



Senate Economics Legislation Committee – Thursday 14 February 2013

Opening Statement by the Clean Energy Finance Corporation's Chief Executive Officer

Thank you for the opportunity to provide an opening statement. As this is the first time the Clean Energy Finance Corporation (CEFC) has been called to Senate Estimates, I thought it might be helpful if I summarise the progress we have made on our implementation plan.

First, I'd like to emphasise that our Chair, Ms Jillian Broadbent AO would have liked to have been here today and she sends her apologies. I believe Ms Broadbent emailed Senator Mark Bishop about her absence.

The Board appointed me as the CEFC CEO in November 2012. The Board has been meeting regularly to monitor progress and to provide guidance. I am happy to say that I feel well supported by the Board whose members, collectively, are well qualified and experienced in the banking, finance and clean energy sectors. **We are well progressed** and I am confident that we are on track to commence investment from 1 July 2013 in accordance with the *Clean Energy Finance Corporation Act 2012*. I would like to acknowledge the support of the Treasury in making this possible as well as the assistance we have received from Low Carbon Australia Limited.

Very briefly:

- We are currently finalising our governance frameworks and are now developing our systems and processes;
- We are in the final stages of negotiating a lease for commercial office space in Sydney;
- We are finalising the executive search and selecting candidates for the senior executive team;
- I have held initial discussions with a range of potential investment partners and counter-parties, and the market has been encouragingly responsive. I emphasise that these are only exploratory discussions and we are yet to generate a detailed investment pipeline and investment risk profile – these will be early tasks for our Chief Investment Officer and risk management staff when they are appointed;
- Our Investment Mandate is being developed by Government and it will obviously influence our investment strategy;
- The due diligence for the intended merger with Low Carbon Australia Limited is well progressed. I hope this will be complete within the next few months so that we can take on their portfolio and assimilate their staff and processes; and
- We have held preliminary discussions with ARENA about options for collaboration across a broad range of project areas.

I would be happy to answer any questions the Committee may have.