

Media Release
For immediate release
June 24th, 2015

Odds stacked against development of Galilee coal: new report

A RAPID global transition away from coal and mounting evidence that development of Galilee coal would lock the world into a future of dangerous climate change is increasing the likelihood the proposed mine will never go ahead, a new Climate Council report has revealed.

Export markets for Galilee coal are dwindling fast, with only India remaining a possibility and it is wavering in its commitment to importing coal, the Unburnable Galilee coal report found.

The financial sector was rapidly coming to grips with the potential of the Galilee Basin's vast fossil fuel reserves to permanently alter the climate and the investment risks associated with coal, The Climate Council's Tim Flannery said.

"Galilee Basin coal would emit more than Australia's entire emissions each year," he said.

"With the global trend away from coal gathering momentum, the implications for Australia's thermal coal export industry are unmistakable and the industry's future looks increasingly shaky."

The report revealed:

- Coal use in China, the world's biggest coal market by far, dropped 3% in 2014 and is predicted to drop another 2.5% in 2015. China is attracting more renewable energy investment than any other country in the world and recently announced it would cut coal consumption by 80 million tonnes by 2017 and by a total of 160 million tonnes between 2014 and 2020.
- There are increasing signs from global investors that they consider Galilee coal too risky an investment. A total of 11 international banks have now publicly announced that they will not be involved with any projects in the Basin.
- Global investment in renewables capacity has increased five-fold over the last decade and is now greater than investment in fossil fuels
- Over 100 coal fire power stations have closed in the last decade in the USA



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Climate Council councillor Professor Will Steffen said over 90% of Australia's known, extractable coal in existing reserves must stay in the ground in order to effectively tackle climate change.

"Therefore, the most pressing challenge Australia faces is how to phase out coalmines well before their reserves are exploited and new mines cannot be built," he said.

"The odds are increasingly stacked against the development of re are two undeniable trends occurring globally. Uptake of renewable energy is accelerating and coal-fired power plants are increasingly closing."

"For Australia to fight these trends is economically, socially and environmentally unwise.

"Rather, we need to be preparing for – and indeed joining and facilitating – this transition to a clean energy world."

The Climate Council is an independent, crowd-funded organization providing quality information to climate change to the Australian public.

For media enquiries, please contact Senior Media Advisor Jessica Craven on 0400 424 559.