

AHC update

AHC Secretariat

17 JUNE 2024

Policy
consultations

Federal Budget

Hydrogen
Production Tax
Incentive

Industry Partner
Organisation
Grant

International
engagement

Call to Action

Key elements of the policy environment

Revitalised industry policy, 43% emissions reduction target by 2030, net zero by 2050

Foundation

Climate Change Authority modelling

Net Zero Economy Authority

Net Zero Economy Cabinet Committee

EMU SP

Safeguard mechanism

Future plans/policy

Transport sector decarb plan

Energy sector decarb plan

Resources decarb plan

Industry decarb plan

Carbon leakage review (incl CBAM)

Disclosure, taxonomy, labelling

Strategy

National Hydrogen Strategy

National EV Strategy

National Energy Workforce Strategy

Critical Minerals Strategy

Sustainable Finance Strategy

Funding

Hydrogen Headstart \$2bn

Driving the Nation Fund \$275.4m

Capacity Investment Scheme \$?bn

Rewiring the Nation Fund \$20bn

Powering the Regions Fund \$1.4bn

National Reconstruction Fund
 \$3bn energy
 \$1bn resources value add
 \$1bn adv. manufacturing

Sovereign green bonds \$?bn

\$15bn allocated: REZs + transmission

Industrial Transformation Stream

Safeguard Transformation Stream

Critical Inputs to Clean Energy Industries

AHC update coming soon

Current consultations

Australian Sustainable Finance Taxonomy (closes 30/6)

- Lead by ASFI. Consultation period one (current): electricity generation and supply; minerals, mining and metals; and construction and the built environment. Consultation period two (Q4 2024): manufacturing and industry; transport; agriculture and land use.
- Katerina Aleksoska has been appointed to the Taxonomy Advisory Group (TAG) on Manufacturing and Industry

Unlocking green metals opportunities for a Future Made in Australia (closes 14/7)

- Lead by DISR and directly connects to the Industrial Sector Plan and the Future Made in Australia package. Pathways and opportunities for green iron/steel/alumina/aluminium, including using scrap metals.

A Future Made in Australia: Unlocking Australia's low carbon liquid fuel opportunity (closes 18/7)

- Initial focus on SAF and renewable diesel, ties into multiple sectoral plans, and is considering the costs and benefits of introducing mandates or other demand-side measures for LCLFs.

Transport and Infrastructure Net Zero Consultation Roadmap (closes 26/7)

- Pathways and trajectories for different transport modes. Feedback will inform the final transport sector plan.

The well promoted budget measures are aligned with AHC’s NHS recommendations

Plus some important additions:

- Net Zero Economy
- HESC
- Port infrastructure
- Agriculture and land sectors

Measure	Amount	AHC recommendations
Future Made in Australia		
Future Made In Australia	Total of \$22.7 billion over 10 years (range of measures)	1, 6, 18, 47 and 49
Hydrogen		
Hydrogen Production Tax Incentive	Estimated cost: \$6.7 billion over the decade 2027-28 to 2039-40 inclusive	1
Hydrogen Headstart (round 2)	\$1.3 billion over ten years (\$2 billion total)	6 and 49
National Hydrogen Strategy delivery	\$17.1 million over four years	10
Guarantee of Origin	\$32.2 million	46
Green metals	\$18.1 million over six years from 2024–25	6 and 7
Hydrogen Highways	\$75 million over 4 years	48
Investment attraction		
New front door for investors		11 and 31
Streamlined foreign investment framework	\$15.7 million	11 and 31
Sustainable finance strategy	\$17.3 million	31 and 49
Southeast Asia Economic Strategy to 2040	\$505.9 million, plus up to \$2 billion in loans, equity and insurance	12
Geoscience Australia	\$556.1 million over 10 years	19 and 22
Technology		
ARENA	\$1.5 billion over 7 years	18 and 49
Future made in Australia Innovation Fund	\$1.7 billion	6, 18, 39 and 50
Regulatory Approvals		
Timely environmental approvals	\$96.6 million over 4 years	38
Assessment of renewable energy projects	\$19.9 million over 4 years	
Assessment of complex cultural heritage	\$17.7 million over 3 years	
Community engagement in energy infrastructure	\$20.7 million over 7 years	
Skills		
Energy industry jobs plan	\$44 million	34
Skills and employment support	\$134.2 million	
Building Women’s Careers program	\$55.6 million	
Clean energy workforce	\$91.0 million	
Hydrogen Skills Centre	\$10.0 million in 2025–26	

