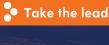




Energy & Resources

Fast Facts '24



Investment of \$22.7b to make Australia a renewable energy superpower.

Future made in Australia

With the Government's commitment to net zero transformation, based on emissions reduction targets of 43% by 2030 and net zero by 2050, this Budget has a major focus on energy, with resources funding being focussed on critical minerals, and key focus on Net Zero transition programs.

This Budget will allocate funding of **\$22.7bn** over the next decade to build a Future Made in Australia.

National interest framework

The framework will impose rigor on Government's investment decisions particularly around those aimed at incentivising private investments at scale:

- Net Zero transformation industries that can make significant contributions to achieving Net Zero targets
- Economic security and resilience sectors that are critical to the economy resilience and are vulnerable to supply disruptions and that require support to unlock sufficient private investments

Priority industries

Five industries aligned with the National Interest Framework:

- 1. Renewable hydrogen
- 2. Critical minerals processing
- 3. Green metals
- 4. Low carbon liquid fuels
- 5. Clean energy manufacturing, including battery and solar panel supply chains

Australia renewable energy superpower (\$13.7bn)

Green Hydrogen and Critical Minerals: **\$13.7bn** in production tax credits are dedicated to stimulating the green hydrogen sector and enhancing the processing of critical minerals such as lithium and cobalt

- Hydrogen Production Incentive: Introducing a Hydrogen Production Tax Incentive that offers \$2 per kilogram for renewable hydrogen produced, with an allocation of **\$6.7bn** applicable from 2027-28 to 2039-40 for projects up to ten years.
- **Renewable Energy Development:** Allocating **\$3.2bn** through the Australian Renewable Energy Agency over the next decade to accelerate the commercialisation of essential netzero technologies. This includes a new \$1.7b innovation fund for pioneering technologies and facilities in sectors like green metals and low carbon liquid fuels.
- Hydrogen Headstart Program: Investing \$1.3bn to support early adopters in the hydrogen industry over the next decade, fostering the initial phases of industry development.

Resources & strengthening economic security (\$8.8bn)

Australia is enhancing its status as a renewable energy leader through strategic investments:

- **Resource Sector Investment: \$8.8bn** over ten years to improve mineral processing and refining, including a **\$7bn** production tax incentive and **\$1.2bn** to develop critical minerals projects.
- Clean Energy Technology Manufacturing: Committing **\$1.5b** for projects including the Solar SunShot and Battery Breakthrough Initiative.

15 May 2024



Innovation, digital & science capabilities

Enhancing Australia's position as a leader in innovation and technology by channeling **\$1bn** across quantum computing capabilities and supporting critical scientific endeavors like mapping the nation's critical minerals and ground water resources. These efforts, paired with a strategic review of the research and development sector, aim to boost the country's research infrastructure and economic resilience.

Investing in people & places

The Australian government is investing significantly in workforce and regional development with **\$640m** to support the transition to a clean energy economy.

Other funding

Includes a **\$4.5bn** loan and **\$2.6bn** in equity for Snowy Hydro's Snowy 2.0 project, along with **\$134m** to enhance environmental decision-making processes.



Rick Hemphill, Partner E rhemphill@sw-au.com

Sharon Tala,





Nasko Chernev, Senior Manager

Associate Director

E stala@sw-au.com

E nchernev@sw-au.com

We score it:



Examining the net zero targets in this budget is like discovering your electric car can fly futuristic, thrilling, and energetically efficient. A highflying 4/5

