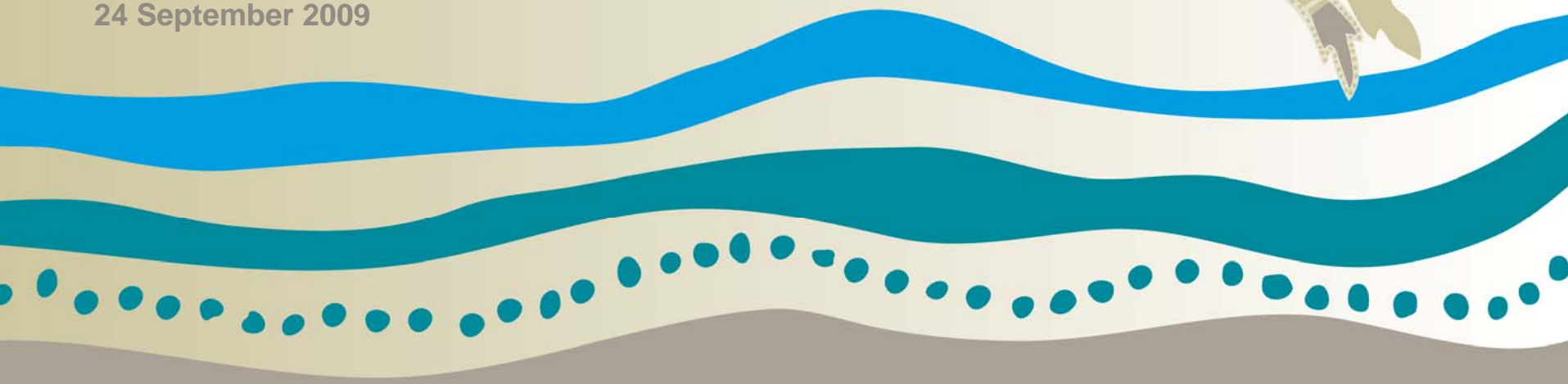




Australian Government
Australian Trade Commission

Solar Flagships Forum

Brisbane, Queensland
24 September 2009



The Australian Trade Commission: Austrade

Austrade, the Australian Government's trade and investment agency:

- helps overseas companies source goods, services and investment from Australia
- helps overseas companies identify and assess investment opportunities in Australia
- helps Australian companies with their international business needs
- employs locally engaged staff with language skills and experience in offshore markets



Austrade Delivers

*In 2007-08, the Australian Government played a role in attracting and facilitating 127 foreign investment projects worth **AUD\$8.5 billion** and creating or safeguarding more than **6000** jobs in Australia.*

Core services include:

- Tailored research and Australian capability information
- Access to a network of government and industry contacts
- Assistance to identify business partners
- Facilitated visits to the Australian market
- Confidential service for investors



Clean Energy Trade and Investment Strategy

- The Australian Government **is providing** AUD\$14.9 million over three years from July 2009 to Austrade to:
 - attract productive investment into Australia's clean energy sector and
 - assist capable Australian companies to access international markets.

“Australia has the potential to become a world leader in clean energy and related technologies”

Minister for Trade, Simon Crean (12 May 2009)



Clean Energy Trade and Investment Strategy

- **Contribute to national prosperity** and help meet Australia's climate change objectives through domestic clean energy industry development by facilitating trade and investment flows
- Investment attraction can help **build our industry capability** by:
 - providing capital to undertake R&D and commercialise technologies
 - transfer skills, and
 - through collaboration, facilitate entry into export markets
- Our strategy is predominantly an inward investment initiative
 - Targeting markets with advanced technologies and capital, especially OECD economies
- Export and outward investment facilitation will grow as domestic capability deepens
 - Targeting rapidly growing markets especially in the Asia Pacific region



Why Australia for Clean Energy?

- A resilient economy - **the only advanced economy to avoid recession during the Global Financial Crisis**
- An abundance of coal, gas and renewable energy resources
- Our financial services sector provides an excellent platform for carbon trading and related services.
- Skills in engineering, consulting and project management and proven ability to deliver large infrastructure projects position Australia well to participate in CDM projects.
- Strong research and development and technical base in solar, geothermal, carbon capture and energy efficiency provide scope for strategic alliances and technology transfers.



