



Investors welcome government decision to support clean energy investment

The Investor Group on Climate Change (IGCC) welcomes reports of the Government's decision to retain the Clean Energy Finance Corporation (CEFC) and Australian Renewable Energy Agency (ARENA) and to establish the Clean Energy Innovation Fund (CEIF).

"The decision to retain and support Australia's clean energy finance bodies is a positive one", said Emma Herd, Chief Executive Officer of the Investor Group on Climate Change (IGCC).

"The market recognises that an economically efficient transition to a low carbon economy must involve greater investment in clean energy and low carbon technology. There is no shortage of investor appetite for low emissions technologies and clean energy, but getting the policy signals and investment settings to align is critical to moving capital".

"It is in Australia's economic interests to have a strong, flexible and credible climate change policy framework".

"Supporting private sector investment and growth opportunities will ultimately reduce public costs and deliver greater cost effectiveness in achieving Australia's climate change commitments".

"The Paris Agreement finalised in December 2015 has fundamentally changed the investment landscape. When 195 nations agreed to a goal of limiting global warming to 2°C moving towards 1.5°C, it immediately became clear that Australia will need to continue to strengthen our climate change policy response and invest in new technologies." Herd said

"While the retention of Australia's independent financing institutions is welcome, Australia needs to continue working towards a better integrated carbon and energy policy framework. Increased renewable generation will need to be managed alongside the removal of ageing carbon intensive assets. We look forward to continuing dialogue on steps needed to reduce the carbon intensity of Australia's energy system" Herd said.

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