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## Bioenergy Australia: Inquiry into Future Made in Australia Bill 2024 [Provisions] and the Future Made in Australia (Omnibus Amendments No. 1) Bill 2024 [Provisions]

This submission is on behalf of Bioenergy Australia the national industry association committed to accelerating Australia's bio economy. Our mission is to foster the bioenergy sector to generate jobs, secure investment, maximise the value of local resources, minimise waste and environmental impact, and develop and promote national bioenergy expertise into international markets. As part of this mission, we focus on accelerating the development and deployment of Low Carbon Liquid Fuels (LCLFs) such as sustainable aviation fuel (SAF), renewable diesel, biodiesel, ethanol fuels, and biomethane in Australia.

Australia's Bioenergy Roadmap (ARENA, November 2021) outlines how, by the start of the next decade, Australia's bioenergy sector could contribute around \$10 billion in extra GDP per annum and 26,200 new jobs, reduce emissions by about 9 per cent, divert an extra 6 per cent of waste from landfill, and enhance fuel security. Now is the time to capitalise on these opportunities, and we are delighted to see LCLFs recognised as a key focus within the Future Made in Australia Bill 2024 (FMIA Bill).

Bioenergy Australia is supportive of the FMIA and welcomes the inclusion of LCLFs as a priority sector. We acknowledge the Government's ongoing collaborative efforts with industry to ensure LCLFs are integrated within this support, and we commend the Government for its genuine commitment to advancing this critical area.

We support the pillars outlined in this legislation, which aim to build a more diversified and resilient economy powered by renewable energy and agree that LCLFs are essential to achieving these objectives.

## **National Interest Framework**

We support the National Interest Framework outlined in the FMIA Bill and its objectives to deliver economic security and resilience, future-proofed industries and good community outcomes. We agree LCLFs will play a key role in supporting Australia's Net Zero transformation by providing a significant and sustained comparative advantage in a Net Zero global economy. These advantages include our:

- Diverse and abundant sustainable feedstock sources
- High-functioning agriculture sector aligned with international sustainability standards
- Highly skilled workforce supported by a strong R&D and university sector
- Immediate availability of biodiesel capacity
- Strategic geographical location establishing Australia as a leading LCLF supply hub in the region



• Robust domestic industry alignment ensuring comprehensive support for LCLFs across the entire supply chain.

We emphasise that LCLFs will also enhance Australia's economic resilience and fuel security by leveraging our significant domestic fuel supply chain capabilities. A domestic LCLF industry will be crucial for diversifying our liquid fuel mix, reducing our reliance on imports—currently accounting for 90% of Australia's liquid fuels—and strengthening our overall energy independence.

## Future Made in Australia Innovation Fund

We also welcome the development of the new Future Made in Australia Innovation Fund and its focus on supporting the deployment of innovative technologies and facilities linked directly to priority industries, including LCLFs. This funding will be critical for early-stage industry development, enabling the standing up of LCLF projects and facilities, expanding our domestic refining capabilities, and strengthening domestic supply chain capabilities. The flow-on community benefits are substantial and include the creation of new jobs, retention of legacy energy workers, and significant economic opportunities for local communities.

Public investment will be critical to accelerate the development and deployment of Australia's LCLF industry which will lead to significant emissions reductions throughout our hard to abate sectors which have limited alternative solutions, and which will rely on today's liquid fuel dependent technologies, infrastructure and vehicles in some cases past 2050.

## Delivering on the broader Future Made in Australia agenda

We agree that the following mechanisms are critical priorities to effectively deliver on the broader Future Made in Australia agenda and advance the development of LCLFs:

- Expanding the Guarantee of Origin (GO) scheme to certify LCLFs, ensuring these fuels are recognised as viable emissions reduction solutions.
- Implementing both supply-side production support and demand-side mechanisms to foster the growth of a domestic LCLF industry.

These measures represent a critical initial step in establishing Australia's LCLFs industry—an industry essential for achieving Australia's Net Zero goals, creating regional jobs, driving economic growth, enhancing energy security, and future-proofing our tourism and transport sectors.

To build on this progress and broaden its decarbonisation efforts, we encourage the Government to explore including biomethane within this support. Biomethane is a renewable and carbon-neutral drop-in replacement for natural gas that can aid in the decarbonisation of Australia's gas network and our hard-to-abate industrial processes.

Biomethane upholds the FMIA objectives by achieving significant emission reductions, diversifying our energy mix, building domestic energy resilience and reliability, preserving the competitiveness of our manufacturing industry, and providing economic opportunities for Australian communities. Biomethane aligns with the core objectives and principles of the FMIA Bill and should be included within the Government's Future Made in Australia agenda.



Bioenergy Australia strongly supports the FMIA Bill and welcomes the opportunity to continue supporting the Government on the path to net zero. We look forward to further consultations.

Thank you for the opportunity to provide this submission. Please send any comments or queries to myself at order or the opportunity to provide this submission. Please send any comments or queries to myself at order or the opportunity to provide this submission.

Sincerely,



Shahana McKenzie CEO Bioenergy Australia