

Gina's Top Tip:
Inherit mines



“Coal good for humanity”
Humanity not so sure

THE AUSTRALIAN FOSSIL FUEL REVIEW

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AFR nabs the Climate Coverup Award: leaves Murdoch mainstays stunned

This morning at the Fairfax AGM, the Australian Financial Review (AFR) will receive the prestigious Climate Cover-up Award for their extensive, and some would say excessive, negative coverage of the Australian National University's decision to divest from 7 mining companies.

This is the first time the title has been awarded to an otherwise reputable newspaper known for its journalistic vigour. While the award is generally granted to Murdoch mainstays like the Herald Sun and the Daily Telegraph, this year the AFR topped them all with their biased reporting of the ANU saga. With 43 articles and 30,000 words on the ANU's decision and a grand total of 0 articles on the announcement of a 40% emissions cut target by 2030 by the EU, our compromised coverage radars have been on high alert since October 3rd.

Prominent journalist Tom Swansea commented on the award this morning, “You would have thought news like the solar auction in India beating the cost of power from Australian coal would send shockwaves through the Australian financial market, yet the AFR have succeeded in ignoring it completely. Intentional oversights like these affirm what I have been thinking for months: no-one is more deserving of the Climate Cover-up Award this year than the AFR”.

Peak media body News Stuff laid the praise on thick “We really have to hand it to the AFR: with a shareholder like Gina Rinehart at the helm. Their blatant agenda-setting is even a match for the Murdoch Press.”



These stories actually deserve a month's breathless coverage

Australia might be stuck in reverse gear, but the world's major emitters are increasing their ambition on climate change and increasingly moving away from fossil fuels.

After years of reluctance, heavyweights China and the United States are starting to contribute their fair share to global emissions reduction. The US is regulating polluting power plants and increasing car efficiency. China is capping emissions, implementing emissions trading schemes and peaking coal consumption.

Elsewhere, the European Union is deepening its already strong commitment to climate change abatement by upping its emissions reduction target to 40% by 2030.

While global ambition on climate change is at an all time high, coal company capitalisation is hitting all time lows due to low prices.

Coal isn't the only resource fetching low prices though. The cost of renewable energy just keeps dropping. This is reflected in the fact that renewables make up most of new generation capacity each year, which is already disrupting old energy's business model.

Speaking of energy disruption, rooftop solar panels are now at grid parity in many markets.

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Fun Facts about the Fin's Fair and Balanced Coverage

The AFR has published 53 news stories, op-eds and editorials on or mentioning ANU's divestment decision, totalling 30,000 words.

The front page of more than half of the last month's editions of the AFR have featured some critical piece on ANU's decision.

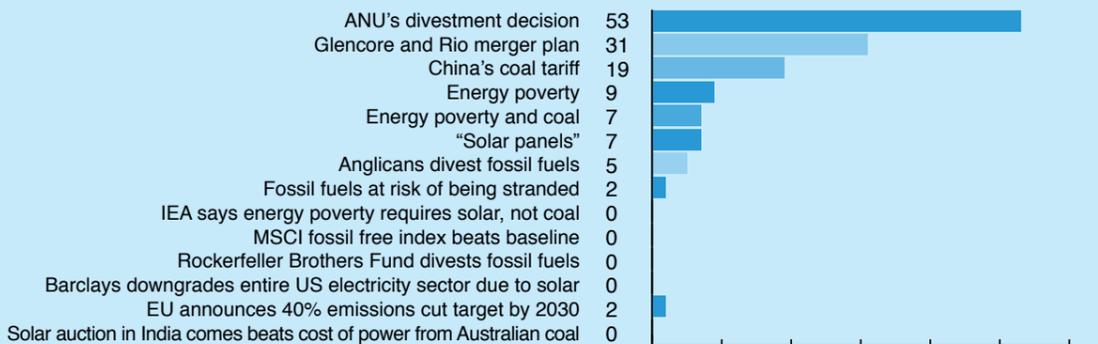
Ben Potter, one of the AFR's senior journalists, has written about nothing else in the last month. He has published 18 stories on ANU's divestment and a full 20 out of all 20

of his articles presenting a negative view of fossil fuel divestment.

The Factiva database finds around 100 stories in other news outlets covering the ANU story. This occurred mostly in the second week, after the AFR's pursuit dragged in federal politicians, and then their critics in through an open letter.

