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BUSINESS

Modern slavery and clean energy transition: Understanding energy justice in Australia



Australia has set a target to increase its clean energy generation by 2030, aiming for 82% of it to come from renewable sources, a significant rise from the current 27%.

The International Energy Agency's report indicates Australia is making progress in renewable energy, thanks to successful rooftop solar installations, ambitious goals, and increased government funding. About one in three Australian households have installed solar panels, providing a combined capacity of 17 gigawatts.

However, many Australians might be unaware of the link between the solar energy sector and the potential risk of modern slavery.

Approximately 40% of the global supply of polysilicon, a crucial component of solar panels, originates from Xinjiang Uyghur Autonomous Region, where human rights and forced labour is reported as a serious concern.

Further, 15% to 30% of the cobalt used in lithium-ion batteries, which store solar energy and power electric vehicles, is sourced from informal mines in the Democratic Republic of Congo, where forced and child labour are prevalent.

Eliminating modern slavery from Australia's clean energy supply chain presents several challenges, making the concept of "energy justice" crucial.

The transition to cleaner energy presents an opportunity to create a more equitable system. However, simply adopting clean technologies doesn't guarantee fairness.

The injustices within the energy system are deeply rooted in institutions and structures that can persist during energy transitions. In some cases, transitioning to cleaner energy can even exacerbate existing injustices.

Energy justice envisions a globally fair and balanced energy system. It encompasses the fair distribution of benefits and burdens associated with energy services, unbiased decision-making processes, and the protection of individuals' rights and wellbeing.

Five main tenets contribute to energy justice:

- Distributive justice, which ensures a fair allocation of environmental advantages and disadvantages
- Procedural justice, which emphasises access to fair decision-making processes
- Restorative justice, which aims to rectify energy-related injustices
- Recognition justice, which guarantees fair representation and safeguards for individuals
- Cosmopolitan justice, which advocates for equal moral value for all humans, regardless of national boundaries, in the distribution of energy benefits and burdens.

Currently, the energy sector lacks justice across various domains. Recognising this, there's a growing interest in examining the energy sector through the lens of energy justice.

This approach prioritises the availability and affordability of energy through a fair and inclusive process. Although scholars have shown interest in energy justice, the practical implementation of this concept is often overlooked.

To effectively identify and address modern slavery risks in the clean energy sector, collaboration is essential at the business and product levels.

This joint effort will facilitate the tracing, monitoring, and management of risks during the transition to clean energy.

While existing frameworks such as the UN Guiding Principles and the OECD Guidelines provide a foundation, stakeholders in the renewable energy sector need more precise guidance on implementing standards against modern slavery.

One of the biggest questions is how Australian renewable/clean energy companies can verify the presence of modern slavery in the products they procure. This is why the experts recommend the development of new supply chain plans.

The Australian government can assist by implementing coordinated policies that promote investments in clean supply chains in the energy sector.

This may involve endorsing certification programs and guidelines that prioritise suppliers committed to fair labour practices. This may also call for amendments to existing trade regulations, tax rules, and procurement policies to encourage slavery-free investments in clean energy.

Nevertheless, Australia can't do everything alone. Addressing modern slavery in the clean energy sector necessitates international cooperation and standardised approaches.

It's crucial to establish clear global expectations that provide remedies for human rights abuses. Incorporating forced labour concerns into WTO or trade laws can foster discussions involving entities from countries such as China or African nations.

Additionally, exploring national and regional strategies can tailor initiatives to specific local contexts.

Education and awareness programs also play a vital role in enhancing understanding of modern slavery within the clean energy sector.

Furthermore, allocating resources at the international level for research, investigations, and initiatives targeting modern slavery risks is also essential. This enables responses tailored to local conditions and promotes a localised approach.

The future of clean energy as a catalyst for freedom among consumers, workers, and producer communities remains uncertain.

The policy decisions made in the coming years will shape the global Just Transition, shedding light on the freedoms offered or denied within the evolving global order.

In the pursuit of a more equitable world, it's important Australia takes a steadfast stance and demonstrates its commitment to combating all forms of inequality.

This responsibility extends not only within its borders but also beyond, as it carries the moral ideals of "Advance Australia Fair".

By acting swiftly and decisively, Australia can make a resounding statement, championing justice and fairness in the clean energy transition, and striving to create a better future for everyone.