

Oceania & Asia Energy Transition: Q2 2026 Review

Carbon Capture • Low Carbon Hydrogen • e-Ammonia • e-Methanol • e-SAF

Coverage period: April – June 2026 (Q2 2026)

Geographic scope: Oceania (Australia, New Zealand, Pacific) and Asia (Japan, South Korea, Singapore, India, Indonesia)

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EXECUTIVE SUMMARY

Quarter 2 2026 shows Oceania and Asia advancing largely complementary roles in the same value chains. Australia is fast-tracking upstream production of hydrogen, ammonia and methanol via its Investor Front Door and Hydrogen Headstart programs, and progressing CCS storage capacity (Moomba, Bonaparte). Japan is securing downstream ammonia offtake and shipping capacity for its coal co-firing program and separately advancing onshore CCS appraisal near Tokyo. Singapore is building out multi-fuel bunkering infrastructure and deferred (but did not cancel) its SAF passenger levy amid Middle East-driven cost pressure, while Indonesia moved ahead with its landmark B50 biodiesel mandate as an explicit energy-security response to the same geopolitical disruption. India's green hydrogen program continued. This brief summarises the most consequential news items identified across five areas of interest across both Oceania and Asia.

1. CARBON CAPTURE, TRANSPORTATION AND STORAGE

Key Q2 2026 Developments

Oceania

- Santos confirmed the Moomba CCS project (Cooper Basin, SA) has received more than 1.19 million Australian Carbon Credit Units for CO₂ injected to 30 September 2025, with roughly 1 million tonnes CO₂-equivalent stored in the 2024/25 reporting period — about one-third of the total reduction in Safeguard-Mechanism-covered emissions nationally versus the prior year [1].

Asia

- INPEX and Kanto Natural Gas Development's Metropolitan CCS joint venture began drilling an appraisal well (the Kujukuri-Okii J-1 well, offshore Chiba Prefecture) for a project intended to store CO₂ from Nippon Steel's Greater Tokyo Area operations, following government drilling approval granted 15 April 2026 [2].

Both regions are moving from CCS planning into physical execution: Australia is generating an auditable, multi-year emissions-reduction credit record at its largest onshore project, while Japan has begun appraisal drilling for its first major CCS scheme serving industrial emitters near Tokyo, however both still face open regulatory or storage-verification questions before reaching full commercial scale.

2. LOW CARBON HYDROGEN

Key Q2 2026 Developments

Oceania

- ARENA announced the Round 2 shortlist for the federal Hydrogen Headstart Program on 13 May 2026, selecting seven large-scale renewable hydrogen and derivative projects (WA, Tasmania, Victoria, Queensland; combined 2.18 GW electrolysis capacity) to proceed to full application, with total program funding confirmed at A\$1 billion in the 2026 Budget [3].

Asia

- Legal and policy analysis published in May 2026 confirmed India's National Green Hydrogen Mission and Strategic Interventions for Green Hydrogen Transition Programme remain the core financial incentive structure but flagged that long-term offtake contracts and internationally aligned certification remain unresolved barriers to bankability [4].

Both Oceania and Asia seem to note that it is the certification, offtake and cost-gap mechanisms, not resource availability, which remains the binding constraints scale-up in both markets.

3. E-AMMONIA

Oceania

- The Murchison Green Hydrogen project (Copenhagen Infrastructure Partners, Western Australia) was selected as one of four pilot projects under the federal Investor Front Door initiative (announced 9 April 2026), targeting ~1.3 million tonnes per annum of green ammonia with first-phase operations from 2029; the four selected projects together could unlock up to A\$20 billion in combined investment [5].

Asia

- JERA (Japan's largest power generator) announced 18 June 2026 that it signed time-charter agreements with NYK Bulkship and Mitsui O.S.K. Lines for four Very Large Gas Carriers to import roughly 500,000 tonnes/year of low-carbon ammonia from the Blue Point project (Louisiana, US) to fuel coal co-firing at its Hekinan Thermal Power Station from 2029 [6].

Australia and Japan are advancing complementary halves of the same ammonia value chain in the same quarter. With Australia fast-tracking upstream green and blue ammonia production for export, and Japan locking in downstream shipping capacity to import ammonia (from the US, in this instance) for domestic coal co-firing.

4. E-METHANOL

Oceania

- Mitsubishi Gas Chemical and Gold Hydrogen signed an MoU (announced late June 2026) to assess a green methanol project using natural hydrogen on South Australia's Yorke Peninsula — an unconventional feedstock pathway that could improve project economics if natural hydrogen resources prove commercially extractable [7].

Asia

- Trade press coverage in late April 2026 reported operational progress at Singapore's Jurong Port green methanol bunkering terminal, positioned as Southeast Asia's largest dedicated facility with an initial capacity cited at 100,000 tonnes per annum, developed to serve vessels transiting one of the world's busiest ports [8].

Methanol news this quarter reflects the fuel's two distinct roles: an upstream production feedstock question in Australia (whether natural hydrogen can supply green methanol economically) and a downstream bunkering infrastructure question in Singapore (whether supply and berthing capacity can keep pace with shipping lines' growing dual-fuel methanol fleets); note that some Singapore trade coverage in this space carries inconsistent internal dating and should be corroborated against MPA's own releases before use in commercial decisions.

5. E-SAF (SUSTAINABLE AVIATION FUEL)

Asia

- Singapore's Civil Aviation Authority confirmed, in announcements dated 16 May 2026, a deferment of its mandatory SAF passenger levy — now applying to tickets sold from 1 October 2026 for flights departing from 1 January 2027 — explicitly citing economic pressure and air-traffic disruption linked to Middle East geopolitical tensions, while reaffirming its underlying 1% SAF blending target at Changi and Seletar airports for 2026, rising to 3–5% by 2030 [9].

The only verified SAF headline this quarter came from Asia, and illustrates the same fuel-security theme common to this quarter. Singapore has not abandoned its SAF levy, but delayed its start in direct response to Middle East-driven cost and operational pressure, indicating that even committed SAF policy timelines are proving sensitive to the same geopolitical shock affecting Oceania's renewable fuels sector.

STRATEGIC SUMMARY AND OUTLOOK

The news generated this quarter highlights how Oceania and Asia are acting less like separate regions and more like two halves of the same supply chain. Australia is looking to produce clean fuels, with hydrogen, ammonia and methanol projects moving forward with government backing. Japan and Singapore are building ships and ports required to receive and use fuels once imported.

The single clearest thread running through this quarter, though, is energy security rather than climate policy. The war-driven disruption to Middle East oil supply shows up again driving many decisions made this quarter.

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