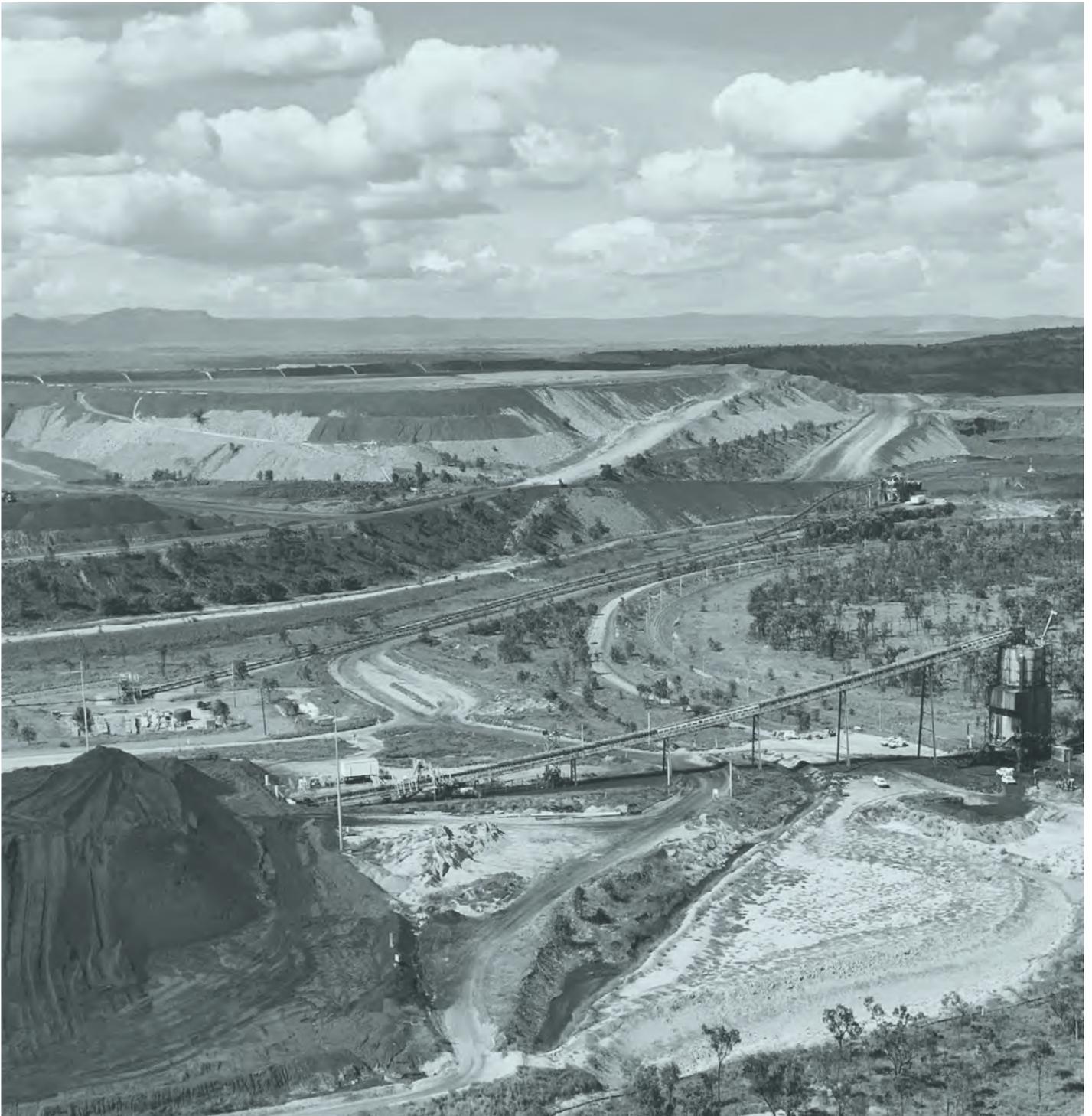


A Bad Deal for Canada: **Mining giant Glencore's** **Canadian expansion threatens** **climate and communities**





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Executive Summary



The global commodity trading and mining giant Glencore, a controversial corporation that only two years ago [pleaded guilty](#) in the United States to foreign bribery, corrupt payments and market manipulation in seven countries, has just taken over Teck Resources' massive coal mines in British Columbia.

