



Future Made in Australia Act 2024

No. 119, 2024

An Act to unlock investment in a Future Made in Australia, and for related purposes

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Contents

Part 1—Preliminary	3
1 Short title.....	3
2 Commencement	3
3 Objects	4
4 Simplified outline of this Act.....	5
5 Definitions	6
Part 2—National Interest Framework	8
6 Sector assessments.....	8
7 The National Interest Framework.....	8
8 Conduct of sector assessments.....	9
9 Reporting on sector assessments.....	11
Part 3—Provision of Future Made in Australia support	12
10 The community benefit principles	12
10A Future Made in Australia support not to be provided for coal, crude oil or natural gas etc.	13
11 Future Made in Australia plans.....	14
11A Reporting on provision of Future Made in Australia support.....	14
12 Rules relating to provision of Future Made in Australia support	15
Part 4—Miscellaneous	17
13 Delegation by the Secretary.....	17
14 Annual report	17
15 Rules	17



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[Assented to 10 December 2024]

Preamble

The Parliament of Australia recognises that the global transition to net zero and the changing geostrategic landscape present a significant opportunity for Australia. By building a more diversified and resilient economy powered by clean energy and creating more secure, well-paid jobs, Australia can remain an indispensable part of the global economy as the world undergoes the biggest transformation since the industrial revolution.

Maximising the economic and industrial benefits of this transformation requires attracting and enabling private investment, making Australia a renewable energy superpower, value-adding to our resources and strengthening economic security, backing Australian innovation and investing in the people, communities and services that will drive our national success.

The Parliament of Australia believes that the Australian Government can play a key role in encouraging and facilitating the private investment required to harness this opportunity and strengthen trade partnerships. Targeted public investment can also promote the alignment of economic incentives with Australia's national interests and incentivise private investment at scale in these areas.

The National Interest Framework will support the Australian Government to make public investments that unlock private investment at scale in the national interest. It will help to assess sectors that can make a significant contribution to emissions reduction at an efficient cost and where Australia could have a sustained comparative advantage and sectors where domestic capability is necessary or efficient to deliver economic resilience and security.

Community benefit principles will be applied to encourage investment in local communities, domestic industries, supply chains and skills, and promote diverse workforces, secure jobs and tax law compliance. Decision-makers will be responsible for applying community benefit principles for each Future Made in Australia support and enforcing them appropriately, including through Future Made in Australia plans.

The coordinated investments that make up the Future Made in Australia agenda will harness Australia's potential and ensure the benefits are widely shared. This will be underpinned by strong trade partnerships, and a Guarantee of Origin Scheme that certifies renewable electricity and the emissions content of key industrial products and supports, supporting the development of green product standards.

As part of the Future Made in Australia agenda, a new front door will also be established to make it simpler to invest in Australia and attract more global and domestic capital. It will provide a single point of contact for investors and companies with major, transformational investment proposals, delivering a coordinated approach to investment attraction and facilitation for these projects.

The Parliament of Australia enacts:

Part 1—Preliminary

1 Short title

This Act is the *Future Made in Australia Act 2024*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	11 December 2024

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Objects

The objects of this Act are:

- (a) to establish a National Interest Framework to support the consideration of, and decision-making in relation to, significant public investment that unlocks private investment at scale in the national interest; and
- (b) to enable the use of the National Interest Framework for sector assessments that analyse the extent to which particular sectors of the Australian economy are ones where:
 - (i) Australia could have a sustained comparative advantage in a net zero global economy and public investment is likely needed for the sector to make a significant contribution to emissions reduction at an efficient cost; or
 - (ii) some level of domestic capability is necessary or efficient to deliver economic resilience and security, and the private sector will not deliver the necessary investment in the sector in the absence of government support; and
- (c) to ensure that the provision of Future Made in Australia support under other laws considers broad community benefits, in particular by:
 - (i) promoting safe and secure jobs that are well paid and have good conditions; and
 - (ii) developing more skilled and inclusive workforces, including by investing in training and skills development and broadening opportunities for workforce participation; and
 - (iii) engaging collaboratively with and achieving positive outcomes for local communities, such as First Nations communities and communities directly affected by the transition to net zero; and
 - (iiia) supporting First Nations communities and traditional owners to participate in, and share in the benefits of, the transition to net zero; and
 - (iv) strengthening domestic industrial capabilities, including through stronger local supply chains; and

- (v) demonstrating transparency and compliance in relation to the management of tax affairs, including benefits received under Future Made in Australia supports.

4 Simplified outline of this Act

This Act establishes the National Interest Framework, a framework to support the consideration of, and decision-making in relation to, significant public investment that unlocks private investment at scale in the national interest.

The National Interest Framework consists of the net zero transformation stream and the economic resilience and security stream.

