

ADANI

BAD FOR BUSINESS



Since Adani's Carmichael coal mine was proposed, the mine and the company behind it have been plagued with problems. Those who choose to do business with Adani may be at serious financial and reputational risk. Before doing business with Adani, you should know the facts.

5 THINGS

TO CONSIDER BEFORE DOING BUSINESS WITH ADANI

1

Corruption allegations:

Adani companies remain under investigation in India over serious allegations of tax fraud, tax evasion and price fixing. It's the biggest 'black money' case currently under investigation by the Indian government.¹

2

The mine's viability is in serious question:

International markets consistently predict a long term downward trend in the price of thermal coal.² Analysts have judged the project unbankable due to Adani Enterprises Ltd holding US\$2.6B net debt alongside a market capitalisation of just \$1.1B.³ And Adani's Carmichael project is struggling to get the funding it needs to go ahead. No financial institution has backed the project, and at least 14 major banks have declared they won't fund the project.

3

Undermining Queensland's water:

The Carmichael mine will extract 12 billion litres of water each year from underground



aquifers and surface water systems which are vital for agriculture and wildlife in central Queensland's dry environment. The Queensland government will be handing over almost \$8 million worth of water for free to Adani.⁴

4

Threatening our Great Barrier Reef tourism industry:

The mine will create 4.6 billion tonnes of climate pollution threatening the 70,000 jobs⁵ that rely on a healthy

Great Barrier Reef. That is tens of thousands more jobs than the 1464 net jobs created by Adani.⁶

5

India doesn't want our coal:

Indian Energy Minister Piyash Goyal has pledged to end India's coal imports in the next 2-3 years.⁷ According to analysts India is on track to virtually end imports by the end of this decade.⁸

1 ABC. Adani companies facing multiple corruption probes. 22 December 2016. <http://www.abc.net.au/news/2016-12-22/adani-companies-facing-multiple-corruption-probes/8140100>

2 Reuters. 'Coal futures drop to \$50/T first time since 2003 as Goldman calls peak'. 22 September 2015. <http://www.reuters.com/article/coal-markets-slump-idUSL5N11T01420150923>
Business Insider Australia, 'Thermal coal prices are running hot but Macquarie thinks it's unlikely to last'. 29 August 2016. <http://www.businessinsider.com.au/thermal-coal-prices-are-running-hot-but-macquarie-thinks-its-unlikely-to-last-2016-8>

3 Institute for Energy Economics and Financial Analysis. 29 August 2016. <http://ieefa.org/ieefa-australia-adanis-carmichael-coal-project-remains-unbankable%E2%80%A8/>

4 The Australia Institute, Briefing note: 'Like Water for Cho-coal-ate'. October 2016. [http://](http://www.tai.org.au/sites/default/files/P300%20Like%20water%20for%20chocolate%20FINAL.1.pdf)

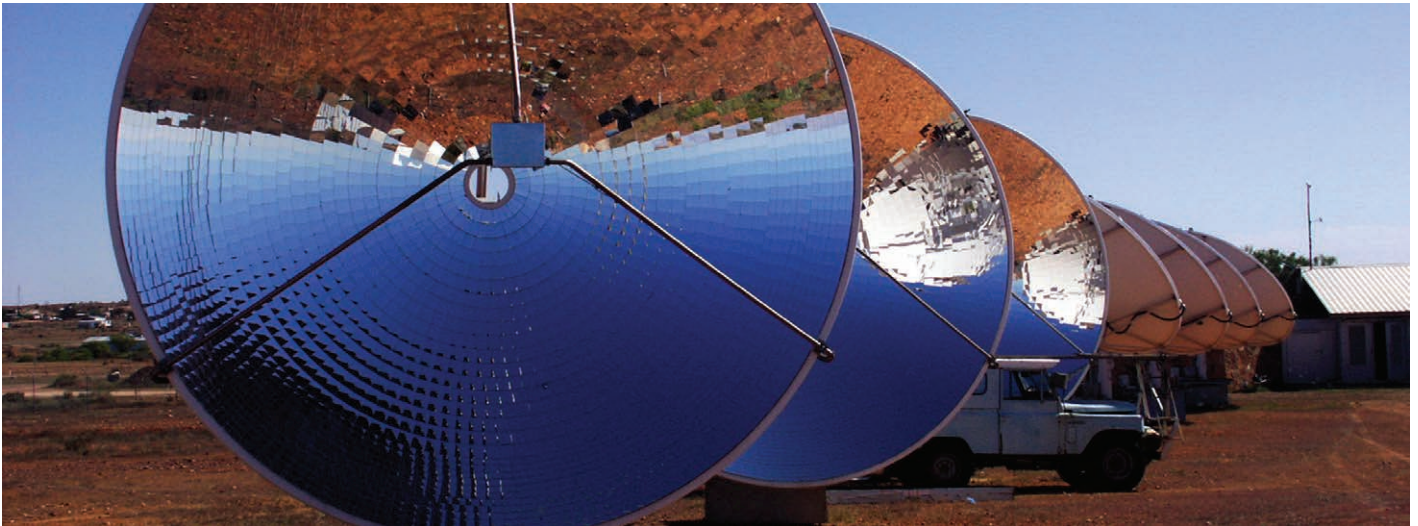
www.tai.org.au/sites/default/files/P300%20Like%20water%20for%20chocolate%20FINAL.1.pdf

