



CLIMATE  
CHANGE  
AUTHORITY

# Carbonomics: climate change risks (and opportunities)

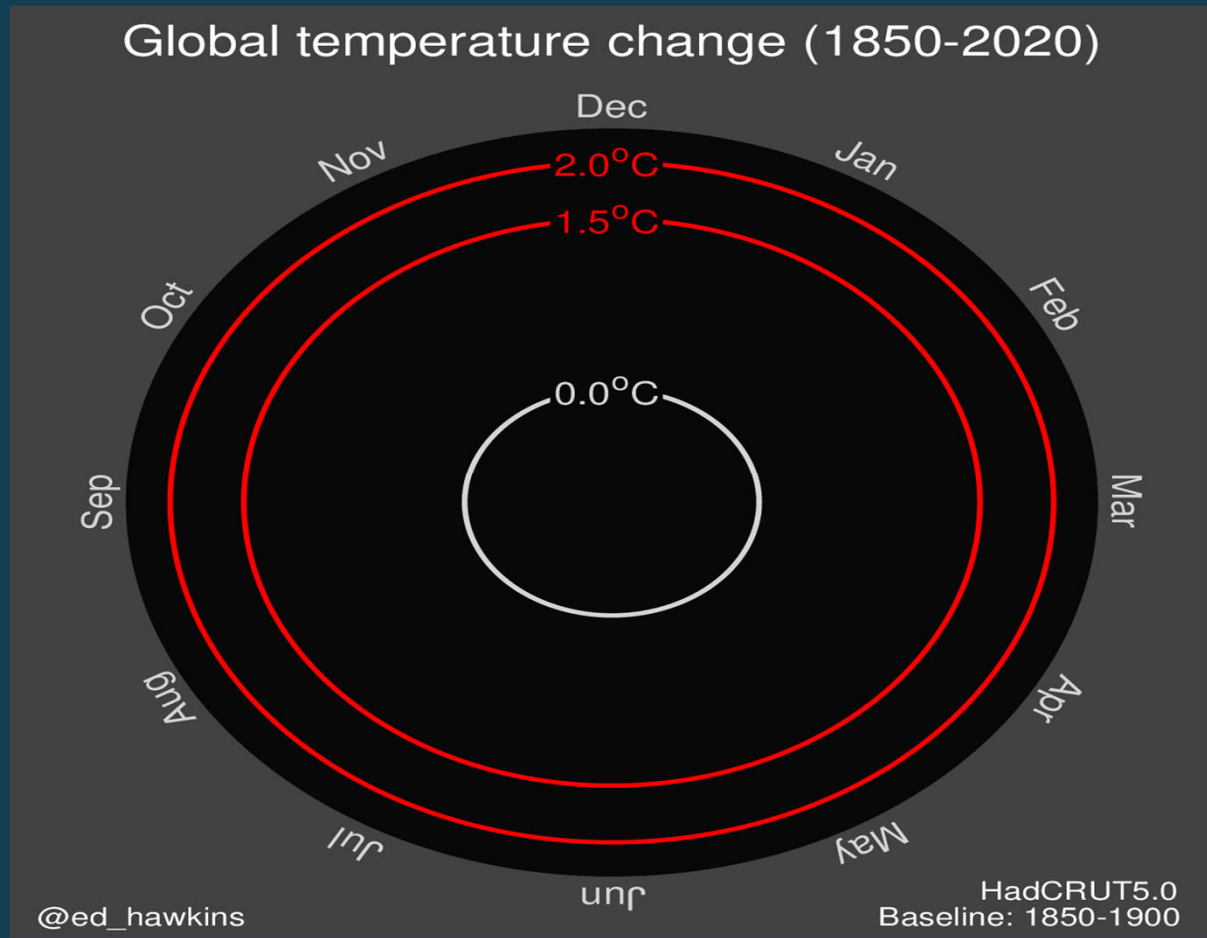
Brad Archer, CEO  
Financial Risk Day 2021

