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# Hydrogen Headstart to power new jobs & industry

Joint media release with

**The Hon Chris Bowen MP**  
**Minister for Climate Change and Energy**

**Senator the Hon Jenny McAllister**  
**Assistant Minister for Climate Change and Energy**

The Albanese Government's second Budget is ensuring Australia can reach its potential as a renewable energy superpower, with \$2 billion for a new *Hydrogen Headstart* program to scale up development of Australia's renewable hydrogen industry.

This critical new investment is all about making Australia a global leader in green hydrogen, as competition for clean energy investment accelerates around the world.

The net zero transformation is the largest change to both Australia and the world's economy since the industrial revolution. After a decade of policy inaction, *Hydrogen Headstart* contributes to the over \$40 billion of investment by the Albanese Government to make Australia a renewable energy superpower.

Australia already has the largest pipeline of renewable hydrogen projects in the world. Our regions have the resources, technical skills and key trade partnerships to drive growth in hydrogen and other clean industries, as well as the jobs that come with it.

Getting to net zero emissions will require renewable hydrogen. Analysis by *ClimateWorks* and ARENA found as much as 364,000 tonnes (44PJ) is required by 2030 and 2,230,000 tonnes (268PJ) required by 2050 for industrial decarbonisation.

Hydrogen can be combusted for industrial heat, used as a chemical input for green manufacturing, a fuel for heavy transport, or liquified and compressed for export to our key trading partners.

Green hydrogen is also a critical enabler for future manufacturing of green metals and other products the world needs as the transformation to net zero by 2050 gathers pace.

The Albanese Government is helping to unlock clean industry growth through:

- **\$2 billion** for **Hydrogen Headstart**, providing revenue support for large-scale renewable hydrogen projects through competitive hydrogen production contracts. These will help bridge the commercial gap for early projects and put Australia on course for up to a gigawatt of electrolyser capacity by 2030 through 2 to 3 flagship projects.
- **\$38.2 million** in funding for a **Guarantee of Origin scheme**, which will certify renewable energy and track and verify emissions from clean energy products – in particular hydrogen. This is critical funding to ensure Australia is seen as an attractive investment destination, to accelerate investment in an Australian hydrogen industry and to support access to future markets for verified renewable and clean products.
- **\$2.0 million** to establish a fund to support First Nations people and businesses to engage with hydrogen project proponents, planning processes and program design.

Importantly, the Government will also provide **\$5.6 million** to support further work on the best ways to leverage Australia's competitive strengths in renewable energy, critical minerals and highly skilled workforce to accelerate our other clean industrial and manufacturing capabilities, with further actions to be identified by the end of 2023.

These commitments build on over half a billion dollars of investment by the Albanese Government in regional hydrogen hubs, which will drive investments in this new industry across regions including Gladstone, the Hunter, Bell Bay and the Pilbara.

Developing Australia's hydrogen industry will help ensure Australia remains a reliable energy partner to our key regional trading partners through the energy transformation.

This investment will build critical domestic experience and expertise, and help Australia connect to global supply chains to take advantage of the immense jobs and investment potential of green hydrogen.


These commitments will build on Australia's established hydrogen strengths and ensure the regions that have always powered Australia are well positioned in the global race for clean energy investment and jobs, securing Australia's future as a renewable energy superpower.




The Hon Dr Jim Chalmers MP  
Treasurer

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