



Australian Government

Australia's NDC Investment Blueprint

A Blueprint for Investing in
Australia's Net Zero Transformation



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Acknowledgement of Country

We acknowledge the Traditional Owners of Country throughout Australia and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past and present.

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Executive summary

Australia has a reputation as an attractive destination for international capital.

As an export-oriented economy, Australia offers major investment potential, driven by our underlying advantages: an abundance of renewable energy and mineral resources needed for the energy transition, together with a skilled workforce, excellent trading relationships, robust environmental, social and governance (ESG) standards and stable political institutions.

In September 2025 Australia submitted its second Nationally Determined Contribution (NDC). At the same time Australia also announced its Net Zero Plan, Sector Emissions Reduction Plans and Australia's new 2035 target which underpin Australia's net zero transition. Together, they provide certainty and clear signals to investors that Australia is open and ready for investment in our net zero transition.

Australia's NDC represents our formal communication of our international commitment to climate action under the Paris Agreement. Moreover, it shows the level and pace of Australia's ambition to reduce its emissions.

The Net Zero Plan guides our transition to achieving net zero greenhouse gas emissions by 2050 and sets out Australia's 2035 emissions reduction target. A clear and credible pathway to net zero provides certainty to investors.

The Net Zero Plan is supported by 6 sector plans which provide more granular analysis of Australia's emissions reduction pathways. These factors position Australia well to strengthen priority supply chains, improve economic resilience and security, and become an indispensable part of the net zero global economy.

Australia is demonstrating that our net zero ambitions are supported by a credible transition pathway. The Net Zero Plan and Sector Emissions Reduction Plans show how Australia intends to act on its advantages to reach net zero, these plans provide long-term market signals for investment in the key sectors and technologies that will underpin our transition.

The Australian Government Future Made in Australia agenda signals priority clean energy industries that will underpin Australia's renewable energy superpower vision. Australia can leverage its track



record as a trusted and reliable trade partner, with established links into key markets, to be a dependable supplier into the growing markets of the future. These priority industries present opportunities to invest in Australia's future exports, which will be critical to supporting other countries to meet their net zero ambitions. These include critical minerals processing, green metals, low carbon liquid fuels, clean energy manufacturing and renewable hydrogen.

Australia is continuing work with like-minded partners to maintain our place as a reliable and trusted producer of the strategic metals and minerals the world needs to underpin its security and transition to net zero.

The Australian Government is committed to ensuring a stable and efficient investment environment, including foreign investment, regulatory settings and planning and environmental approval processes.

The Australian Trade and Investment Commission (Austrade) works with foreign investors to help them understand Australian investment opportunities and attract projects to Australia that contribute technology, capability, and links to global supply chains.

Specialist Investment Vehicles (SIVs) such as the Australian Renewable Energy Agency (ARENA), the Clean Energy Finance Corporation (CEFC), Export Finance Australia (EFA), Northern Australia Infrastructure Facility (NAIF) and National Reconstruction Fund Corporation (NRFC) are a key feature of Australia's investment landscape that offer public financing to de-risk and crowd in private capital.

Australia offers facilitation services for investors to streamline approvals processes and fast-track major projects where possible. In September 2025, the Investor Front Door pilot was launched to make easier to invest and develop nationally significant projects in Australia.

The Net Zero Economy Authority offers support to investors, including facilitating with regional communities, state and local governments for net zero projects in its regions of focus around Australia.

This document provides a blueprint for anyone seeking to invest in Australia, which will be a critical partner in the global transition to net zero. It contains a summary of the key opportunities arising from our targets, plans and policies, as well as an overview of Australia's investment landscape and settings. It showcases how investing in Australia can help all involved to thrive in and drive the global net zero transformation underway.

Figure 1: Key Messages



Australia is an attractive investment destination



Australia has an abundance of renewable energy and human capital



Australia has ambitious targets that are legislated and emissions reduction sector plans



Australia is open and ready for investment in our net zero transition





1.

The investment opportunities of a net zero future

In the decade since countries signed the Paris Agreement to limit the risks of climate change, a sustained and dramatic transformation of global energy systems has unfolded as the world forges a pathway to decarbonising the global economy. The plummeting cost of renewables has reshaped investment flows into our systems that produce, use and store energy.

In 2024, global investment in clean energy technologies and infrastructure rose to around USD\$2.2 trillion, double the amount of investment in oil, natural gas and coal.¹ Investment is flowing into every stage of these clean energy systems including renewable generation, grids, storage, energy performance, low emission fuels and end use applications. Supporting this, in 2024 an estimated A\$140 billion was directed towards global clean energy supply chains, including manufacturing facilities for solar, battery, electrolyser and wind equipment, as well as battery material processing.²

These investment trends underscore a broader economic shift. Clean energy accounted for 10% of global GDP growth in 2023.³ The plummeting costs of wind and solar have seen these technologies become the fastest growing sources of electricity in history, and clean energy jobs globally now outnumber jobs in the fossil fuel industry.⁴ Investment across borders has seen clean energy foreign direct investment triple its share of global GDP over 2014 to 2022, accounting for 40% of the flow of total greenfield FDI in 2022.⁵

As the world grapples with economic headwinds, the global net zero transition represents one of the greatest prospects for economic growth, investment and diversification.

In this context, Australia offers an open, stable and reliable investment destination. In 2023 and 2024, Australia was ranked in the top 5 most attractive destinations in the world for investment in renewable energy, according to EY's Renewable Energy Country Attractiveness Index.^{6,7}

Stable institutions, like those found in Australia, create policy certainty and crowd in investment.

Australia provides clear, long-term signals on the transformation of our economy around net zero and the ensuing opportunities. Through the *Climate Change Act 2022*, Australia has legislated targets and accountability measures to provide policy certainty and make sure Australia's progress is transparent. The Minister for Climate Change and Energy makes an annual statement to Parliament. The Australian Government has committed over \$70 billion for decarbonising our economy over the coming decades. This includes support for new industries, investing in renewables and building transmission.

The Net Zero Plan and 6 Sector Plans provide the private sector with greater confidence to continue investing. Investors have asked for clear and stable policy signals that support long-term decision-making. There are high quality clean energy co-investment opportunities with the Australian Government SIVs and many motivated private sector strategic and institutional investors.

Australia has long benefited from trade and foreign investment, with the former now supporting 32% of Australia's economic activity. Foreign investment helps Australia reach its economic potential by providing capital to finance new industries and enhance existing industries, boosting infrastructure and productivity and creating employment opportunities in the process.⁸

The underlying strengths of the Australian economy – strategic location, resources, skills, people, top-tier research institutions and excellent trading relationships – which drove historical investment opportunities remain fundamental drivers of our prosperity as we transition to net zero. This document sets out those key opportunities, and the policies and settings backing them.

Australia is able, willing and already investing in a net zero future. We want to build partnerships and seize opportunities by attracting new and innovative businesses to Australia, and welcome contact from parties interested in joining us on our net zero journey and helping to build a Future Made in Australia.

Why invest in Australia?

Australia is committed to holding the increase in the global average temperature to well-below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

We are embracing the global transition to net zero, have a vision to become a renewable energy superpower and have a credible plan to achieve our 2030, 2035 and 2050 targets.

Australia's targets are ambitious, achievable, and credible – underpinned by the best available science. These targets are backed with comprehensive policies and plans, including the Safeguard Mechanism, and the Powering Australia plan covering Rewiring the Nation and the Powering the Regions Funds as well as the Capacity Investment Scheme.

Australia has a strong foundation for our transition and seizing the economic opportunities through our natural abundance of sun, wind and critical minerals, and our highly skilled workforce.

We have an advantage in renewable energy thanks to world-leading, large-scale resources. Our continent receives the highest level of direct solar radiation per square metre globally, making us one of the best locations for solar energy. Additionally, we boast some of the best wind resources, with vast onshore and offshore areas that have consistent, high-speed winds suitable for energy generation. The quality, combined with scale of our resources, make Australia an attractive place to invest in wind and solar power.

Australia's abundant mineral resources are pivotal to delivering the net zero transition. We are a secure and reliable source of minerals with rich reserves and an advanced mining industry, we will remain a top exporter of commodity minerals. Australian iron ore includes magnetite and high-grade hematite, which are ideal for green steel production. We are also the world's largest producer of lithium. This is in high global demand.

We have a history of innovation in clean energy, including inventing in Australia the Passivated Emitter and Rear Cell (PERC) solar cell that today is used in more than 85% of all new solar panels in the world. Australian scientists continue to lead the way in solar research and development, with groundbreaking innovations such as the high efficiency PERC cell, and are continuing to make improvements towards making solar power an ultra-low-cost renewable energy.⁹

Australia is a trusted and reliable trade partner, with established links into key markets, and is well placed to be a reliable supplier into the growing markets of the future. Australia also benefits from geographical proximity to, and free trade agreements with, some of the fastest growing economies on the planet, including Southeast Asia which is likely to collectively represent the 4th-largest economy in the world by 2040.¹⁰

We are motivated and ambitious to achieve net zero and grow our industrial capabilities, enhance productivity and bolster economic security and resilience.

Australia is committed to using these advantages to benefit regional and global decarbonisation. Our future renewable and mineral exports will play an important role in the Indo-Pacific region's energy transition.

We are a safe and attractive investment destination, with support and facilitation services for inbound investors including Austrade, the Net Zero Economy Authority and the Investor Front Door.

We have strong ESG credentials, including labour standards which promote equality, strong environmental protection laws and First Nations peoples' inclusion and engagement. There are substantial opportunities to leverage the skills and knowledge of Australia's First Nations people in clean energy projects, while contributing to their economic empowerment.

2.

Australia's climate ambitions and policies provide significant investment opportunities

The Australian Government's strong action on climate change positions us as a leader in global decarbonisation.

Our 2035 target reflects one of the highest national decarbonisation rates among G20 countries.

Australia submitted its second NDC in September 2025. Australia's new 2035 emissions reduction target, which underpins our NDC, is ambitious, credible and aligned with the Paris Agreement. Australia's plan to achieve the target provides new economic opportunities for investment in Australia.

Australia's targets

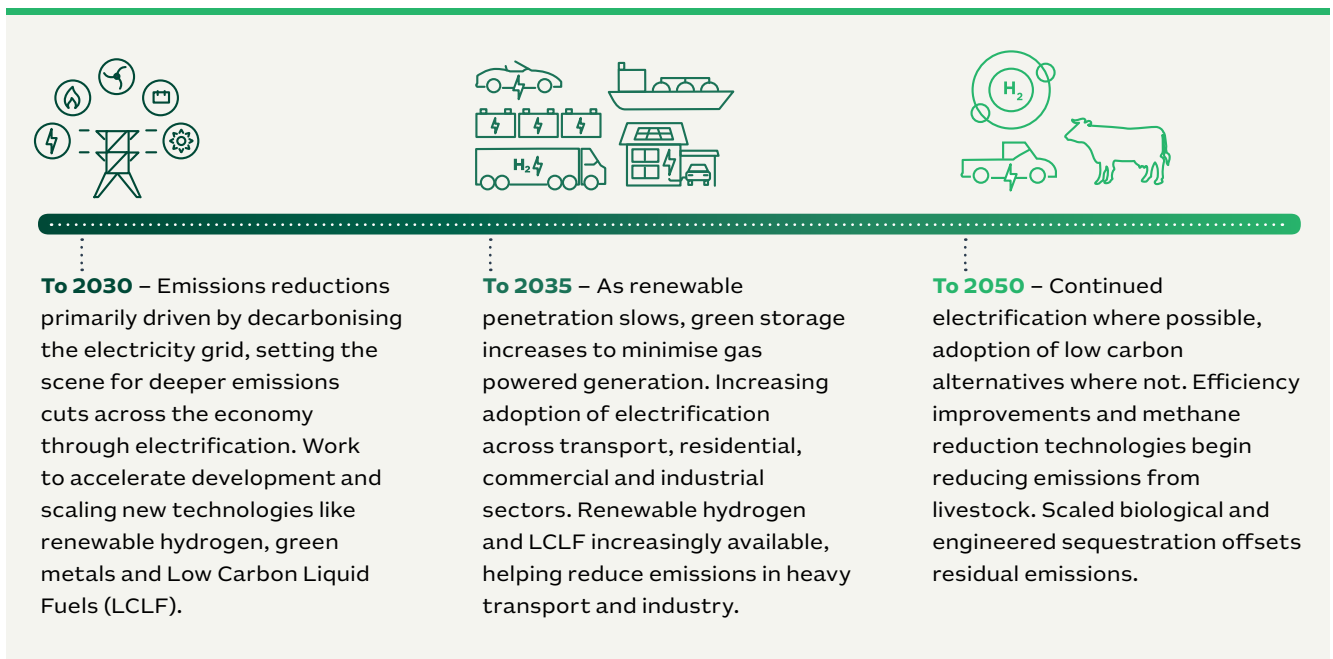
Australia's emissions reduction targets include:

- A commitment to reduce greenhouse gas emissions by 43% below 2005 levels by 2030.
- A commitment to reduce greenhouse gas emissions by 62% to 70% below 2005 levels by 2035.
- Achieving net zero emissions by 2050.

