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MEDIA RELEASE

Spending \$20 trillion differently: Australia's opportunity in a low emissions world

New research commissioned by NAB reveals the economic opportunity in Australia's transition to a net-zero economy by 2050.

The research, '*All Systems Go*' by Deloitte Access Economics, finds around \$20 trillion will be invested in Australia's economy out to 2050, regardless of whether we transition to net zero.

However, to achieve our targets, this \$20 trillion will need to be spent differently and the Australian economy must be structurally different to ensure we are best-placed to emerge as a standout economy in a low emissions world.

This includes \$420 billion in additional new investment out to 2050, alongside \$70 billion that must move from emissions intensive activity by 2030 into low emissions activity to make the structural changes necessary and avoid driving up the cost of the transition over the long run.

NAB Chair Philip Chronican said climate change was a defining issue of our time and addressing the environmental need presented an important economic opportunity for Australia.

"Transforming Australia to a low emissions economy is inevitable and complex. If we get it right, the opportunities are immense," Mr Chronican said.

"This is the Great Reallocation – we will need to change where we invest and what will drive economic growth.

"It is a transformation Australia can afford, with \$20 trillion in investment to be spent regardless of whether the transition is made. The cost of inaction will be far greater than any new investment, both economically and environmentally.

"The research also makes it clear that climate action is everyone's job – the targets will not be achieved by one industry alone. The adjustments required to realise the opportunities will impact every business and every household. We will all need to make changes."

All Systems Go pinpoints four economic systems that must become low emissions for a successful transition: energy, mobility, raw material manufacturing, and food and land use. Today they represent around 90 per cent of Australia's emissions.

Around \$4 trillion is estimated to reflect net capital flows and investments to 2050 across these four complex and interconnected systems.

The report also highlights the unprecedented level of co-ordination required to ensure powerful climate solutions are realised. It builds on research undertaken for the BCA last year that found if we take coordinated and early action, the economy stands to gain around \$890 billion over 50 years.

NAB CEO Ross McEwan said the net-zero investment mandate would become a dominant business focus.

“There is clear commercial opportunity for Australian businesses. Our role is to support our customers and communities through the transition and fund the investments needed to create a strong and sustainable future for Australia,” Mr McEwan said.

“The next decade is critical. We need to mobilise funding to make the structural changes needed in our economy that will set us on a path to grow and create jobs.

“Our customers want to play their role and decarbonisation ultimately makes good business sense, even with the associated costs in the short term.

“Given the solutions do not yet exist for some industries and some customers, it is critical that business, governments and the broader community work together to tackle the challenge”.

The report will be shared with governments, business groups, industry, customers and NAB colleagues to drive further action and mobilise support.

Coinciding with the launch of the report, NAB has announced the creation of a new Chief Climate Officer role. The position reflects increasing requirements of all parts of the economy, and all parts of the bank, to support its customers in making the transition to a low emissions future.

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For more information about NAB’s climate action, visit: [Climate change goals and targets | Environment and sustainability - NAB](#)

For further information:

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