



Net Zero Industry and Innovation

Driving a clean industrial revolution

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Delivering the Net Zero Plan Stage 1: 2020-2030

Net Zero Industry and Innovation is a cornerstone of the **Net Zero Plan Stage 1:2020-2030**.

The four priorities for the Net Zero Plan are:

1

Drive uptake of **proven emissions reduction technologies** that grow the economy, create new jobs or reduce the cost of living

2

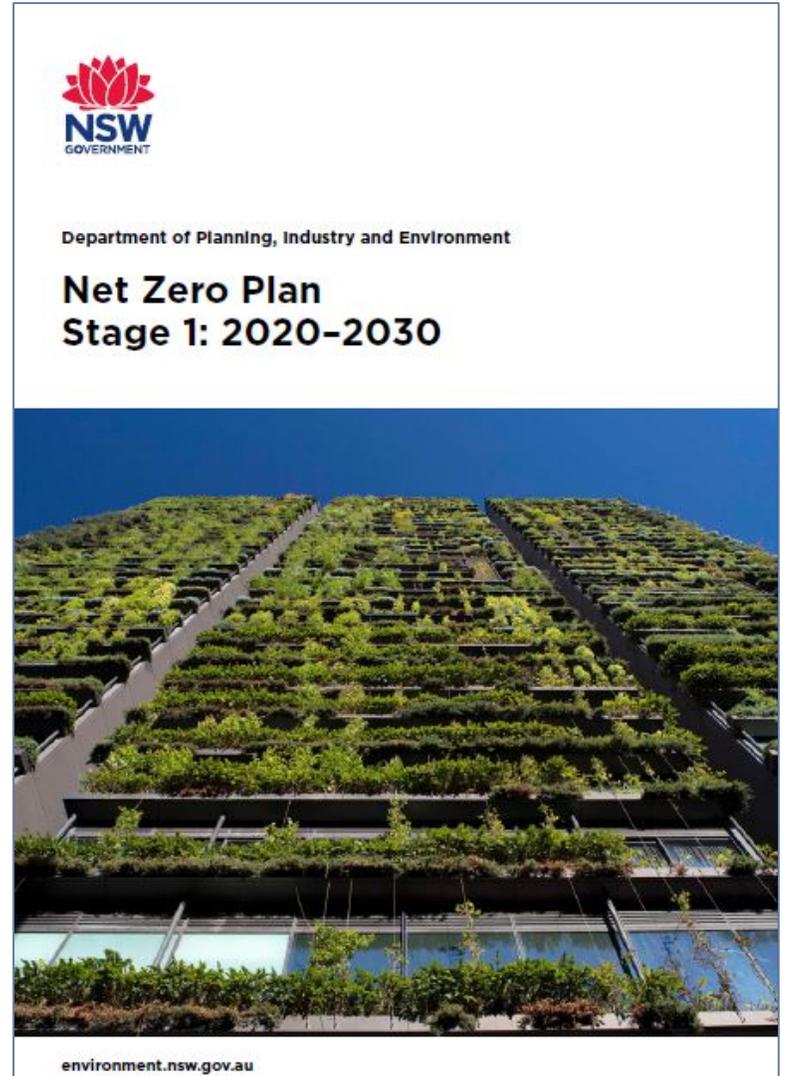
Empower consumers and businesses to **make sustainable choices**

3

Invest in the **next wave of emissions reduction innovation** to ensure economic prosperity from decarbonisation beyond 2030

4

Ensure the NSW Government **leads by example**



Net Zero Industry and Innovation

- The NSW Government's plan to **support and partner with industry to reduce emissions** and help businesses prosper in a low carbon world.
- **\$750 million** will be invested by the NSW Government to 2030
- It sets out the **importance of private co-investment** to deliver NSW's targets
- Giving business the **confidence to invest** in a low carbon future.



