

# Hydrogen Headstart program

The Australian Government has announced a further \$2 billion for an additional round of Hydrogen Headstart. This funding was announced in the 2024-25 Federal budget.

[Register your interest in Hydrogen Headstart Round 2](https://arena.gov.au/funding/hydrogen-headstart-round2/) (https://arena.gov.au/funding/hydrogen-headstart-round2/).

The Australian Government is investing \$4 billion in the Hydrogen Headstart program. Headstart will provide revenue support for large-scale renewable hydrogen projects through competitive hydrogen production contracts.

This investment will:

- accelerate development of Australia's hydrogen industry
- catalyse clean energy industries
- help Australia connect to new global hydrogen supply chains.

Headstart will take advantage of hydrogen's immense jobs and investment potential.

It will help bridge the commercial gap for first mover projects.

A further \$4 million will be provided to help First Nations communities engage with hydrogen project developers.

Unlocking a vibrant domestic hydrogen industry is critical to our vision of being a Renewable Energy Superpower and for a future made in Australia.

## How will it work?

The program uses a competitive process to select large Australian-based projects. It focuses on projects producing hydrogen from renewable energy, or derivative products (for example ammonia or methanol).

Successful projects will have the opportunity to receive funding as a production credit. This funding credit will cover the current commercial gap between the cost of producing renewable hydrogen and its market price. This should enable producers to offer hydrogen to users at a price that will encourage its use.

The Australian Government [announced](#) (/about/news/hydrogen-headstart-applicants-are-potential-world-leaders) shortlisted projects on 21 December 2023.

Read more on [Hydrogen Headstart](https://arena.gov.au/funding/hydrogen-headstart/) (https://arena.gov.au/funding/hydrogen-headstart/), including eligibility requirements and how to apply.

Consultation for the Headstart program has closed. If you would like to view the consultation, visit [Hydrogen Headstart program consultation](https://consult.dceew.gov.au/hydrogen-headstart-program-consultation) (https://consult.dceew.gov.au/hydrogen-headstart-program-consultation).