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2	<b>Pharmaceuticals and Medical Products</b> s33	Health (lead), Industry	s33
3	<b>Renewable Energy Technologies</b> s33	Energy (lead), Industry	s33
4	<b>Semiconductors</b> s33	Industry (lead)	s33
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# Fuel and Fuel Additives

Liquid fuel and fuel additives are essential for transport. s33

## Data Highlights

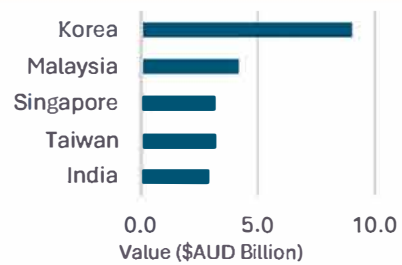
### Australia's Top 5 Aviation Fuel Import Sources



### Australia's Aviation Imports



### Australia's Diesel Imports



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Australia relies heavily on imports of crude oil and refined fuels to meet our liquid fuel needs. Domestic refinery output uses imported crude oil feedstocks s33

Australia is dependent on imported diesel s45

Australia has managed to maintain a stable supply of diesel exhaust fluid ('AdBlue'), s33

Importers and refiners are subject to Minimum Stockholding Obligations under the *Fuel Security Act 2021*, s33

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## What are stakeholders saying?

Fuel security and cost is a key concern for industry. Industry welcomed efforts to improve transparency in supply and to strengthen the domestic market, s45

## Other Developments

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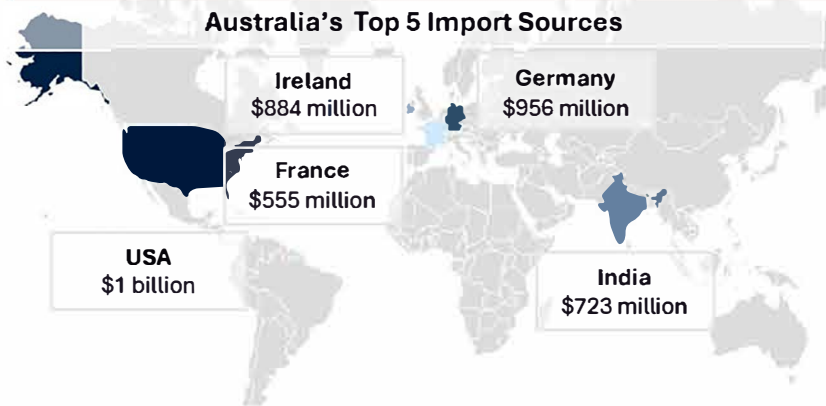
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# Pharmaceuticals and Medical Products

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Access to pharmaceutical and medical products is essential to the operation of hospitals, GP clinics, aged-care facilities, and emergency services. s45

## Data Highlights



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Disruptions—whether short-term or systemic—can severely impact clinical care and life-saving procedures, s45 regulatory and logistical barriers hinder rapid response. The Therapeutic Goods Administration currently reports 385 active medicine shortages, including 33 classified as critical such as IV Fluids, s45

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Australian demand for pharmaceutical products is expected to increase over time due to an ageing population, compounded by an associated increase in the prevalence of specific diseases. s45

### What are stakeholders saying?

Industry is calling for a long-term strategy for attracting investment in domestic pharmaceuticals and API manufacturing.

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### Other developments

The National Medical Stockpile provides a strategic reserve of drugs, vaccines, antidotes and personal protective equipment in national health emergencies.

The Medicines Supply Security Guarantee is a legislative requirement for manufacturers to hold a minimum of either 4 or 6 months of stock in Australia for certain Pharmaceutical Benefits Scheme listed medicines.

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'Medical Science' is an investment priority area under the National Reconstruction Fund (NRF).

