Australian Institute of Architects

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Department of Industry, Science and Resources (DISR)
GPO Box 2013
CANBERRA ACT 2601

RE: DISR - NET ZERO FUND: PROPOSED DESIGN CONSULTATION

Dear Consultation Officer,

The Australian Institute of Architects (the Institute) is a 14,000-member peak body for the architectural profession in Australia. It is an independent, national member organisation with members across Australia and overseas with the purpose to '*demonstrate the value of architecture and support the profession*'. Our vision is - '*Everyone benefits from good architecture*.'

The Institute welcomes the opportunity to provide commentary towards the proposed Net Zero Fund design due to our members interactions reaching wider than the Built Environment Sector Plan, into the other five sector plans for Energy, Transport, Agriculture and Land, Industry, Resources[i]. They also design for longevity and future scenarios in which adaption of the built form will need to be able to adopt other sector plan improvements, making the profession critical to the discussion on Net Zero. The design professions are one of the most diverse reaching and impactful professions that can accelerate the transition to a Net Zero economy[ii].

The Australian Institute of Architects believes that the built environment has the potential to be one of the fastest to decarbonise if done effectively at all policy levels. The Institute supports a 100% clean energy future and quick transition of the sector to 100% renewables. We will work to identify ways our members can promote this through projects, the circular economy, supply chains and business practices. Our position demonstrates our collaboration with industry stakeholders identifying 100% electrification[iii] of the built environment, to be the lowest cost and fastest trajectory to emissions reductions needed under the Paris Agreement.

The Institute seeks to focus on the first and third question in this response. These questions are as indicated below:

CONSULTATION QUESTION(S):

We are seeking industry views on the following key issues around Net Zero Fund design:

1. *What are the types of projects or capital expenditure that should be supported to achieve the Net Zero Fund's objectives?*
    - *Consider the level of investment required for large industrial decarbonisation and/or manufacturing renewable and low emissions technologies. This includes the relevant structure and combination of funding sources from government and the private sector.*

- *What are the existing commercial barriers to these investments reaching final investment decision?*

3. *How can the Net Zero Fund complement established financing vehicles such as the Clean Energy Finance Corporation?*
    - *Consider the best ways to leverage existing capabilities of the Clean Energy Finance Corporation to help rapid, effective implementation of the Net Zero Fund.*

MEMBER FEEDBACK

1. Types of projects or capital expenditure that should be supported

Architectural and industrial project typologies

The Institute supports a broadening of the Net Zero Fund's scope to include large-scale industrial and manufacturing facilities that demonstrate measurable carbon reduction outcomes through design, construction, and materials innovation. Eligible project types should include:

- Industrial and logistics facilities achieving Green Star 5 Star or higher, embedding operational net zero carbon pathways.
- Projects demonstrating embodied carbon reductions aligned to NABERS Embodied Carbon 5 Star or above, verified through transparent life-cycle assessment.
- Site-wide electrification and renewable energy integration, including large-span rooftop solar generation, on-site battery storage and grid interaction strategies.
- Process and materials innovation, particularly in low-carbon concrete, steel, aluminium and glass manufacture.
- Circular economy-based facility retrofits, emphasising reuse, modularity and design for disassembly to reduce embodied emissions.

Architectural design intervention at the front end of the project lifecycle remains the most effective means of reducing carbon intensity across both operational and embodied dimensions. Investment through the Net Zero Fund should therefore support:

- Design-phase decarbonisation — embedding net zero design from project inception to avoid downstream offset reliance or costly retrofit measures.
- Electrification readiness — ensuring industrial sites are future-proofed with adequate grid capacity, on-site generation, and energy storage that accounts for system-wide societal costs.
- Circular economy alignment — encouraging architects and clients to specify low-emission materials and reduce demand for carbon-intensive manufacturing.
- Industry capability — enabling built environment professionals to confidently advise clients on full electrification, supply chain integration, and design measures to reduce fossil fuel dependency.

Investment structure and commercial barriers

The Institute recommends that the Net Zero Fund employ mechanisms combining public, private and concessional finance. This is critical for capital-intensive decarbonisation projects that

currently face barriers such as high upfront costs, long return horizons, and market uncertainty regarding embodied carbon valuation.

The **Advanced Manufacturing Readiness Facility in NSW by Hassell** (2025) exemplifies how the CEFC could partner with architects to define and scale new best-practice design for industrial and manufacturing facilities.

*"As the first completed building in Australia's newest city—Bradfield City Centre—the First Building is more than just a landmark for Western Sydney—it's a bold statement about the future of the built environment. Designed with **adaptability**, **circularity**, and **resilience**, it sets a new benchmark for how cities can grow sustainably.*

Figure 1: (2025) First Building - Bradfield City Centre | Hassell NSW - Australian Institute of Architects
Photographer : Mark Syke and Vinchy Wu

*"A flexible modular system allows for **disassembly**, **expansion**, or **relocation** while natural materials including timber, bamboo and rammed earth connect to Dharug Country and reduce embodied carbon. Recycled 'Green Ceramic' tiles minimise waste and extend the life cycle of resources. Passive design strategies—a central ventilation spine, bio-solar PV roofing, and native landscaping—reduce heat, enhance energy efficiency, and promote connection with the environment.*

Housing Stage 1 of the Advanced Manufacturing Readiness Facility (AMRF), First Building demonstrates how urban development can respect and integrate with the natural environment and is proof that great design and sustainability effectively correlate."

3. Complementarity with the Clean Energy Finance Corporation (CEFC)

The Institute supports strong alignment between the Net Zero Fund and the Clean Energy Finance Corporation (CEFC) to ensure coherent and efficient capital deployment.
Complementary functions could include:

- Leveraging CEFC's existing project assessment, due diligence and governance frameworks to streamline Fund operations;
- Establishing joint financing facilities or co-investment vehicles focused on industrial decarbonisation and embodied carbon reduction;
- Coordinating pipelines where CEFC funds energy generation and efficiency, while the Net Zero Fund targets industrial process and materials transformation;
- Aligning reporting frameworks to ensure investments are measurable against national emissions reduction trajectories and the Institute's Decarbonisation Plan 2025–2050.

Such complementarity will avoid duplication, accelerate funding approvals, and ensure that industrial decarbonisation complements the transformation of the built environment.

Conclusion

Architects and designers are essential partners in Australia's transition to net zero. The Net Zero Fund represents an opportunity to stimulate innovation not only in energy and manufacturing, but in the design and delivery of the buildings and industrial facilities that underpin a resilient, decarbonised economy.

The Institute encourages government to ensure that design-led, whole-of-life approaches to carbon reduction are explicitly recognised within the Fund's eligibility criteria and governance structure.

By aligning with existing CEFC capabilities and embedding architectural expertise into project evaluation, the Fund can catalyse transformative outcomes across both industrial and built environment sectors — supporting Australia's pathway to net zero by 2050.

- This submission is made by the Australian Institute of Architects (the Institute) to provide input on the DISR Net Zero Fund
- At the time of this submission the National President is Adam Haddow
- The Chief Executive Officer is Cameron Bruhn.

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[i] Department of Climate Change, Energy, the Environment and Water (DCCEEW, 2025) Energy and the Net Zero Plan | energy.gov.au
[ii] ASBEC (2023) Energy Green Paper & *Unlocking the Pathway Report* (2022)
[iii] GBCA, Property Council (2023) Every Building Counts
[iiii] Australian Institute of Architects, Architecture Industry Decarbonisation Plan 2025-2050