

Company:**Andritz** Austria**dodgy because: involvement in controversial hydropower projects and pulp & paper production****ANDRITZ****update**

This company profile is updated regularly
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headquarters

Stattegger Strasse 18
A-8045 Graz
Austria
<http://www.andritz.com>

CEO / chair

Wolfgang Leitner
ceo

key sectors / activities

energy plants, dams
pulp and paper

about

In recent years the Andritz Group has developed into a globally present market leader for customized plant, systems and services for specialized industries - mainly for hydropower, the pulp and paper, and steel industry (other areas of involvement are solid/liquid separation, feed and biofuel production).

Despite being able to deliver ecologically top-notch equipment in particular in the field of hydropower, Andritz is also notorious for getting involved in some of the worst projects in hydropower and pulp and paper with vast social and environmental consequences.

Andritz is the last European company to remain involved in the Ilisu dam project in Turkey. All other European export credit agencies, banks and construction companies withdrew from the project after it became evident in July 2009 that Turkey would not fulfil internationally established standards concerning resettlement and the protection of the environment and cultural heritage.

ownership

Shareholders

29 percent of shares are owned by the company's CEO Wolfgang Leitner.

pulp and paper

The company is at present and has been in the past involved in P&P projects leading to illegal logging, the destruction of rainforest and other sanctuaries of threatened species, heavy pollution of air and water and forceful displacement of local inhabitants.

Currently Andritz plays a major role as Gunns's partner in the construction of the infamous Bell Bay Pulp Mill in Tasmania. In the past Andritz took part in disastrous P&P projects such as a pulp mill in Borneo (together with United Fiber Systems), up to date having destroyed over 150.000 ha of native rain forest. The company was also involved in the construction of the controversial Fray Bentos pulp mill at the border between Argentina and Uruguay.

energy plants, dams

Big dams have frequently imposed high social and environmental costs and long-term economic tradeoffs, such as lost fisheries and tourism potential and flooded agricultural and forest land. According to the independent World Commission on Dams, most projects have failed to compensate affected people for their losses and to adequately mitigate environmental impacts. Local people have rarely had a meaningful say in whether or how a dam is implemented, or received their fair share of project benefits. In stead of the construction of big dams there are more sustainable and cleaner ways of energy generation, like solar and wind power.

An example of a big and controversial dam project is the Ilisu project on the Tigris river in south-eastern Turkey. This project not only threatens the biodiversity of the Tigris valley and the material existence of the inhabitants of Ilisu, it will also destroy the ancient town of Hasankeyf as well as hundreds of yet unexplored archaeological sites. Although the Austrian ECA Oesterreichische Kontrollbank AG (OeKB) and Bank Austria (and all other European ECAs and banks involved) withdrew from this project in July 2009 because of its vast impacts and its breach of international standards, Andritz continued their involvement. In June 2010 Andritz announced that they signed a EUR 340 million contract for delivering turbines and other construction material, after its two European partners Alstom and Züblin had also pulled out of 'Ilisu'.

Besides the Ilisu dam project Andritz is also involved in big hydropower projects in Brazil. It is participating in the construction of 28 turbines for the Jirau dam, part of the Rio Madeira dam project, and is planning on delivering equipment for the Belo Monte dam on the Xingu river. Both dam projects are highly controversial and receive a lot of local, national and international opposition.

dodgy deals

- **Gunns pulp mill proposal Tasmania** Australia
- **Rio Madeira dam project** Brazil
- **Belo Monte dam project** Brazil
- **Ilisu dam project** Turkey