The C\$12.3 billion takeover, which poses significant environmental and climate risks, [was just approved](#) by Canada's Minister of Innovation, Science, and Economic Development.

Yet few in Canada have heard of B.C.'s highly polluting Elk Valley coal mines, or of Switzerland-based Glencore with its scandal-filled [criminal past](#), ["contempt for the law,"](#) and reputation for ["bullying governments."](#) Canadians need to know with whom we are getting deeper into business.

The complaints about Glencore are so numerous that this report can highlight only a few. We review examples of Glencore's dismal corporate, environmental and human rights record around the world, as well as financial and climate risks involved in the approval of this takeover of Teck's coal business.

The picture the report paints stands in stark contrast to Glencore's promises of "responsible sourcing" and "net zero alignment." Instead it tells the story of an irresponsible actor with an outsized negative impact on the climate and communities.

B.C.'s Elk Valley joins world's largest private sector coal company

After recently purchasing coal assets from BHP, Rio Tinto, and others, Glencore is now the world's largest private-sector coal company. In 2023 its carbon emissions represented 1.1% of the world's total, putting it on the same scale as many global oil majors. In 2022, Glencore's profits soared to a [record US\\$34.1 billion](#), largely due to coal, the world's dirtiest and most dangerous fossil fuel.

While telling the world it supports the goals of the Paris Climate Agreement, Glencore at the same time financed a [covert campaign](#) to push coal in Australia, aggressively criticizing renewables and undermining the reputations of climate advocates. This is not the behaviour of a responsible climate actor.

Glencore's takeover of Teck's coal mines also has enormous implications for residents of B.C., Montana, Idaho and multiple Indigenous Nations in the Elk River-Kootenai watershed, which straddles the US-Canada border. The mines have leaked [selenium](#) into the watershed for decades, and the pollution violates Ktunaxa Nation fishing rights and damages their health.



The reclamation security Teck left for cleaning up the mine sites is likely billions less than the estimated cost of reversing the selenium contamination over coming decades. [Advocates warned](#) the federal government to impose robust conditions for Glencore to commit to end the pollution and cover the massive clean-up costs. Other than a vague commitment for additional environmental cleanup over 5 years, an amount equal to around 2% of expected annual profits, the government failed to do so.

Should Canadians trust Glencore to commit to ending the pollution or covering substantial clean-up costs? What about a just transition for workers and communities as the world inevitably moves away from coal?

Given its [corporate record](#), the question is: why would anyone trust Glencore at all?

In Rouyn-Noranda, Quebec, Glencore owns an industrial facility authorized to emit toxic arsenic at levels 15 times higher than those considered safe by the World Health Organization. Glencore has operated this plant for over a decade, emitting arsenic into the air at levels that can exceed 33 times the critical threshold of 3 ng/m³ of this carcinogenic metal annually. Glencore has [shown disdain](#) for the findings of a [2022 study](#) by Quebec's Institute of Public Health, which found myriad health problems, including shorter life expectancies, in people who live near the copper smelter. Citizens in the area have [filed a class action lawsuit](#) against Glencore and the Quebec government "for damages caused to residents of toxic and carcinogenic contaminants."

The culture of profit over people at Glencore runs deep. Marc Rich, who co-founded the company, spent two decades on the FBI "ten most wanted" list, hiding out in Switzerland as a fugitive from US justice on [65 criminal counts](#), including "the biggest tax evasion case in United States history."

In 2022, Glencore pleaded guilty to foreign bribery and agreed to pay over US\$ 1.1 billion, the biggest fine ever given in a US foreign bribery and market manipulation settlement.

