

Developing and improving environmental problems



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Environmental problems are always on the agenda when it comes to developing new and improved ways to “fix” the concerns the general public holds towards the current environment. New technology and new sources of clean energy, fuel, and water are the challenges being embraced by new, young, and exciting companies. The thinking of these companies is that new technology is the focus that is needed to bring about environmental change. The portfolios of these fledgling companies are growing, and the dreams of these energetic companies will soon become reality as the plans come from the drawing boards to commercialisation.

Young entrepreneurs are being made millionaires virtually overnight and Australia is seeing a rise in its superannuation funds giving the impression that Australia is definitely not in a cash shortage. This growth, as well as sustained resources, has built the Australian superannuation economy to nearly \$1.2 trillion with just 2 percent of these funds represented by venture capitalists.

With the prospect of new technology comes the expansion of the Australian venture capital which is currently worth around \$65 billion a year.

Government policies, along with consumer demand and environmental pressures, have brought about the growth in these technological companies which has now attracted 13 percent more venture capitalists. This gives us the impression that the clean technology boom is matching that of the 1990s Dotcom boom.

With clean technology being compared to the Dotcom boom, key differences are highlighted by the promise of spectacular returns on high-risk

investments. The Dotcom boom was in fact a very promising enterprise (on paper) with many of its success stories still showing profit. However, there are those that did lose out when the saturation of the market forced company profits down. Unlike the Dotcom boom, clean technology is seen as an ever constant need for the solution to environmental problems.

With the current government regulations on offer there is no shortage of assistance giving the clean technology companies the range in which to work and the support needed to get the ideas from the drawing board to the consumer market. The key here is to have somewhat of a balance between environmental responsibility and producing creative solutions. This gives way for any rival ideas to be brought forward with each environmental problem. The silicon that is used to generate decentralised electricity is currently expensive and while silicon companies are conducting ways to cut this cost, other companies such as electricity companies are looking for ways to reduce consumers' electricity expenses by using cheaper materials that in fact perform the same function. Government and venture capitalists funds as well as the initial public offering of more than \$1 billion has helped lead the way for this clean technology venture and to date there is currently only five specialists in this field to ensure its steady growth.

Australians are definitely unique in their way of thinking. What might seem like mere common sense ideas are in fact solutions to problems. Distribution networks and climatic conditions give way to an endless supply of ideas that make way for the clean technology sector.

Australia has launched its first wholesale carbon fund with the idea of raising \$250 million from wholesale investors. Fifty percent of The ArkX fund is to be invested into global renewable energy with 25 percent in Clean Development Mechanism, 20 percent in trading European Union carbon credits, and the last 5 percent being invested in high-risk projects in Australia. Around 70 dedicated carbon funds currently operate globally with some of these funds returning a 24.7 percent profit to date.

With the environment in turmoil, the need for clean technology increases and while there are always going to be some companies that will benefit from technological advances there will unfortunately be those that dwindle. The biggest irony in the environment dilemma is the fact that technology was the instigator of the current problems and now seems to be the only thing that can relieve the situation. Bearing this in mind, the real winners in this matter will undoubtedly be the environment and indeed the general public.