The Minister may, after consulting appropriate Ministers, direct the Secretary to conduct a sector assessment. A sector assessment is an assessment of a sector of the Australian economy conducted for the purpose of analysing the extent to which the sector aligns with the National Interest Framework in one of those streams, as well as opportunities to address barriers to private investment, in the national interest, in relation to the sector.

A person or body deciding whether certain support (known as Future Made in Australia support) should be provided by the Commonwealth, a Commonwealth entity or a Commonwealth company must have regard to the community benefit principles. Such support may include a grant, loan, indemnity, guarantee, warranty, investment of money or equity investment.

Future Made in Australia support must not be provided for any of the following activities:

- (a) the extraction of coal, crude oil or natural gas;
- (b) the construction of infrastructure for the primary purpose of extracting coal, crude oil or natural gas;
- (c) directly financing investments for the sole purpose of the use of coal, crude oil or natural gas.

Section 5

An applicant for, or recipient of, Future Made in Australia support must have a Future Made in Australia plan in effect in the circumstances prescribed by rules made under this Act.

5 Definitions

In this Act:

Australia's greenhouse gas emissions reduction targets means:

(a) if:

- (i) Australia's current nationally determined contribution was communicated in accordance with Article 4 of the Paris Agreement in June 2022; and
- (ii) that nationally determined contribution has not been adjusted in accordance with paragraph 11 of Article 4 of the Paris Agreement;

the greenhouse gas emissions reduction targets set out in paragraphs 10(1)(a) and (b) of the *Climate Change Act 2022*;
or

(b) in any other case—the greenhouse gas emissions reduction targets included in:

- (i) Australia's current nationally determined contribution communicated in accordance with Article 4 of the Paris Agreement; or
- (ii) if that nationally determined contribution has been adjusted in accordance with paragraph 11 of Article 4 of the Paris Agreement—that nationally determined contribution, as adjusted and in force from time to time.

Commonwealth company has the same meaning as in the *Public Governance, Performance and Accountability Act 2013*.

Commonwealth entity has the same meaning as in the *Public Governance, Performance and Accountability Act 2013*.

community benefit principles: see subsection 10(3).

Future Made in Australia Innovation Fund means the program of financial assistance known by that name that is administered by the

Australian Renewable Energy Agency under the *Australian Renewable Energy Agency Act 2011*.

Future Made in Australia plan: see section 11.

Future Made in Australia support: see subsection 10(2).

National Interest Framework means the National Interest Framework established by section 7.

net zero transformation means achieving Australia's greenhouse gas emissions reduction targets and contributing to the reduction of global greenhouse gas emissions.

Paris Agreement means the Paris Agreement done at Paris on 12 December 2015, as amended and in force for Australia from time to time.

Note: The Paris Agreement is in Australian Treaty Series 2016 No. 24 ([2016] ATS 24) and could in 2024 be viewed in the Australian Treaties Library on the AustLII website (<http://www.austlii.edu.au>).

personal information has the same meaning as in the *Privacy Act 1988*.

rules means rules made under subsection 15(1).

Secretary means the Secretary of the Department.

sector assessment: see subsection 6(2).

Part 2—National Interest Framework

6 Sector assessments

- (1) The Minister may, by notifiable instrument, direct the Secretary to conduct a sector assessment.
- (2) A *sector assessment* is an assessment of a sector of the Australian economy that analyses:
 - (a) the extent to which the sector aligns with the National Interest Framework under subsection 7(3) or (4); and
 - (b) opportunities to address barriers to private investment, in the national interest, in relation to the sector.
- (3) Before giving a direction under subsection (1), the Minister must consult such Ministers as the Minister considers appropriate.
- (4) Without limiting subsection (1), a direction under that subsection may specify the period within which the sector assessment is to be conducted or a report on the assessment is to be given to the Minister (see section 9).
- (5) To avoid doubt, subsection (1) applies whether or not a sector assessment has previously been conducted for the sector.

7 The National Interest Framework

- (1) The National Interest Framework is established by this section.
- (2) The National Interest Framework has the following streams:
 - (a) the net zero transformation stream;
 - (b) the economic resilience and security stream.

The net zero transformation stream

- (3) A sector of the Australian economy aligns with the National Interest Framework in the net zero transformation stream if:

- (a) the sector could have a sustained comparative advantage in a net zero global economy; and
- (b) public investment is likely to be needed for the sector to make a significant contribution to emissions reduction at an efficient cost.

The economic resilience and security stream

- (4) A sector of the Australian economy aligns with the National Interest Framework in the economic resilience and security stream if:
 - (a) some level of domestic capability in the sector is a necessary or efficient way to deliver economic resilience and security; and
 - (b) the private sector will not deliver the necessary investment in the sector in the absence of government support.

