



19 December 2025

TasPorts Submission: Cleaner Fuels Program

TasPorts welcomes the opportunity to make a submission to the Australian Government’s Cleaner Fuels Program consultation process and commends the Government’s significant investment of \$1.1 billion to support domestic production of low-carbon liquid fuels (LCLFs). This investment represents an important step in enabling new industries, strengthening Australia’s supply chains, improving fuel security and advancing national decarbonisation objectives.

TasPorts strongly supports measures that accelerate the transition from pilot and demonstration projects to commercial-scale production of renewable diesel, sustainable aviation fuel (SAF) and other LCLFs. From a port owner and operator perspective, scale certainty is critical as ports are required to make early, capital-intensive investments in infrastructure, safety systems and regulatory capability well in advance of production and export activity commencing.

These investments are only viable where there is confidence that fuel production will reach sustained commercial scale and generate predictable throughput over time. Without that certainty, infrastructure investment is delayed, increasing risk for project proponents and constraining the pace at which cleaner fuels can be brought to market.

Ports are fundamental enablers of the clean fuels value chain as they provide the physical interface through which feedstocks and finished fuels are imported, exported, stored, bunkered and distributed to domestic and international markets. This includes berthing, bulk storage and handling facilities for feedstocks, such as biomass and waste products, as well as for finished LCLF products; bunkering infrastructure to service shipping, aviation and heavy transport sectors; and integration with pipelines, rail and road networks that enable efficient onward distribution to end users or inland processing facilities. Ports must also adapt to new regulatory regimes, safety requirements and operational standards associated with emerging fuels, including renewable diesel, SAF, hydrogen-derived fuels and e-fuels.

Without port capacity that is fit for purpose, LCLF production facilities face material cost, timing and risk barriers that can deter investment or delay final investment decisions. This is not unique to Australia. Internationally, governments and industry are increasingly recognising ports as critical clean fuel and clean energy hubs, with coordinated investment occurring alongside the scaling of production. Major ports in Europe, North America and Asia are investing in storage, bunkering and safety infrastructure for low-carbon fuels and hydrogen-derived products to ensure supply chains can operate at scale. These global developments reinforce that clean fuel production requires parallel investment in port and logistics infrastructure to unlock full economic and environmental benefits.

The Policy Design and Engagement Paper identifies the first-mover disadvantage as a key market failure that the Cleaner Fuels Program seeks to address, noting early movers bear disproportionate risk and costs that cannot be recovered solely through market revenues. While the Paper appropriately focuses on production-linked incentives, it underemphasises infrastructure that is not directly scalable with production volumes but

Head Office 90-110 Willis Street, Launceston PO Box 1060 Launceston Tasmania 7250 reception@tasports.com.au	Port of Devonport 48 Formby Road, Devonport PO Box 478 Devonport Tasmania 7310	Port of Bell Bay Mobil Road, Bell Bay Locked Bag 4 George Town Tasmania 7253	Port of Burnie Port Road, Burnie PO Box 216 Burnie Tasmania 7320	Port of Hobart Level 6, Marine Board Building 1 Franklin Wharf, Hobart GPO Box 202 Hobart Tasmania 7001
---	--	--	--	---

is nonetheless essential to project viability. Port infrastructure upgrades and expansion typically require significant upfront capital and often deliver shared, common-user benefits across multiple projects and future producers. These investments generate positive externalities that lower costs and risks for subsequent entrants, yet they frequently lack a clear pathway to recover costs through volume-based incentives alone.

For this reason, TasPorts submits that the Cleaner Fuels Program would be strengthened by the inclusion of a dedicated infrastructure support stream, separate from production credits, to address port storage and bunkering infrastructure that supports LCLFs, safety and compliance systems required for the safe handling of lower-carbon fuels and feedstocks, and landside connectivity upgrades such as pipelines and rail interfaces that improve overall supply chain efficiency. Explicit recognition of these requirements would help level the playing field for first movers, reduce system-wide risk and avoid infrastructure bottlenecks that constrain industry development.

Port infrastructure investment decisions are long-term in nature and require policy certainty. Clear inclusion of ports within the Cleaner Fuels Program would signal to investors that the Australian Government understands and supports the full scope of infrastructure required for a competitive LCLF industry. It would encourage more coordinated planning between producers, infrastructure owners and government, reduce risk premiums, improve capital allocation and support regional economic development by unlocking jobs and supply chain activity across the logistics and maritime sectors. Without this clarity, there is a risk that ports will be under-invested or left behind production timelines, slowing commercial roll-outs, even where production incentives are available.

The Cleaner Fuels Program seeks to strengthen domestic LCLF production and improve fuel security, and ports are central to achieving these objectives. They are the gateways through which Australia can reduce reliance on imported fossil fuels, distribute domestically produced cleaner fuels and access export markets. Well-planned port infrastructure improves resilience against global supply chain disruptions and supports the emergence of a competitive Australian LCLF sector that can contribute to export revenue, regional development and long-term economic growth, which is consistent with global trends in clean fuel and energy hubs.

TasPorts supports the Government's vision for a robust domestic LCLF industry under the Cleaner Fuels Program. To fully achieve the intended outcomes of accelerating cleaner fuel production, attracting private investment, overcoming first-mover disadvantage and strengthening fuel security, TasPorts strongly urges the Program explicitly recognise and support investment in ports and enabling infrastructure as an integral part of the clean fuels value chain.

Yours sincerely



Anthony Donald
Chief Executive Officer, TasPorts