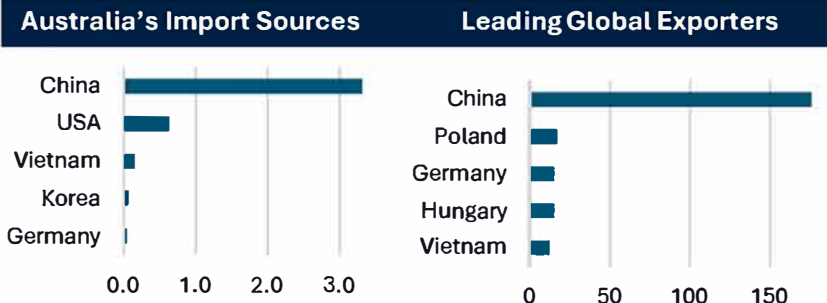
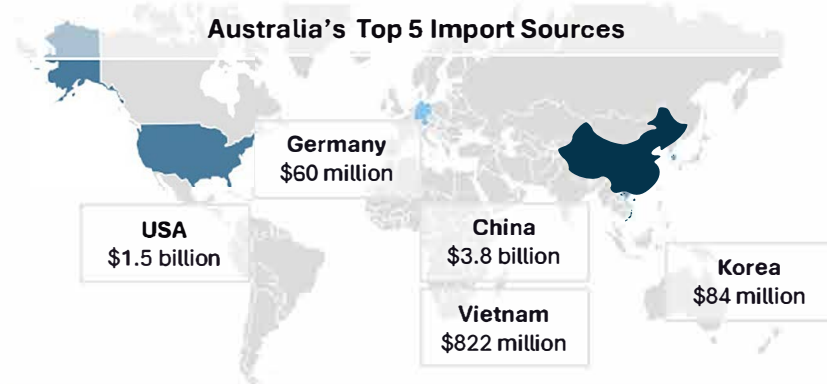
# Renewable Energy Technologies

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Australia’s access to secure, reliable and affordable renewable energy technologies underpins our clean energy transition. s33

wind turbines, solar arrays and solar cells, hydrogen electrolyzers, and batteries.

## Data Highlights



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Australia is highly reliant on imports to meet the growing demand for renewable energy technologies, and the source of these imports are highly concentrated. s33

For lithium-ion batteries China and the USA supply a combined 75 per cent of Australia’s imports, while they supply 70 per cent of hydrogen electrolyzers.

While opportunities to diversify our imports exist, key segments of these supply chains are globally concentrated. For example, manufacture of wind-powered technology is dominated by Europe, while solar array and cell production is highly concentrated in East Asia. s33

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At least 60 per cent of the National Electricity Market’s (NEM) current coal generation is scheduled to exit by 2030 – with renewables expected to replace a significant proportion of lost generation capacity. The NEM will see a nine-fold increase in grid-scale wind and solar capacity, triple firming capacity (energy sources that can be drawn on to maintain supply) and a near five-fold increase in distributed solar to meet forecast electricity demand in 2050 (AEMO, 2022).

Hydrogen will play a critical role as an energy source in hard-to-abate sectors and represents a potential export opportunity valued in the billions (COAG Energy Council, 2019). Batteries are becoming essential for industrial applications, such as the electrification of transport s33

## What are stakeholders saying?

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Despite abundant raw materials, Australia has limited capacity to manufacture renewable energy technologies domestically.

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## Other developments

The FMA agenda will support opportunities in critical minerals processing and clean energy manufacturing, by unlocking sufficient private investment.

The National Reconstruction Fund prioritises investments in ‘Renewables and low emission technologies’.

The National Battery Strategy and the Critical Minerals Strategy support the expansion of sovereign capability of renewable energy technologies.

The Quad Clean Energy Supply Chain Diversification program will provide A\$50 million in find to develop and diversify clean energy supply chains in the Indo-Pacific.

# Semiconductors

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Semiconductors ('chips') drive the technologies vital for daily life. Semiconductor manufacturing is highly specialised and reliant on intricate global supply chains.

The major contributors to the ecosystem include the USA, Taiwan, China, Netherlands, Japan, the Republic of Korea, Malaysia, Vietnam, Singapore and India.

## Data Highlights



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Australia's has some domestic manufacturing in niche capabilities, s33

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Semiconductors drive the technological devices used in daily life and are the cornerstone of society's most advanced innovations such as supercomputing and artificial intelligence (AI). Rapid advances in technology increase the volume of semiconductors being used in final products. s33

Advanced logic semiconductors (<10 nanometres) are critical for advanced computing, such as servers, AI, machine learning, electric vehicles, 5G technology and the latest laptops, smartphones and tablets. Bespoke advanced logic semiconductors are used in defence equipment and medical devices.

