China believes the West is not transferring enough green technology when the technology could be used to help alleviate the dangerous effects that climate change is having on our environment. 'Technology transfer' is a process by which countries transfer or sell new technology to one another, with mutual benefits. But analysts say the West is worried about losing green jobs to China.

Presenter: Linda Mottram, Canberra correspondent
Speaker: Dr Richard Denniss, director, The Australian Institute; Professor Raghbendra Jha, Australia South Asia Research Centre, Australian National University; Andrew MacIntosh, Centre for Climate Law and Policy, Australian National University

MOTTRAM: Unfairness has been a persistent complaint from developing nations about proposals for action to reduce pollution that scientists say is hastening global warming and dangerous climate change. Industrialised nations have polluted without restriction since the mid-1700s, so why should developing nations now not have the same opportunity to secure their growth, the argument goes. The issue has also emerged as a key theme at a workshop at the Australian National University, bringing together three Australian analysts, looking at the ethical, economic and environmental consequences for developing countries, particularly under Australia's proposed Carbon Pollution Reduction Scheme. Richard Denniss from the Australian Institute has one major criticism of Australia's centrepiece policy for tackling climate change.

DENNISS: The fact is up to 45 per cent of Australia's emission reduction target can be imported, or is likely to be imported, from other countries. That is, we will be relying very heavily on other countries to tackle climate change.

MOTTRAM: Dr Denniss told the workshop that trading the right to pollute was not necessarily a problem. But he said questions of equity and the economic and environmental consequences of trade over domestic pollution cuts needed to be discussed more fully, especially in Australia, one of the most intensive polluters in the world.

Professor Raghbendra Jha of the Australia South Asia Research Centre at the Australian National University warned that a global emissions trading scheme could be anti-development, just as developing countries have warned, despite the fact that developing countries would earn valuable foreign exchange by selling carbon permits to developed countries.
JHA: The inflow of foreign exchange into the developing economies, while welcome, would not be an unmixed blessing as this would lead to an appreciation of their real exchange rates. Foreign funds will come in, the price of the domestic currency will fall, relative to the price of the global currency, and this would lead to a lowering of their export competitiveness.

MOTTRAM: By selling their right to pollute, very poor countries would give up the right to industrialise faster, growth rates would be lower and attempts to reduce mass poverty would be hampered. One way of addressing the concerns, Prof. Jha says, is to speed up access for developing countries to new technologies for carbon reduction and energy generation by non-traditional means. It's an issue on which China was vocal, Prof. Jha says, at a conference last week in Bonn, Germany, in preparation for the Copenhagen climate change conference later this year.

JHA: And it was reported that the Chinese exhibited a marked impatience with the lack of technology transfer, not just because the technology transfer in itself would be a good thing, but also because the technology transfer, once it is facilitated, would lead to a vast market developing in such technologies in the developing world, and would open up immense economic opportunities in the developing world, which they are being currently denied.

MOTTRAM: China particularly feels that it could be the world leader in such technologies, if restrictions on intellectual property were lifted and more help was offered by the West. India also wants to see a more enlightened approach by the West. Prof. Jha says such transfers have a precedent in the Green Revolution of the 1960s, when agricultural technology transfer was key to alleviating poverty and reducing flash points for instability in developing countries. Prof. Jha says energy technology transfer now would be a global public good, though the West appears concerned about losing green jobs to China.

Andrew MacIntosh from the Centre for Climate Law and Policy at the Australian National University told the workshop that in deciding how to divide up the right to pollute an international agreement must be seen by developing countries to be fair.

MACINTOSH: Unless developed countries offer a fair agreement, or come up with fair terms, we're unlikely to get an environmentally credible outcome. The second obvious point is, even if developing countries sign on to what is potentially an unfair agreement, it's likely to be unstable and countries won't meet their targets. The third point is it's fair.

MOTTRAM: And fairness is likely to mean the West does more to cut its pollution and offers to pay more both for permits and for technology.