

3. United Nations Conference on Trade and Development (UNCTAD)

Why in News?

- Recently, the United Nations Conference on Trade and Development (UNCTAD) has stated that developed countries are benefiting more from green technologies than developing countries, and this could deepen global economic inequality.

Highlights

- Green technologies can create a market worth USD 9.5 trillion by 2030, up from USD 1.5 trillion in 2020. The total exports of green technologies from developed countries jumped to more than USD 156 billion in 2021 from about USD 60 billion in 2018.
- While exports from developing countries rose to only about USD 75 billion from USD 57 billion. According to the 'frontier technology readiness index' included in the report, only a few developing countries have the capacity to take advantage of frontier technologies such as blockchain, drones, and solar power.
- Green frontier technologies such as electric vehicles, solar and wind energy, and green hydrogen are expected to reach a market value of USD 2.1 trillion in 2030.
- The frontier technology readiness index which has ranked 166 countries, is dominated by high-income economies, notably the US, Sweden, Singapore, Switzerland, and the Netherlands.
- The second quarter of the list includes emerging economies – notably Brazil – ranked at 40, China at 35, India at 46, the Russian Federation at 31, and South Africa at 56.
- Here, India remains the greatest performer by ranking at 67 positions better than expected
- UNCTAD calls on governments in developing countries to align environmental, science, technology, innovation, and industrial policies. It urges them to prioritise investment in greener and more complex sectors, to provide incentives to shift consumer demand towards greener goods and to boost investment in research and development.
- It recommends that international trade rules permit developing countries to protect emerging green industries through tariffs, subsidies, and public procurement, so that they not only meet local demand but also reach economies of scale that make exports more competitive.
- Lastly, UNCTAD urged developed countries to provide support to their less well-off counterparts and ensure all nations can participate and take full economic advantage of the green tech revolution.