Australia has legislated our 2030 and 2050 emission reductions targets through the *Climate Change Act 2022*, providing long-term stability for investment.

Australia's climate ambitions provide an economic opportunity for investors to contribute to Australia becoming a renewable energy superpower leading decarbonisation in the Indo-Pacific region.

Figure 2: Australia's emissions reduction targets



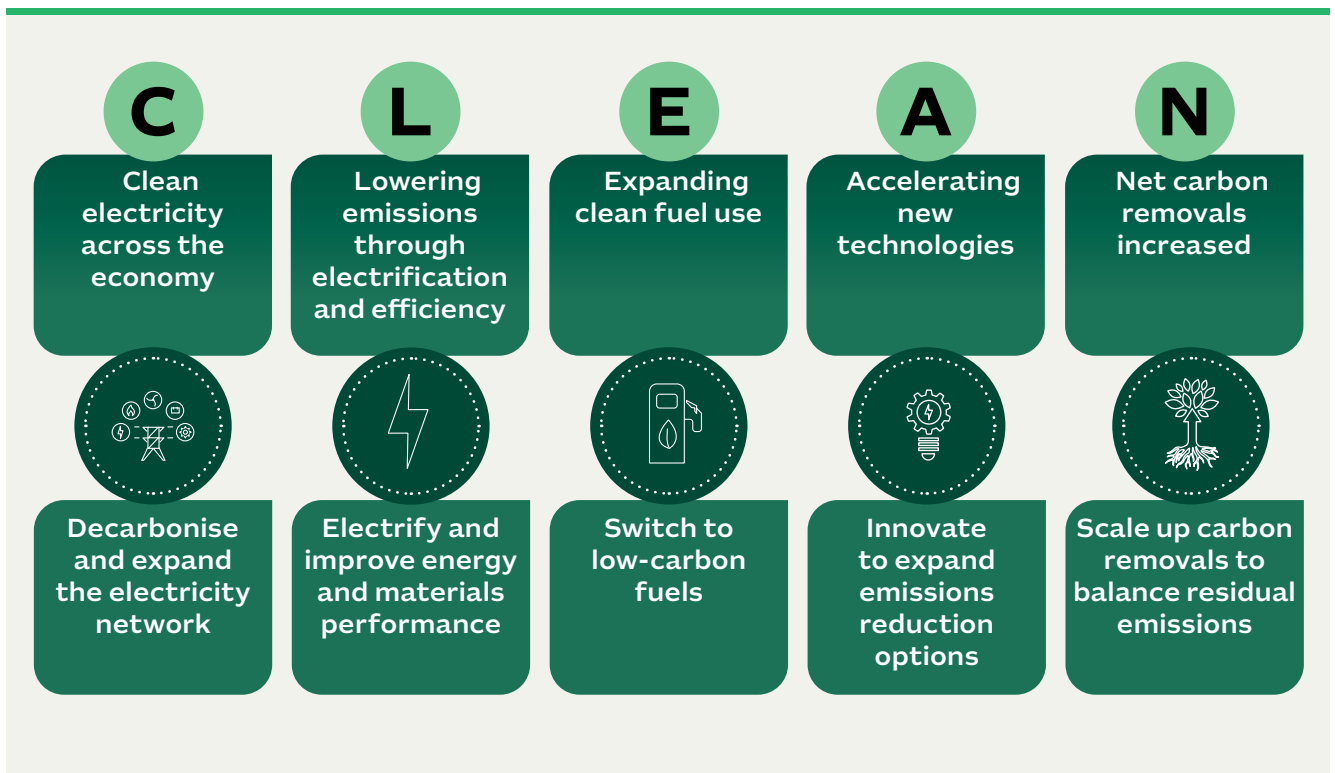
Net Zero Plan

Australia has backed up our targets with a broad suite of climate policies.

Australia's Net Zero Plan and 2035 Target underpins Australia's National Determined Contribution, and set out how Australia will transition to net zero greenhouse gas emissions by 2050 and the key steps the government is taking to achieve this. The Plan covers all major parts of the economy and articulates Australia's transition to net zero. Australia has adopted 5 overarching decarbonisation priorities which are key to Australia's transition to net zero.



Figure 3: Australia's 5 decarbonisation priorities in our net zero transition

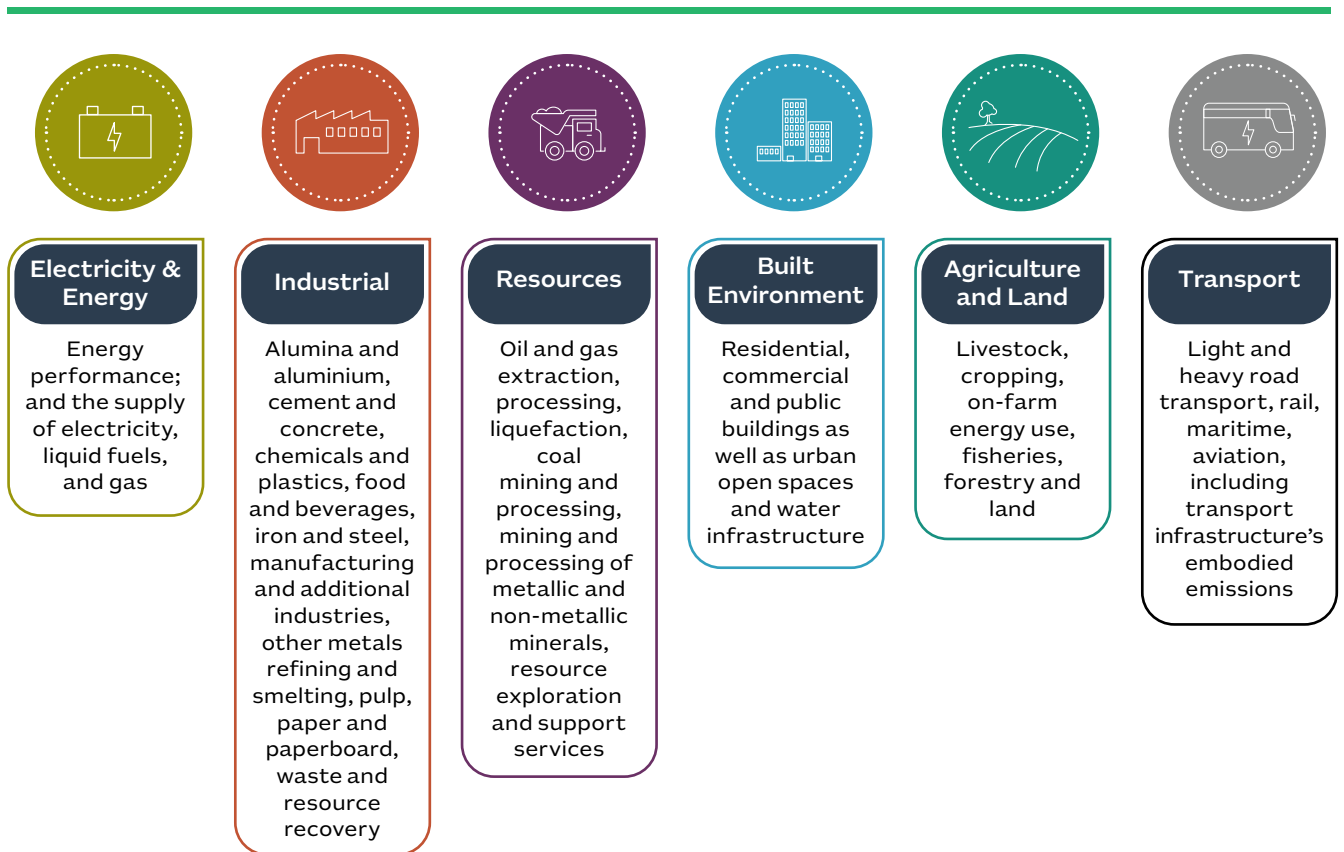


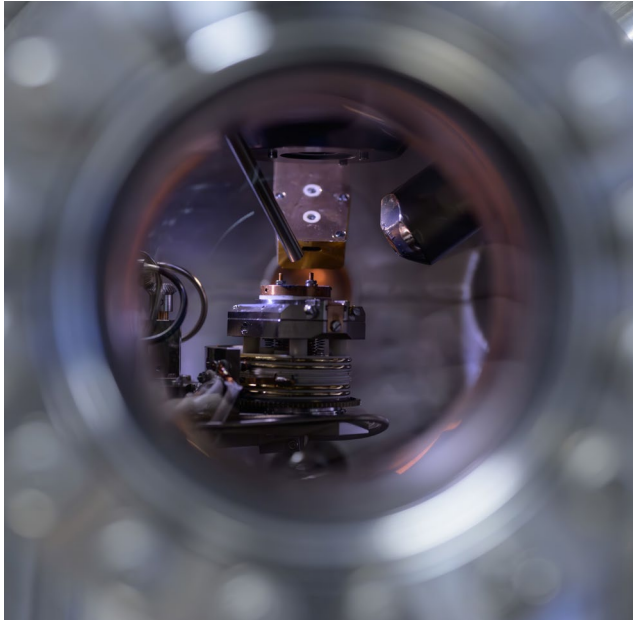
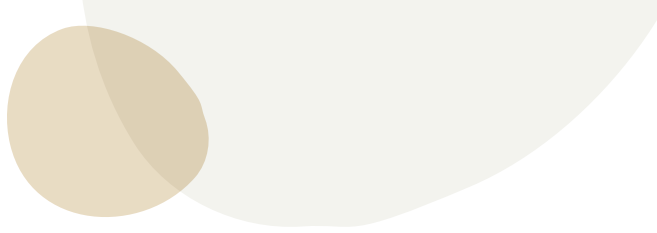
Sector Emissions Reduction Plans

Australia's Net Zero Plan is supported by 6 Sector Emissions Reduction Plans which collectively cover all sources of emissions across the Australian economy. The sector plans outline the role of each sector in supporting Australia's transition to net zero. They plot a course for reaching net zero across 6 key sectors (Figure 4).

These plans illustrate how we can achieve our 2035 and 2050 emissions reduction targets and highlight abatement opportunities across Australia's economy. The plans also outline what the government is doing to realise these opportunities and how action will evolve over time. This helps provide the certainty required for long-term investment decision making. Section 3 of this document outlines key investment opportunities across the sector plans.