Rich made his mark doing business with the world's most controversial regimes, from Iran during the US hostage crisis, to apartheid South Africa, to Iraq under Saddam Hussein. While Glencore eventually severed ties with Rich, the corporation's amoral approach to business that Rich pioneered didn't end there.

In 2022, Glencore [pleaded guilty](#) to foreign bribery and agreed to pay over US\$ 1.1 billion, the biggest fine ever given in a US foreign bribery and market manipulation settlement. The guilty pleas were part of "coordinated resolutions with criminal and civil authorities in the United States, the United Kingdom, and Brazil."

United States Attorney General Damian Williams for the Southern District of New York [said](#):

▶ *The scope of this criminal bribery scheme is staggering. Glencore paid bribes to secure oil contracts. Glencore paid bribes to avoid government audits. Glencore bribed judges to make lawsuits disappear. At bottom, Glencore paid bribes to make money - hundreds of millions of dollars. And it did so with the approval, and even encouragement, of its top executives.*

Glencore has long come under fire for its practices elsewhere in the world. It is ranked as the second worst transition minerals company in the world by the Business and Human Rights Resource Center, with 71 allegations of human rights abuse in 2023.¹

In 2020, the United Nations special rapporteur on human rights and the environment, Canadian David Boyd, [called for a halt to operations](#) at Glencore's massive and contentious Cerrejón coal mine in Colombia.

Glencore has [repeatedly failed to comply](#) with orders from Colombia's Supreme Court to improve conditions around the mine, which over 40 years has led to the displacement of more than 25 Indigenous communities, diverted 17 rivers, and led to respiratory health problems for hundreds of thousands of people.

Glencore's takeover of Teck's coal mines in Canada is very bad news for the global climate and local communities. And as this report shows, there are many compelling reasons for Canadians to be very, very worried about Glencore expanding its corporate footprint in Canada.

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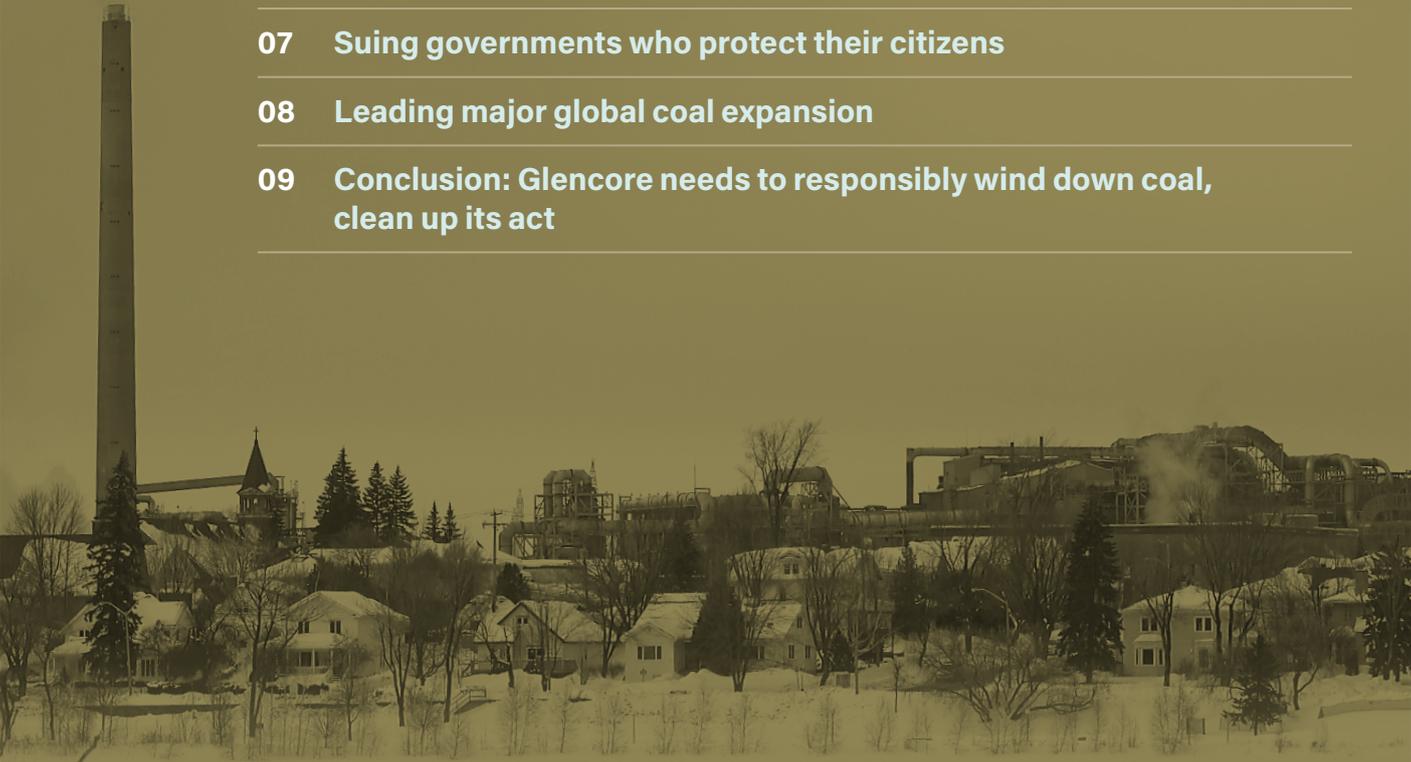
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Few in Canada have heard of B.C.'s highly polluting Elk Valley coal mines, or of Switzerland-based Glencore with its scandal-filled criminal past, "contempt for the law," and reputation for "bullying governments." Canadians need to know with whom we are getting deeper into business.



