

Low Carbon Product Manufacturing Grant (NSW)

Canonical: <https://northmoregordon.com/grants-and-programs/low-carbon-product-manufacturing-grant-nsw/>

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Funding program archive

This page preserves a dated funding-program record and links it to current project-planning guidance.

Publication date: 2 June 2026.

Status note: This archive does not confirm that applications are open, funds remain available or the earlier eligibility and co-funding settings still apply. Verify the current administrator page and guidelines.

What this article reported

Up to \$30 Million Available for Low Carbon Manufacturing Projects in New South Wales

The Low Carbon Product Manufacturing Grant is designed to support businesses establishing or expanding commercial-scale manufacturing facilities in New South Wales that produce low carbon products and materials. As part of the NSW Government's Net Zero Manufacturing Initiative, the program aims to accelerate investment in emerging low carbon industries, strengthen local manufacturing capability, and support projects that contribute to long-term emissions reduction.

Funding of between \$5 million and \$30 million is available for eligible projects manufacturing low carbon building materials, green chemicals, biofuels, power fuels, and agricultural production inputs. The program supports significant capital investment projects that will help build a more competitive and resilient low carbon manufacturing sector across NSW.

Grant Snapshot

Grant Name: Low Carbon Product Manufacturing Grant

Funding Available: \$5 million to \$30 million

Application Status: Open

Applications Opened: 2 June 2026

Applications Close: 25 August 2026, 12:00pm

Location: New South Wales

Industry: Advanced Manufacturing, Clean Energy, Construction Materials, Chemicals, Biofuels, Agriculture

Funding Contribution: Up to 50% of eligible project costs

Project Completion: Within four years of funding approval and no later than 30 June 2032

Who Is This For?

State: New South Wales

Industry Sectors:

Advanced Manufacturing

Clean Energy Manufacturing

Building and Construction Materials

Chemical Manufacturing

Biofuel Production

Agricultural Inputs Manufacturing

The grant is aimed at businesses looking to establish new manufacturing facilities or expand existing operations to produce low carbon products at commercial scale. The NSW Government has identified the Hunter and Illawarra regions as areas of strategic interest and encourages projects in these locations.

What Can The Grant Be Used For?

Funding can be used for capital expenditure and project delivery costs associated with establishing or expanding a low carbon manufacturing facility, including:

Purchasing land where required for the project

Construction of new manufacturing facilities, buildings and hubs

Purchasing, installing and commissioning plant and equipment

Upgrading existing facilities and manufacturing infrastructure

Acquiring technology and intellectual property required for the project

Specialist labour and project delivery costs associated with implementation

Projects may include investments in:

New manufacturing facilities

Advanced manufacturing equipment

Production line expansion

Process innovation and commercialisation

Sustainable manufacturing capability

Low carbon product development

These are the types of projects Northmore Gordon regularly assists businesses with through grant identification, application development and funding strategy support.

Eligibility: You can apply if you:

Hold or are willing to obtain an Australian Business Number (ABN)

Are, or will become, an eligible incorporated entity before entering into a funding agreement

Are registered, or willing to register, for GST

Hold all required insurances, including public liability and workers compensation insurance

Are not insolvent and can demonstrate financial viability

Comply with employment, workplace relations and workplace health and safety obligations

Can provide a minimum cash contribution of at least 50% of eligible project costs from non-NSW Government sources

Propose a project that will establish or expand a commercial-scale manufacturing facility located in NSW

Manufacture an eligible low carbon product that demonstrates lower lifecycle emissions than conventional alternatives

Can complete the project within the required timeframe

Have a viable commercial strategy and demonstrate a genuine need for government support

Eligible Projects

Projects must deliver a new or expanded commercial-scale manufacturing facility that produces one or more of the following:

Low carbon building materials

Green chemicals

Biofuels derived from biomass

Renewable energy-based power fuels

Inputs required for agricultural production

Applicants must demonstrate that the proposed product delivers lower lifetime carbon emissions than conventional alternatives and that the project would not proceed in NSW, or within the same timeframe, without government support.