Figure 4: Australian emissions reduction sector plans including key subsectors





Future Made in Australia

Australia aims to play a leading role in the global net zero transition by working with our trading partners to realise the collective opportunity of growing a global economy powered by renewables.

The Future Made in Australia agenda seeks to leverage our low-cost renewable energy, skilled workforce and abundant natural resources. Through this agenda, Australia can create new clean energy industries and make a substantial contribution to global emissions reduction and the world's net zero commitments. These factors position Australia well to strengthen priority supply chains, improve economic resilience and security, and remain an indispensable part of the net zero global economy.

This sits in parallel with Australia's commitment to continue being a reliable energy supplier, promote cooperation on development of clean energy industries with trade partners and support regional supply chain resilience, as geopolitics and decarbonisation drive rapid global change.

The Australian Government has backed this vision through its Future Made in Australia agenda, which encourages and facilitates private sector investment into emerging clean energy industries, critical minerals processing and advanced manufacturing - in line with our national interest. The Australian Government is investing in these sectors through targeted support for early-stage innovation, financing, production tax credits and by improving investment enablers.

The Australian Government will invest more than A\$22.7 billion over a decade, through the Future Made in Australia agenda. This will maximise the economic and industrial benefits of the international move to net zero, and facilitate the private sector investment required to make the most of this structural shift.

The Future Made in Australia agenda is guided by a National Interest Framework that identifies priority industries under 2 streams:

- The *Net Zero Transformation Stream* for industries where Australia has grounds to build enduring comparative advantage in a net zero global economy and public investment is likely to be needed for the sector to make a significant contribution to emissions reduction at an efficient cost.
- The *Economic Resilience and Security Stream* for industries that are critical to our economic resilience and security, including where global supply chain concentration or vulnerability exists.

The Australian Government has so far identified the following priority industries as aligned with its Future Made in Australia National Interest Framework:

- Renewable hydrogen
- Critical minerals processing
- Green metals
- Low carbon liquid fuels
- Clean energy manufacturing, including battery and solar panel supply chains

3.

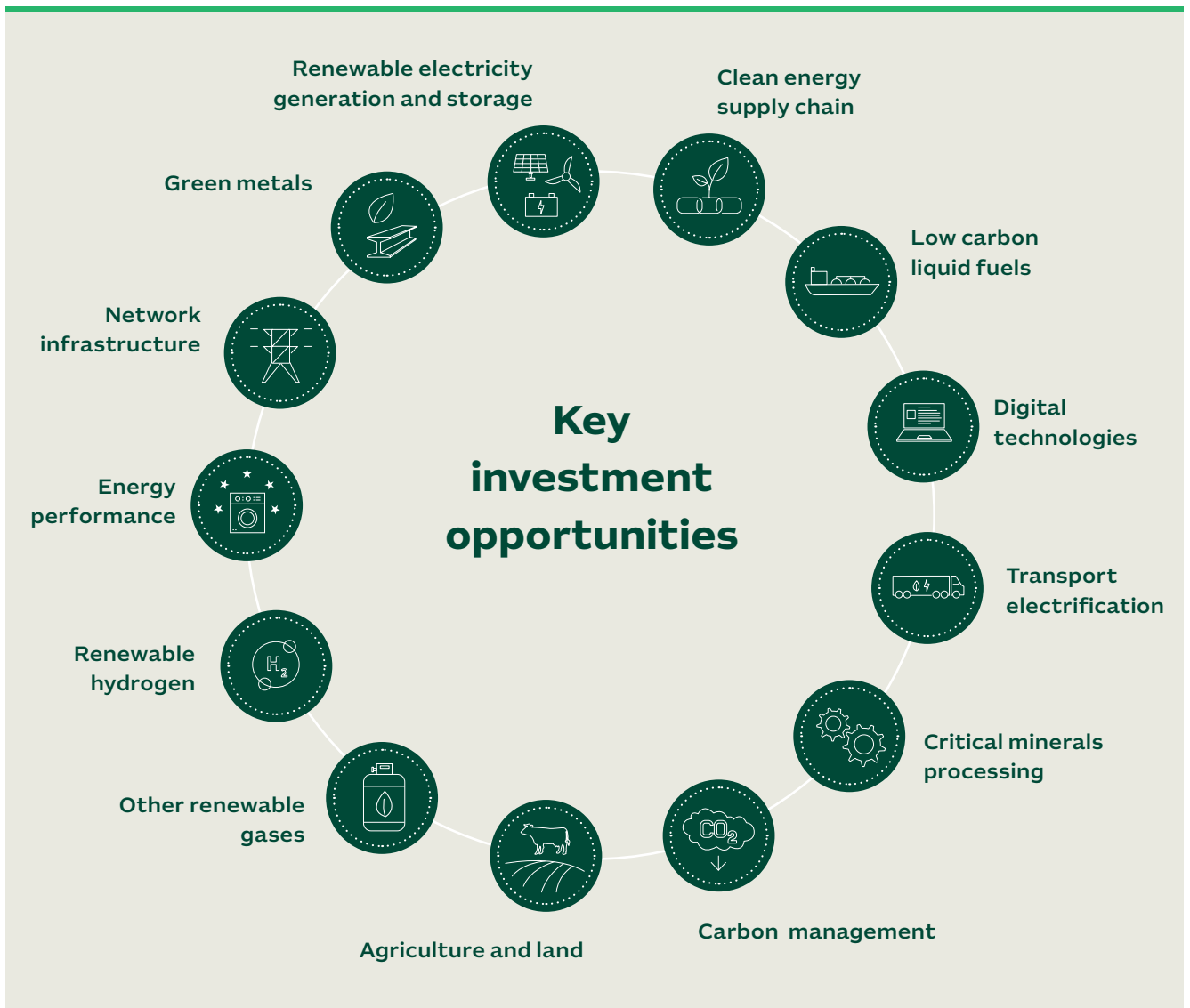
Key opportunities for net zero aligned investment in Australia

Australia's new Net Zero Plan and 6 sector plans identify key abatement opportunities across key sectors, and government policies and incentives to mobilise private investment to help realise these opportunities. Investors will play a key role in supporting development and innovation across both mature and emerging technologies.

The long-term outlook of the Net Zero Plan and sector plans provides clarity to investors about the broad direction of Australia's economy and policy architecture, to provide confidence for decisions to invest in long-lived assets.

This section highlights key investment opportunities across the 6 sector plans, including Future Made in Australia priority industries.

Figure 5: Investment opportunities





Energy System Pathway and Timeline

Australia's energy system will undergo a significant structural change on our pathway to 2050, occurring through 3 broad phases:

- Now to 2030. Renewable electricity generation increases to reach 82%, delivering significant emissions reductions in the electricity sector and setting Australia up to decarbonise other sectors through wide-spread electrification. Domestic markets and production for renewable gases and low carbon liquid fuels are established and domestic low carbon fuel production established.
- 2030 to 2035. Electrification and energy efficiency drive decarbonisation across the transport, built environment and industry sector, backed by continued growth in firmed renewable generation. Renewable gases and low carbon liquid fuels are increasingly supporting decarbonisation in hard-to-abate sectors like high-heat industrial processes and aviation.
- 2035 to 2050. A high-performance renewable electricity system supports economy-wide electrification. Fuel-switching accelerates as renewable gases and low carbon liquid fuel production scales. By 2050, Australia's economy is underpinned by clean energy.

Renewable electricity generation and storage

Australia is seizing the economic opportunities of the falling costs of renewable electricity generation technologies and storage. As Australia's current coal-fired electricity generation plants retire, they are being replaced chiefly by wind and solar supported by dispatchable capacity including battery storage and pumped hydro. Renewables including hydropower now supply over 40% of electricity in Australia's 2 largest grids.

Underpinning these opportunities is Australia's abundance of sites with substantial renewable energy potential. The strength and consistency of our sunlight is ideal for solar. Many areas in Australia also experience consistent, strong winds. Finally, Australia has a considerable land mass but a comparatively small population.

As we expand our renewable energy capacity, we will be able to exceed our domestic needs for energy and export the residual as embodied clean energy.

Australia has ambitious renewable energy goals, including our 82% renewable electricity by 2030 target, with a vision to become a major exporter of products with embedded clean energy. To meet these goals, the pace of utility-scale renewable and storage deployment has accelerated and will continue to grow. There is a need for private market investment to maintain a high renewable build rate. The Australian Government is supporting this target through programs including the Capacity Investment Scheme (CIS) and Rewiring the Nation.

Capacity Investment Scheme

The CIS is an Australian Government revenue underwriting scheme to accelerate investment in renewable generation and dispatchable capacity.

Regular tenders are run for competitive bids under the CIS for generation and dispatchable capacity in Australia's two major grids - the National Electricity Market (NEM) on the east coast and Western Australia's Wholesale Electricity Market (WEM). Tenders continue to be oversubscribed with high quality bids.

To August 2025, the Australian Government has announced over 29 renewable generation and storage projects that will receive CIS support, totalling 8.4 GW (6.4 GW of generation and 2 GW (8GWh) of storage). Results for a further two NEM tenders totalling 10 GW (4 GW of dispatchable capacity and 6 GW of generation) are scheduled to be announced in September and October 2025 respectively. Two WEM tenders opened for bids in July 2025 and will close in November 2025. These tenders are targeting 1.6 GW generation and 2.4 GWh clean dispatchable capacity respectively.

Tenders will continue to be run until 2027 to fill the 40 GW of new capacity, estimated to support about A\$73 billion in investment in Australia's electricity sector. Two more CIS tenders are expected to be launched in October and November 2025 for renewable generation and clean dispatchable capacity respectively. Further tenders will be announced in 2026.

The Australian Government encourages bids from all investors. We have received a very high level of interest from investors overseas, bringing important new investment to the electricity transition.



ACEN & Yindjibarndi Energy Corporation — Partnering on renewable energy with Traditional Owners

Austrade is facilitating high-quality foreign investment that grows our net zero export industries and supports Australia's First Nations businesses.

Austrade supported Philippine's renewable energy company ACEN, who partners with the First Nations Yindjibarndi People to develop clean energy projects in Western Australia's Pilbara region.

Their joint venture Yindjibarndi Energy Corporation (YEC) will start constructing 750 MW of combined wind, solar and battery storage for domestic and export markets over the next years. ACEN is investing A\$1 billion to the projects. This partnership is one of Australia's largest renewable energy initiatives led by First Nations people.

Austrade identified new investment opportunities on Australia's fast-evolving renewable energy sector. It provided introductions to federal and state governments and supported visa arrangement and workforce hiring.



In Australia, firming is needed to complement a system dominated by variable renewable electricity. Batteries are playing a crucial role in managing daily demand fluctuations.

Priority 4 of Australia's Net Zero Plan is to accelerate new innovative technologies that expand emissions reduction options, such as new battery production.

Clean energy technology manufacturing, including battery manufacturing, is also a priority industry under Future Made in Australia. The Australian Government's **National Battery Strategy** includes A\$500 million for production incentives through the **Battery Breakthrough program**.

With Australia's abundance of the key minerals required for battery manufacturing, and as the world's largest lithium producer, there are opportunities for investment into battery industries across the value chain in Australia.

Significant investment in our electricity system is needed to support growing demand and replace coal powered capacity.

In the short term, between 2025 to 2030, there will be opportunities for private investment to accelerate the deployment of renewable energy and storage to meet the 82% renewable electricity target. Beyond 2030, economy-wide electrification and new industry growth will continue to drive demand for renewable electricity, clean dispatchable capacity and other firming technologies.