Hydrogen Production Tax Incentive

- A Hydrogen Production Tax Incentive from 2027–28 to 2040–41 to producers of renewable hydrogen to support the growth of a competitive hydrogen industry and Australia’s decarbonisation, at an estimated cost to the budget of \$6.7 billion over ten years from 2024–25 (and an average of \$1.1 billion per year from 2034–35 to 2040–41)

Issues

- Immediate public feedback from the Opposition Leader and the Greens
- Feedback from members
- AHC has begun to develop an advocacy campaign
- Consultation and legislative process needs to be conducted

Industry Partner Organisation – AusHETS

Key elements

- Successful in securing \$920,000 to fund the activities, employ an additional staff member for two years, additional labour on costs and grant admin
- Partnered with Cicada Innovation to deliver the Elevate Workshops and Fast Start Program
- Partnered with Climate Salad to tap into its network and industry recognised events

Activities

Dedicated regional workshops to target prospective SMEs

Hydrogen Elevate Workshops

- Two-day workshops (run by Cicada) to support essential translation and commercialisation capacity of early-stage SMEs.

Hydrogen Fast Start Program

- a 6-month bespoke coaching program (run by Cicada) of mentoring and stewardship for up to 4 businesses (2 businesses p/a) to undertake customer discovery, develop pathways to market and accelerate SMEs reaching their next commercialisation milestone.

Case study development and support for SMEs

A dedicated hydrogen section in Climate Salad's Australian Climate Tech Industry Report.

A dedicated space and presentation slots at the APAC Hydrogen Summit in 2025.

Bespoke roundtables and webinars to match the SMEs with potential domestic and international investors and customers.

- 4 x Meet the Buyer
- 4 x Investor Roundtables
- 4 x Hydrogen Connect Webinars
- 2025 Climate Salad National Tech Festival

International networking events in Australia



- **8 July**, in-person event in Melbourne
- Australia-Korea Business Council (AKBC), the Embassy of the Republic of Korea, and the Ministry of Environment of the Republic of Korea co-hosting the 5th Australia-Korea New Energy Forum.
- The event is supported by the AHC - AHC members are invited to attend the forum and networking session

Sparking green transformation (GX): Japan-Australia partnerships

*You are cordially invited to join us for an exclusive Roundtable Dinner hosted by **Ashurst, Australia Japan Business Council of Victoria and Australian Hydrogen Council.***

Our focus for the evening will be exploring energy partnerships that address energy security, price and decarbonisation, as urgent global priorities.

This dinner aims to canvas the pressing questions of what energy source and technology to back, when to back it, how to partner, and where to partner.

This event will welcome friends of the host organisations, alongside international VIPs attending Carbon Capture APAC 2024, Connecting Green Hydrogen APAC and Australia Wind Energy 2024.

We look forward to your presence at this pivotal juncture in Japan's and Australia's energy futures.

- **11 July**, in-person event in Melbourne
- Ashurst, Australia-Japan Business Council of Victoria (AJBCV) and AHC co-hosting a roundtable dinner and networking

Partnership with JH2A and AP Advantage Partners

JHF co-operator



Main role: promote collaboration with JH2A member companies

ADVANTAGE PARTNERS

Main role: deal sourcing, investment analysis, execution, and value creation



Main role: middle and back office duties and ESG/Japan interest evaluation

Expressions of Interest for AHC-led delegation to Tokyo

We're taking expressions of interest from members for an AHC-led delegation to Tokyo during w/c 14 October.

In partnership with the Japan Hydrogen Association (JH2A), we will bring together Australian hydrogen representatives with Japanese government representatives and businesses to progress hydrogen technology and investment opportunities.

The feature event will be a Japan-Australia investment day and business matching to connect delegates with potential investors and businesses that want to invest in technology.

We are also exploring site visits to hydrogen projects in Japan that are owned by members of the JH2A.

If you're interested in learning more, please contact Katerina Aleksoska.

- AHC has an MOU in place with JH2A –partnering to develop a program of business matching for their members and AHC members who wish to join the delegation
- AHC has begun working with AP Advantage Partners, the managers of the US\$1 billion hydrogen fund (JHF) who are looking to invest globally in projects and technologies, including in Australia – we are partnering to develop an investor pitch session for AHC members who wish to join the delegation

Engage in the
HPTI
consultation
process

Contribute to
Committees
and **Working**
Groups

Connect with
the
international
engagement