

Please sir, can I have some more?

FOI documents show Barnaby Joyce and Steve Ciobo’s “letter of support” for Adani’s coal project sent to the Chinese government was in response to Adani’s request “to help secure Chinese financing”. DFAT also met Korea’s Ex-Im Bank in 2016 to discuss the project, on Adani’s request. Despite an earlier FOI initially capturing “several hundreds of pages” about securing foreign funding for Adani, DFAT now says there are no pages to release.

New documents released under Freedom of Information show Adani asked the Australian Government to send a “letter of support” for its coal project to the Chinese government to “help secure Chinese financing” and “secure and cut through financing negotiations in China”.

Figure 1 – DFAT FOI docs: Adani’s request for help

s22(1)(a)(ii) Australian Government to the Chinese Government (addressed to its National Development and Reform Commission) to help secure Chinese financing. Adani has requested a letter of support from the Australian Government to the Chinese Government (addressed to its National Development and Reform Commission) to help secure Chinese financing.
s22(1)(a)(ii)

The Deputy Prime Minister and Trade Minister subsequently sent a letter about Adani’s project to China’s National Development and Reform Commission (NDRC) to “welcome foreign lending to support the development of major projects”.¹

While a Federal Minister recently criticised Chinese lending to infrastructure in the Pacific as politically motivated and poorly targeted,² the Deputy Prime Minister and Trade Minister were eager to help secure Chinese funding for a favoured coal project.

¹ <http://www.theaustralian.com.au/national-affairs/barnaby-joyce-steve-ciobo-vouched-for-adani-to-china-officials/news-story/296dceae2dc1c2306b9d01a1dc7ab54f>

² <http://www.abc.net.au/news/2018-01-10/australia-hits-out-at-chinese-aid-to-pacific/9316732>

In the new FOI documents, an official outlines what Adani “expects” the letter to include: an expression of “the national significance of the Adani’s investment (sic)”, although not a commitment for Australian Government funding, for which Adani had applied through the Northern Australia Infrastructure Facility (NAIF).

Figure 2 – DFAT FOI docs: Adani’s expectations for the letter for help

On letter of support

- Adani reiterated letter of support from Australian Government is needed to secure and cut through financing negotiations in China
 - Adani does NOT expect letter of support to include Australian Government commitment to funding (NAIF)
 - expects letter of support to formalise already public affirmations by Australian Government, highlighting the national significance of the Adani’s investment

s22(1)(a)(ii)

Adani’s request, classed as “Routine”, was discussed by some of Australia’s most senior diplomatic officials—including DFAT Deputy Secretaries, the High Commissioner to India, the Ambassador to China, and Australia’s Ambassador for the Environment.

Figure 3 – DFAT FOI docs: senior diplomats discussing Adani’s request, redacted

From: s22(1)(a)(ii) High Commissioner to India
Sent: Tuesday, 22 August 2017 8:58 AM
To: Sidhu, Harinder ←
Cc: Adams, Jan; s22(1)(a)(ii) ← Ambassador to China
Subject: ~~SEC-CONFIDENTIAL~~

Deputy Secretaries 4 Deputy Head of Mission (China)

Cc: Klugman, Kathy >; Williams, Penny >; Brown, Justin >; Thomson, Gerald >
Subject: s22(1)(a)(ii)

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s22(1)(a)(ii)

The FOI documents also include briefings from Austrade about a meeting with Adani’s Australian CEO. These briefings list “Consultation” with the Department of Prime Minister and Cabinet, the Department for resources, and multiple parts of DFAT.

Figure 4 – DFAT FOI docs: Austrade briefing on Adani CEO meeting

Prepared by: s22(1)(a)(ii) Cleared by: Paul Myler, AS 1811 Date cleared: 11/08/2017
Consultation: PMC, DIIS, Austrade, DFAT (IVO, NAD, Qld Office)

DFAT redacted nearly all of the documents, citing multiple exemptions for disclosure.

In particular, DFAT said releasing such correspondence could damage Australia's relationships with China and especially with India. DFAT was concerned about risks to "routine diplomatic engagement".

While it is impossible to tell what this correspondence included, it may relate to concerns or complexities involved in writing such a letter of support.

That would help explain why, during Senate estimates, DFAT officials distanced themselves from the letter, stressing a number of times that it "has not been DFAT's role to seek funding for the project"³ and "The letter was not written by the department".⁴

It would also explain DFAT's strong reluctance to release documents about this matter.

