

Australia's development program – delivering clean solutions to energy poverty



by Scott Ludlam

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We cannot talk about the future of Australia's development program without talking about global warming.

Global warming will be terrible for people everywhere, but it will be **catastrophic for the world's poor**, who have had no hand in creating it. It represents an enormous obstacle to lifting people out of poverty over the coming decades.

The best thing Australia could do for those living in poverty around the world is to transition to zero emissions within a generation, and to put an end to the notion that we can keep mining and burning coal to generate electricity.

Alongside deep cuts to our emissions, Australia must also commit to a decent aid budget. We must reach at least 0.7 per cent of Gross National Income (GNI) by 2025, with any climate finance for developing countries additional to that budget. Currently, our aid budget stands at **a meagre 0.23 per cent of GNI**, the lowest it has ever been, and it is set to fall even further.

But while it is critical to call successive Australian Governments to account on their climate and aid commitments, it's also important to think about how our development program can contribute to the solutions.

In the last few years we've heard a lot about the notion of "**energy poverty**", encapsulating the fact that 1.2 billion people globally are without access to electricity, and more than 2.7 billion people lack access to clean cooking facilities. More than 95 per cent of these people are in sub-Saharan Africa or developing Asia. Crucially, 80 per cent live in rural areas.

Australia is perfectly positioned to lead the world in developing low-cost, locally distributed energy in off-grid or fringe-of-grid areas. We have the sunshine, wind

and space. We have many remote communities and we have the research, wealth and ingenuity. We also have the right government agencies in the Australian Renewable Energy Agency (ARENA) and the Clean Energy Finance Corporation (CEFC), established by the Greens to develop cutting-edge technologies in the Rudd-Gillard power-sharing Parliament. These home-grown advances can then become part of our foreign aid program to help those with no energy infrastructure.

The Coalition Government has used the coal industry's marketing strategy to exploit concerns about energy poverty for the benefit of the fossil fuel industry, spruiking the line that “**coal is good for humanity**”. **They say** that coal and other fossil fuels will help to cure poverty and address global hunger by providing those in developing countries with cheap energy.

Yet the overwhelming body of evidence demonstrates that **burning more fossil fuels is antithetical to reducing poverty**. The expansion in centralised power generation like coal fired-power stations costs more than localised solutions, and serves big industry, the services sector and already-connected households before it serves the poor. Despite industry claims to the contrary, evidence shows that these benefits to industry have limited flow-on effects to those living in poverty.

New coal-fired generation will not help those in developing countries who are close to the grid but can't access the energy it provides due to the steep connection costs. Nor will it provide electricity to the 80 per cent of people living in rural areas far from the grid.

Clean, renewable electricity, not polluting fossil fuels, is the solution to energy poverty. In its **2016 report**, the Overseas Development Institute found that “if scaled up appropriately, distributed renewable solutions will be the cheapest and quickest way of reaching over two-thirds of those without electricity”. Whereas grid extensions are costly, distributed off-grid and mini-grids, powered by renewables, generate energy where it is needed.

Developing countries are already making the most of new technology and distribution systems. Just as many developing countries leaped over landlines straight to mobile phones, they are doing the same with local renewable energy. **India's new draft National Electricity Plan to 2027**, for example, concludes that beyond the half-built plants already under construction, India does not require any new coal-fired power stations. This Plan **makes a mockery of arguments that India requires Adani's proposed Carmichael coal mine** in Queensland to feed its insatiable energy appetite.

In Africa, countries are also showing leadership in the shift to renewables. For

example, [more than 60 per cent of Kenya's grid is powered by renewables](#), and it is the eighth largest producer of geothermal energy globally. The developing nation has doubled its electricity generation in the last five years, with the aim of reaching 100 per cent of its citizens by 2030, up from 50 per cent today. In South Africa, [wind and solar are nearly half the cost of new coal plants](#).

In addition to compelling economic and environmental arguments in favour of renewable generation, clean energy is also a no-brainer in terms of community health. The citizens of developing countries have first-hand experience of the major impact of coal generation on health. Estimates show that [air pollution causes around 670,000 premature deaths a year in China and 100,000 in India](#). If coal-fired generation continues unchecked, the global community [might waste nearly \\$1 trillion](#) on a sector that kills more than one million people a year.

Australia's aid program should seize on these opportunities for distributed, clean energy to lift people out of poverty while avoiding catastrophic climate change. With our abundant sun and wind, Australia has the chance to be a leader in the types of technologies that developing countries need most. If we master off-grid technologies in our regional communities, we can provide that technology and expertise to people from India to the Sahara through our development program. But we need a government that provides vision and leadership, not one that guts funding from innovative institutions like ARENA and the CEFC.

If we play our cards right, by 2025 Australia will have harnessed our potential as a renewable energy powerhouse. Through our aid program, we can be using that knowledge to help bring an end to global energy poverty, and in doing so we will be doing our bit to combat global warming.

Senator Scott Ludlam is co-deputy leader of the Greens and spokesperson for International Aid and Development.

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Author/s:

Scott Ludlam

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