8 Conduct of sector assessments

Matters to be considered

- (1) A sector assessment must consider such of the following matters as the Secretary considers relevant to the conduct of the assessment:
 - (a) whether Australia could be competitive in the sector;
 - (b) whether the sector could contribute to an orderly path to net zero transformation, including through the use of renewable energy;
 - (c) whether the sector could build the capabilities of the Australian people and the regions of Australia, and generate employment opportunities;
 - (d) whether support for the sector could improve Australia's economic resilience and security;
 - (e) whether support for the sector could:
 - (i) recognise the key role of the private sector; and
 - (ii) deliver genuine value for money.
 - (1A) Each sector assessment must also consider the following matters:
 - (a) the sector's impacts on demand for fossil fuels (such as coal, crude oil or natural gas), and how those impacts can be
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Section 8

managed in a way that is consistent with an orderly path to net zero transformation;

- (b) the decarbonisation potential in relevant global supply chains for the sector, including how those supply chains can contribute to the reduction of global greenhouse gas emissions.

Ministerial directions

- (2) The Minister may, by legislative instrument, give directions to the Secretary in relation to the conduct of sector assessments.
- (3) The directions may include consultation requirements for sector assessments, including requirements in relation to the following:
 - (a) public consultation;
 - (b) periods for consultation.

Assessment to be conducted independently

- (4) The Minister must not:
 - (a) give directions under subsection (2) to the Secretary in relation to a particular sector assessment; or
 - (b) seek to influence a particular sector assessment in any other way.
- (5) To avoid doubt, this section does not limit the application of subsection 33(3) of the *Acts Interpretation Act 1901* in relation to an instrument made under this Act.

Assistance with sector assessments

- (6) For the purposes of conducting a sector assessment, the Secretary may:
 - (a) consult with any Commonwealth entity; or
 - (b) arrange for any Commonwealth entity to provide assistance or support.

Note: The Commonwealth entities the Secretary may consult with for the purposes of paragraph (a) include (without limitation) the following:

- (a) the Australian Competition and Consumer Commission;
- (b) the Climate Change Authority;

- (c) the Commonwealth Scientific and Industrial Research Organisation;
- (d) Infrastructure Australia;
- (e) the Net Zero Economy Agency;
- (f) the Productivity Commission.

9 Reporting on sector assessments

- (1) After conducting a sector assessment, the Secretary must give the Minister a report on the assessment.
- (2) The Minister must cause a copy of the report to be laid before each House of the Parliament within 30 sitting days of that House after the Minister receives the report.
- (3) The Minister may redact information from the report if the Minister is satisfied that:
 - (a) the information is personal information; or
 - (b) release of the information would, or could reasonably be expected to:
 - (i) divulge information that is confidential or commercially sensitive; or
 - (ii) cause damage to the security, defence or international relations of the Commonwealth; or
 - (iii) cause damage to relations between the Commonwealth and a State or Territory.

Part 3—Provision of Future Made in Australia support

10 The community benefit principles

- (1) A person or body deciding whether Future Made in Australia support should be provided must have regard to the community benefit principles.
- (2) ***Future Made in Australia support*** is any support provided by the Commonwealth, a Commonwealth entity or a Commonwealth company (including a grant, loan, indemnity, guarantee, warranty, investment of money or equity investment) in relation to which one or more of the following apply:
 - (a) the support is provided under the Future Made in Australia Innovation Fund;
 - (b) the support is provided by the Export Finance and Insurance Corporation:
 - (i) under section 23B of the *Export Finance and Insurance Corporation Act 1991*; or
 - (ii) otherwise for the purpose of performing its functions under paragraph 7(1)(df) or (dg) of that Act (which set out the Corporation's national economy function and net zero function);
 - (c) the support is identified as Future Made in Australia support under another law of the Commonwealth;
 - (d) the support is prescribed by the rules for the purposes of this paragraph.

Note: Future Made in Australia support will be provided under other laws.

- (3) The ***community benefit principles*** are:
 - (a) that Future Made in Australia support should provide community benefits, in particular by:
 - (i) promoting safe and secure jobs that are well paid and have good conditions; and

- (ii) developing more skilled and inclusive workforces, including by investing in training and skills development and broadening opportunities for workforce participation; and
 - (iii) engaging collaboratively with and achieving positive outcomes for local communities, such as First Nations communities and communities directly affected by the transition to net zero; and
 - (iiia) supporting First Nations communities and traditional owners to participate in, and share in the benefits of, the transition to net zero; and
 - (iv) strengthening domestic industrial capabilities, including through stronger local supply chains; and
 - (v) demonstrating transparency and compliance in relation to the management of tax affairs, including benefits received under Future Made in Australia supports; and
- (b) any other principles specified in the rules for the purposes of this paragraph.
- (4) Subsection (1) does not apply to the provision of Future Made in Australia support under a particular law:
- (a) to the extent that having regard to the community benefit principles would be inconsistent with that law; or
 - (b) in circumstances prescribed by the rules for the purposes of this paragraph.

