



AUSTRALIAN SUGAR
MANUFACTURERS



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MEDIA RELEASE

AGRICULTURE AND MANUFACTURING UNITE BEHIND NATIONAL ETHANOL AND BIODIESEL MANDATE

5 May 2026

For the first time, four of Australia's most influential agricultural bodies - the National Farmers' Federation, GrainGrowers, Australian Sugar Manufacturers and CANEGROWERS - have joined forces to urge the Australian Government to introduce an immediate national mandate for ethanol and biodiesel to bolster fuel security, support regional jobs and unlock new value-adding opportunities for Australian agriculture.

Together, the four bodies speak for more than 150,000 Australian farming businesses and over 21 sugar manufacturing facilities- spanning grain, oilseed, pulse and cane growers as well as sugar manufacturers- representing a nationally significant cross-section of Australia's farming and regional manufacturing base and contributing billions of dollars to regional economies.

The agricultural and manufacturing industry bodies warn the current fuel crisis has exposed the strategic vulnerability created by Australia's over-reliance on imported fuel, and the failure to fully utilise Australian-made ethanol and biodiesel as practical, domestic fuel security solutions. They emphasise that domestically produced biofuels offer a practical, immediate pathway to reduce reliance on imported fuel while delivering economic benefits across rural and regional Australia.

A national biofuels mandate would create the demand signal needed to increase the use of existing domestic production, unlock new investment in regional manufacturing and provide Australian farmers and processors with a reliable pathway to turn crops and agricultural by-products into higher-value products domestically.

The Australian farming and manufacturing bodies are calling for:

- an immediate national mandate for ethanol and biodiesel;
- a firm, escalating pathway to grow demand for Australian-made ethanol and biodiesel over time; and
- the inclusion of Australian-made ethanol and biodiesel as eligible low carbon fuels under the Federal Government's Cleaner Fuels Program.

These measures would strengthen Australia's fuel security, support regional manufacturing, create new markets for Australian agricultural feedstocks and secure the use of existing domestic capability in the national interest.

Quotes attributable to industry leaders:

National Farmers' Federation, Chief Executive Officer, Mike Guerin:

"What this situation has shown is how vulnerable Australia is to global shocks and how quickly disruptions to critical inputs can put food production and regional businesses at risk. Quite simply, we cannot afford to be in this position again.

"Farmers already supply products that power biofuel industries overseas, it's only logical and smart to support a domestic industry.

“A strong domestic biofuels industry will have the added benefit of helping diversify market opportunities for producers, a key element of risk management.”

GrainGrowers, Chief Executive Officer, Shona Gawel:

“GrainGrowers urges the government to bring forward demand-side mechanisms to ensure locally produced ethanol can make its way into Australia’s fuel mix.

“Australian sorghum and wheat are both well placed to feed into domestic ethanol production.

“Using more ethanol is a huge opportunity, underpinning improved fuel security, boosting our regional economies, and improving our market diversity.”

Australian Sugar Manufacturers, Chief Executive Officer, Ash Salardini:

“Ethanol is one of the only supply side solutions available to the Government for the fuel crisis today, providing more petrol for Australian consumers as this crisis rolls on.

“In the long-term, we can expand our ethanol production to provide more than 3 billion litres of biofuels significantly contributing to Australia’s liquid fuel security.”

CANEGROWERS Chief Executive Officer, Dan Galligan:

“After decades of advocacy, the time for action is now.”

“The sugar cane crush is just around the corner, and as they do every year, cane growers across Queensland and NSW will harvest over 30 million tonnes of cane ready to supply sustainably produced sugar for both domestic and export markets – but at the same time, we could also do so much more with this valuable, renewable feedstock.”

“Ethanol made from Australian crops like sugarcane can replace a portion of imported petrol and provide a reliable domestic supply. Just as we see happening right around the world. An enforced ethanol mandate would build demand and therefore justify new investment in supply which would underpin new diversified revenue streams for our industry.”

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Media contacts / interview requests

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