Waratah Super Battery

The CEFC committed A\$100 million to accelerate the development of the Waratah Super Battery (WSB) as part of a A\$500 million raising by BlackRock Private Markets.

BlackRock has also secured commitments from Australian and global institutional and sovereign co-investors including NGS Super. The CEFC has co-invested with BlackRock in the renewables sector since 2016.

Akaysha Energy, which operates the WSB, says its capacity is enough to supply 970,000 homes with electricity for 1 hour, or supply 80,000 homes with electricity for a full day (based on 21kWh per day usage).

A priority project for a net zero future

The 850 MW/1680 MWh WSB, built on the site of a decommissioned coal-fired power station on the NSW Central Coast, began operating in August 2025.

The WSB forms part of the Sydney Ring Project, identified as a priority project in the Australian Energy Market Operator (AEMO) Integrated System Plan (ISP) 2024, which maps the investment required to achieve the targeted 82% renewables by 2030.



Network infrastructure

Expanded network infrastructure is underway to support Australia's renewable energy potential. This aligns with priority 1 of Australia's Net Zero Plan to decarbonise and expand our electricity network. For our major electricity grids, electrification of vehicles, industrial processes and households will be key drivers of demand growth. Through the CEFC, the **Rewiring the Nation** program will provide over A\$20 billion to upgrade transmission infrastructure to connect renewables and storage more efficiently. This will support private sector projects to get off the ground and unlock more renewable energy, enhance reliability in the grid, reduce costs and deliver benefits to end-user developers and consumers.

The Australian Government, together with states and territories, energy market bodies and industry, is working to prioritise reforms to boost grid productivity. This will allow more renewable power to flow to households and businesses, lowering energy bills – including through the **Grid Enhancing Technology** grants program. It will also address

barriers to deployment via support for AEMO to enable accelerated grid connection of renewable generation and storage assets.

Further investment opportunities may become apparent in future years as the AEMO refines the ISP. Australia will need more transmission infrastructure to meet the regulator's forecasts for a net zero network, and as Australia expands renewable generation to meet export opportunities beyond domestic demand. The current AEMO ISP forecasts close to 10,000 km of additional transmission infrastructure will be required by 2050 as Australia meets its net zero target.

Our electricity system will need to expand to meet demand from electrification and new industry growth. Australia welcomes private sector investment in network infrastructure and transmission projects. Our regulatory environment allows for private operators to enter the market and make good returns on their investments.





Energy performance: electrification, energy efficiency and demand flexibility

Improved energy performance – including electrification, energy efficiency and demand flexibility – can significantly reduce the cost of the net zero transformation across all sectors. Priority 2 of Australia’s Net Zero Plan is lowering emissions by electrification and efficiency. This equates to electrifying wherever possible and improving energy performance and materials efficiency. Actions that increase energy performance typically provide the quickest and cheapest emissions abatement options.

Electrification can be an effective way to decarbonise energy use across the economy. Electric options are already cost-competitive for many uses and technology costs are expected to fall further as adoption and innovation grow.

Electrification will allow Australia to leverage our low-cost renewables to deliver economy-wide emissions reduction. This will create substantial investment opportunities in new assets that enable electrification. Electrification of end-use sectors, such as widespread adoption of electric vehicles and heat pumps, together with emerging technologies like renewable hydrogen and carbon capture and storage, will play a crucial role in driving Australian’s transition.

Electrification is identified as key to driving emission reduction across the net zero pathway, including:

- **Built Environment Sector:** the electrification of commercial heating and cooling and increased share of households with fully electrified appliances and heating.
- **Industrial Sector:** electrification of low temperature processes such as heat pumps for food and beverage manufacturing, and development of new electrification technologies for high temperature processes such as electric calcination for alumina refining.
- **Resources Sector:** electrification of haulage and equipment.
- **Agriculture and Land Sectors:** electrification of farm machinery and vehicles.
- **Transport Sector:** growing expansion of battery-electric vehicles and assisting infrastructure, as well as track electrification for rail.

In the short term, between 2025 to 2030, investment opportunities in energy performance include commercial heating and cooling, fitting households with fully electrified appliances and heating and research and development for modern construction. In the longer term, from 2035 to 2050, investment opportunities in energy performance include improved standards for new buildings and appliances as new technologies come online.

During Australia’s transition, it is also vital to improve appliance and equipment energy efficiency and demand flexibility to reduce and shift electricity demand. Energy efficiency and flexible consumption directly reduce the amount of energy consumers draw from the grid, reducing energy bills. Efficient and flexible electricity demand will make it easier to achieve higher levels of renewable penetration in the grid.

There are opportunities for energy performance investments to replace fossil fuels assets with new efficient equipment and switch to electric technologies.

For example, the Industry Sector Plan highlights that heat pumps that use electricity and refrigerants to more efficiently deliver heat can be over 4 times more efficient than traditional gas boilers.

The Australian Government’s programs include several streams that can support electrification and energy efficiency, including the A\$400 million Industrial Transformation Stream (ITS) administered by ARENA and the A\$600 million Safeguard Transformation Stream administered by the Australian Government’s Business Grants Hub.

In the short term in Australia, between 2025 to 2035, there will be investment opportunities in energy performance technologies, including commercial and industrial equipment.



Renewable hydrogen

Hydrogen is a key fuel in the net zero transition, as it can be produced in ways that have limited or no emissions and is combustible at high temperatures. Priority 3 of Australia's Net Zero Plan is to expand our use of clean or low-emissions fuel. Hydrogen generated with renewables has considerable potential to decarbonise traditionally 'hard to abate' industries. Capacity for transport and storage enhances that potential.

Hydrogen is also a key feedstock for producing chemicals with diverse uses such as ammonia and methanol. Australia's renewable energy resources, land availability, and strategic location provide a competitive advantage in hydrogen production and export as well as key investment opportunities.¹¹ Hydrogen is a key fuel by which Australia can export surplus renewable energy to help our region decarbonise.

Australia's **National Hydrogen Strategy** establishes a vision for a clean, innovative, safe and competitive hydrogen industry that benefits Australia's communities and economy, enables our net zero transition, and positions Australia as a global hydrogen leader. The strategy recognises the role that hydrogen will play both to support domestic decarbonisation and energy exports to our international partners.

The Strategy identifies the most prospective hydrogen use cases, including:

- green metals processing, particularly iron and alumina
- ammonia made from green hydrogen is likely to be a key shipping fuel, and a chemical feedstock for fertilisers, plastics, explosives and textiles
- heavy transport such as heavy trucks, long haul freight, shipping and aviation
- grid energy storage and power generation.

The Australian Government is supporting the development of a hydrogen industry in Australia, aligned with the National Hydrogen Strategy and Future Made in Australia agenda through various measures, including:

- A legislated **Hydrogen Production Tax Incentive** to provide an incentive of A\$2 per kilogram of eligible renewable hydrogen produced between 2027-28 and 2039-40, for a maximum of 10 years for projects that reach production or make a Final Investment Decision by 30 June 2030.

- The flagship **Hydrogen Headstart** program, administered by ARENA, provides operational support in the form of a production credit for renewable hydrogen, designed to bridge the green premium for early-mover renewable hydrogen projects.
- The **Hydrogen Hubs** program to fund investments in hydrogen hubs in regional Australia.
- Establishment of the **Guarantee of Origin** scheme to provide certification of green hydrogen.

Between 2030 to 2040 there will be investment opportunities to produce renewable hydrogen as an alternative energy input, so that in the long term from 2040 to 2050 hydrogen will be at a sufficient scale to enable widespread industry adoption.

Copenhagen Infrastructure Partners green hydrogen project

In 2025 the Murchison Green Hydrogen Project in Western Australia was the first project to be awarded funding under the Hydrogen Headstart program.

The 1500 MW project will receive up to A\$814 million from Australian Government funding in production support over a 10 year period.

Murchison involves large-scale production of renewable hydrogen and ammonia in the Mid-West of Western Australia.

The project will be located approximately 15 km north of the coastal town of Kalbarri and will include up to 1.5 GW of electrolysis and 3,600 tonnes per day of Haber-Bosch ammonia production capacity.

The facility will operate completely off-grid, powered by approximately 1.2 GW of solar photovoltaic and approximately 1.7 GW of onshore wind new build generation with a 600 MW /1,200 MWh battery energy storage system and water sustainably sourced through a new desalination facility.

Renewable ammonia is expected to be exported to support global decarbonisation.



Other renewable gases

Where electrification is not feasible, developing renewable gases, like biomethane, is critical to deliver long term emissions reduction in Australia. Switching activities that cannot be electrified to low carbon alternative fuels is one of Australia's priorities under its Net Zero Plan.

In the short to medium term, up to 2035, renewable or low-carbon gases, such as biomethane, could be used as a direct substitute for natural gas in high-heat manufacturing processes for products such as steel and cement. In this timeframe it could also be used in manufacturing where gas is used as a feedstock such as ammonia manufacturing.

Australia has significant biomethane potential, but scaling production will require investment, particularly in production facilities, network augmentation, and secure feedstock supply chains.

In Europe and North America, biomethane can be injected directly into existing gas networks and has already been operating at scale. In Australia, Jemena's Malabar Wastewater Demonstration Plant is the only biomethane production facility in operation that directly feeds into the gas network.

The Australian Government has committed to developing the **National Bioenergy Feedstock Strategy** to explore how we can grow a strong bioenergy feedstock industry.

By 2050, gas users are expected to have transitioned to renewable gases where possible to deliver low emissions energy for gas users, with remaining natural gas use abated.





Green metals

Decarbonising metal production will play a critical role in the net zero transition. Significant quantities of iron, steel, alumina and aluminium will be required to support the energy transition, as these metals are used in wind turbines, solar panels and electric vehicles. Moreover, they are essential inputs to critical sectors including construction, manufacturing, infrastructure, energy and defence.

Australia's abundant solar and wind resources, extensive mineral reserves (particularly iron and bauxite), circular strategies (such as reuse of resources), highly skilled workforce, proximity to Asian markets and stable regulatory environment make us particularly well suited to green metals production at scale.

Australia's policy settings, particularly through Future Made in Australia, provide a supportive policy environment. Future Made in Australia investments provide support ranging from innovation and research and development, through to production credits to lower the cost of production.

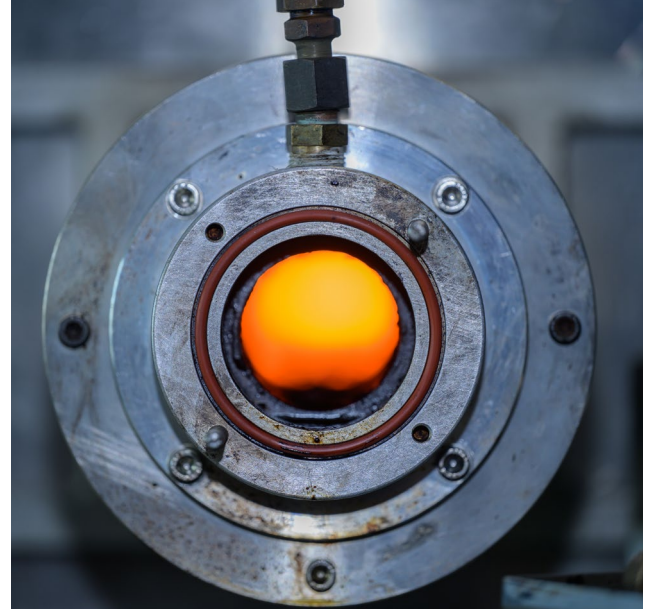
Our established trading relationships and existing status as the world's largest exporter of iron ore create a conducive environment for building offtake and demand.