10A Future Made in Australia support not to be provided for coal, crude oil or natural gas etc.

Future Made in Australia support must not be provided by the Commonwealth, a Commonwealth entity or a Commonwealth company for any of the following activities:

- (a) the extraction of coal, crude oil or natural gas;
- (b) the construction of infrastructure for the primary purpose of extracting coal, crude oil or natural gas;
- (c) directly financing investments for the sole purpose of the use of coal, crude oil or natural gas.

Section 11

11 Future Made in Australia plans

- (1) A person who applies for, or receives, Future Made in Australia support must, in the circumstances prescribed by the rules, have in effect a plan (a *Future Made in Australia plan*) that:
 - (a) relates to the support; and
 - (b) meets the requirements of subsection (2).
- (2) A Future Made in Australia plan must:
 - (a) be in writing; and
 - (b) explain how the Future Made in Australia support would provide community benefits consistent with the community benefit principles; and
 - (c) comply with any requirements prescribed by the rules.
- (3) The rules may provide in relation to Future Made in Australia plans, including circumstances in which such a plan comes into effect or ceases to be in effect.

11A Reporting on provision of Future Made in Australia support

Reporting by Commonwealth entities

- (1) The accountable authority of a Commonwealth entity must ensure that an annual report prepared under section 46 of the *Public Governance, Performance and Accountability Act 2013* for a reporting period for the entity complies with subsection (3) of this section if the entity provides Future Made in Australia support (including on behalf of the Commonwealth) during the period.

Reporting by Commonwealth companies

- (2) The directors of a Commonwealth company must ensure that the documents given to the responsible Minister under section 97 of the *Public Governance, Performance and Accountability Act 2013* for a reporting period for the company include a report that complies with subsection (3) of this section if the company provides Future Made in Australia support during the period.

Content of report

- (3) A report described in subsection (1) or (2) that relates to a Commonwealth entity or Commonwealth company must include:
- (a) for each person to whom the entity or company provides or commits Future Made in Australia support during the reporting period:
 - (i) the name of the person; and
 - (ii) the amount of support provided or committed in the reporting period; and
 - (b) the amount of all Future Made in Australia support provided or committed by the entity or company in the reporting period.

Definitions

- (4) The following expressions have the same meaning when used in this section as they have in the *Public Governance, Performance and Accountability Act 2013*:
- (a) accountable authority;
 - (b) director;
 - (c) reporting period.

Note: See also the definitions of *Commonwealth entity* and *Commonwealth company* in section 5 of this Act.

Application

- (5) Subsections (1) and (2) apply in relation to a reporting period that ends on or after the commencement of this section.

12 Rules relating to provision of Future Made in Australia support

- (1) The rules may prescribe requirements that must be complied with, methods or criteria that must be applied, or matters that may, must or must not be taken into account, in:
- (a) applying for Future Made in Australia support; or
 - (b) deciding whether Future Made in Australia support should be provided; or
 - (c) providing Future Made in Australia support.

Section 12

Note: The rules may make different provision for different kinds of Future Made in Australia support: see subsection 33(3A) of the *Acts Interpretation Act 1901*.

- (2) However, rules made for the purposes of subsection (1) have no effect in relation to the provision of Future Made in Australia support under a particular law to the extent that the rules are inconsistent with that law.
- (3) Sections 11 and 11A do not limit this section.

Part 4—Miscellaneous

13 Delegation by the Secretary

- (1) The Secretary may, in writing, delegate to an SES employee, or an acting SES employee, in the Department all or any of the Secretary's functions or powers under Part 2 of this Act relating to sector assessments.

Note: Sections 34AA to 34A of the *Acts Interpretation Act 1901* contain provisions relating to delegations.

- (2) In performing a delegated function or exercising a delegated power, the delegate must comply with any written directions of the Secretary.

14 Annual report

The annual report prepared by the Secretary of the Department and given to the Minister under section 46 of the *Public Governance, Performance and Accountability Act 2013* for a period must include a report on the operation of this Act during the period.

15 Rules

- (1) The Minister may, by legislative instrument, make rules prescribing matters:
 - (a) required or permitted by this Act to be prescribed by the rules; or
 - (b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.
- (2) To avoid doubt, the rules may not do the following:
 - (a) create an offence or civil penalty;
 - (b) provide powers of:
 - (i) arrest or detention; or
 - (ii) entry, search or seizure;
 - (c) impose a tax;

Section 15

- (d) set an amount to be appropriated from the Consolidated Revenue Fund under an appropriation in this Act;
 - (e) directly amend the text of this Act.
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*[Minister's second reading speech made in—
House of Representatives on 3 July 2024
Senate on 11 September 2024]*

(84/24)