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CCS INDUSTRY PRESENTS MAJOR ECONOMIC OPPORTUNITY FOR EASTERN AUSTRALIA

Low Emission Technology Australia (LETA) has today released a report exploring the economic potential of a carbon capture and storage (CCS) industry in eastern Australia. Produced by the Economics team from EY Parthenon, the report ***Beneath the surface: The economic potential for carbon capture and storage in Australia's eastern states*** (the Report), reveals the thriving role CCS could play in transitioning eastern Australia to a net zero emissions economy.

The Report, which examines three potential scenarios for the deployment of CCS on the east coast, finds that not only is CCS essential to the future of Australia's hard-to-abate sectors operating in eastern Australia, but that a fully networked CCS industry along the east coast could generate up to around \$66 billion in economic activity, support up to an additional 15,250 Australian jobs over the coming decades and enable the capture of up to 50 million tonnes of carbon dioxide (CO₂) annually.

These results, focussed on the potential for Australia's eastern states, would be in addition to the economic benefits and emissions reductions already flowing from commercial CCS projects operating in Western Australia and South Australia.

Acknowledging that CCS is an integral component of Australia's pathway to net zero, the Report finds that without coordinated efforts, there is likely to be a significant risk that Australia may not be on track to develop the carbon sequestration capacity required to reach net zero emissions. The Report finds that this may increase the costs of the net zero transition, and force deeper emissions cuts in other sectors.

The Report was released at an event at Australian Parliament House this evening attended by Senators and Members of Parliament, with remarks from the Hon Madeleine King MP, Minister for Resources and Minister for Northern Australia.

LETA Acting Chief Executive Officer, Damian Dwyer, said this Report reinforces analysis from leading global and Australian organisations in identifying the crucial role of CCS in reducing hard-to-abate emissions and providing energy security.

"This Report echoes advice from the International Energy Agency (IEA), the Intergovernmental Panel on Climate Change, Australia's Climate Change Authority and CSIRO on the importance of CCS.

"The Report also sets out an exciting economic prospect that could support Australian manufacturing, strengthen sovereign capability and play to Australia's strengths in the creation of a new CCS industry.

"LETA urges the Australian Government to consider the findings of this Report and to take steps to address the current regulatory barriers to CCS deployment, beginning with consideration of a National CCUS Strategy.

"LETA has long advocated for a national strategy which could provide a clear policy and regulatory framework for CCUS development and align federal, state and territory governments behind a common set of objectives.

“By providing a unified roadmap, Australia can accelerate the adoption of CCUS technologies and position itself as a global leader in the emerging low emissions landscape.”

LETA remains committed to collaborating with government, industry, and our international trading partners to further drive the deployment of vital low emissions technologies.

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READ MORE

[Beneath the surface: The economic potential for carbon capture and storage in Australia's eastern states](#)

KEY FINDINGS FROM *BENEATH THE SURFACE: THE ECONOMIC POTENTIAL FOR CARBON CAPTURE AND STORAGE IN AUSTRALIA'S EASTERN STATES*

- A fully integrated east coast CCS network could add \$66 billion to national GDP and support over 15,000 new jobs.
- CCS is essential to the sustainment and growth of Australia's hard-to-abate sectors including:
 - Cement manufacturing
 - Steelmaking
 - Chemicals (and fertiliser) manufacturing
 - Gas extraction
 - Metallurgical coal mining
 - Low carbon hydrogen production

These industries currently underpin more than \$130 billion in Australian exports and directly support around 130,000 existing jobs along Australia's eastern coast.

- The report models three possible futures for CCS deployment:
 - “Moderate Growth”: limited CCS uptake in a few hubs adding around \$14 billion to national GDP.
 - “Accelerated Deployment”: wider adoption across states and sectors adding around \$40 billion to national GDP.
 - “Sequestration Nation”: CCS is treated as core national infrastructure, enabling up to 50 million tonnes of carbon dioxide captured annually and delivering the full \$66 billion addition to national GDP.

ABOUT LOW EMISSION TECHNOLOGY AUSTRALIA

Low Emission Technology Australia (LETA) is a not-for-profit investment fund that accelerates the development and large-scale deployment of technology solutions to reduce and remove greenhouse gas emissions from critical industries like steel, cement and power generation.



LETA's investment in technology unlocks a faster, cheaper pathway to net zero for hard-to-abate industries that are critical to the economy, provide thousands of Australian jobs and support households every day.

Since 2006, LETA members have contributed more than \$400m to low emissions projects and unlocked a total investment of \$1.1b. LETA members recognise the crucial role of low emissions technologies in enabling a net-zero future for their industries, their customers, their workforces and Australian communities.

ABOUT CARBON CAPTURE AND STORAGE

The deployment of carbon capture and storage (CCS) technology is essential in order to meet Australia's target of net zero emissions by 2050. CCS is an established and proven technology that is currently being used to abate millions of tonnes of carbon dioxide (CO₂) every year at sites around the world, including projects in Western Australia, Victoria, and South Australia.

CCS has the potential to capture more than 95 per cent of CO₂ emitted from industrial facilities and power stations and prevent it from being released into the atmosphere. Once the CO₂ is captured it can either be transported to an injection site and stored permanently underground in geological formations or repurposed by industry.