Green iron and steel

Australia is supporting innovation in green iron and steel with the **Green Iron Investment Fund**. This fund was announced in February 2025 to help offset capital cost barriers. The fund will provide A\$1 billion to support early movers and investors in establishing commercial scale green iron facilities.

Green aluminium and alumina

Australia has a fully vertically integrated aluminium supply chain, from bauxite mining to finished products onshore, making it an attractive investment subsector. Aluminium is on Australia's Strategic Materials List and has a wide range of uses across the economy, including in the automotive and construction industries.¹² Aluminium is on this list as it is considered important for the global transition to net zero, advanced manufacturing and broader strategic applications.¹³



The A\$2 billion **Green Aluminium Production Credit** will support Australian aluminium smelters to accelerate their transition to renewable electricity. It will help position Australian aluminium as some of the greenest in the world.

Green metals innovation

Complementing our targeted investment in production, Australia has also made investments in innovation through ARENA:

- A\$750 million of the **Future Made in Australia Innovation Fund** to support innovative green metals pilot and demonstration projects.
- A\$59.1 million to support low emissions steel, iron and renewable hydrogen research, development and commercialisation projects.

In the medium term, between 2030 to 2040, there will be increased opportunities to invest into green iron and steel, and aluminium and alumina which are expected to increase decarbonisation as the necessary technologies become commercialised. By the longer term from 2040 to 2050, if these technologies are adopted, it is possible that only 5 MT carbon dioxide equivalent of emissions will remain from the ammonia, iron and steel, and alumina and aluminium sectors, down from 27 Mt carbon dioxide equivalent in 2025.



Low carbon liquid fuels

Low carbon liquid fuels (LCLFs) offer an alternative to conventional liquid fuels. They have particular application in transport, and where electrification is not feasible, such as in remote areas that currently rely on diesel generators.

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) projects a LCLF industry could contribute between A\$6 billion to A\$12 billion annually in direct benefits, with greater gains for regional communities, including diversified income streams for farmers.

The Australian Government is taking steps to accelerate the growth of domestically produced cost competitive LCLFs. LCLFs have been identified as a Future Made in Australia priority sector given Australia's competitive advantages of renewable energy potential, abundant renewable feedstocks and advanced farming practices.

The Australian Government is delivering A\$250 million to accelerate the pace of Australia's growing domestic LCLF industry, administered by ARENA. This funding is part of the A\$1.5 billion Future Made in Australia Innovation Fund and will be provided as grants to support pre-commercial innovation, demonstration and deployment. In the aviation industry, Sustainable Aviation Fuel (SAF) will be critical for decarbonisation, particularly of medium and long-haul flights.

The **Sustainable Aviation Fuel Funding Initiative**, administered by ARENA, has provided A\$33.5 million across 5 projects to date to support development of a SAF industry in Australia. In 2023, the Australian Government established the **Australian Jet Zero Council** to lead on industry efforts to achieve net zero aviation in Australia, with an initial focus on SAFs. In September 2025, the Australian Government announced investment in the \$1.1 billion Cleaner Fuels Program to support a market for low carbon fuels in Australia. The Cleaner Fuels Program is a production incentive that will target support toward low carbon liquid fuels (LCLF) projects that are ready to go to final investment decision and commercial production in the near future.

Liquid fuels account for more than half of all final energy demand, and more than 30% of Australia's net emissions. LCLF have an important role to reduce emissions in fuel-reliant sectors like aviation, heavy vehicle freight, agriculture, mining and manufacturing.



Japan's Idemitsu invests in Australian biofuels company

Australia has an abundance of biomass and feedstock to support sustainable aviation fuel production.

Idemitsu Kosan has invested in Australian biofuels company Jet Zero alongside Airbus and Qantas. Jet Zero is developing Australia's first alcohol-to-jet-fuel facility in Queensland.

The A\$600 million project, called Project Ulysses, aims to convert surplus ethanol into sustainable aviation fuel (SAF). The project aims to produce 102 million litres of SAF and 11 million litres of renewable diesel every year.

Idemitsu's investment is its first in an SAF project outside Japan. The company also became a strategic partner to Jet Zero, pledging to share operational knowledge and help secure a stable supply of raw materials.

Idemitsu is planning to supply 500 million litres of SAF in Japan. This will help Japan meet its goal of replacing 10% of its jet fuel use with SAF by 2030.



Critical minerals processing

The Future Made in Australia agenda identifies processing and refining of critical minerals as a priority industry.

As articulated in the Critical Minerals Strategy 2023-2030, Australia aims to extract more value from our resources through refining critical minerals onshore.

Critical minerals are vital inputs to net zero technologies such as electric vehicles (lithium, graphite and rare earth elements), wind turbines (rare earths), grid-scale energy storage (lithium and graphite), utility-scale solar systems (silicon), transport infrastructure (silicon and rare earths) and manufacturing systems (nickel, cobalt).

In 2025 the Australia Government allocated A\$1.2 billion to establish a **Critical Minerals Strategic Reserve**. It is expected to be operational in 2026. The Reserve will build on extensive Australian Government investment in critical minerals through two new mechanisms: national offtake agreements and selective stockpiling.

The Future Made in Australia agenda includes support for investment in critical minerals processing in Australia through the **Critical Minerals Production Tax Incentive (CMPTI)**. The CMPTI supports certain critical minerals processing in Australia with a refundable tax offset of 10 per cent to encourage investment. Incentives are valued at A\$7 billion for production between 1 July 2027 and 30 June 2040.

The **Critical Minerals Facility**, administered by Export Finance Australia, is designed to unlock investment by financing projects and strategic growth in the critical minerals sector.

In October 2025, Australia and the United States of America signed a landmark bilateral framework on critical minerals and rare earths. The framework will assist both countries in achieving resilience and security of critical minerals and rare earths supply chains, including mining, separation, and processing, through use of economic policy tools and coordinated investment.





Clean energy supply chain

Australia is well placed to become a competitive producer of green metals. By investing in local production and using our natural and renewable resources, skills, and world class research, we can play a pivotal role in decarbonising global metals supply chains. Processing, refining and production of green metals and critical minerals in Australia means green energy producers will have domestic access to supply chain material. Significant uses for Australian resources that form part of a clean energy supply chain include steel for wind towers, copper, aluminium, lithium and rare earth metals for infrastructure and solar panels.

Industrial transformation can create significant opportunities for regional revitalisation and economic diversification. Investing in modern onshore metal processing capabilities, for example, supports essential services within industrial ecosystems by connecting mines to end users of refined metals, leverages existing local resources and infrastructure and enables vertically integrated supply chains to make onshore manufacturing more resilient. These regional connections and supply chains are also important enablers for the decarbonisation of industries, particularly those that require alternative inputs such as bioresources (including biogas, biomethane and biochar), circular economy, and alternative fuels.

Domestic supply lowers transport costs and significantly reduces risk. Especially important in the face of predicted global shortages of materials and components. Existing industrial regions not only contain the smelters, refineries and facilities for a net zero economy and regional livelihoods, they also have the critical skilled workforce, land availability, local supply chains, and much of the required infrastructure including ports, rail and housing to attract new investments and projects such as green metals. Growing new industries and retaining our regional industrial capability and the communities and ecosystem that they provide for will be critical for Australia's industrial transformation and long-term economic resilience.

In the medium term, from 2030-2035, widespread adoption of existing technologies and commercialisation of new technologies are anticipated to support Australia's industrial transition toward a clean energy supply chain.

This medium term phase of decarbonisation will focus on the widespread deployment of commercially available net zero technologies and broader deployment of circular economy practices.

The Australian Government is investing A\$1 billion through the **Solar Sunshot** program to support Australian manufacturing across the solar supply chain. The program is administered by ARENA and designed to set up solar manufacturing capability in Australia, help commercialise Australian solar PV innovations and build energy supply chain resilience. Solar Sunshot primarily targets Australian projects but applications involving foreign manufacturers looking to invest in Australia are welcome.



Transport electrification

Transport is a sector where electrification is projected to play a critical role. The growth in passenger EVs is expected to be enabled by reductions in EV prices, and public and private investment in EV charging infrastructure. Electrification of heavy and commercial road and rail vehicles is a longer-term alternative to LCLFs.

Roll out of charging infrastructure and establishing consistent national regulatory requirements will support electrification for heavy vehicles. Demonstration of this is already underway with bus, fire truck and rubbish truck electrification. The Australian Government is co-funding electric truck charging hubs (A\$8.5 million) and electric bus depots in Sydney (A\$115 million) and Perth (A\$125 million).

The A\$475 million **Driving the Nation Fund** is an ongoing program developed to enable the demonstration and deployment of new zero emissions vehicle technologies. This fund targets investment support for business fleets, new technologies for heavy and long-distance vehicles, public charging and hydrogen refuelling stations.¹⁴

The timeframe for electrification of the transport sector is influenced by the vehicle and equipment turnover rate, market availability of electric alternatives, and progress on developing adequate ancillary infrastructure like charging infrastructure. Fuel switching technologies need to be developed and commercialised. In the short-term from 2025 to 2030, uptake of light and heavy EVs can be supported by incentives for purchase and regulation. Future investment opportunities from 2030 include supporting the installation of charging infrastructure. Research suggests that electrified haulage options are expected to have broad uptake by 2035.



Rail

Switching from hybrid diesel electric locomotives to battery electric locomotives is a promising solution for electrifying trains. Due to the long asset life of locomotives, retrofitting existing diesel locomotives with electric motors and batteries is less expensive, and aligns with circular economy principles.

There are investment opportunities in low and zero emission energy and supporting infrastructure across the rail network in the short-term, from now up to 2030. In the medium term from 2030 to 2040 investment opportunities will arise across the refuelling and charging network, including hydrogen refuelling infrastructure. In the longer term, from 2040 to 2050, there will be investment opportunities in battery and hydrogen as well as supporting infrastructure. As LCLFs are phased out the industry will increasingly adopt battery and hydrogen options.

Maritime

Battery electric power is suitable for smaller vessels, and maritime applications with shorter voyages.

Maritime Emissions Reduction National Action Plan (MERNAP) will set the strategic direction, support national emissions reduction targets and signal to global trading partners Australia's practical pathway to zero emission shipping in our waters and ports.

Investment opportunities in the short term from 2025 to 2030 will include opportunities around battery electric vessels for short haul routes, and the deployment of LCLFs. In the medium and longer terms, from 2030 onwards, short haul routes will continue to roll out battery systems, and a greater uptake of hydrogen and hydrogen-derived fuels for longer distance shipping will increase as hydrogen costs decline.

Aviation

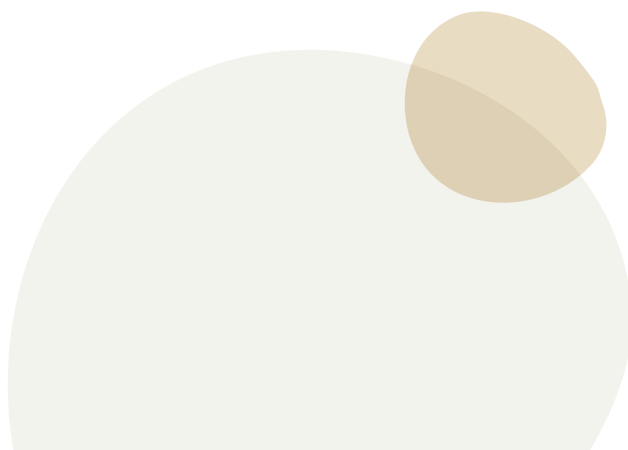
Electrification of short-range aircraft is possible in the short-to-medium term.

