



Investors respond to Climate Change Authority Report

The Investor Group on Climate Change welcomes the release of the Climate Change Authority (CCA) report as a useful contribution to the debate on how best to scale up Australia's climate change policy settings, but remain concerned about the need for strong, effective policies.

"We welcome the CCA focus on providing greater certainty for investors on Australia's climate change policy settings", said Emma Herd, Chief Executive of the Investor Group on Climate Change (IGCC).

"Investors are looking for policy built on clear market signals. Where those policy settings are credible, capital will flow."

"Building a toolkit of policies to tackle climate change is a pragmatic approach. Making sure that they add up to a strong decarbonisation pathway is critical".

"The risk of a policy patchwork remains that it creates complexity without real impact."

"There is a major economic transition underway, as the world moves to decarbonize economic development and limit the cost of climate change. Australia cannot afford to adopt a piecemeal approach to climate change."

Investors strongly support the Government announcement today of their intent to ratify the Paris Agreement by the end of the year. Last week, 130 global investors on behalf of \$13 trillion in assets under management [called on](#) G20 nations to ratify and implement the Paris Agreement.

"Unless the ERF is properly funded and baselines set under the Safeguard Mechanism clearly decline in line with the goals of the Paris Agreement, investor certainty will not be delivered. A clear, cohesive market structure which drives demand from the private sector is the only scalable solution".

"While investors support the use of carbon pricing signals and market mechanisms as an efficient policy approach to the electricity sector, more detail on how an emissions-intensity based trading scheme would work in practice will need to be explored."

"We look forward to discussing this further with the Government and their response to the recommendations of the Climate Change Authority".

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