



European and Australian business leaders outline how they are driving a sustainable economic recovery at the Business Leaders Roundtable organised by the ABIE Network on the 18 March 2021

With much of the world still struggling amid the COVID-19 pandemic, economic activity has fallen drastically, foreshadowing the most severe recession in nearly a century. As part of the post-COVID-19 recovery, countries are now focusing on measures that can drive sustainability while boosting jobs, income and growth and accelerating climate action.

It was no surprise then that this was the topic chosen for the second ABIE Network Business Leaders Roundtable held on the 18 March 2021 and titled *“Opportunities for a sustainability-driven recovery: Perspectives between Australia and Europe”*.

The three speakers, Romain Desrousseaux, Deputy CEO of Neoen; Jeff Connolly, Chairman and CEO of Siemens Australia Pacific and Roland Schmidt, MD of Macquarie Capital, representing the financial services, industrial infrastructure and power sectors, are all members of the ABIE network.

Nicola Watkinson, MD of International Trade and Investment at TheCityUK and former Austrade Senior Trade Commissioner for Western Europe, joined from the UK to moderate the round table.

Roland Schmidt opened the discussion with an introduction to Macquarie’s Green Investment Group (GIG), a primary vehicle for principal investment in green energy projects, and home to one of the world’s largest teams of green energy investment specialists. The group has already committed and arranged £20+ bn to support green energy projects around the world.

As countries turn towards renewable energy to reduce their carbon footprint in order to reach the goals of the Paris agreement, companies like Neoen, France’s leading independent producer of renewable energy, play a key role in this transition. Romain Desrousseaux pointed out that in 2020 despite the COVID-19 crisis, Neoen had a turnover of €300 million and now operates 4 GW of assets in 15 countries.

Siemens is also working towards becoming the world’s first major industrial company to achieve a net-zero carbon footprint by 2030 and have already reduced their carbon footprint by 54% and ahead of schedule. Jeff Connolly explained that Siemens hopes to drive sustainability through the areas of intelligent infrastructure, industry 4.0 and the future of energy – everything from smart infrastructure delivering energy efficiency upgrades for commercial buildings through to automation and digitalisation in industrial plants and even enabling green hydrogen from renewables.

Green hydrogen was a recurring topic discussed by the three speakers with Roland Schmidt describing it as “the next big thing” with countries like Australia and Germany playing a key role in establishing a global hydrogen market.

On whether Australia is a good place to invest in renewable energy, Romain Desrousseaux indicated that Australia has a great macro environment for renewable energy “with both wind and sun in the same location” as well as “plenty of land to build large assets”. He also mentioned certain difficulties faced including the complexity of organising and connecting an asset within the expansive Australian electricity network and meeting local specificities. This has not put Neoen off from investing more than AUD3 billion in projects around Australia since its presence in 2012 including the Hornsdale Power Reserve and a new Victorian Big Battery which will become one of the largest batteries in the world.

In regards to the accelerated digitalisation due to the COVID-19 crisis and the various opportunities for future growth and sustainability, Jeff Connolly said that there are many elements to it and “it’s about better use of resources”. Wolf of the Willows craft brewery for instance reduced their brew time from 25 to 18 days. He also highlighted Hydrogen Park in South Australia which uses Siemens technology to produce green hydrogen from excess rooftop solar to inject into the gas network as well as to ship to industrial customers around Australia.

He also believes that there is a confidence issue which is holding some companies back from reaching their sustainability goals and which needs to be addressed. In particular, there needs to be an incentive on the demand side to take up business risk and work on R&D.

The circular economy is also a hot topic in Australia at the moment, with state and federal governments investing in circular economy innovation projects.

The exchange ended with valuable insights into whether we are seeing a genuine change of global mindset regarding government attitudes to sustainability and climate change and whether this would create winner and loser markets. “There is a shift in mindset on green energy and green economy, but it's also a matter of affordability”, said Roland Schmidt. “There is a transition globally, but some countries around the globe will need help to be able to participate in the transition.”

In his closing remarks and vote of thanks, Richard York, the current Chair of the ABIE Group, which comprises 17 organisations in Europe and Australia, hoped that initiatives like this annual ABIE Business Leaders Roundtable would help to build trust and understanding between companies in Australia and Europe.