Australia's Economy

DEVELOPED COUNTRY REAL GDP GROWTH 1998-2009

	Australia	USA	UK	Japan	France	Germany
1998	5.1	4.2	3.6	-2.0	3.5	2.0
1999	4.3	4.5	3.5	-0.1	3.3	1.9
2000	3.5	3.7	3.9	2.9	3.9	3.2
2001	2.1	0.8	2.5	0.2	1.9	1.2
2002	4.2	1.6	2.1	0.3	1.0	0.0
2003	3.0	2.5	2.8	1.4	1.1	-0.2
2004	3.9	3.6	2.8	2.7	2.5	1.2
2005	2.8	2.9	2.1	1.9	1.9	0.8
2006	2.7	2.8	2.8	2.4	2.2	3.0
2007	4.2	2.0	3.0	2.1	2.2	2.5
2008F	2.5	1.4	0.8	0.5	0.8	1.7
2009F	2.2 ⁽¹⁾	-0.7	-1.3	-0.2	-0.5	-0.8
Economic Growth Averages* Real GDP – 1998 to 2008	3.5	2.7	2.7	1.1	2.2	1.6

*Growth averages are Austrade calculation

(1) The November IMF World Economic Outlook Update did not provide a 2009 calendar year GDP growth forecast for Australia. This figure is from the IMF's October report. The equivalent OECD forecast is 1.75 per cent. In January 2009 the Australian Government announced that fiscal and monetary policy stimulus was acting to support the Australian economy. Treasury forecast Real GDP to grow by 1.0 per cent in 2008-09 and 3/4 of a per cent in 2009-10.

Sources: Data between 2006-2009 sourced from International Monetary Fund, World Economic Outlook Updates November and October 2008



Economic Resilience

The Higher the Score the Better⁽¹⁾

Rank	Country	Score	Rank	Country	Score	Rank	Country	Score
1	Australia	6.78	20	Slovenia	5.29	39	Argentina	4.21
2	Denmark	6.73	21	USA	5.29	40	Philippines	4.18
3	Switzerland	6.43	22	Estonia	5.27	41	France	3.94
4	Israel	6.14	23	Jordan	5.15	42	Bulgaria	3.91
5	Austria	6.00	24	China	5.15	43	Italy	3.79
6	Norway	5.96	25	Ireland	5.02	44	South Africa	3.78
7	Chile	5.89	26	Belgium	4.98	45	Spain	3.78
8	India	5.87	27	UK	4.90	46	Mexico	3.72
9	Brazil	5.83	28	Luxembourg	4.83	47	Lithuania	3.61
10	Finland	5.80	29	New Zealand	4.80	48	Romania	3.50
11	Singapore	5.78	30	Slovak Republic	4.70	49	Ukraine	3.50
12	Sweden	5.66	31	Turkey	4.67	50	Russia	3.45
13	Netherlands	5.66	32	Japan	4.56	51	Poland	3.43
14	Malaysia	5.66	33	Peru	4.53	52	Portugal	3.14
15	Hong Kong	5.61	34	Thailand	4.37	53	Croatia	3.13
16	Taiwan	5.52	35	South Korea	4.32	54	Hungary	2.88
17	Czech Republic	5.41	36	Colombia	4.30	55	Venezuela	1.68
18	Canada	5.36	37	Greece	4.30			
19	Germany	5.34	38	Indonesia	4.26			

(1) IMD World Competitiveness Yearbook Executive Opinion Survey based on an index from 0 to 10.

Source: Institute for Management Development (IMD), Switzerland, World Competitiveness Yearbook 2008; Austrade

In February 2009, the Australian Government announced a \$42 billion Nation Building and Jobs Plan. Its initiatives are expected to support and maintain up to 90,000 jobs and provide a boost to economic growth of around 1/2 per cent of GDP in 2008-09 and around 3/4 per cent to 1 per cent of GDP in 2009-10.



Renewable Energy in Australia

- Renewable energy generators supply up to 5% of Australia's total energy consumption. This will expand significantly under the 20% by 2020 national Renewable Energy Target.
- It is estimated that the Renewable Energy Target will leverage over AUD\$20 billion of private investment for the construction of an additional ~10,600MW of generation capacity
- the Solar Flagships initiative will play an important role in developing the solar PV and thermal sectors in Australia and contribute 1000MW toward the Target.

*Policy measures in Australia support the development, demonstration and commercial deployment of all renewable energy technologies, **in the most efficient and cost competitive manner***



Investment Opportunities

- **Australia's policies and programs will boost the competitiveness** and deployment of low emission and renewable technologies in Australia's energy generation sector
- The strongest opportunities arising from policy, program and market growth trends in the short-medium term are considered to lie in:
 - Grid connected, wind, bioenergy and solar electricity generation capacity
 - Energy efficiency auditing, reporting and installation of technologies in households, commercial and industrial sites
 - Smart grid technologies integration, system design and modelling to demonstrate reliability in existing grid infrastructure
 - Next generation transport fuels production from non-food feed stocks on marginal lands.
- Austrade **can** facilitate trade and investment enquiries and projects through scoping, feasibility and approvals processes.



Thank you

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