

Australia's renewable energy leaders address the 'orange elephant in the room'

Trump's return to the White House is shaking renewables, but Australia's climate tech leaders remain optimistic as they look to stronger partnerships with China.

BRONWEN CLUNE CAPITAL BRIEF 1 DEC 2024



Every conversation about renewable energy in Australia now turns to what founding partner Kristin Bourne calls “the orange elephant in the room”. It's no secret that Donald Trump's return to the White House has sent ripples through the global climate tech sector.

"Over the last couple of weeks, this has been the first question on everyone's mind," Bourne said at a Climate Salad investor and founder event last Wednesday. Yet, after acknowledging initial concerns, she and other leaders emphasised Australia's unique position to capitalise on emerging partnerships in the Asia-Pacific region.

At the same event, Climate Energy Finance director Tim Buckley framed China's dominance in clean technology manufacturing as an opportunity rather than a threat. “China wants to partner with us,” Buckley said, noting that Australia's status as China's leading trading partner provides a strong foundation for technology transfer and manufacturing collaboration.

The scale of opportunity is stark when comparing deployment rates. Australia installs around three gigawatts of rooftop solar annually, while China achieves the same volume weekly — 50 times faster. Chinese renewable energy capacity grew by 22% year-on-year, following a remarkable 100% surge the year prior.

This gap, Buckley argued, presents strategic opportunities. He pointed to recent developments like Chinese solar manufacturer Trina Solar's potential partnership with Australian firm **Sundrive**, following Trina's exit from the US market.

"China is going to go to where they're welcome," Buckley said. The partnership exemplifies China's emerging fourth strategic approach: pursuing genuine international collaborations beyond their established strengths in domestic manufacturing, deployment, and exports.

Virescent founding partner Kristin Bourne, whose firm manages nearly \$500m across two climate technology funds, acknowledged near-term headwinds from potential US policy shifts but maintained optimism about the sector's commercial momentum. She cited portfolio company **JET Charge**'s growing EV infrastructure sales, which are driven by rising EV adoption rather than policy mandates. "The fundamentals of transition are clear," Bourne said. "In Australia, our policy regime has largely been playing catch up with corporates who have already set their own net zero ambitions due to customer and stakeholder expectations."

Institutional developments support this momentum. The **Future Fund** recently received a new mandate to focus on energy transition and the net zero transformation of the Australian economy.

Decarbonising heavy industry

Both leaders emphasise Australia's potential to play a pivotal role in decarbonising heavy industry, particularly in steel production.

Buckley described green iron exports as "the second biggest decarbonisation opportunity in the world," representing a billion-ton annual opportunity to help trading partners like China and Japan reduce emissions. This opportunity aligns with Australia's established trading relationships, particularly with China, which accounts for 30% of Australian exports.

The urgency for action is clear, as other nations move swiftly to secure partnerships. Turkey recently announced a billion-dollar investment from BYD to manufacture EV, including technology transfer through a new R&D center.

Meanwhile, India has emerged as China's leading trade partner despite previous tensions, demonstrating the pragmatic approach many nations are taking toward clean energy collaboration, Buckley said.

The market signals remain strong despite policy uncertainties in key markets. Global EV sales grew 22% in early 2024 compared to 3.7% growth for conventional vehicles, demonstrating the sector's resilience.

This commercial momentum, combined with Australia's natural advantages and existing trade relationships, positions the country to potentially benefit from realignments in global clean technology supply chains. "Australia needs to think about our own self interest," Buckley concluded. "This is about re-industrialising our economy. We need to partner with the best in the world, build manufacturing here, re-skill our workforce and rebuild our supply chains. Decarbonisation represents the biggest investment opportunity in Australia this century."

CEO Mick Liubinskas said "the strength and multi billion dollar potential of the Australian climate tech industry is clear. For 2025 the focus needs to be on more deployment at scale and exporting to the bigger markets."

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