Statement by Professor José Antonio Ocampo on behalf of the Committee for Development Policy
2024 ECOSOC High-Level Segment
July 18, 10:00-10:30am

Madam President,
Excellencies,
Distinguished delegates,

I am pleased to address the Council on behalf of the Committee for Development Policy.

The Committee held its 26th session from 4 to 8 March, during which it discussed its contribution to the Council’s annual theme and addressed matters related to the least developed country – or LDC – category.

Excellencies,

As our input to this year’s ECOSOC theme, the Committee focused on innovation ecosystems for development, structural change and equity. There is a clear international consensus on the enormous potential of science, technology and innovation – or STI – to contribute to sustainable development. The reality, however, is that this potential remains vastly under-realized, particularly in developing countries, but also for public interest purposes across the world. At the same time, the rapidly changing global economy and innovation landscape, in the context of multiple and compounding crises, risk accentuating existing divides and pushing people and countries further behind.

Our main messages are as follows:

First, that policy frameworks need to be reassessed to ensure the potential of science, technology and innovation for development is fulfilled. Effective innovation systems must be created that address both long-standing challenges and the consequences of a new generation of global shifts.
These longstanding challenges include the undersupply of technologies for many development priorities; extreme concentration of technological investments and capacity in a few countries; severe inequities in access to its products, as became brutally evident during the pandemic, and in the education systems; and ineffective arrangements for the transfer of technology (including those under the TRIPs agreement).

Existing frameworks and institutions are also inadequate to promote innovation in a dynamic setting.

New global trends can work for or against sustainable development and public priorities, depending on how they are harnessed. Science, technology and innovation policy frameworks will be determinant of the effects, for example, of the rise of financialization and the increasing importance of intangibles; the advance of the fourth industrial revolution; demographic changes; the energy transition and changes in geopolitics tied to the distribution of critical minerals; and developments in global agriculture.

Second, and within this context, intellectual property rights are a key public policy tool to ensure the innovation ecosystem contributes to development, structural change, equity and resilience-building, but they are not being used effectively.

Intellectual property rights frameworks have the dual objective of generating incentives to technological research and innovation while ensuring the dissemination of its benefits. However, in current systems, intellectual property protection often far exceeds what would be necessary to promote innovation and leads to high prices and an undersupply of public goods, reducing the global dissemination of the benefits of innovation.

International agreements leave governments the policy space to balance the goals of innovation and access through flexibilities such as compulsory licensing and government procurement. These flexibilities are well established in legal frameworks and practice in technologically advanced economies. However, developing countries face obstacles in making use of them, due to gaps in information, trade sanctions and other forms of political pressure, as well as incompatible national legal frameworks.
This brings me to the third message, which is that developing countries can make more effective use of existing policy space to pursue their development priorities and to address contemporary challenges such as those associated with climate change and the energy transition, the rise of the digital creative industries, or the need to ensure preparedness for future pandemics.

More effective use can be made of intellectual property rights to stimulate local innovation through instruments such as copyrights in creative industries, utility models for small and medium-sized enterprises, and the protection of indigenous knowledge in design. Flexibilities can be utilized more proactively for public priorities, for example to reduce the cost of medicines as part of a pandemic response strategy, accelerate the adoption of clean energy technologies, or as a broader element of developing countries’ industrial policies. New challenges, like the energy transition, will require new approaches, such as co-development and co-ownership mechanisms.

And finally, the global system to support innovation for development needs to be reassessed so as to respond to the challenges of the twenty-first century.

There are multiple experiences across the developing world from which to draw to ensure the system is fit for purpose, but more policy research and experience sharing are necessary. For example, there is great potential for the expansion of collaborative research and development, such as in the CGIAR model, in which research on food production is patented but access to technology is free; the African Continental Free Trade Area is illustrative of an opportunity to develop a coherent regional intellectual property rights policy that is supportive of structural transformation, inclusion and equity.

International organizations should provide developing countries with proactive support at the country level for the development of intellectual property policy frameworks and their deployment as a development policy tool, the implementation of TRIPS flexibilities and other mechanisms to pursue public interest. International organizations should also expand their work on global governance for the ethical use of new technologies.

The importance of innovation and intellectual property rights needs to be elevated in the least developed country graduation process and in the development of smooth transition strategies, to which I now turn.
Excellencies,

As reported during the Management Segment, this year the Committee conducted its triennial review of the list of least developed countries. We recommended three countries for graduation.

We are pleased that the Council has endorsed our recommendations for the graduation of Cambodia and Senegal, and look forward to the General Assembly’s action on the matter. We congratulate Cambodia and Senegal on their development achievements so far.

We also recognize that graduating and recently graduated countries continue to require support from the international community to secure a smooth transition out of the category. This is especially true given the challenging global context, including the increased frequency and severity of crises, as experienced recently by countries in the graduation pipeline, some of which have seen reversals in their development progress. In this context, we thank the Council for its support of our enhanced monitoring mechanism, and call on development partners to provide the financial resources necessary to operationalize the Sustainable Graduation Support Facility.

The Committee is also working on a review of the least developed country graduation framework, and we hope it will be helpful in future deliberations on smooth transition.

Madam President,

Excellencies,

The Committee remains committed to supporting the Council in the most effective ways possible, and appreciates the increasing interaction with Council members throughout the year.

We remain committed to contributing to a new generation of effective voluntary national reviews, and issued a communique in February proposing a new approach that gives greater attention to the transformative elements of the 2030 Agenda. In addition to their role in follow-up and review, the experience-sharing element of the voluntary national reviews is critical to help countries to navigate the difficult policy challenges and dilemmas they are faced with at a time of great uncertainty and planetary threats.

Looking forward, and as we move towards the final years of the implementation of the 2030 Agenda, the CDP is embarking on a cycle of work on new policy pathways for development in line
with the challenges and realities of the 21st century, which we hope will support the efforts of the Council to 2030 and beyond.

Thank you.