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CLIMATE TALKS SHOULD FOCUS ON REMOVING LOW-CARBON TECH TARIFFS, NOT PATENTS

"UN Climate Change Talks commencing in Accra, Ghana tomorrow should focus on removing tariff and non-tariff barriers on low-carbon technologies, not patents", Tim Wilson, Director of the Intellectual Property (IP) and Free Trade Unit at the Institute of Public Affairs, said today.

Wilson's comments coincide with the release of the new paper – *Undermining mitigation technology: compulsory licensing, patents and tariffs*. The paper is the world's first comprehensive paper bringing together the international debate on intellectual property rights, notably patents, on low-carbon technology.

"Research shows developing countries are pushing for an international agreement to compulsory license (waive patents) low-carbon technologies in line with the agreement on pharmaceuticals", Mr Wilson said.

"Developing countries want patents removed because they have been conned into thinking patents cause the price of new technologies to rise. In fact of the top 15 greenhouse gas emitting developing countries the real barrier to making low-carbon technologies affordable is high tariffs and non-tariff barriers in excess of 165 per cent".

Examples of applied tariff & non-tariff barriers (NTBS) on low-carbon tech imposed by developing countries

Country	Clean coal		Wind		Solar		Fluorescent lamps	
	Tariff	NTB	Tariff	NTB	Tariff	NTB	Tariff	NTB
Brazil	14	145	14	87	18	53	18	96
Egypt	5	149	6	70	32	0	18	87
India	15	0	15	0	15	0	15	102
Nigeria	5	160	0	89	20	70	20	91
Philippines	3	119	6	88	15	70	11	93

"Numerous studies including by the World Bank, the International Energy Agency and the Stern Report show patent rights are not a core barrier to transfer of low-carbon technology into developing countries".

"The low-carbon technology industry is very much in its infancy. Removing the patent rights for new low-carbon technology will ensure investment will quickly dry up. Worse, existing investors may never see a return on their investment".

The research shows that the campaign against patent rights is being led by the Government of India, with the support of numerous other developing countries.

"Removing patents will simply undermine the development of new low-carbon technologies. Everyone loses. Patents are vital to create the incentives for investors to fund research and development in new technology".

"Why would anyone invest in technologies with high, up-front costs when patent rights are expected to be removed?" Mr Wilson said.

"Investors should be wary. If developing countries have their way the low-carbon green goose may not lay golden eggs", Mr Wilson said.

The paper *Undermining Mitigation Technology: Compulsory licensing, patents and tariffs* can be downloaded from www.ipa.org.au

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