Australia largely imports semiconductors embedded within final products, such as computers, machinery, electronics, and vehicles. s33

### What are stakeholders saying?

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### Other developments

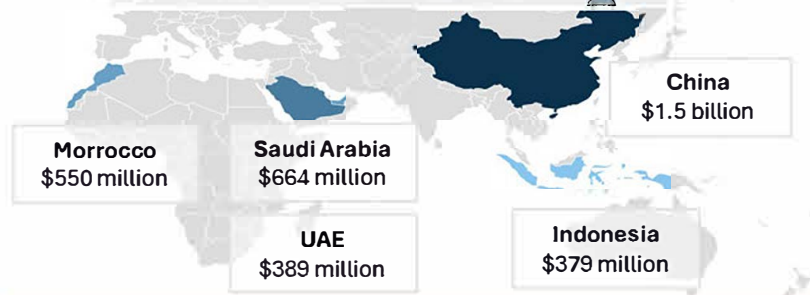
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# Agricultural Production Chemicals

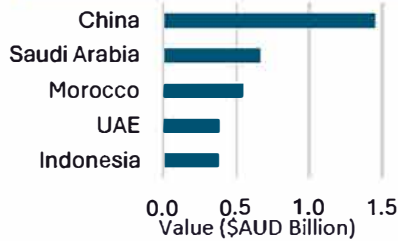
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## Data Highlights

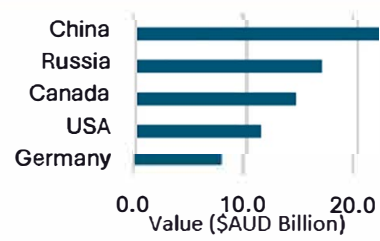
### Australia's Top 5 Import Sources



### Australia's Import Sources



### Leading Global Exporters



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## What are stakeholders saying?

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Manufacturers have offtake agreements with adjacent metal smelters s45 for byproducts such as sulphuric acid. s45

## Other developments

The Northern Australia Infrastructure Facility (NAIF) committed a loan of \$220m to support urea production in WA. The \$6.5b project starts production in 2027 and is expected to produce ~2.14Mt of urea p.a.

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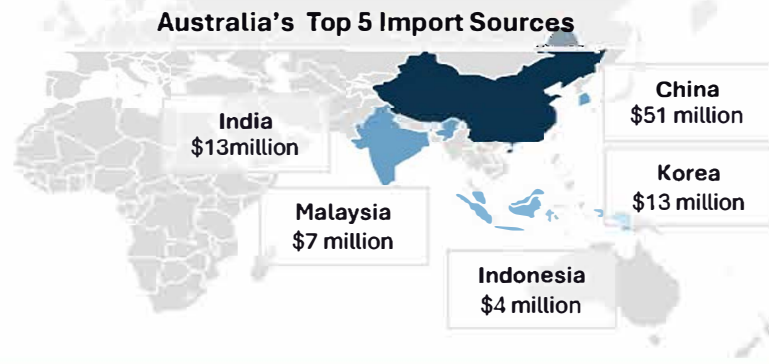
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# Water Treatment Chemicals

Water treatment chemicals are used to treat water for consumption by households, as well as for a wide range of commercial activities, particularly agriculture.

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## Data Highlights



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### What are stakeholders saying?

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### Other developments

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Home Affairs is reviewing the 2023 water sector risk assessment to share with the sector to help industry understand broader risks, including to supply chains.

# Telecommunications Equipment

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Telecommunications equipment is used in consumer devices, data centres, transmission and routing infrastructure, and fixed and wireless internet services. s33

## Data Highlights



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Global manufacturing is dominated by a small number of businesses s33 particularly wireless services. These companies have geographically dispersed manufacturing capabilities, s33

Local manufacturing tend to be relatively small scale. s33

Other manufacturing capabilities including base stations and aerials tend to be designed to overcome local challenges like the vast distances associated with mining operations.

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## What are stakeholders saying?

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## Other developments

The *Security of Critical Infrastructure (Telecommunications Security and Risk Management Program) Rules 2025* requires entities responsible for critical telecommunications to maintain a Critical Infrastructure Risk Management Program that minimises or eliminates the risks of disruption to the supply chain as far as reasonably possible.

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