Meeting with Korean Ex-Im Bank

This request from Adani for help with foreign funding was not the first to which the Australian government dutifully responded. In December 2017, DFAT stated:

In October 2016, **Adani requested** the Department meet with the Korea Export-Import Bank to clarify the status of Federal environmental approvals granted for the Carmichael project.⁵

The Department met with the Korea Export-Import Bank to clarify the status of Federal environmental approvals granted for the Carmichael project in November 2016.⁶

³ Page 39 Estimates transcript, http://parlinfo.aph.gov.au/parlInfo/download/committees/estimate/5d7f76de-3c23-4c9a-a0c6-35cc9283a933/toc_pdf/Foreign%20Affairs,%20Defence%20and%20Trade%20Legislation%20Committee%202017%2010%2026%205682.pdf;fileType=application%2Fpdf#search=%22committees/estimate/5d7f76de-3c23-4c9a-a0c6-35cc9283a933/0000%22

⁴ Page 43 Estimates Transcript,

⁵ <https://www.aph.gov.au/api/qon/downloadestimatesquestions/EstimatesQuestion-Committeeld5-EstimatesRoundld1-Portfoliold11-QuestionNumber11>

⁶ <https://www.aph.gov.au/api/qon/downloadestimatesquestions/EstimatesQuestion-Committeeld5-EstimatesRoundld1-Portfoliold11-QuestionNumber17>

FOI request: ‘several hundreds of pages’ become ‘no documents’

The Ministers’ letter to China’s NDRC was revealed after an earlier FOI to DFAT from The Australia Institute.

DFAT said it had “several hundreds of pages” relating to Australian government Ministers or officials “requesting or recommending consideration” of involvement from foreign investors or governments.⁷

In processing that request, DFAT missed several deadlines and the request was eventually ‘deemed refused’.

Bizarrely, DFAT’s final decision letter says the request covers *no* documents.

Given this it is unclear why the Department spent so long processing the request.

DFAT may have eventually decided to read the request very narrowly, so that the Ministers’ letter was not strictly “requesting or recommending consideration” of funding. But such a narrow reading is contradicted by DFAT officials stating, in the newly released documents, that its purpose was to “help secure Chinese financing”, and by the fact that the letter to NDRC “welcomes foreign lending to major projects”.⁸

Such a narrow reading also appears inconsistent with the objects of the FOI Act “to facilitate and promote public access to information”. The Administrative Appeals Tribunal has stated FOI requests should “not be narrowly construed”.⁹

This FOI request is currently under external review by the Office of the Australian Information Commissioner. DFAT has been asked for an explanation but is still yet to provide one.

Priorities

While Ministers have sought to help secure Chinese funding for a massive new coal mine in Australia, the Minister for International Development and the Pacific recently

⁷ <http://www.tai.org.au/content/australian-government-becomes-foreign-finance-broker-adani>

⁸ After Senate requests to table the letter, it emerged, unsourced, in *The Australian*.
<http://www.theaustralian.com.au/national-affairs/barnaby-joyce-steve-ciobo-vouched-for-adani-to-china-officials/news-story/296dceae2dc1c2306b9d01a1dc7ab54f>

⁹ http://www.austlii.edu.au/cgi-bin/viewdoc/au/cases/cth/AATA/2007/1513.html?context=1;query=Emery%20and%20Secretary,%20Department%20of%20Employment%20and%20Workplace%20Relations%20;mask_path=au/cases/cth/AATA

accusing China of building “roads that go to nowhere” in the Pacific and “duchessing” Pacific leaders.¹⁰ Such criticisms are not only “tone deaf”¹¹ but stand in stark contrast to Ministerial support for Chinese funding for Adani’s mine.

Pacific leaders have repeatedly asked the Australian government to reconsider its support for coal expansion, and Adani’s project in particular. Meanwhile, Australian foreign aid is at record lows, at just 0.2 percent of Gross National Income, and just two percent of this (\$75m per year) goes to climate projects in the Pacific.¹²

¹⁰ http://dailypost.vu/news/postcard-from-the-road-to-nowhere/article_b269f52c-0a35-5196-8598-bdd9ef4e2c11.html

¹¹ http://dailypost.vu/news/postcard-from-the-road-to-nowhere/article_b269f52c-0a35-5196-8598-bdd9ef4e2c11.html

¹² <http://www.tai.org.au/content/palm-trees-and-palm-offs-australia%E2%80%99s-climate-action-and-distraction-pacific>