Investment opportunities in the short term from 2025 to 2030 include supporting SAF development and adoption of hydrogen and battery propulsion technologies in small aircrafts. In the medium term from 2030 to 2040, in addition to SAFs, investment opportunities will emerge in airport infrastructure upgrades to reduce operational emissions and recharging and hydrogen refuelling infrastructure. In the long term, from 2040 to 2050, investment opportunities in aviation will stem from SAFs, which should form the majority of Australia's aviation fuel and battery use, and from hydrogen aircraft that will be used for short range flights.

Ports and airports

Zero emissions ports and airports are stated in the Transport and Infrastructure Sector Plan as being achievable through the electrification of ground vehicles and equipment.

In the medium term, from 2030 to 2040, airport infrastructure upgrades will reduce operational emissions and provide recharging and hydrogen refuelling infrastructure. In the medium and longer term, from 2030 onwards, there will be an increased roll out of charging and refuelling infrastructure at ports.





Volvo begins local production of heavy-duty electric trucks in Australia

Volvo Group Australia has announced it will begin production of heavy-duty electric trucks at its Wacol manufacturing facility in Brisbane from 2026. This marks a major milestone in Australia’s transition to zero emission transport. This is the first time such vehicles have been manufactured in Australia.

The move follows a landmark order from logistics company Linfox, which will receive 30 Volvo electric trucks - 10 of which will be locally produced. The order includes 29 FM Electric and one FH Electric model tailored to meet Australia’s unique freight demands.

Martin Merrick, President of Volvo Group Australia, added, “Manufacturing a significant portion of these electric trucks locally is a key pillar of our long-term vision for Australia. We are dedicated to establishing a thriving electric truck manufacturing industry that will create skilled jobs, drive innovation, and accelerate the uptake of zero emission transport solutions across the Australian road transport sector.”

Mr Merrick also says, “Austrade is an important partner for Volvo Group Australia in making it easier for us to navigate the investment pathways and connect with the right stakeholders, to strengthen our local manufacturing operations.”



Digital technologies

Digital technologies will be key enablers for transitioning various sectors to net zero.

The **National Quantum Strategy**, **National Robotics Strategy**, and the forthcoming **National AI Plan** provide pathways for integrating advanced technologies into industrial processes. These strategies support the development and adoption of innovative solutions such as artificial intelligence (AI) driven energy optimisation, robotics for precision and efficiency in manufacturing and quantum technologies for complex emissions modelling and material innovations.

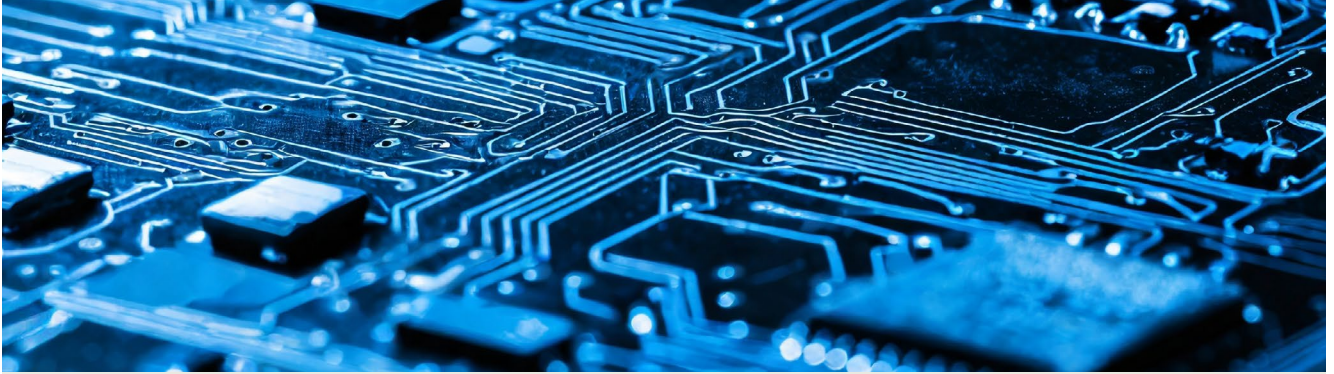
Technological change in generative AI has the potential to transform energy systems and improve how we manage significant increases in energy demand through the transition. The Government is developing a National AI Plan for release by the end of 2025 to enable Australia to capture the opportunity of AI, spread the benefits widely and keep Australians safe.

Development and deployment of technologies such as AI, quantum, robotics, and automation can support smarter and more energy efficient buildings. Sustained investment in Research, Development and Demonstration (RD&D) across a portfolio of technologies, by governments and the private sector, is necessary to help drive this innovation.

As the energy system becomes increasingly electrified, digitalised, connected and decentralised, applications that utilise AI can support energy management. This can help optimise energy usage, enhance grid stability through predictive maintenance, better integrate renewable energy by improving predictions of supply and demand, raise efficiency, improve uptime and mitigate cybersecurity risks.

Australia's submarine cable connections with Asia and the Pacific are in some cases situated near sites with abundant renewable energy potential.

Further investments in energy performance technologies and on-site renewable generation and energy storage for use in data centres can help to mitigate their impact on energy demand.



AWS plans to invest A\$20 billion to expand digital infrastructure in Australia by 2029

Amazon Web Services (AWS) will expand its digital infrastructure footprint in Australia, with plans to invest a new total of A\$20 billion over 2025 to 2029. This is in addition to a A\$9 billion investment in data centres from 2012 to 2023.

The new A\$20 billion investment ensures Australia will maintain one of the world's most advanced digital infrastructure models. It will support new applications of technology across Australian industry and enable organisations to innovate and deploy AI models, boosting economic resilience and productivity.

In addition to its new infrastructure investment and to support new and expanded data centres in Sydney and Melbourne, AWS is investing in the development of 3 new solar farms across Victoria and Queensland. This brings its total renewable energy portfolio to 11 Australian solar and wind projects.

“We’re proud to be expanding our world-class data centre infrastructure, bringing more renewable energy projects online, and supporting the country’s vision to be a global AI leader,” says Matt Garman, CEO of Amazon Web Services. “AI is a once-in-a-generation transformation, and Amazon is pleased to be empowering all Australians to innovate at scale through this investment.”

To support the data centre expansion, Amazon is investing in 3 new solar farms across Victoria and Queensland. European Energy will deliver and operate the new projects. Amazon will purchase a combined capacity of more than 170 MW across the 3 solar farms.

Amazon has previously invested in 8 solar and wind projects across New South Wales, Queensland and Victoria. These projects are helping power Amazon’s Australian operations, including data centres and fulfillment centres. Once all 11 renewable energy projects are operational, they are estimated to generate more than 1.4 million megawatt hours of carbon-free energy annually.

AWS’s digital infrastructure investment will support Australia to seize the economic opportunities that AI and other technologies offer.



Carbon management

Carbon management refers to a suite of technologies and processes that help to remove, reduce or reuse carbon dioxide emissions. This includes technologies that enable carbon capture and storage (CCS), carbon capture and use (CCU), and carbon dioxide removal (CDR) pathways via conventional or novel methods.

Australia's comparative advantage in carbon management technologies includes an abundance of land and ocean sites suitable for carbon management including geological sequestration potential at scale.

We also possess necessary technical expertise, experience and skills in resource and energy industries to support carbon management.

Australia's Safeguard Mechanism is helping to drive demand for carbon management to comply with regulated emissions baselines. Carbon management can support hard-to-abate industries to decarbonise by providing cost-effective solutions.

Carbon management technologies, particularly CCU, can provide circular economy opportunities to capture carbon dioxide from emissions and convert it into valuable lower or zero emissions products.

From now out to 2050, there is expected to be an expansion of CCS.

According to the International Energy Agency (IEA), CCS and CCU could be responsible for abating around 20% of global emissions required to reach net zero by 2050. Australia is well placed to continue creating investment opportunities in this space. There is 12 Mt of carbon dioxide already stored in Australia's large scale CCS projects. It is estimated that Australia has approximately 31 Gt of sub-commercial storage capacity and 470 Gt in undiscovered storage resources.





Agriculture and land

The agriculture and land sectors are critical to Australia's economic prosperity and wellbeing, providing food and fibre for 10s of millions of people across the world and supporting valuable ecosystem services. These sectors, including vegetation management and forestry, have already made valuable contributions to Australia's emissions reductions, but further efforts will be needed.

As a major exporter, reducing emissions in agriculture is important for positioning the industry to be internationally competitive based on its sustainability into the future. Australia is already well placed in this regard. Australian cattle and grains producers operate with lower-than-average emissions intensity compared to other major agricultural exporter countries.¹⁵ Emissions reduction efforts can also present direct economic benefits for producers and land managers, including new business opportunities and boosting resilience.

Emissions reduction opportunities for livestock will include herd, pasture and manure management, along with technologies such as feed additives that act as methane inhibitors. Emissions from agricultural soils can also be reduced through improved fertiliser use efficiency and uptake of nitrification and urease inhibitors.

There are also opportunities to reduce on-farm energy consumption through electrification, energy performance improvements, on-site renewables and low carbon liquid fuels.

Storing carbon in the land can make a significant contribution towards Australia's net zero transition through reforestation, savanna fire management, soil carbon and blue carbon.

In the short term to 2030, there will be opportunities to invest in technological solutions that would reduce agricultural emissions longer-term. Medium term, up to 2035, reforestation practices are expected to increase with incentives supporting wider uptake. Longer term, up to 2050, it is anticipated that technologies for agriculture emissions reductions will be commercially viable and taken up at scale.





4.

Crowding in investment – the Australian approach

The transition to net zero will require significant amounts of capital, both public and private, to decarbonise existing industries and establish new industries. The Australian Government can play a key role in encouraging and facilitating the private investment required to harness this opportunity and strengthen trade partnerships. Targeted public investment can also promote the alignment of economic incentives with Australia’s national interests and incentivise private investment at scale in these areas.

In addition to the significant support under a Future Made in Australia, projects in net zero aligned sectors may be eligible to tap into a range of financing options from the Australian Government Specialist Investment Vehicles (SIVs). The SIVs are set up by the government to support a number of priorities, including energy and climate, economic resilience and security, and export trade. This includes debt financing, taking equity in projects and grants to support projects to get off the ground. In general, SIVs are intended to be complementary and work to crowd in private finance to achieve these outcomes up to market maturation.

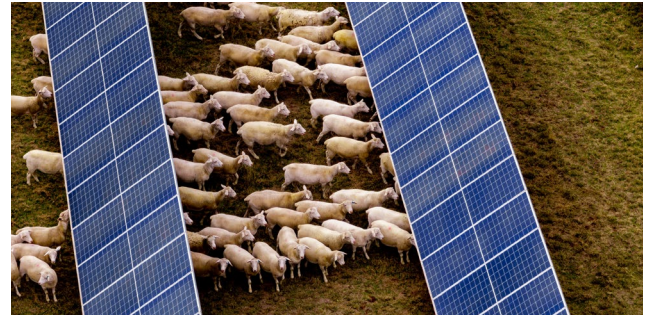
This section provides a summary of key Australian Government SIVs that can support net zero aligned investment opportunities in Australia.

Clean Energy Finance Corporation

The CEFC, also described as Australia’s specialist climate investor, was established in 2012 to facilitate increased flows of finance into the clean energy sector and to achieve Australia’s emissions reduction targets.¹⁶

Since inception in 2013 to 30 June 2025, the CEFC has made investment commitments of over A\$18.3 billion through more than 400 direct clean energy transactions, including arrangements with 18 co-finance counterparties (that have delivered over 100,000 smaller transactions across Australia), together investing in projects worth over A\$85 billion.

CEFC’s General Portfolio is a A\$11.5 billion allocation that is invested across a range of sectors, with a strong focus on renewable energy,



to drive Australia’s emissions reductions through various financial solutions including debt, equity, sustainability themed bonds, managed funds and small-scale asset finance.

