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## Official presentation of the Science, Technology and Innovation Policy (STIP) reviews of Peru and El Salvador: Opening Remarks

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### Official presentation of the Science, Technology and Innovation Policy (STIP) reviews of Peru and El Salvador Geneva, 24 May 2012

# Opening Remarks by the Director of the Division on Technology and Logistics of UNCTAD

Mr. Chairman,

H.E. Ambassador Miguel Palomino de la Gala, Director for Science and Technology, Ministry of Foreign Affairs of Peru,

H.E. Mr. Mario Roger Hernández, Vice Minister of the Economy of El Salvador

Distinguished delegates,

Ladies and gentlemen,

It is with great pleasure that I welcome you to the official presentation in Geneva of UNCTAD's Science, Technology and Innovation Policy Reviews of Peru and of El Salvador.

This event marks the formal completion of the STIP Reviews of these two countries. Naturally, for us at the UNCTAD secretariat the views that will be expressed here today will make a most valuable input to the follow-up process that we have already started, in collaboration with our national counterparts, to ensure that these STIP reviews make a practical contribution to the strengthening of STI for development in both countries.

The preparation of the reports that we present today would not have been possible without the support and the participation of the Government of Peru and the Government of El Salvador. Both Governments have demonstrated a strong will to make science, technology and innovation a driving force of their national development strategies.

In the case of Peru, I would like to express our sincere appreciation to the Ministries of Production and of Foreign Affairs and to the National Council of Science and Technology. In particular I would like to thank Ambassador Palomino for the very effective coordination role he has played in this exercise.

In the case of El Salvador, we must thank the Ministry of the Economy and the Ministry of Education for their active support and commitment with this initiative. Viceminister Hernández has provided highly valuable support to this project. I must also underline that these two STIP reviews have been conducted in close collaboration with our colleagues at the UN Economic Commission for Latin America and the Caribbean (ECLAC-CEPAL). Their profound knowledge of the policy challenges facing the region has been extremely useful for this exercise. In particular I would like to thank Mr. René Hernández, who was involved in the STIP Review of El Salvador, and Mr. Sebastián Rovira who participated in the STIP Review of Perú, for their excellent contributions.

Distinguished delegates, Ladies and gentlemen,

There is no doubt that the application of knowledge, particularly technological knowledge, to economic and social processes must be a strong motor of sustainable development. Building up knowledge and innovative capabilities are key for the long-term prospects of both firms and national economies. This was always the case, but in today's globalized competition, a lack of capacity to identify, adapt and diffuse technological knowledge represents a most serious risk of economic stagnation and marginalization. For the global community as a whole, science and technology-based innovations are also crucial to improve welfare and provide practical, equitable responses to pressing challenges that the world is confronted with, such as food and energy security, energy efficiency and adaptation to climate change. All of them represent grave human as well as political and strategic security risks.

The capital role of technology and innovation in development has always been a core element of UNCTAD's vision of how prosperity for all can be achieved. Our programme of **Science, Technology and Innovation Policy Reviews** is intended to support developing countries in their efforts to put in place policies to build and strengthen their STI capabilities and to address their weaknesses in this field.

The main way in which STIP reviews contribute to this is the evaluation of the country's national innovation system, that is, the set of distinct institutions, and their relations, that contribute to developing and diffusing technologies and supporting innovation. Based on a diagnosis of the effectiveness of the system of innovation, the reviews present a set of policy options to facilitate the development of an environment in which the different social and economic agents can interact and participate. Suggestions are also made about how and where to invest in the STI-related infrastructure, and the measures and incentives that may help create the conditions in which firms and other players are encouraged to adopt, use, and generate knowledge for the achievement of durable results.

So far UNCTAD has carried out eleven national studies in Africa, Asia and Latin America, many of them in cooperation with other international agencies such as regional commissions, UNESCO and the World Bank. The STIP Review programme has always taken a pragmatic, hands-on approach to its work, refusing ready-made recipes and excessively theoretical discussions. At the same time, we know that no sound advice or technical cooperation can be delivered outside a framework of analysis that enables a through diagnosis and the articulation of a coherent set of recommendations. That is why, on the basis of our experience in this programme we published last year **a ''Framework for Science, Technology and Innovation Policy Reviews''.** This framework, which also draws on the discussion of a multi-year expert meeting on these issues that was convened by UNCTAD between 2008 and 2012, is intended to provide countries considering to engage in a STIP Review exercise with a quick guide to (1) the set of issues that need to be addressed, (2) the

stakeholders that should be mobilized in the process and (3) the methodologies that will be employed.

Ladies and gentlemen,

Let me turn now briefly to the specific STIP Reviews that we are presenting today. The Science, Technology and Innovation Policy (STIP) Reviews of Peru and of El Salvador have been undertaken at the requests of their respective Governments. As it is always the case with the STIP Reviews, these were extra-budgetary activities for which funding had to be identified and mobilized.

Each report is the result of an extensive review and evaluation of the national innovation system involving wide consultations with national STI stakeholders. Both include some more detailed analysis of the STI concerns in specific industries that were selected in accordance with national priorities: In the case of Peru, we looked at the ICT sector, biotechnology and nanotechnology; in El Salvador we focused on ICTs and agro-industry.

Following the diagnosis of the national innovation system, a number of policy options were formulated and presented to national STI policymakers and other STI players. The outcome of the analysis, diagnosis and policy options formulation process is documented in the STIP Review reports, which have already been disseminated among the national STI stakeholders through workshops and other events.

In a few moments, we will have the opportunity to hear a detailed analysis of the status of science, technology and innovation in Peru and in El Salvador and what possible policy actions could be taken at the national level to strengthen national STI capabilities.

We will also have the opportunity to hear the comments from national authorities on some of the measures that are being considered to strengthen STI capabilities as well as the comments of other delegations on several of the issues raised in the STIP Review and on their own national experience.

It is still early to assess the full impact of these studies. However, I am glad to note from the comments received so far that in both countries the STIP Review process has already helped increase awareness and stimulate a more active debate among STI policymakers and development stakeholders. For instance, in Peru the findings of the STIP review were one of the main inputs considered by a commission appointed by President Humala to advise him on the reform of STI institutions.

In conclusion, I would like to stress that while this event represents the culmination of two extensive exercises, UNCTAD is ready, within the limits of its resources, to keep supporting the efforts of the Governments of Peru and of El Salvador in the area of STI and in particular to facilitate the development of some of the recommendations suggested in the studies. Some activities will take place as soon as next month, and we keep working with our counterparts to develop and implement a broad medium-term programme.

I thank you for your attention.