

**C L I F F O R D**

**C H A N C E**



# **ENERGY & INFRA UPDATES NOVEMBER 2024**

**What's new in APAC's Energy Transition**  
The latest infrastructure and energy updates



- 1. Federal government passes Future Made in Australia (Guarantee of Origin) Bill 2024**
- 2. NSW government eases approval process for renewables projects**
- 3. WA launches updated hydrogen strategy to accelerate investment**
- 4. WA releases first CCUS Action Plan to attract investment**
- 5. Broader APAC Round-Up**

# 1

## Federal government passes Future Made in Australia (Guarantee of Origin) Bill 2024

### Key takeaway

The Federal government passed the Future Made in Australia (Guarantee of Origin) Bill 2024 (GO Bill) and related bills to establish the voluntary opt-in Guarantee of Origin (GO) scheme on 28 November 2024 to track and verify attributes associated with low-emissions products (starting with hydrogen with a view to incorporating other products such as green metals and low carbon liquid fuels in the future) and establish a certification mechanism for renewable electricity.

### Key details

The GO scheme will provide a robust framework to enable Australian producers of low-emissions products to make objective and credible claims about their product's embodied emissions and provides a framework for two types of certificates: Renewable Electricity Guarantee of Origin (REGO) and Product Guarantee of Origin (PGO) certificates. The key distinction between PGO and REGO certificates is that only REGO certificates can be traded independently from the physical delivery of electricity. PGOs, on the other hand, cannot be tradeable but track the embodied emissions of a product to the point of its delivery to a consumer. As part of the transitional provisions, REGO certificates are intended to substitute LGCs when the RET framework ends in 2030, with the two frameworks co-existing until such time.

The GO scheme is intended to align with international emissions accounting frameworks for low emissions products, as well as existing and emerging domestic frameworks such as the National Greenhouse and Energy Reporting scheme.



# 2

## NSW government eases approval process for renewables projects

### **Key takeaway**

The New South Wales government has introduced a new Renewable Energy Planning Framework to streamline the development approval process for renewable energy projects. This framework aims to reduce red tape, enhance transparency, and ensure that benefits from renewable energy projects flow directly to local communities. The new framework is expected to support the state's green energy targets and address key issues for investors, developers and local communities.

### **Key details**

The framework introduces setbacks to mitigate visual impacts from wind energy and transmission infrastructure, updates requirements for assessing hypothetical dwellings, and outlines the government's expectations for benefit distribution from renewable projects. It also includes five new and updated guidelines covering wind energy, transmission, solar energy, benefit sharing, and private agreements. Additional measures to be undertaken include investigating opportunities to fast-track assessments, addressing cumulative impacts in renewable energy zones, and expanding the role of the Energy and Water Ombudsman NSW to provide independent services for new transmission and renewable energy projects.

# 3

## WA releases updated hydrogen strategy to accelerate investment

### Key takeaway

The Western Australian government released its Renewable Hydrogen Strategy 2024 – 2030 on 25 October 2024 which comprehensively updates the government's previous strategy. It outlines the government's vision for the establishment of a renewable hydrogen industry in Western Australia, which combines the state's existing and sophisticated resources sector with an emerging renewable hydrogen industry and sets out a roadmap to achieve that vision. The strategy is supported by a government grant system.

### Key details

The strategy focuses on supporting and promoting the production and export of renewable hydrogen products, such as green ammonia and green metals projects, establishing renewable energy hubs within the state, and increasing the state's infrastructure. It also outlines steps to reduce red tape in the approvals process and to foster social license for hydrogen projects.

To support the development of the renewable hydrogen industry, the government has established a Renewable Hydrogen Fund which provides grants for selected projects.

# 4

## WA releases first CCUS Action Plan to attract investment

### Key takeaway

The Western Australian government released its first CCUS Action Plan on 21 November 2024 and announced A\$26 million towards two CCUS projects based in the Pilbara and the Mid West. The plan aims to enhance policy certainty, attract further investment into the state, and accelerate the deployment of proven technology and infrastructure.

### Key details

The plan recognises the important role that CCUS plays in decarbonising hard-to-abate industries and seeks to position the state as a world-leader in CCUS technology. It sets out 6 key action areas to support investment in CCUS:

1. Legislative and Regulatory Framework: Implement a robust framework to support CCUS projects.
2. Industry Collaboration: Work with industry to enable and facilitate CCUS projects.
3. Information Sharing: Enhance community awareness and understanding of CCUS.
4. Research and Development: Support innovation and development of new CCUS technologies.
5. Aboriginal and Community Engagement: Ensure early and ongoing engagement with Aboriginal communities.
6. Investment and Partnerships: Attract investment and deepen strategic international partnerships.

For more information on the private capital investment case for CCUS projects in Australia, please refer to our briefing note [here](#).

# 5

## Broader APAC Round-Up

### **Taiwan: EU and Taiwan reach an “understanding” on localisation dispute**

The EU and Taiwan have settled their dispute regarding Taiwan's stringent local content requirements for offshore wind projects, which had been referred to the World Trade Organisation (WTO). Taiwan had required that Round 3.1 projects utilise at least 60% local goods and service, rising to 70% in Round 3.2. The EU argued that these local content requirements were inconsistent with Taiwan's WTO commitment to not discriminate against important goods and services, and that the increased cost and difficulty they presented to developers would hamper the energy transition. Taiwan has agreed to drop local content requirements for future tender rounds and will grant greater flexibility to existing Round 3 projects. This will come as a welcome relief to developers, who faced outsized costs and delays in developing OSW projects under the existing regime and should help accelerate the development of these projects.

### **Japan: Support for hydrogen industry continues with introduction of subsidies**

The Ministry of Economy, Trade and Industry (METI) and the Japan Organisation for Metals and Energy Security have introduced Contracts for Difference subsidies to support the establishment of a supply chain for low-carbon hydrogen and its derivatives, as part of the Hydrogen Society Promotion Act effective from 23 October 2024. Suppliers must collaborate with end-users to create a business plan, which METI will accept for approval from 22 November 2024 to 31 March 2025. This initiative aligns with Japan's goal of achieving carbon neutrality by 2050.

### **APAC: What are the implications of COP29?**

At COP29 countries agreed on the rules under Article 6.4 of the Paris Agreement for the establishment of a UN-backed global climate market to facilitate the creation, trading and registration of carbon credits. The market is anticipated to kick-start global carbon credit trading and has been estimated to be worth up to US\$250 billion annually by 2030, counting towards the offsetting of an additional 5 billion tonnes of carbon emissions each year.

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