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Funding boost for initiative to reduce industrial emissions

The Australian Renewable Energy Agency (ARENA) is continuing to support an initiative bringing together major Australian businesses and industry stakeholders to reduce emissions in hard-to-abate sectors.

On behalf of the Australian Government, ARENA is providing up to \$2 million to ClimateWorks Australia to assist in the next phase of the Australian Industry Energy Transitions Initiative (ETI).

The Australian Industry ETI brings together key industry stakeholders from hard-to-abate sectors to explore solutions that can help them reduce their emissions across their supply chains, and increase long term competitiveness through transitioning to clean energy solutions.

With Rio Tinto and HSBC joining the initiative, the ETI now includes 16 participating companies; BHP, Woodside, BlueScope Steel, BP Australia, Fortescue Metals Group, Orica, APA Group, Australian Gas Infrastructure Group, Wesfarmers Chemicals, Energy and Fertilisers, Aurecon, AustralianSuper, Cbus, National Australia Bank and Schneider Electric.

Together, the participants now account for approximately 21 per cent of Australian industrial emissions and represent approximately 24 per cent of the ASX market value.

The Australian Industry ETI is run by independent not-for-profits ClimateWorks and Climate-KIC, in collaboration with the global Energy Transitions Commission. Key knowledge partners include CSIRO, Rocky Mountain Institute and BloombergNEF.

The initiative focuses on five supply chains including iron and steel, alumina and aluminium, liquefied natural gas, other metals (such as lithium, copper and nickel) and chemicals including plastics, fertilisers and explosives. These sectors together represent more than a quarter of Australia's annual greenhouse gas emissions and approximately \$160 billion in exports annually.

ARENA has previously provided \$300,000 in funding to ClimateWorks to support establishing the ETI. Initial analysis as part of this early phase identified green hydrogen, green steel and carbon capture as key technologies for these hard-to-abate sectors.

The ETI is investigating a hub approach for supplying energy for manufacturing in existing industrial precincts such as Gladstone in Queensland, the Pilbara and Kwinana in WA and the Hunter Valley and Port Kembla in NSW.

The initiative will now identify and model credible pathways for industry to transition to net zero emissions and support participating companies to identify and implement pilot projects demonstrating these pathways.

The initiative will include rigorous technological and economic analysis of opportunities in each supply chain, and an analysis of systems capable of providing low-cost, reliable, net zero emissions energy. ARENA's funding will go towards a program of works covering engagement, research, analysis and implementation.

ARENA CEO Darren Miller said the Australian Industry ETI highlights the commitment of some of Australia's biggest companies to be a part of the solution to reduce emissions.

"ARENA is proud to be supporting this initiative which will build momentum, and give industry confidence they will benefit from a low carbon Australian economy. It is exciting to see more industry partners signing on to the initiative so we can all collaborate, harness industry knowledge and identify pathways to net zero.

For more information on the Australian Industry ETI, visit <https://energytransitionsinitiative.org>