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Technology development will require private capital to get to a net-zero emissions destination

In response to the Morrison Government's discussion paper on its Technology Investment Roadmap, Investor Group on Climate Change (IGCC) Director of Policy, Erwin Jackson, said:

"The government's plan reveals the huge opportunities to reduce emissions right across the Australian economy through technology and projects that would create fresh investment, economic growth and job creation.

"The discussion paper largely considers policy options that would guide taxpayer investment in technology development. But equally important is consideration of how Australia can unlock further private capital into the commercialisation and deployment of net-zero emissions technologies.

"With governments likely to be more fiscally constrained in coming years due to the impact and response to the COVID-19 pandemic, private capital will be critical to ensuring a smooth transition to net-zero emissions.

"Unlocking this private capital will require a clear signal through an integrated and robust national climate policy suite that Australia is heading for net-zero emissions by 2050 consistent with our international obligations.

"Private investors are already making climate risk assessments in their portfolios about carbon-intensive fuels like gas as compared to zero-carbon alternatives like renewable energy and storage technologies. Governments will also need to assess whether further support and investment in gas projects are resilient to continued rapid cost reductions in clean energy options and an accelerated shift to truly zero-emissions energy options.

"IGCC welcomes that the government will seek specific consultation with the finance sector in further developing its Technology Investment Roadmap, and we look forward to engaging on the opportunities to accelerate private investment flows into zero-carbon technologies.

"Unlocking billions of dollars of investment in new industries and new jobs requires a strong partnership between government and institutional investors. Government investment alone will not address the systemic risks that climate change presents to the Australian economy."

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