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AUSTRALIAN SUGAR MANUFACTURERS MEDIA RELEASE

**NATIONAL FUEL CRISIS: 360 MILLION REASONS FOR GOVERNMENT TO GIVE ETHANOL
INDUSTRY A CALL**

More than a month into the national fuel crisis, Australian Sugar Manufacturers and the domestic ethanol industry are continuing to seek commercial discussions with government on how ethanol can be utilised to strengthen Australia's fuel security in the short term, while developing sovereign capability in ethanol, biofuels and sustainable aviation fuel (SAF) over the long-term.

"Australia currently produces enough ethanol to supply just under 3% of annual petrol demand, equivalent to approximately 10 additional days of national petrol supply", said Australian Sugar Manufacturers Chief Executive Officer, Ash Salardini.

"With targeted adjustments to maintenance cycles, the industry has the capacity to increase production from around 360 million litres closer to 400 million litres annually. Currently, more than half of Australia's ethanol production is not used for domestic fuel. This is a huge missed opportunity – one of the few domestic solutions to this crisis is being ignored", said Mr. Salardini.

Over the long term, ethanol will be the backbone for Australia's fuel sovereignty, with the sugar industry being able to produce billions of litres of ethanol for blended petroleum, the production of biodiesel and sustainable aviation fuel. This will require appropriate incentives and investments from government to encourage private investment in new ethanol capacity.

"I am shocked to hear some proponents of low carbon liquid fuels suggesting that incentivising ethanol will detract from government action on sustainable aviation fuel – these proponents should hang their heads in shame".

"They clearly have no intention of creating a domestic fuel capacity, as we simply do not have the ethanol production capacity to convert our abundant feedstock into ethanol for use in petrol, biodiesel and SAF".

"The only other alternative is to import ethanol, and in the process, send billions of dollars of taxpayer funds to help the bottom lines of the Brazilian and Indian ethanol industries".

Australian Sugar Manufacturers is seeking policy measures that support greater utilisation of domestic ethanol production, including:

- A national ethanol mandate to utilise existing capacity, that is increased over time to encourage new capacity.
- Minimum ethanol requirements for E10 fuel.
- Prioritisation of ethanol capacity expansion under the Federal Government's \$1.1billion Cleaner Fuels Program.



“More than 60 countries have implemented ethanol mandates as part of their fuel security and emissions reduction strategies. Increasing the use of Australian-made ethanol is a practical and proven step that can contribute to addressing Australia’s fuel security challenge”.

“Don’t be fooled by the scare campaigns, this is a practical solution to our national fuel crisis, and part of the long-term story for fuel sovereignty”, said Mr. Salardini.

ENDS

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***Australian Sugar Manufacturers (ASM)** is the peak industry body representing the nation’s sugar manufacturing sector, contributing \$4.4 billion annually to the Australian economy and supporting more than 20,000 jobs in regional communities. ASM works closely with its members, industry stakeholders, and government to develop and advocate for policies that enhance the sustainability, competitiveness, and long-term economic contribution of the sugar manufacturing sector. From the production of raw sugar, bio-based manufacturing and generation of renewable energy, the sugar manufacturing sector continues to support communities, create jobs, and foster a sustainable future for the industry, and the broader economy.*