

Low Carbon Innovation Policies: From National Competitiveness to Global Leverage

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Changing Character of Innovation

- From closed to open innovation systems
- From science and technology driven innovations to practice-based innovations
- Path dependence
 - In order to overcome structural holes and information asymmetries, new absorptive capacity is needed

Current Policy Failures

- Developing countries likely not to avoid carbon lock-in
- National competitive edge - driven innovation systems in developed countries do not capture global public good aspect of low carbon technologies
- Multilateral institutions do not sufficiently induce cross-border networks of innovation
 - Need to improve low-carbon innovation capacity in developing countries

Proposal for CDM Extension

