

Media Release



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Asian net zero energy transition will create a century-defining \$37 trillion investment opportunity: new analysis

A Paris-aligned transition to net zero emissions across Asia would create up to \$US37 trillion out to 2050 in fresh investment opportunities in energy alone, a new analysis by the Asia Investor Group on Climate Change (AIGCC) finds.

The new AIGCC policy brief analysed the outputs of multiple global climate and energy modelling projects to help investors begin understanding the scale of investment opportunities that will be created across Asia in meeting the Paris Agreement goals.

The analysis finds that a transition consistent with keeping average global warming to 2°C or 1.5°C above pre-industrial levels would create \$US26 trillion and \$US37 trillion in new investment opportunities respectively, representing 1.7 per cent to 2.0 per cent of the continent's Gross Domestic Product.

The brief also shows Asia is well positioned to make this transition with dramatically falling renewable energy costs and governments beginning to implement relevant policies and goals to unlock large-scale clean energy investment.

The proportion of GDP identified for a Paris-aligned transition is similar to current spending on energy and could be partially funded through the reduction of fossil fuel imports and redirection of fossil fuel capital expenditure.

AIGCC Executive Director, Rebecca Mikula-Wright, said: "We know through a [recent survey of our members](#) there is a large and growing appetite for climate-aligned investment among Asian asset owners and managers.

"The scale of energy opportunities that will be created by the Asian race to net zero emissions will be the defining investment trend of the century.

"While investors must respond to the investment risks that climate change creates, they also need to be equally responsive and proactive towards the enormous opportunities that will be created as our energy, transport and industry are rapidly transitioned to net zero emissions systems.

"Asian investors who are mobilising their portfolios for this transition will be at an advantage to their peers. Those not positioning themselves to capitalise on these opportunities for their beneficiaries will find themselves at an increasing competitive disadvantage.

"The scale of investment required in energy alone is also a reminder to governments that private capital will be critical to meeting the net zero commitments many have made and policymakers must ensure they are deploying investable policies as part of their plans to accelerate the transition."

A full version of the AIGCC brief – Asia's Net Zero Energy Investment Opportunities – can be found [here](#).

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ABOUT AIGCC:

The Asia Investor Group on Climate Change (AIGCC) is an initiative to create awareness and encourage action among Asia's asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity for investors to share best practice and to collaborate on investment activity, credit analysis, risk management, engagement and policy. With a strong international profile and significant network, AIGCC represents the Asian investor perspective in the evolving global discussions on climate change and the transition to a greener economy. AIGCC has 49 members from 11 markets representing over US\$13 trillion in assets under management. www.aigcc.net