Net Zero Industry and Innovation Program

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March 2021



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Six principles for success

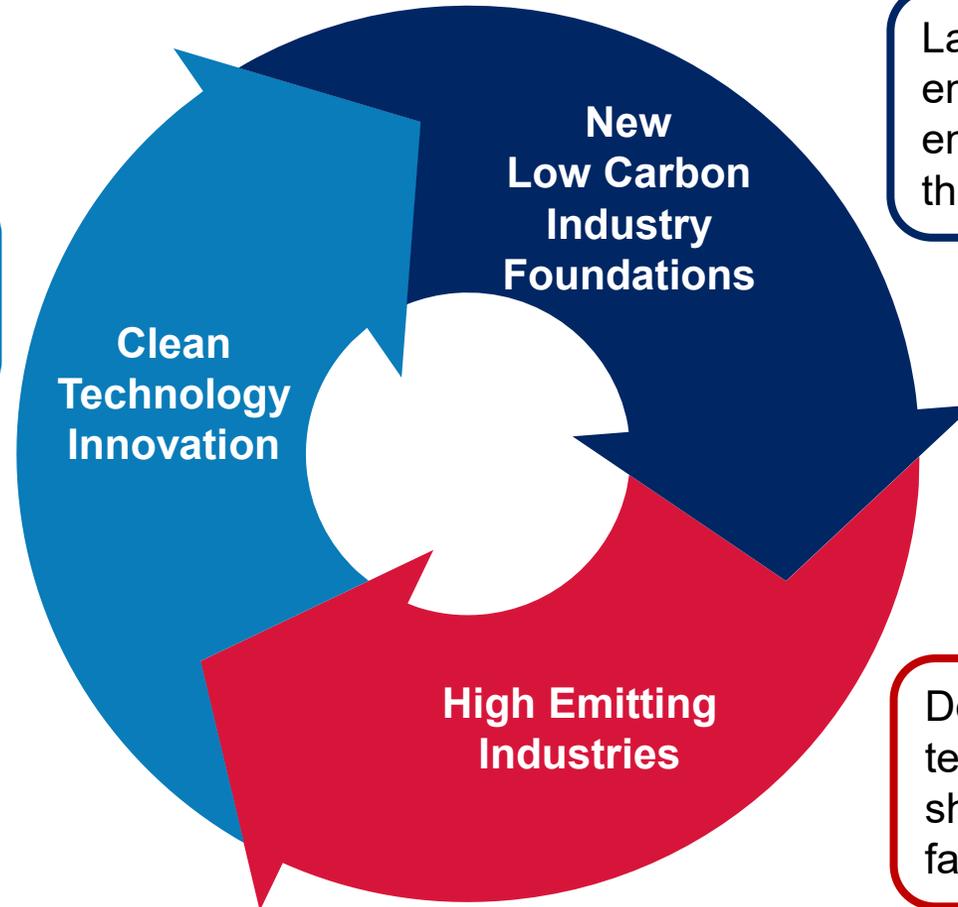
- ✓ **Principle 1** – Reduce carbon emissions in ways that support economic growth
- ✓ **Principle 2** – Position NSW as a leader in clean technology
- ✓ **Principle 3** – Lay the foundations for new low carbon industries
- ✓ **Principle 4** – Realise opportunities to reduce carbon emissions in the short-term
- ✓ **Principle 5** – Attract investment into NSW
- ✓ **Principle 6** – Align the Program with other NSW Government policies

Our areas of focus

Laying the foundations for new low emissions industries by building enabling infrastructure and boosting the capability of supply chains.

Deploying proven low emissions technologies and infrastructure to shift existing high emitting industrial facilities to clean industrial processes.

Supporting the development and continual innovation of emerging clean technologies



Clean Technology Innovation

Ensuring clean technologies are rapidly developed, repeatedly innovated and scaled-up in NSW to meet emissions targets to 2050.

- Utilises the State's strong research, development and commercialisation knowledge
- Positions NSW as a leading investment destination, unlocking export opportunities
- Supports 'new technologies' from research to commercialisation and distribution
- Technology innovations guided by the OCSE Decarbonisation Innovation Study
- Delivered across **five streams** to 2030.



Technology priority areas will be reviewed every two years as the OCSE Decarbonisation Innovation Study is updated

Clean Technology Innovation cont.

Five streams of delivery:

1. Establish a NSW Decarbonisation Innovation Hub (\$15m)
2. Research, Development and Commercialisation Infrastructure Funding (\$45m)
3. Research and Development Grants (\$40m)
4. Grants for Commercialisation and Pilots (\$75m)
5. Low Emissions Standards and Unlocking Sustainable Finance (up to \$20m)

Budget: \$195 million (indicative)



Clean Technology Innovation will enable knowledge sharing, capacity building and collaboration between researchers, industry and government.

New Low Carbon Industry Foundations

Harnessing opportunities to drive the clean transformation of our industrial sector, positioning NSW as a global player in low and zero carbon industrial products.

