

# Submission to the Review of the China–Australia Free Trade Agreement

## Submission from: Australia–China Net Zero Industry Innovation Network

The Australia–China Net Zero Industry Innovation (ACNZII) Network welcomes the opportunity to provide input to the review of the China–Australia Free Trade Agreement (ChAFTA). As both countries accelerate efforts toward net zero emissions, the Agreement presents a timely platform to deepen bilateral cooperation in clean energy innovation, technology development, and sustainable industry transformation.

Australia and China have highly complementary strengths in the global energy transition. Australia brings world-class research capabilities, abundant renewable resources, and strong institutional frameworks. China contributes unmatched capabilities in large-scale manufacturing, rapid technology commercialisation, and integrated supply chains. Strengthening collaboration across these complementary strengths will be critical not only for both countries' domestic decarbonisation pathways, but also for delivering global emissions reduction outcomes.

A compelling example of successful collaboration is the global rise of solar photovoltaic (PV) technology. Early-stage innovation and research breakthroughs were significantly supported by international academic collaboration, including strong contributions from Australian universities. China then played a pivotal role in scaling manufacturing, reducing costs, and deploying solar PV at unprecedented speed. This collaboration has transformed solar energy into one of the most affordable and widely deployed clean energy technologies globally. The solar PV journey demonstrates how coordinated innovation, commercialisation, and deployment across borders can deliver transformative global impact.

Building on this precedent, there is significant opportunity to expand collaboration into emerging clean energy technologies such as hydrogen, power-to-liquids fuels including sustainable aviation fuel, energy storage, carbon capture, utilisation and storage, and advanced materials for decarbonisation. These technologies require coordinated efforts across research, pilot demonstration, industrial scaling, and market creation of which areas where Australia and China can work together effectively.

Talent and knowledge exchange should be a central pillar of enhanced cooperation under ChAFTA. Australian universities are among the largest providers of education to Chinese students and have long-standing partnerships with Chinese institutions. These relationships form a strong foundation for deeper collaboration in research, skills development, and workforce training for the net zero transition. There is an opportunity to further strengthen joint research programs, co-supervised higher degree research,

industry-linked training pathways, and innovation-focused exchanges that connect students, researchers, and practitioners across both countries.

In addition to academic collaboration, stronger industry partnerships are essential to accelerate the commercialisation and deployment of clean technologies. Joint industry projects, demonstration facilities, and co-investment mechanisms can help bridge the gap between research and large-scale implementation. Collaboration across supply chains—including critical minerals processing, advanced manufacturing, and clean fuel production—can enhance resilience while supporting sustainable economic growth.

To support these opportunities, the Australia–China Net Zero Industry Innovation Network recommends that the ChAFTA review consider mechanisms to facilitate innovation collaboration. This includes reducing barriers to joint research and development activities, supporting cross-border investment in clean technology projects, enabling mobility of skilled talent, and strengthening institutional partnerships between universities, research organisations, and industry.

In a rapidly evolving global energy landscape, enhanced Australia–China collaboration on clean energy innovation is both a strategic opportunity and a shared responsibility. By leveraging complementary strengths and building on proven models such as solar PV, both countries can play a leading role in accelerating the global transition to a sustainable, low-emissions future.

The Australia–China Net Zero Industry Innovation Network stands ready to support further dialogue and collaboration in this area.

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