In September 2025 the Australian Government announced an additional A\$2 billion to be allocated to the General Portfolio to help accelerate long-term renewable projects across Australia.

Wilga Farming platform

The CEFC and Canadian pension fund La Caisse (formerly CDPQ) created a A\$200 million to create a sustainable agricultural platform, Wilga Farming, to drive down emissions and improve sector-wide sustainability.

The investment into the Wilga Farming platform, comprised of A\$150 million from La Caisse and A\$50 million from the CEFC is supporting decarbonisation and boosting farm productivity. It is managed by Gunn Agri Partners, an established, sustainable agriculture manager.

The Wilga Farming platform aims to fast track the uptake of low emissions technologies, carbon sequestration on agricultural land and measures to improve climate adaptability to make farming more resilient. It works to demonstrate the benefits of sustainable farming and help position the agriculture sector to capture the economic opportunities of the clean energy transition.

Export Finance Australia

Export Finance Australia (EFA) is the Australian Government's export credit agency. EFA provides commercial finance for export trade and overseas investment and infrastructure development. EFA is working to finance the energy transition across the net zero supply chain. This includes support for exporters to move to net zero, critical minerals financing and renewable energy projects. EFA provides financing under its Commercial Account and, on behalf of the Australian Government, on the National Interest Account (NIA).

Guided by the Future Made in Australia National Interest Framework, EFA can now also provide finance on the Australian Government's NIA for major domestic projects that may not be export facing. EFA can provide finance for non-export facing projects that support Australia's net zero transformation, or where domestic capability is critical to protect national security interests or resilience.

EFA works alongside private market financiers and other Australian SIVs when there is a funding gap on an eligible project. EFA can share risk with partners and encourage investment from other financiers to ensure that viable projects receive the finance required to proceed.

Zenith Energy provided a A\$80 million loan by Export Finance Australia

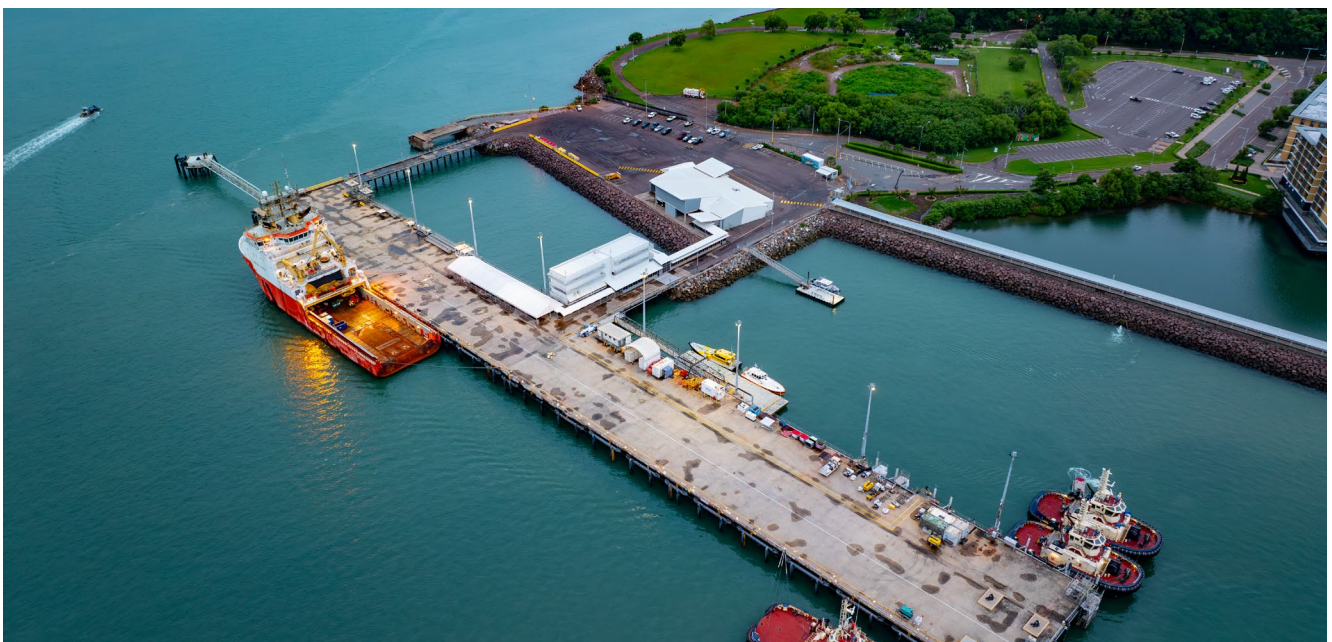
Zenith Energy (Zenith) is a leading power producer that integrates thermal and sustainable fuel sources to support its clients in decarbonising their mine sites.

With demand for hybrid energy accelerating across the mining sector, Zenith has rapidly scaled its operations.

Delivering larger and more complex projects meant a growing need for capital, and to continue to deliver for its clients, Zenith required significant funding to refinance existing debt and support new developments.

EFA provided an A\$80 million loan as part of a A\$1.9 billion syndicated refinancing and upsizing of bank debt facilities for Zenith – support EFA was able to offer because of Zenith's integral role in Australia's export supply chains.

EFA's participation helped close a key liquidity gap and gave other lenders the confidence to invest, allowing Zenith to move forward with its next phase of growth.¹⁷



Australian Renewable Energy Agency

ARENA was established to increase the supply of renewable energy in Australia, improve the competitiveness of renewables and help Australia meet its greenhouse gas emissions reductions targets, through grant finance and sharing knowledge. ARENA also supports the uptake of energy efficiency and electrification in Australia. ARENA supports the global transition to net zero emissions by accelerating the pace of pre-commercial innovation across a number of strategic investment priorities. These include:

- ultra low cost solar (ULCS)
- optimise the transition to renewable electricity
- commercialise renewable hydrogen
- support the transition to low emissions metals
- decarbonise transport.

Since 2012, ARENA has supported 805 projects with A\$3.27 billion in grant funding, unlocking a total of \$14.87 billion in Australia's renewable energy industry.¹⁸ In 2024, as part of the Future Made in Australia agenda, ARENA received A\$7.1 billion over 16 years, including funding to target the Future Made in Australia priority industries.

In May 2024, the Australian Government announced round 2 of government investment in the Hydrogen Headstart program.¹⁹ The program is providing revenue support to support large-scale renewable hydrogen production projects.²⁰

Northern Australia Infrastructure Facility

Northern Australia Infrastructure Facility (NAIF) is an Australian Government financier, providing concessional loans for the development of infrastructure projects in northern Australia and the Australian Indian Ocean Territories. NAIF is delivering on its vision to transform northern Australia through financing infrastructure development, with A\$4.3 billion committed to projects.

The NAIF accelerates infrastructure development and drives economic growth by funding and encouraging private sector investments in all sectors, including agriculture and water, energy, financing partnerships, resources, social infrastructure, transport and logistics.

National Reconstruction Fund Corporation

The Australian Government established the A\$15 billion National Reconstruction Fund Corporation (NRFC), a SIV that provides finance including debt, equity and guarantees to facilitate increased flows of finance into the Australian economy through targeted investment to diversify and transform industry.

The NRFC provides finance in 7 Australian Government identified priority areas, which include renewables and low emission technologies, transport, value-add in resources and value-add in agriculture, forestry and fisheries.

The NRFC is an independent financier that operates at arm's length from government. The NRFC is required to operate in a commercial manner and target a positive rate of return for its portfolio over the medium to long term. Projects must be solely or mainly based in Australia with investment decisions made in accordance with its legislative framework.

In September 2025, the Australian Government announced a A\$5 billion **Net Zero Fund** to be delivered by the NRFC. The Fund will support Australian heavy industry to decarbonise and the scale-up of low emissions technologies needed for the Net Zero Plan. The Net Zero Fund will accelerate achieving Australia's net zero agenda.





5.

Support to navigate Australia’s investment settings

The Australian Government is committed to ensuring our investment landscape is open and efficient. This includes through attraction and facilitation services for inbound investment.

Investment attraction

Australian Trade and Investment Commission (Austrade)

Austrade is the Australian Government’s international investment attraction agency. Through advice, connections and support, Austrade helps foreign investors understand and navigate the Australian investment landscape and attracts projects that deliver technology, capability and capital that contribute to achieving Australia’s emissions reduction targets. Through a global network of investment specialists across 61 locations, Austrade supports foreign businesses through every stage of their investment journey.



Neoen, Elecnor Australia and NHOA Energy partnering on the Blyth Battery energy storage system

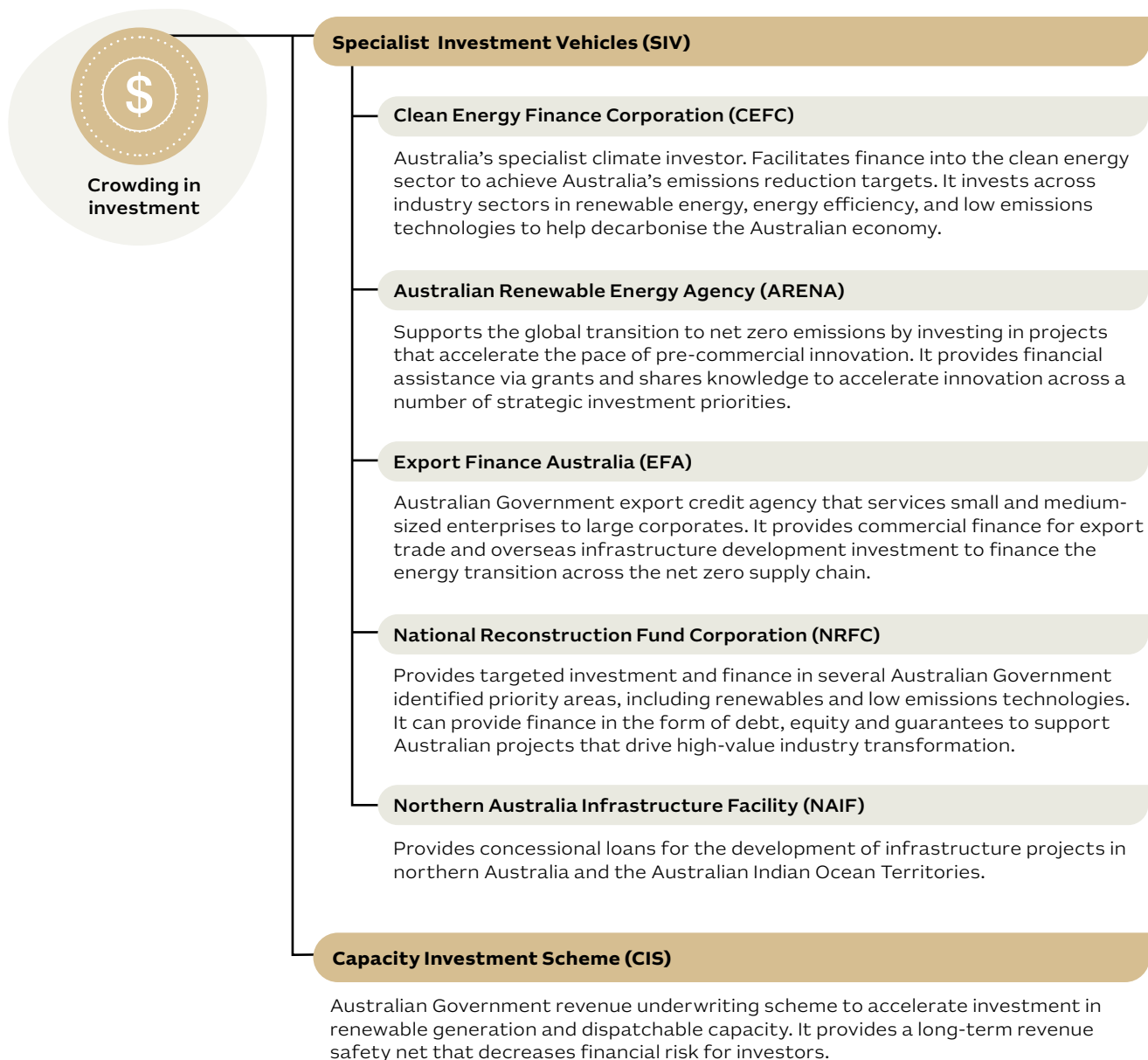
International investors are finding growth opportunities as part of Australia’s net zero transformation. Neoen Australia’s Blyth Battery in South Australia is playing a vital role in firming renewable energy generation and providing grid-stability.