Examples of eligible projects may include:

Manufacturing cross-laminated timber and other low carbon construction materials

Producing low carbon cement alternatives

Developing facilities that manufacture sustainable aviation fuel or biodiesel

Establishing biomethane production facilities using organic waste streams

Producing renewable energy-derived industrial fuels

How Much Funding Is Available?

Businesses can apply for grants ranging from \$5 million to \$30 million.

Funding can cover up to 50% of eligible project costs, with applicants required to contribute the remaining project funding through private investment or other non-NSW Government sources.

Assessment Criteria

Applications will be assessed against four key criteria:

Deliverability and technical feasibility

Financial and commercial feasibility

Strategic significance

Value for money and affordability to government

Applicants will need to clearly demonstrate the commercial viability of their project, its emissions reduction benefits, economic impact and alignment with the objectives of the Net Zero Manufacturing Initiative.

Why Consider Applying?

The Low Carbon Product Manufacturing Grant presents a significant opportunity for manufacturers looking to scale production, commercialise low carbon technologies and establish new industrial capability within New South Wales.

With funding available for major capital investments, the program is designed to support businesses that can help drive the transition to a low carbon economy while creating jobs, attracting investment and strengthening Australia's manufacturing sector.

Need Help Applying?

Securing funding through a highly competitive manufacturing grant program requires a strong business case, detailed project planning, financial modelling and compelling evidence of economic and environmental benefits.

Northmore Gordon can help assess your eligibility, develop a funding strategy, prepare supporting documentation and manage the application process from start to submission.

Contact Northmore Gordon today to discuss your project and determine whether the Low Carbon Product Manufacturing Grant is the right fit for your business.

How to use this information now

Before relying on a grant, confirm the current round, applicant and project eligibility, eligible expenditure, co-contribution, assessment process, closing date and evidence obligations. Build the technical case so the project remains understandable with grant support shown separately.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

Related guidance

[Carbon advisory](#)

[Current articles and guidance](#)

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What is the Low Carbon Product Manufacturing Grant (NSW)?

It is a NSW Government grant program, part of the Net Zero Manufacturing Initiative, designed to support businesses establishing or expanding commercial-scale manufacturing facilities in New South Wales that produce low carbon products and materials. It aims to accelerate investment in emerging low carbon industries, strengthen local manufacturing capability, and support projects contributing to long-term emissions reduction.

How much funding is available under the Low Carbon Product Manufacturing Grant?

Funding ranges from \$5 million to \$30 million per eligible project, covering up to 50% of eligible project costs, with applicants required to contribute the remaining funding through private investment or other non-NSW Government sources.

When do applications open and close for the Low Carbon Product Manufacturing Grant?

Applications opened on 2 June 2026 and close on 25 August 2026 at 12:00pm.

What types of products must eligible projects manufacture?

Eligible projects must produce one or more of the following: low carbon building materials, green chemicals, biofuels derived from biomass, renewable energy-based power fuels, or inputs required for agricultural production.

What can the grant funding be used for?

Funding can be used for capital expenditure and project delivery costs, including purchasing land where required, construction of new manufacturing facilities/buildings/hubs, purchasing/installing/commissioning plant and equipment, upgrading existing facilities and infrastructure, acquiring technology and intellectual property, and specialist labour and project delivery costs.

What are the key eligibility requirements for applicants?

Applicants must hold or be willing to obtain an ABN, be or become an eligible incorporated entity, be registered or willing to register for GST, hold required insurances including public liability and workers compensation, not be insolvent and demonstrate financial viability, comply with employment and workplace health and safety obligations, provide a minimum cash contribution of at least 50% of eligible project costs from non-NSW Government sources, propose a project establishing or expanding a commercial-scale manufacturing facility in NSW, manufacture an eligible low carbon product with lower lifecycle emissions than conventional alternatives, complete the project within the required timeframe, and have a viable commercial strategy demonstrating genuine need for government support.

What is the project completion deadline for grant-funded projects?

Projects must be completed within four years of funding approval and no later than 30 June 2032.

How can Northmore Gordon assist with a Low Carbon Product Manufacturing Grant application?