30 April 2021



Australian Government  
Climate Change Authority

# Global warming is accelerating



# The Paris Agreement

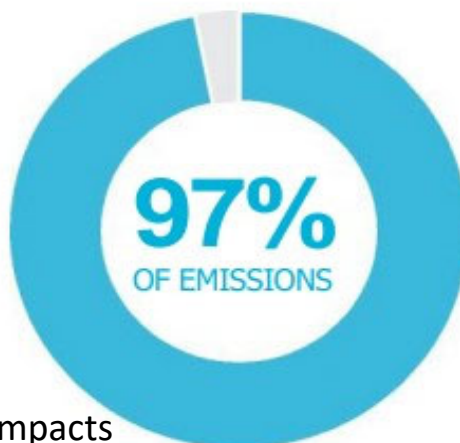


**190 PARTIES**  
HAVE RATIFIED THE AGREEMENT

'Pursue efforts' to limit warming to 1.5°C

Limit warming to 'well below' 2°C above pre-industrial levels

Increase ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development



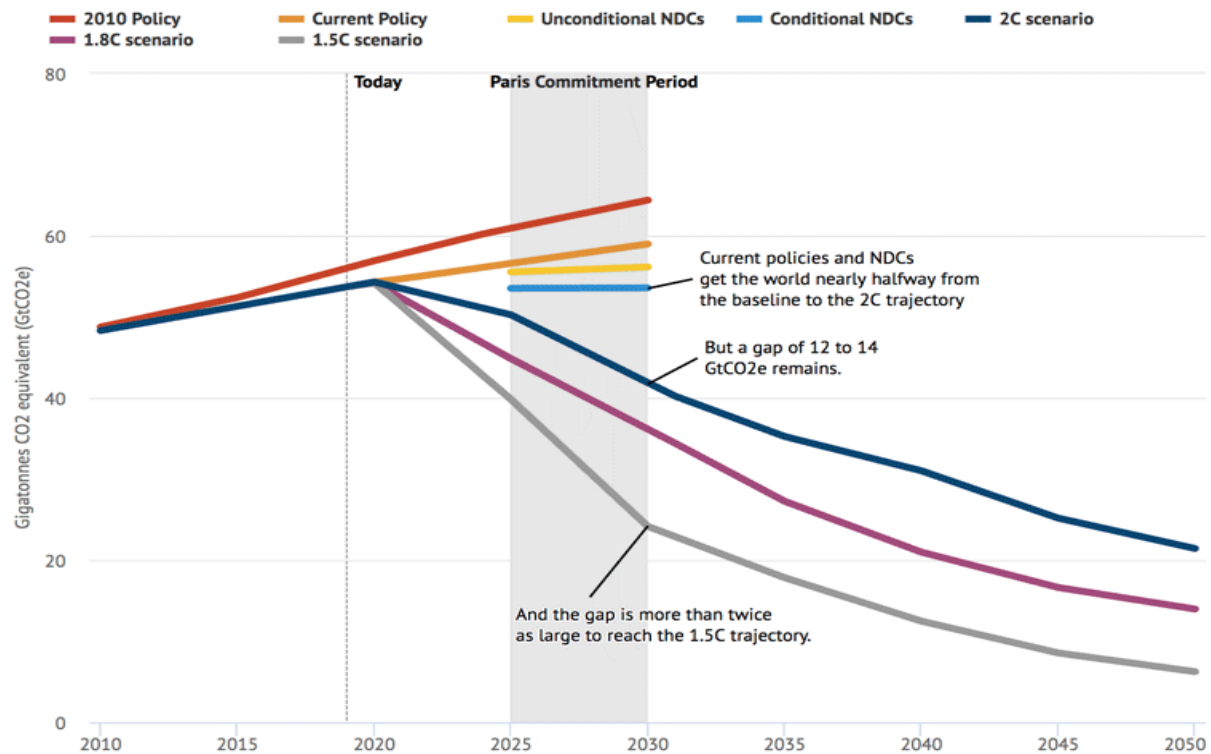
Peak greenhouse gas emissions as soon as possible

