

CLEAN INDUSTRY SPOTLIGHT

Turning Australia's natural advantage
into industrial leadership

BUILD CLEAN NOW



FORGING THE INDUSTRIAL FUTURE

Executive Summary

About this briefing

This is the first clean industry spotlight briefing published under the global Build Clean Now initiative. It draws on discussions at the October 2025 Sydney workshop, which brought together more than 50 senior representatives from across the clean industry value chain (see Appendix). The briefing assesses Australia's clean industry pipeline, the barriers preventing projects from reaching final investment decision (FID), and the actions needed to accelerate progress. It focuses in particular on structural challenges in demand (offtake) and financing, identified as the most significant obstacles to near-term investment.

International context

Globally, more than 1,000 commercial-scale clean industry projects are in development, representing over US\$1.8 trillion in investment opportunity. Around one-fifth have reached or are approaching FID. Progress is uneven and concentrated in a small number of markets. Countries that resolve demand and financing barriers fastest are likely to capture the greatest economic advantage.

Australia's pipeline

[MPP's Global Project Tracker](#) identifies 53 commercial-scale zero or near-zero emissions projects in Australia. For Build Clean Now we are also tracking a further 17 projects driving broader progress towards industrial decarbonisation. These bring Australia's total number of projects to 70 in development. Nearly 20 are approaching financial close and one has reached FID.

The additional 17 projects support industrial decarbonisation through circular technologies, 'first big step' technologies that reduce emissions significantly but by themselves do not reach near-zero and complementary 'last mile' solutions to deliver the final emissions reductions needed to reach near-zero emissions.

The bankability gap

The core challenge is whether projects can secure financing on acceptable terms under current market conditions. Discussions at the Sydney Build Clean Now workshop, involving developers, investors and policymakers, pointed to a consistent set of structural barriers.

Structural barriers holding projects back

Clean industry projects face a combination of commercial, financial and regulatory constraints:

- Weak structural demand: Carbon pricing alone is not generating sufficient demand for low-carbon commodities and the number of buyers willing to pay a premium for clean industry products remains small. In sectors such as low-carbon fuels, mandates and standards are emerging but remain limited in scope and scale. As a result, many projects cannot secure the long-term purchase agreements needed to underpin investment. →



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- **Financing constraints:** These projects require very large upfront capital investment. Investors and lenders face uncertainty around future demand, construction risks and the limited commercial track record of newer technologies. Development costs before reaching FID are also significant. Without stronger revenue certainty or risk-sharing mechanisms, access to affordable, long-term finance remains constrained.
- **Infrastructure dependencies:** Many projects rely on external factors such as timely grid upgrades, renewable power availability, port expansions or logistics capacity. Delays or uncertainty in these areas affect cost assumptions and investor confidence.
- **Regulatory complexity:** Multi-layered state and federal approval processes can extend over several years. Workshop participants highlighted uncertainty around requirements under the Environment Protection and Biodiversity Conservation (EPBC) Act as a source of additional timing and cost risk.

While these barriers are interconnected, workshop participants agreed on two areas that most urgently require attention to accelerate projects in the next 12–24 months: offtake and finance.

Priorities for near-term acceleration

1. Stronger demand signals

Projects require broader and more predictable markets for low-carbon products. Clearer product standards, targeted mandates and market-shaping mechanisms could stimulate long-term purchase agreements and expand the buyer pool. Without durable demand, projects cannot secure the contracts required to unlock debt financing.

2. Financial de-risking mechanisms

Investors highlighted the need for tools that reduce specific project risks and make future revenues more predictable. Government guarantees, export finance consortia, contingency reserve facilities and long-term, affordable project finance platforms were viewed as particularly important. Combined, these mechanisms could materially narrow the gap between project ambition and financial close.

The path forward

Australia has advanced clean industry projects and strong natural advantages, supported by significant government commitments under the Future Made in Australia agenda. Converting the pipeline into construction now depends on aligning policy, demand and finance quickly.

As Australia assumes a leadership role in COP31 negotiations, advancing clean industry projects would reinforce its position in global trade and industrial discussions. Demonstrating progress at home strengthens Australia's influence abroad.

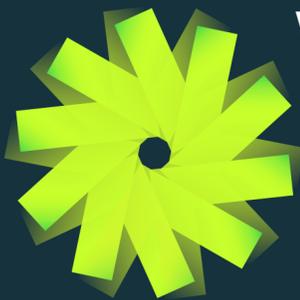
The Sydney Build Clean Now workshop marked the beginning of a more focused acceleration effort. Mission Possible Partnership and the Industrial Transition Accelerator, supported by Cyan Ventures and partners, will support progress through a Clean Deal Dashboard to track progress and identify targeted interventions that can help move projects from advanced development to final investment decision.

The clean industrial opportunity is real. To turn projects into plants, Australia must move decisively to strengthen demand, reduce risk and provide the long-term certainty investors require.



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