provided to the Centre by the Trade and Investment Division of ESCAP.

28. Noting that the Head of APCTT would be retiring in July 2012, the Council expressed appreciation to him for his leadership and contribution since his joining the Centre in November 2006.

F. Adoption of the report

(Agenda item 9)

29. The Council adopted the present report on 9 December 2011.

III. Organization of the session**A. Opening of the session**

30. The seventh session of the Governing Council of APCTT was held in Bangkok on 9 December 2011. The session was called to order by the Chief of the Trade and Investment Division, ESCAP. The Executive Secretary of ESCAP made an opening statement.

31. Welcoming the delegates to the seventh session of the Governing Council, the Executive Secretary of ESCAP shared her thoughts on strengthening the Centre, not just in the context of the role being played by Asia and the Pacific in anchoring and reviving the global economy, but also in the context of the call made earlier that week in Durban, South Africa, by the Secretary-General for a new, clean, industrial revolution. She stated that, while technology had always been a significant promoter of national growth and productivity, the crucial issue was deciding which types of technologies could best aid in responding to contemporary challenges.

32. She stated that two of the most significant challenges facing the Asia-Pacific region were closely interlinked. On the economic front, the countries of the region faced the need to sustain and accelerate growth in the midst of the continuing financial turmoil, food price inflation, water and energy security issues and natural disasters while managing the perils of climate change. She noted that climate change and energy security not only posed threats but also offered real opportunities to strengthen sustainable development. She added that global efforts to reduce greenhouse gas emissions have led to substantial demand for renewable energy and other green technologies.

33. She observed how many developing countries in the region had missed the opportunity to take advantage of the information technology wave and added that the same mistake must not be made with the low-carbon technology, biotechnology and nanotechnology waves that are currently prevalent. She pointed out that several countries in the Asia-Pacific region had made vast strides in those technologies and that opportunities for South-South cooperation were never more needed than at present. She emphasized that, as global calls for cleaner, better technology grew, the Asia-Pacific

region must position itself as a dynamo of change in that new, clean, industrial revolution.

34. She stated that such efforts would offer small and medium-sized enterprises, which were the most important employers of the poor, real opportunities to access new markets, improve efficiencies, and extend their operations. She noted that there was a very real synergy between technology, innovation, entrepreneurship, growth and inclusive development.

35. She noted that, within the preceding few years, APCTT had initiated activities in the areas of renewable energy technology, nanotechnology transfer and utilization, and technology transfer capacity-building for small and medium-sized enterprises. She expressed satisfaction that the Centre had embarked upon a “training of trainers” programme in member countries to strengthen the capacity of small and medium-sized enterprises to plan and implement technology transfer projects. She stated that that programme would enable the creation of a critical mass of skills in member countries to provide effective and timely support to their small and medium-sized enterprises.

36. She further stated that, in the Istanbul Declaration, adopted at the Fourth United Nations Conference on the Least Developed Countries, in May 2011, Member States had undertaken “to promote access of least developed countries to knowledge, information, technology and know-how and ... to undertake a joint gap and capacity analysis with the aim of establishing a Technology Bank and a science, technology and innovation supporting mechanism”. She observed that, given its core competence in the areas of technology transfer and management of innovation, APCTT was well placed to contribute towards that effort. She urged the Council to deliberate upon that and extend its support to the Centre to leverage its current work to meet that need. She added that ESCAP stood ready to provide leadership to make it happen.

37. She stated that, while APCTT continued to receive support from various sources to implement its work programme, greater efforts were needed to strengthen the institutional framework, increase its financial base and strengthen its staffing. She expressed appreciation to the Government of India for its consistent support of APCTT, both financially and through the provision of host facilities. She noted with satisfaction that the Government of China had increased its annual contribution to \$30,000, as recommended by the Governing Council at its fifth session. She also noted with satisfaction that the Government of Thailand would increase its annual contribution to \$30,000 pending Cabinet approval. She encouraged other member countries to follow that example and extend support for the work being carried out by APCTT.

B. Attendance

38. The session was attended by representatives of the following members: Bangladesh; China; India; Indonesia; Malaysia; Nepal; Pakistan; Philippines; Sri Lanka; and Thailand.

C. Election of officers

39. The Council unanimously elected the following officers:

Chair:	Mr. Somchai Tiamboonprasert (Thailand)
Vice-Chair:	Mr. Ashwani Gupta (India)

D. Adoption of the agenda

40. The Council adopted the following agenda:
1. Opening of the session.
 2. Election of officers.
 3. Adoption of the agenda.
 4. Report on the activities of APCTT from December 2010 to November 2011 and presentation of the programme of work for the biennium 2012-2013.
 5. Report of the Technical Committee on its seventh meeting.
 6. Proposed future projects and programme of work for the biennium 2012-2013.
 7. Date and venue of the eighth session of the Governing Council.
 8. Other matters.
 9. Adoption of the report.

Annex**List of documents**

Symbol	Title
TID/APCTT/GC(7)/1	Provisional agenda
TID/APCTT/GC(7)/2	Annotated provisional agenda
TID/APCTT/GC(7)/3	Report on the activities of the Centre during the period December 2010 to November 2011 and presentation of the programme of work for the biennium 2012-2013
TID/APCTT/GC(7)/4	Report on the status of financial resources
TID/APCTT/GC(7)/5	Report of the Technical Committee on its seventh meeting
APCTT/GC(7)/L.3	Tentative programme
