

Miner Xstrata wins Australia climate test case

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The Queensland Land Court ruled late Tuesday that Xstrata's proposed Aus\$6 billion (US\$6.3 billion) Wandoan mine should go ahead, rejecting an unprecedented climate change case seen as a test of Australia's environmental and mining laws.

Friends of the Earth had asked the court to knock back the

32,000-hectare (79,000-acre) thermal coal project on the grounds that it would increase [atmospheric pollution](#) linked to global warming.

But court president Carmel MacDonald said the significant economic benefits expected to flow from the mine -- a joint venture with Japan's Itochu Corp and Sumitomo Corporation -- outweighed the relatively minor environmental costs.

MacDonald said the court could only consider emissions associated with the mining process and not those caused by the coal's transport or its end use, and refusing the mine would make little difference to global pollution.

"Stopping the project will not result in any, or any substantial, difference in the levels of [greenhouse gases](#) in the atmosphere," MacDonald said.

"If the project proceeds, the evidence indicates that it will have a comparatively minor adverse impact on the environment in terms of [greenhouse gas emissions](#)."

[Global demand](#) for coal would not be dampened were the mine not to go ahead and the fuel would just be sourced from somewhere else and burned regardless, keeping emissions at the same level, she said.

Even at a global level, were all emissions including end-use and transport considered, the project would account for just 0.17 percent of the world's annual total, MacDonald added.

Xstrata will be required to mitigate the mine's [carbon footprint](#) and said the decision recognised its "ongoing commitment to environmental management."

"The Land Court's recommendation acknowledges Xstrata Coal has

followed a thorough and rigorous environmental assessment and review process throughout the development of the Wandoan Coal Project," said Reinhold Schmidt, chief of Xstrata Coal Queensland.

Xstrata is the world's largest exporter of thermal coal burned to produce power and the sprawling Wandoan mine is expected to produce in excess of 63 million tonnes per annum when fully operational across its 30-year life.

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