5 Great Barrier Reef Marine Park Authority, Great Barrier Reef Outlook Report 2014. <http://www.gbrmpa.gov.au/managing-the-reef/great-barrier-reef-outlook-report>

6 Sydney Morning Herald, Decision on coal mine defies reason. <http://www.smh.com.au/federal-politics/political-news/decision-on-coal-mine-defies-reason-20160403-gnxbcb6.html>

7 Economic Times. 'India to stop thermal coal imports; save Rs 40,000 crore'. 15th April 2016. http://economictimes.indiatimes.com/articleshow/51839241.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

8 Institute for Energy Economics and Financial Analysis. Briefing Note: Adani's Solar Shift Puts Carmichael in the Shade. 4th December 2016.



There's a better way to deliver business & jobs in regional Queensland

From letters to email, from landlines to text messages – we're always finding better ways to meet our needs. Coal is an 18th century polluting industry that is rapidly being replaced by new technologies. The global transition to renewable energy is inevitable.

Smart businesses are embracing innovation and the exciting opportunities of the future, leading the way to a new prosperity: clean energy. These booming new technologies are leading to healthier lives and economic certainty, creating innovative jobs and unleashing billions in increased investment around the world.

States like Victoria and South Australia are powering ahead but by focusing on old technology, Queensland risks missing out. Investing in polluting coal is also damaging the state's thriving reef tourism industry and the livelihoods of the 70,000 people it employs.

With abundant sun and wind, gifted scientists and far sighted entrepreneurs, Queensland has the potential to become a renewable energy superpower. Turning Queensland into a sun-powered state will create a bright future – and your business can be part of this.

- Right now, **employment in the mining industry is falling.** The good news is large scale renewable energy projects are best suited to regional areas.

Coal areas also enjoy some of the world's greatest renewable energy resources. Embracing clean energy will create new jobs in declining regional towns.

- Research by the National Institute of Economic and Industry Research shows that shifting Queensland away from coal and to renewable energy would generate **90,700 jobs by 2030 and 214,400 jobs by 2040.**
- Many of these jobs will be in **regional areas** and employ large numbers of skilled and professional staff, with a follow on effect of more service industries in the regions, meaning more jobs for accountants, chefs, mechanics, plumbers, IT specialists, teachers, doctors and nurses.

Examples of existing projects in north Queensland:

- Kidston Solar Project – \$126.2 million, joint 50 MW solar farm pumped hydro project – 379 jobs
- Collinsville Solar Power Station – \$95.9 million, 42MW solar farm – 288 jobs
- Whitsunday Solar Farm – \$122.4 million, 52.8 MW solar farm – 367 jobs
- Mount Emerald Wind Farm (Mareeba) – \$188.7 million, 170 MW wind farm – 155 jobs

Exciting opportunities in Queensland's renewables sector

1

Government support:

The Queensland government has doubled its support for large scale solar and is now pledging to support 150 MW of utility scale PV, which could be enough to attract \$250 billion in investment and create 761 jobs.



2

Investment and jobs:

The Australian Renewable Energy Agency (ARENA) recently confirmed funding for six projects in regional Queensland, which will attract \$637 million of investment and create around 1,912 jobs directly, plus many more indirect jobs. Four additional projects currently seeking funding could create 846 direct jobs.

3

CEFC projects:

A recent Clean Energy Finance Corporation (CEFC) tender process for large scale solar PV investment received more than 980 MW of proposals for Queensland, which could create up to 6,214 direct jobs.

4

Renewable exports:

A key future Queensland export, solar PV will drive a rapidly expanding solar energy hydrogen export economy into Asia that could even rival coal and gas.

5

Wind, biofuels and domestic PV:

Other exciting renewable opportunities include wind power, crops for biofuels (potentially a major Queensland export of the future) and the growing domestic solar PV industry, which will create jobs wherever there are rooftops.

6

Old mines to renewable hubs:

As storage technology matures, it will eliminate the need for expensive peaking gas plants, increasing opportunities in regional areas. A project in Kidston is converting an old gold mine into a solar farm with its own pumped hydro storage facility, using the old mine shaft. This groundbreaking project is just the beginning – in the future, many mining communities can become renewable energy hubs.

7

Solar thermal:

Regional Queensland also has the solar resource potential to support a rich solar thermal industry, providing another storage option and a dispatchable energy source which will be increasingly important as Australia shifts towards renewable energy.

The above information is referenced from the Australian Conservation Foundation research brief, *90,000 new jobs for Queensland: How strong climate action creates jobs and cuts pollution*. The brief can be downloaded from www.acf.org.au/qld_jobs.



To download a copy of *90,000 new jobs for Queensland: How strong climate action creates jobs and cuts pollution*, please visit: www.acf.org.au/qld_jobs