The French renewables company partnered with global companies NHOA Energy and Elecnor Australia to design, procure and construct a 238.5 MW / 477 MWh battery. It will be central to meeting consumer and industrial demand for clean energy, including BHP’s Olympic Dam operations — one of the world’s most significant gold, copper and uranium deposits.

“Since our establishment in the country, Austrade has been an invaluable partner in supporting our development, recruiting and supply chain strategies, and raising our institutional standing with clients, suppliers, regulators and government agencies,” says Giuseppe Artizzu, CEO of NHOA Energy and Board Member of the Australia Italy Business Association.

The Blyth Battery is close to another Neoen project, the Goyder South Stage 1 wind farm. With a capacity of 412 MW, this wind farm is part of the Goyder Renewables Zone and the largest renewable energy project in South Australia.

Figure 6: Investment settings





Investment facilitation & attraction

Austrade

The Australian Government's international investment attraction agency. Austrade offers support, guidance and information for international investors and buyers looking to do business with Australia.

Investor Front Door

A new Australian Government initiative making it easier to develop major, transformational projects and invest in Australia. It offers selected priority projects a faster way to navigate their regulatory requirements and helps projects find suitable Australian Government financing opportunities, where applicable.

Major Projects Facilitation Agency (MPFA)

Supports major projects with capital investment over A\$50 million to navigate the Australian regulatory environment.

Net Zero Economy Authority (NZE)

Facilitates investments towards a net zero economy within Australian regions that will be most affected by Australia's transition. It can assist investors and proponents across a suite of initiatives.

National Renewable Energy Priority List

Australian Government priority list of renewable energy projects. These projects are provided coordinated Australian Government support for regulatory planning and environmental approval processes.



Regulatory frameworks

Foreign investment framework

Foreign investors are required to notify the Treasurer of proposed foreign investments that meet certain criteria. Investment proposals are examined on a risk-based, case-by-case basis, to ensure they are not contrary to the national interest.

Environmental approvals

The *Environment Protection and Biodiversity Conservation Act* (EPBC Act) is Australia's national environment legislation. If planning a project that could impact Australia's nationally protected matters, you may need approval under the EPBC Act.

Investment facilitation

Investor Front Door

Australia has established the Investor Front Door for investors with major transformational proposals to make it simpler to invest in Australia. This applies to international and domestic investors. This approach prioritises certain projects by helping coordinate engagement across Australian Government agencies, helping investors navigate regulatory requirements, and by connecting proponents with public financing opportunities through SIVs.

From September 2025, the Investor Front Door provides an entry point for investors, providing priority projects with coordinated facilitation services. The Investor Front Door will improve our investment environment by streamlining how investors and business interact with Australia. It will complement and leverage existing institutions.

The Australian Government held an Economic Reform Roundtable in August 2025. The Roundtable brought together leaders from business, unions, civil society and government. It identified a number of reform directions for government, including attracting capital and deploying investment. The Investor Front Door was identified as part of the ongoing response to matters raised through the Roundtable.

Through the Investor Front Door, the Australian Government seeks to strengthen coordination across its specialist investment vehicles. This will ensure efficient allocation of public funding and sharing of market insights.²¹

Major Projects Facilitation Agency

The Major Projects Facilitation Agency (MPFA) also supports major projects with a capital investment of over A\$50 million to understand and navigate the Australian regulatory environment.



Net Zero Economy Authority

Australia's industrial regions have a proud history of economic contribution, trade and innovation. These regions are now responding to net zero, assisted by the Net Zero Economy Authority (NZEA) which facilitates investment in these regions.

The NZEA works with proponents and investors to understand the opportunities in our priority regions: the Hunter (NSW), Latrobe Valley (Victoria), Central Queensland, the Pilbara and Collie (WA) and the Upper Spencer Gulf (SA). All these regions have strong industrial characteristics including abundant natural resources, significant industrial infrastructure and skilled workforces and are well positioned to seize emerging opportunities in the net zero economy.

The NZEA facilitates investment in these regions by helping investors and proponents navigate the comprehensive suite of initiatives, including funding programs, SIVs and investment regulations. Analysis and engagement with local stakeholders help investors to understand the unique characteristics and commercial opportunities in our priority regions. The NZEA also provides advice to the Australian Government on investment opportunities and to identify options for government support.

Regulatory frameworks

Foreign investment framework

Australia's foreign investment framework strikes a balance between ensuring Australia remains an attractive investment destination, while maintaining community confidence in foreign investment and protecting Australia's interests.

Foreign investors are required to notify the Treasurer of proposed foreign investments that meet certain criteria. Investment proposals are examined on a risk-based, case-by-case basis, to ensure they are not contrary to the national interest.

In May 2024, the Australian Treasurer announced changes to streamline and strengthen the foreign investment framework, and to make Australia a more attractive place to invest. Through these reforms, Australia is making the foreign investment framework more transparent and easier for investors to navigate. Additionally, from 1 January 2025, the Australian Treasury adopted a new target of deciding 50% of proposals within the 30 day statutory timeframe.²²

Environmental approvals processes

Australia's national environment laws protect our unique environment, while allowing sustainable development to proceed. Australia wants to attract innovative investors who share our vision and will respect our biodiversity unique plants, animals, habitats, and places, which have been cared for by First Nations people for more than 65,000 years.

Australian federal and state or territory environmental laws have distinct requirements, legal considerations, and levels of environmental protection that often run in parallel.

Both Australian federal and state or territory environmental protection frameworks require early engagement, project planning and have requirements for First Nations peoples' engagement. The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) is Australia's national environmental legislation. It provides a legal framework to protect and manage nationally and internationally important plants, animals, habitats and places (known as nationally protected matters).

If you are planning a project that could impact Australia's nationally protected matters, you may need approval under the EPBC Act prior to proceeding. This is in addition to state and local government approvals. States are generally responsible for land use, water, pollution control and air quality.

The Australian Government is committed to strengthening and streamlining our national environmental laws and establishing a federal Environment Protection Agency. This is a high and immediate priority for the Australian Government. These reforms will deliver:

- Stronger environmental protection and restoration.
- More efficient and robust project assessments.
- Greater accountability and transparency in environmental decision making.

National renewable energy priority list

In 2025 the National Renewable Energy Priority List was announced as part of the Future Made in Australia agenda to streamline environmental approval decisions.²³

Renewable energy projects identified through the National Renewable Energy Priority List are provided coordinated support for regulatory planning and environmental approval processes.

The inaugural Priority List announced in March 2025 identified 56 priority projects nationally consisting of 24 transmission, and 32 generation and storage projects.²⁴ These projects were identified on the basis that they are important for Australia's renewable energy transition.

Sustainable finance

The Australian Government's Sustainable Finance Roadmap is about helping to mobilise the capital required for Australia to become a renewable energy superpower, modernising our financial markets and maximising the economic opportunities from net zero.

Climate-related financial disclosures

Under the new regime, which commenced on 1 January 2025, large businesses and financial institutions are required to prepare a sustainability report as part of these entities' annual reporting obligations.

Mandatory climate-related financial disclosure obligations support greater transparency of companies' exposure to material climate related risks and opportunities. This information in turn helps regulators manage and mitigate systemic financial risks associated with climate and assists investors to allocate their capital efficiently.

A rigorous, internationally aligned and credible climate disclosure regime will support Australia's reputation as an attractive destination for international capital.

Sustainable Finance Taxonomy

The Australian Sustainable Finance Taxonomy provides a clear, Paris-aligned classification system for green and transition finance, tailored to Australia's unique economic and environmental context.

It supports the credible allocation of capital towards Paris-aligned activities by:

- strengthening investor confidence in low-emissions investment claims
- reducing the risk of greenwashing
- improving the comparability of investment products and sustainability disclosures.

It offers financial institutions and businesses a robust, voluntary framework to assess the green claims of economic activities and confidently invest in projects that advance net zero. While it is voluntary, it has been designed for interoperability with leading international frameworks in mind. This will support international investors to align their reporting with mandated requirements in other jurisdictions.





Sustainable investment product labelling

The Australian Government has committed to establish consistent labels and disclosure requirements for investment products marketed as ‘sustainable’ or similar. These labels will help investors identify, compare, and make informed decisions about sustainable investment products and assist them to better understand what ‘sustainable’, ‘green’ or similar words mean when they’re applied to financial products.

The introduction of an Australian sustainable investment product labelling framework will help investors and consumers invest in sustainable products with confidence and help tackle greenwashing.

Transition planning guidance

The Australian Government has committed to developing voluntary best practice transition planning guidance by the end of 2025. Transition plans are a way for organisations to develop, track and communicate their climate-related business strategies, including to inform decisions of potential investors and lenders.

Robust and comparable transition plans can contribute to Australia’s decarbonisation and climate resilience, and support mobilising the necessary capital to reach these goals.

Issuing green bonds

The Australian Government issues green bonds to help finance investments that drive Australia’s net zero transformation and support environmental objectives. The program commenced in 2024 with the first issuance of A\$7 billion in Green Treasury Bonds.

The program is guided by the Green Bond Framework that outlines how the Australian Government issues green bonds, including the basis for identifying, selecting, managing, and reporting on expenditures financed with green bonds. The Australian Government published its first Green Treasury Bond Allocation and Impact Report in February 2025.

Invest in Australia's net zero transition

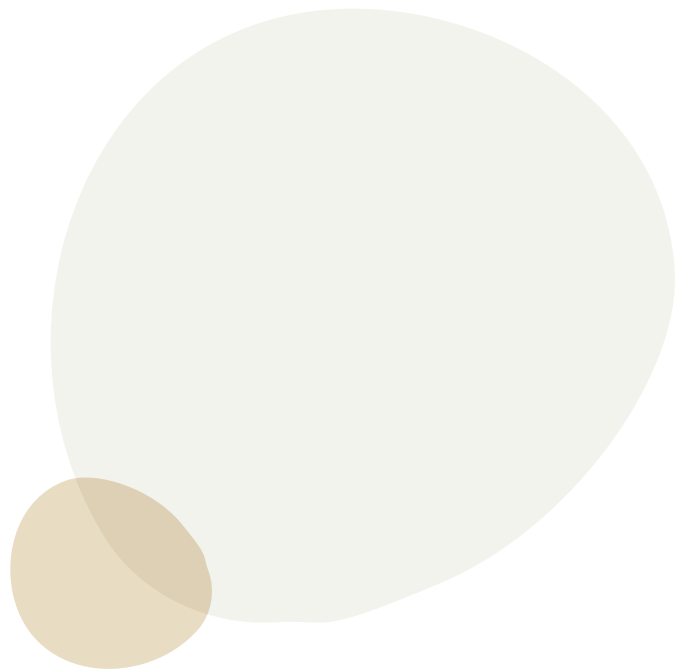
Contact an Austrade investment specialist

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You can also reach out to a representative in an Austrade international office in your market.

www.austrade.gov.au/en/contact-us/international-offices



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