We provide energy audits, investment case development, emissions assessments, and feasibility studies relevant to manufacturing efficiency and decarbonisation. We can support applicants by demonstrating technical feasibility through detailed energy and process analysis, developing commercial cases that establish project viability, and preparing emissions documentation showing lifecycle advantages of proposed low carbon products. For manufacturing sites, our expertise in process heat, equipment selection, and operational efficiency directly addresses the technical and financial feasibility criteria assessed by the NSW Government.

What role does energy assessment play in establishing technical feasibility for grant applications?

Energy assessment is fundamental to demonstrating how a proposed manufacturing facility will operate efficiently and achieve claimed low carbon outcomes. Our energy audit services investigate process heat requirements, utility system design, and equipment performance to establish baseline energy intensity and identify efficiency opportunities. This assessment creates the technical foundation for investment cases and supports commercial viability arguments. Energy data also feeds lifecycle emissions calculations required to substantiate claims that manufactured products have lower emissions than conventional alternatives, directly addressing the NSW Government's technical feasibility criterion.

How should applicants document the lifecycle emissions advantage of their proposed low carbon product?

Lifecycle emissions must be documented within a defined boundary showing how the proposed product's emissions compare to conventional alternatives. We provide carbon advisory services that establish product carbon footprint scope, assemble activity data and factors, and prepare documented inventory across production stages. Our work connects energy assessment with emissions calculation,

ensuring manufacturing emissions and input material emissions are both captured consistently. Applicants should document which production boundary is being assessed, the comparison methodology, and the data quality. This documentation substantiates the 'lower lifecycle emissions' eligibility requirement and supports the strategic significance assessment criterion.

What financial and commercial feasibility evidence should applicants prepare to strengthen their grant application?

Applicants should prepare comprehensive investment cases that demonstrate financial viability without relying on grant funding as a core assumption. We help develop investment cases by establishing operating requirements, comparing capital cost and financial alternatives, and identifying assumptions that could change outcomes. The case should quantify energy operating costs, maintenance requirements, production capacity and revenue potential against consistent price and volume assumptions. Separating the base project economics from grant contribution makes the case resilient and demonstrates genuine commercial merit. Commercial strategy should address market demand, competitive positioning, and the credible business need for public investment to bridge the cost gap versus conventional manufacturing alternatives.

Why is the Hunter and Illawarra strategic interest designation relevant to grant applications?

The NSW Government has identified Hunter and Illawarra regions as strategic focus areas reflecting existing industrial base, workforce capability, and alignment with state economic development priorities. While projects outside these regions remain eligible, applications proposing facilities in Hunter or Illawarra may benefit from demonstrating regional alignment as part of the strategic significance assessment. Applicants should identify how a project contributes to regional economic transition, uses existing infrastructure or supply chains, and supports workforce development in these areas. Our energy and manufacturing expertise can help articulate how facility design contributes to regional sustainability objectives and identifies location-specific efficiency or feedstock advantages that strengthen the strategic case.

How should applicants address the four assessment criteria when preparing a grant application?

Applicants should structure their application narrative around each criterion explicitly. For deliverability and technical feasibility, provide detailed design specifications, engineering assessments, and energy analyses demonstrating the facility will operate as intended. For financial and commercial feasibility, present investment cases showing project viability, market demand, and sustainable business operations. For strategic significance, articulate how the project advances NSW manufacturing capability and emissions reduction objectives. For value for money, demonstrate competitive leverage where grant funding drives investment that would not otherwise occur, and show efficient cost structures. Our audit, investment case, and emissions assessment services directly support evidence development across all four criteria, helping applicants present proportionate, credible documentation.

What measurement and verification approach should applicants use to track energy and emissions performance during facility commissioning?

Applicants should plan measurement before equipment installation commences to establish baseline operating conditions and enable verification of design versus actual performance after commissioning. We provide measurement and verification services including project-boundary selection, baseline modelling, and savings calculation that create documented evidence of facility performance. A practical approach specifies which meters, intervals and quality checks will be implemented, assigns responsibility for data access, and defines how operating variables will be recorded. Post-commissioning measurement demonstrates whether the facility delivers projected energy intensity and confirms emissions reduction claims. This creates accountability evidence valuable for grant compliance reporting and builds operational learning for multi-site manufacturing expansion.