- Supporting the development of low and zero carbon enabling infrastructure
- Funding for roadmaps/plans for Clean Manufacturing Precincts
- Investing \$70m for Hydrogen Hubs in the Hunter and Illawarra
- Builds on and aligns with other NSW Government initiatives including Renewable Energy Zones, Special Activation Precincts
- Funding applications may come from individual business, consortia, not for profits or development authorities.

Budget: \$175 million



To secure a decarbonised industrial base we must provide the right conditions for new industries, establish capability within existing industry and support emerging technologies.

High Emitting Industries

The biggest opportunity for decarbonisation in NSW sits with a small number of high emitting industries.

- Drive the uptake of proven technologies to achieve large emissions reduction
- Helps develop and implement major plant and equipment upgrades across NSW in hard-to-abate sectors such as steel, cement, aluminium, chemical, metal ore and coal mining
- To align with business investment cycles while achieving lowest cost emissions reduction
- Investment plan every 2 years with OCSE and national Technology Investment Roadmap.

Budget: \$380 million



Almost 30% of NSW emissions are created by the top 55 industrial facilities

Registration of Interest Responses

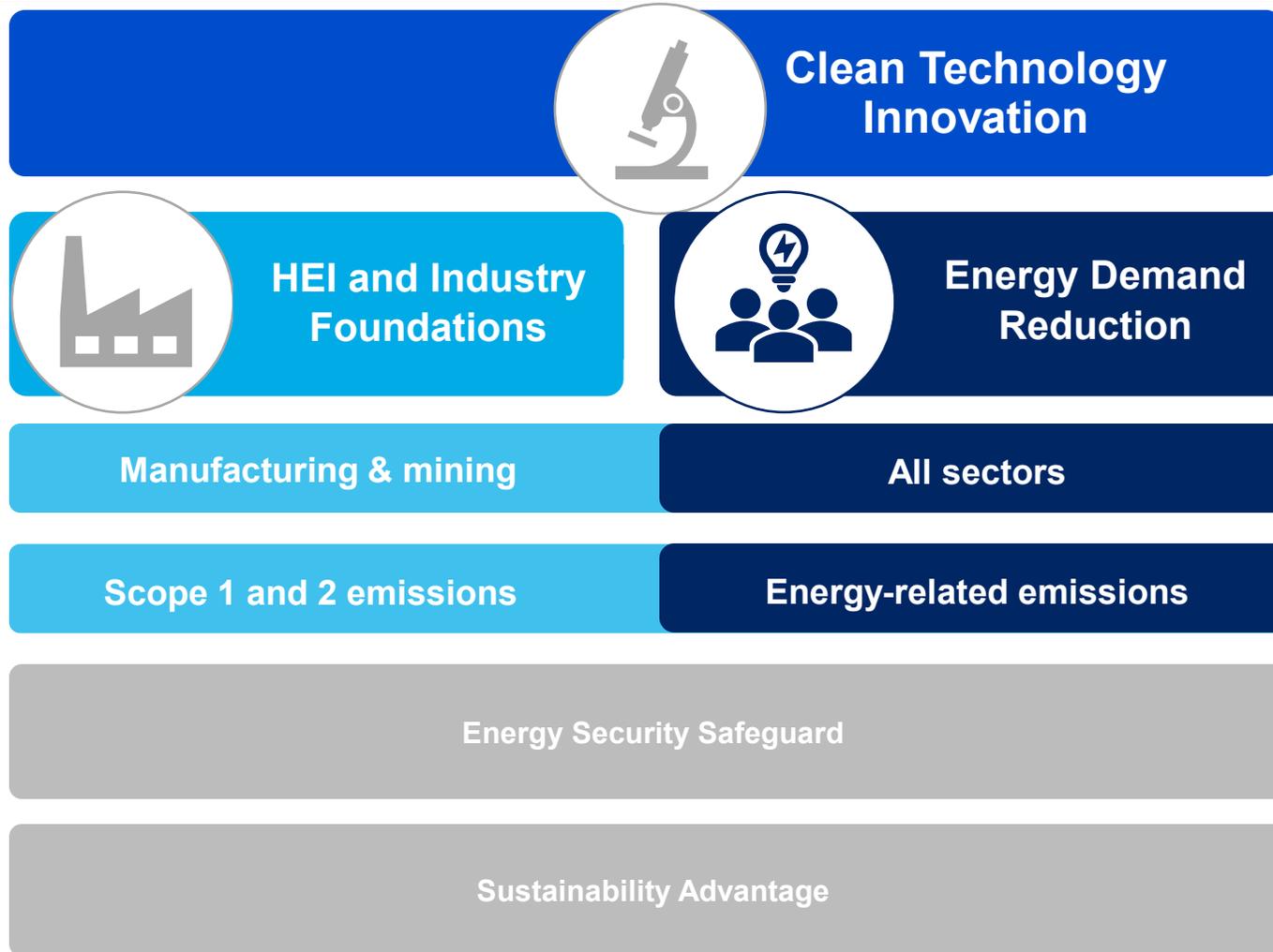
The Department received more than 400 responses from over 240 organisations.

