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## **PARIS CLIMATE AGREEMENT: STYLE TRIUMPHS OVER SUBSTANCE**

The Paris climate agreement represents the triumph of style over substance and pays lip service to the pressing need for reliable and affordable energy in the developing world, according to free market think tank the Institute of Public Affairs.

“While a voluntary international agreement with a loose commitment to achieve ill-defined future targets is preferable to the alternative, it still represents a missed opportunity to support the role of the private sector and free markets in bringing billions of people in the developing world out of energy poverty,” says Brett Hogan, Director of Energy and Innovation Policy at the Institute of Public Affairs.

“Over 1.1 billion people throughout the world currently have no access to electricity and 2.9 billion people rely on crop waste, dung and similar materials for domestic cooking.”

“The United Nations has also forecast that between 2014 and 2050 around 2.5 billion people will move from rural areas to cities, which will significantly increase demand for reliable and affordable electricity.”

“While local demand will determine the source of electricity in each country, any government intervention that creates artificial markets, supports rent-seekers, or prioritises one source of fuel over another, diverts capital from its proper role of moving to meet genuine demand by securing supplies of a given commodity at a fair price.”

“Expensive government renewables policies in the developed world are actually delaying research, development and the deployment of more efficient energy technologies.”

“Governments should not be in the business of mandating which sources of energy are allowed to compete in the marketplace. The role of government should be to ensure a level playing field for the various energy sources and technologies to compete, rather than trying to pick energy winners.”

“The commitment to revisit targets in five years’ time is welcome, as it gives an opportunity for policy makers to assess the ongoing relationship between global temperature variations and carbon dioxide levels. Until then, the Australian government and opposition should stare down attempts by environmental activists to further strangle our resource-intensive economy,” says Mr Hogan.

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