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Technology investment plan needs a 2050 net zero destination to unlock private capital

In response to the release of the Federal Government's Low Emissions Technology Statement, the Investor Group on Climate Change's Director, Policy, Erwin Jackson, said:

"The development and deployment of emerging technologies is a significant opportunity to unlock the scale of greenhouse gas reductions needed to achieve a climate resilient, net zero emissions economy by 2050.

"The Low Emissions Technology Statement and Technology Investment Roadmap are steps towards accelerating a number of the emerging technologies needed to reach net zero emissions across energy, farming and heavy industry.

"The government's technology regime remains predominantly focused on policy to guide taxpayer investment. Even more important is developing a climate and energy policy framework that ensures private capital is deployed into the commercialisation and deployment of these technologies.

"The scale of investment needed to reach net zero emissions and the natural fiscal constraints of federal budgets means engaging private capital is critical to any successful climate policy. Government investment alone cannot address the systemic risks that climate change poses to our economy.

"The Technology Investment Roadmap is not a substitute for a coherent national climate policy framework for the entire economy and a clear target for net zero emissions by 2050.

"A credible national framework to achieve net zero emissions across the economy would enhance the necessary market signal for institutional investors to accelerate their support for an orderly transition in Australia. The aim of unlocking \$50 billion in private capital is laudable, but it remains unclear how it will be achieved under current policy settings as investors will prefer opportunities in zero emissions technologies in countries with clear market signals.

"A commitment to a net zero emissions target by 2050 would ensure the Australian economy is aligned to trends in global capital markets and the climate and energy policies that are emerging among our major trading partners. Investors will continue to work with the Federal Government to ensure Australia is set on a Paris-aligned transition pathway through the Technology Investment Roadmap and Long Term Emissions Reduction Strategy."

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