Achieve 'net zero' emissions in the second half of this century

Make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development

# The world needs to do more

Greenhouse emissions remain far off track for global climate goals



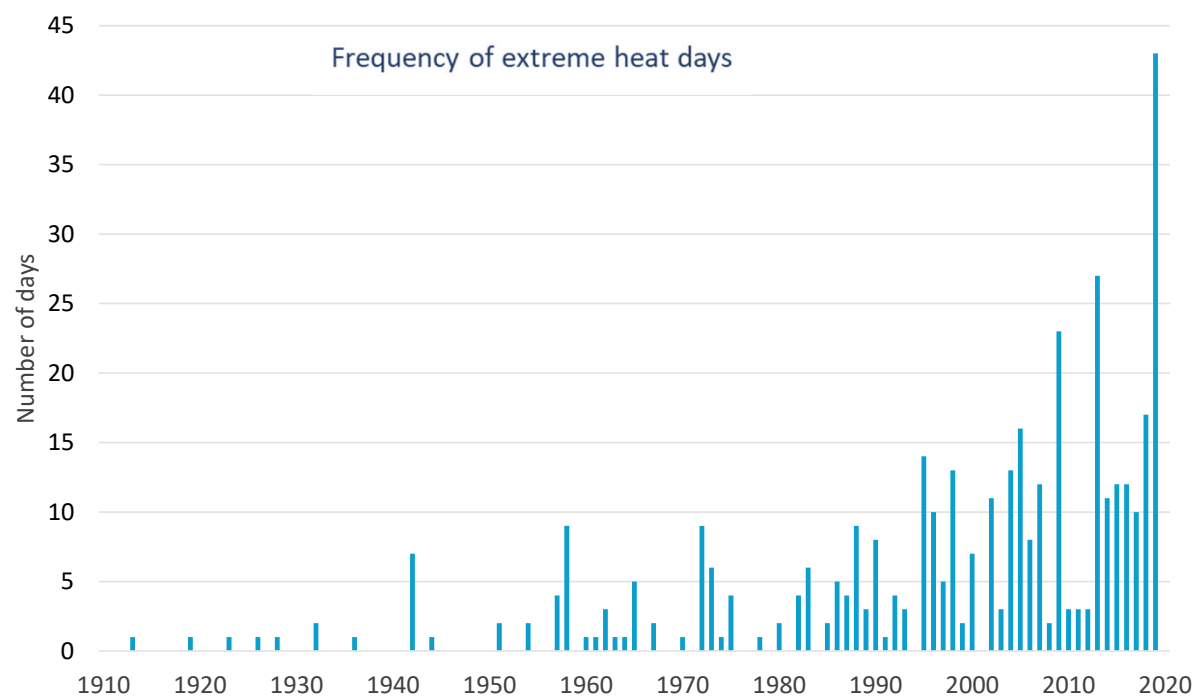
## Momentum is building in 2021



# Physical climate risks



# Australia is already observing changes in the climate



# Physical damage to infrastructure





# Sectoral impacts



# Broader societal impacts



# Transition risk



# Policy intentions are becoming clearer

Australia's major foreign investment partners and trading partners and their net zero targets

Our Investment partners	Mid-century net zero target
1) United States	2050
2) United Kingdom	2050
3) European Union	2050
4) Japan	2050
5) Hong Kong	2050
6) Singapore	-
7) China	2060
8) New Zealand	2050
9) Canada	2050
10) Switzerland	2050

Our trading partners	Mid-century net zero target
1) China	2060
2) Japan	2050
3) United States	2050
4) European Union	2050
5) South Korea	2050
6) United Kingdom	2050
7) Singapore	-
8) New Zealand	2050
9) India	-
10) Malaysia	-

# Investor preferences are shifting



## Barriers to addressing climate-related financial risk



# Opportunities for Australia





**Thank you**



**Australian Government**  
**Climate Change Authority**