



Foreign investors need clarity on the rules for inbound investment into Australia

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The AFR highlights that a \$813m deal announced in December 2023 for Beijing Energy International Holding (BEIH) to acquire 1GW across 5 Australian solar farms from Lightsource bp is still waiting of FIRB approval 15 months later, and is now in doubt due to the regulatory delays.¹

The Single Front Door for major international investors that Treasurer Jim Chalmers announced in May 2024² is mean to clarify the rules to expedite evaluation and approvals of significant inbound investment opportunities in our country. Chalmers states: "Establishing the single point of contact is part of the Budget's \$22.7bn Future Made in Australia (FMIA) package & will help encourage & facilitate the private sector investment required for Australia to succeed and remain an indispensable part of the global economy. The FMIA seeks to maximise the economic and industrial benefits of the move to net zero & secure Australia's place in a changing global economic and strategic landscape. The front door will improve our investment environment by streamlining how investors & business interact with the Government, helping them navigate approvals processes & fast-track major projects where possible."

More investors in Australian energy infrastructure is a key opportunity to break the gas cartel's stranglehold on Australian energy supply. Climate Energy Finance (CEF) welcomes that!

Australia's FMIA can unlock >\$500bn of new investment in Australia across energy infrastructure (grid T&D), solar, wind, PHS, BESS and V2G charging) and value-added our key mining exports (e.g. green iron, rare earths & lithium hydroxide refining), as well as providing zero emissions lower cost domestic clean energy to power our downstream industries, like Rio Tinto's public-private multibillion dollar investment proposals to pivot to green aluminium value-add across Australasia.

We are going to need access to globally competitive supply chains, globally competitive zero emissions industry technology, robotics and expertise, and foreign capital, as well as collaborations and JVs to de-risk and enable demand pull from our key Asian trade partners. Pocking China in the eye risks re-surfacing major geopolitical risks alleviated from the debacles of the dark days of Scott Morrison's LNP reign. We need to build on the positive momentum Foreign Minister Penny Wong has achieved, not undermine it with bureaucracy.

CEF has tracked US\$140bn of outbound Foreign Direct Investment (OFDI) by China in global cleantech since the start of 2023. We analysed this emerging strategy in our October 2024

¹ Australian Financial Review, [FIRB go-slow on China approvals hindering capital flows](#), 10 February 2025

² Treasurer Jim Chalmers Press Release, [Establishing a single front door for major investors](#), 14 May 2024

CEF report: "Green capital tsunami: China's >\$100bn outbound cleantech investment since 2023 turbocharges global energy transition".³

If Australia does not welcome collaboration & investment from China, it will go elsewhere where it is welcome. Think China's massive US\$23bn 120Mtpa investment in high quality, low impurity Simandou iron ore in Guinea.⁴ China's steel production peaked back in 2020, and increased supply from Guinea and increased self-reliance on scrap recycling will progressively erode Australia's dominance in iron ore supply to China (85% of our iron ore exports in 2024 went to China). We need to think strategically and partner with China in value-adding our iron ore pre-export, powered by our world leading renewable energy resources. That is a constructive win-win for Australia and China. But it requires trust, co-investment and collaboration.

The investment, net export and employment opportunities for Australia in the global energy transformation are profound, if we get our strategic policies and support in place, working at the speed and scale required.

³ Climate Energy Finance, [Green capital tsunami: China's >\\$100 billion outbound cleantech investment since 2023 turbocharges global energy transition](#), October 2024

⁴ Australian Financial Review, [Rio Tinto's \\$34.3b African iron ore project gets green light](#), 16 July 2024