Media monitoring analysis suggests the total coverage is worth over \$1.5 million.

Articles in the AFR (over 300 words) in the last month mentioning:



An open letter to the AFR

We call on the Australian Financial Review to report responsibly on the biggest financial story of our time.

The biggest story of our time is not the decision of one investor – the Australian National University – to sell \$16 million in shares.

It is how our society will respond to the vast systemic risk posed by climate change.

Minimising that risk means leaving most fossil fuel carbon in the ground, stranding a significant proportion of assets that draw their value from hydrocarbon reserves.

This fact is acknowledged by the World Bank, the IMF, the OECD, the IEA, the UN, the Bank of England, HSBC, Citi, Standard and Poor's, Bush-era Treasury Secretary Hank Paulson, and Professor John Hewson.

These risks are real already. Regulation of greenhouse gas emissions is becoming more ambitious around the world. Clean energy is making fortunes and disrupting old business models; most global generation installation is now renewable and costs are plummeting.

The financial sector – and all Australians who use it – would better served by a press more focused on real risks and opportunities for its readers.

Signed by over 6,300 Australians.



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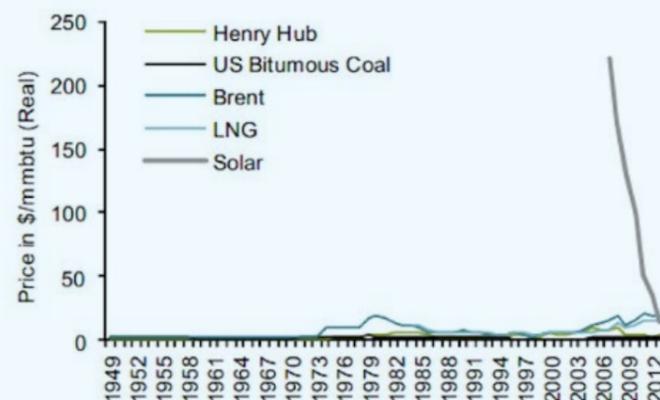
Solar power auctions in India recently came in cheaper than the cost of power from imported Australian coal. Contrary to persistent assertions by the fossil fuel industry that coal is the key to alleviating energy poverty, the International Energy Agency just flagged solar as the solution to global energy poverty.

Energy providers are really feeling the 'heat' of cheapening solar and other renewables. In Europe, for example, energy efficiency and solar have wiped over half a trillion off utilities. Across the seas, Barclays has downgraded the credit rating of the entire US electricity sector, citing the looming threat of cheap storage.

These developments make one thing abundantly clear: a transition away from fossil fuels and towards economies powered by renewable energy is inevitable. Political unwillingness and capital scarcity may slow it down in the short term, but they cannot stop it.

Welcome to the Terrordome... \$/MMBTU by Energy Type

Source: EIA, CIA, World Bank, Bernstein analysis



Solar costs hit serious energy watchers like a bolt of lightning - but not the Fin

Fin finishes last in carbon stakes

While Global Finance is increasingly awake to carbon risk, the AFR is struggling to keep up.

There is a growing range of strategies and indexes for big funds to manage carbon risk while delivering competitive returns. Multi-billionaire dollar investment management firm BlackRock has teamed up with FTSE to create a completely Fossil Free Index. Likewise, MSCI recently released a set of Fossil Fuels Exclusion Indexes. A report released earlier this year found that, in the past 12 months, the number of fossil free investment portfolios available has grown by 50%.

At the same time, the fossil fuel industry faces ongoing stigmatisation, with long-term impacts on po-

litical and consumer preferences. Divestment campaigns have been effective in the past and the fossil free divestment movement is the fastest growing ever, according to an Oxford University report.

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UBS acknowledges the divestment movement will catalyse “significant, structural” change: “those engaged in the debate are the consumers, voters and leaders of the next several decades”.

Fossil Free campaigners thank the Fin

Fossil fuel divestment campaigners today thank the editors of the AFR for generating over \$1.5 million in divestment coverage.

“If the Fin was trying to slow down the divestment movement, it has kicked a \$1.5 million own goal. This kind of publicity is the stuff of dreams for small, under-resourced Fossil Free campus groups,” said Victor Fysh, Fossil Free Campus Coordinator.

“People who thought divestment was a side show are now convinced it is serious business.”

“We are being inundated with people who want to start campaigns and partners keen to join our movement.”

