

Media Release

The Hon Jaala Pulford MLC

Minister for Employment

Minister for Innovation, Medical Research and the Digital Economy

Minister for Small Business

Minister for Resources



Friday, 21 January 2022

AGREEMENT TO CAPTURE BENEFITS OF NEW CARBON TECHNOLOGIES

The Andrews Labor Government is supporting a key emissions reduction project that will contribute to achieving the goal of net zero by 2050 and bring new jobs to Gippsland.

Minister for Resources Jaala Pulford this week signed a contribution agreement with Japan Oil, Gas and Metals National Corporation (JOGMEC) which will see the resources company provide funding support to the Labor Government's CarbonNet project.

As part of the agreement JOGMEC will contribute in an advisory role to CarbonNet's front end engineering design (FEED), which is a critical undertaking as the project progresses to regulatory and environmental assessments later in 2022.

The agreement will not only reduce the state's expected total expenditure on CarbonNet, but also strengthen relationships between Victoria and Japan.

The CarbonNet project will underpin commercial hydrogen production by storing carbon dioxide (CO₂) underground, reducing this greenhouse gas in our atmosphere.

It is the most technically advanced carbon capture and storage (CCS) hub being developed in Australia and stands apart for its potential to capture emissions from multiple sites.

The Labor Government has been collaborating with JOGMEC for several years to build a shared understanding of the benefits of CCS.

Capturing, transporting and storing emissions underground can enable the decarbonisation of current and future industries such as hydrogen production, fertiliser, bioenergy and natural gas.

Another Japanese partnership has already enabled hydrogen to be produced at the Hydrogen Energy Supply Chain trial site in the Latrobe Valley.

A 2021 report produced by EY Australia estimates that the new industries CarbonNet may deliver up to 3,000 construction jobs from 2026 and then up to 1,000 ongoing operational jobs from 2030.

More information about the CarbonNet project is available at earthresources.vic.gov.au/CarbonNet.

Quotes attributable to Minister for Resources Jaala Pulford

"Partnerships like this are important to advance technologies that can help us lower emissions and create jobs for the future."

"The opportunities for the CarbonNet project are exciting and I'm pleased this contribution agreement with JOGMEC will continue to support the ongoing development of CCS happening in Victoria."

Quote attributable to Member for Eastern Victoria Harriet Shing

"As large-scale transition continues in Gippsland and across the energy sector, projects like this will play an important role in creating jobs and generating the sustainable energy we need as our population grows."

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