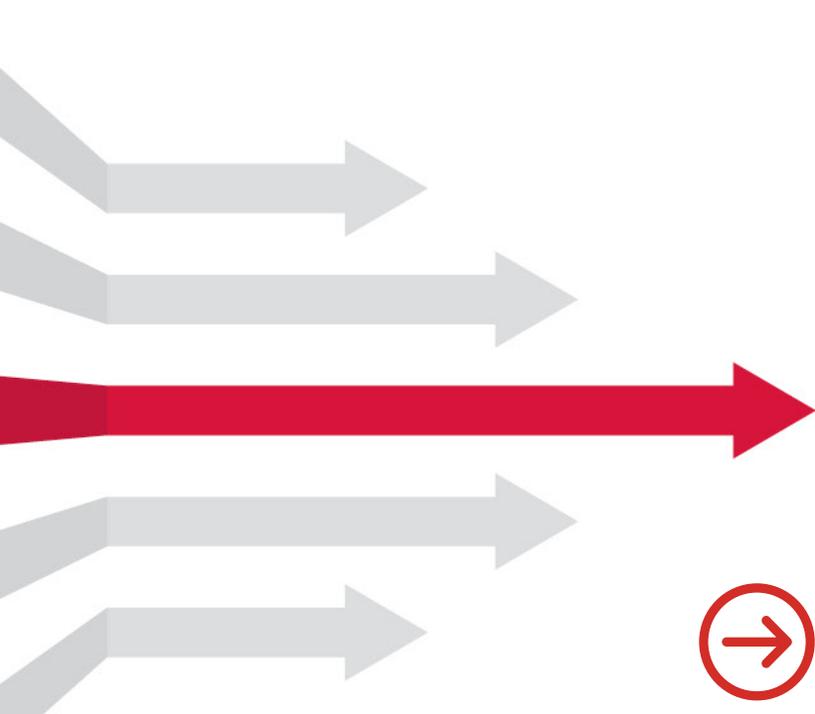
- High level of engagement shows there's significant potential to support industry.
- Strong interest across the state, with a large number of regional submissions coming from the Hunter and Illawarra
- Submissions received from:
 - Entrepreneurs, investors, industry and business groups, universities, professional service providers and other government departments
 - Over half of the state's highest emitting facilities, including almost all of the high emitting manufacturing facilities

Immediate next steps

Focus area	Next steps
Clean Technology Innovation	<ul style="list-style-type: none"> Analyse information acquired through confidential Registration of Interest process.
- NSW Decarbonisation Innovation Hub	<ul style="list-style-type: none"> Stakeholder Expression of Interest by the Office of the NSW Chief Scientist and Engineer expected third quarter 2021.
- Research, Development and Commercialisation Infrastructure Funding	<ul style="list-style-type: none"> Further stakeholder consultation during second quarter 2021. Program availability expected fourth quarter 2021.
- Research and Development Grants	<ul style="list-style-type: none"> Further stakeholder consultation during second quarter 2021. Program availability expected fourth quarter 2021.
- Grants for Commercialisation and Pilots	<ul style="list-style-type: none"> Further stakeholder consultation, program guidelines and program scope expected late 2021. Program availability expected fourth quarter 2021.
- Low Emission Standards and Unlocking Sustainable Finance	<ul style="list-style-type: none"> Targeted industry consultation and further program scoping will be undertaken by mid 2021.
New Low Carbon Industry Foundations	<ul style="list-style-type: none"> Analyse information acquired through confidential Registration of Interest process. Further stakeholder engagement commencing May 2021.
High Emitting Industries	<ul style="list-style-type: none"> Analyse information acquired through confidential Registration of Interest process. Further stakeholder engagement commencing May 2021.

Other support for Industry to decarbonise





How to get involved



Visit www.energysaver.nsw.gov.au/netzeroindustry

to be the first to receive updates on the Net Zero Industry and Innovation register your details.