

Rare Australian species the yakka skink and the ornamental snake have brought plans for Australia's largest coal mine to a halt.

The approval of Adani's Carmichael coal mine in central Queensland was overturned by the Federal Court after finding that Federal Environment Minister Greg Hunt failed to properly consider advice about the two threatened species.

Carmichael Coal Mine

In July 2014, Indian mining giant Adani received Federal Government approval to build a AU\$16.5 billion open cut and underground coal mine in the Galilee Basin and a 189 kilometre railway line from the mine to Moranbah.

The mine is anticipated to yield 60 million tonnes of coal for export each year, overtaking GDF Suez's Hazelwood coal mine as the largest in Australia.

Legal Challenge

The Mackay Conservation Group launched a legal challenge in the Federal Court in February, claiming that the vulnerable species, greenhouse gas emissions from the mine and Adani's environmental track record had not been properly considered by the Minister.

The conservation advices that were approved by the Minister in April 2014 describe the threats to the survival of the yakka skink and ornamental snake, both of which are found only in Queensland. The law requires that the Minister considers these conservation advices so that he understands the impacts of the decision on matters of National Environmental Significance.

Justice Anna Katzmann agreed, handing down orders in favour of the conservationists. The orders were consented to by Adani and the Federal Government.

Government Reaction

The Department of the Environment described the decision as "a technical, administrative matter" and said they will prepare the necessary advice and supporting documentation for the Minister to reconsider his final decision within six to eight weeks.

Prime Minister Tony Abbott says he is "frustrated" by the decision.

"If we get to the stage where the rules are such that projects like this can be endlessly frustrated, that's dangerous for our country and it's tragic for the wider world," he said.

"So we've got to get these projects right...but once they are fully complying with high environmental standards, let them go ahead."

"While it's absolutely true that we want the highest environmental standards to apply to projects in Australia, and while it's absolutely true that people have a right to go to court, this is a AU\$21 billion investment, it will create 10,000 jobs in Queensland and elsewhere in our country."

Next Steps

The Minister must re-make the decision, properly considering the conservation advices and understanding the impacts of the Carmichael coal mine on the yakka skink and ornamental snake.

This ruling serves as a reminder that all Ministers must follow the proper procedures when making decisions in their capacity as an elected official.

If you have any queries please get in touch with your usual Squire Patton Boggs contact or any of the lawyers overleaf.

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