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MEDIA RELEASE

25/01/2012

ANZ BANK URGED TO CALL IT A DAY

Between 40 – 50 people gathered outside the Launceston branch of ANZ today as part of a coordinated series of rallies urging the bank to provide no further financial support for Tasmanian logging company Gunns Ltd's controversial Tamar Valley pulp mill.

Co-ordinated rallies were also held simultaneously outside ANZ branches in Hobart, Melbourne, and Sydney, but Friends of the Tamar Valley understands from a number of Facebook posts many supporters throughout the country were prompted to stage their own protests outside several other ANZ branches.

ANZ Bank is due to make a decision about extending a debt facility to Gunns by 31st January, and the bank is now on notice that an ongoing nationwide campaign will result, should it continue to facilitate financial support for Gunns.

"If ANZ refinances Gunns' debt then all ANZ customers deserve to learn how their bank backs this polluting and financially risky pulp mill," said Anne Layton-Bennett, spokesperson for FTV.

No Pulp Mill Alliance member groups warn they will revive the strong 2008 campaign opposing ANZ's funding of the project, and will undertake further actions, petitions and other initiatives if the bank facilitates an extension of Gunns' debts, and prolongs the uncertainty Tasmanians have been forced to live with for the past eight years.

"At the end of June last year Gunns' debts totalled \$628 million, of which \$350 million is due to be paid by the end of January. FTV understands that work currently taking place on the proposed pulp mill site is being financed by the ANZ, so despite the official line claiming ANZ won't provide finance for the pulp mill, it's only thanks to the bank that Gunns is still standing," said Ms Layton-Bennett.

With Gunns' share price at its lowest ever, and a recent market capitalisation of less than \$100 million, Gunns is in serious financial trouble. By its own admission it is now wholly reliant on the proposed pulp mill, and there is no Plan B.

Gunns' Chairman stated in his Annual General Meeting speech in November 2011 that Gunns was in discussion with ANZ to extend its debt with the objective of providing: *"financing terms which facilitate the completion of the asset sale program and financial close of the Bell Bay pulp mill project"*.



“Member groups of the No Pulp Mill Alliance warn ANZ that any announcement involving an extension of Gunns’ debt facility will result in a national campaign to alert ANZ customers that the bank is contravening the Equator Principles* - to which it is a proud signatory - by backing a flawed and polluting pulp mill,” Ms Layton-Bennett said.

According to the ANZ’s website the Equator Principles require that: *“Managers of projects with a high social or environmental impact must consult with local communities about concerns those communities may have.”*

“Community concerns about the proposed Gunns Tamar Valley pulp mill have never been properly considered or addressed, so FTV believes any more money given to Gunns can only be considered a violation of the Equator Principles the ANZ publicly claims it honours and upholds,” Ms Layton-Bennett concluded.

For further information about ANZ’s Launceston, Hobart and Sydney branch rallies

Contact: Anne Layton-Bennett (03) 6328 1231mob: 0429 221 243

For further information about ANZ’s Melbourne branch rally

Contact: Lauren Caulfield, Friends of the Earth mob: 0408 748 939

Reference:

<http://www.gunns.com.au/Content/uploads/documents/COMBINEDManagingDirectorsSpeechAGM2011FINAL.pdf>(p24. Dot point 4)

