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AIP welcomes consultations on fuel security and low carbon fuels

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The Australian Institute of Petroleum (AIP) welcomes the release today of consultation papers on options to bolster Australia's fuel security and stimulate demand for low carbon liquid fuels.

"It is time to develop the detailed design of the budget announcements on fuel security and low carbon liquid fuels, said AIP CEO Malcolm Roberts.

"Fuel suppliers have robust international supply chains which have ensured continued supply to Australia despite the Middle East crisis. Local refining and in-country fuel reserves also strengthen our fuel security.

"The government's budget announcement increasing the Minimum Stockholding Obligation for industry and creating a government-owned fuel reserve will add an estimated 2.7 billion litres to the 4.5 billion litres already held by industry.

"AIP members have long been advocating that low carbon liquid fuels, such as renewable diesel and sustainable aviation fuel, can substantially cut emissions from 'hard-to-abate' sectors such as heavy transport, agriculture and mining.

"Renewable diesel and sustainable aviation fuel can be used in all diesel and jet engines and deliver life-cycle emission reductions of up to 80 per cent.

"AIP supports the introduction of policies to stimulate demand for low emission fuels.

"AIP members look forward to working with the government and the community to shape these policies to strengthen Australia's fuel security and reduce greenhouse gas emissions."

AIP's core members – Ampol, bp, Mobil Oil Australia and Viva Energy – supply about 85 per cent of Australia's liquid fuels.

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