Global commodity trading and mining giant Glencore, a notorious corporation with a long and steady record of irresponsible behaviour, was just approved to dramatically expand its presence in Canada by taking possession of four massive coal mines in British Columbia.

In November 2023, [Teck Resources](#), Canada's largest mining company, [announced](#) it would be selling its entire [coal business](#) to Switzerland-based Glencore plc, with a minority stake going to Japan's Nippon Steel Corporation and South Korea's POSCO. The deal required approval from the federal government under the Investment Canada Act.

The \$12.3B takeover was approved on July 4, 2024 by Innovation Minister François-Philippe Champagne.

Yet most Canadians have never even heard of Swiss-headquartered Glencore, let alone its plans for global thermal and metallurgical coal expansion, and to spin off Teck's B.C. assets into a new pureplay coal company.

[Glencore](#) and [Teck](#) presented the deal as if it were just another business transaction; because it's good for shareholders there's nothing for the public to worry about, nothing to see here.²

This report looks at some of the reasons there is a great deal to worry about. Among them are significant climate and environmental risks, and Glencore's dismal track record on human rights, environmental protections, climate, and corruption.

World's largest private-sector producer of coal

Glencore is the world's largest private-sector coal company,³ and in 2023 its climate emissions of 433 megatons represented 1.1% of the world's total emissions,⁴ in the same ballpark as the private oil majors. In 2022, Glencore produced about 1.2% of the world's coal from its operations in Australia, South Africa and Colombia, which produce mainly thermal coal that is burned to generate electricity.

Coal is the dirtiest of all fossil fuels, and the [largest source of the greenhouse gases](#) driving climate change.⁵ Canada has committed to phasing out the use of coal power and even co-founded an international diplomatic effort called the Powering Past Coal Alliance.

In 2022, Glencore's profits soared to a [record US\\$34.1 billion](#), largely because of coal. Glencore "[continues to promote a sustained role for coal](#)" in the global energy mix which goes against the scientific consensus on the urgency of phasing out coal.

Glencore has [said](#) once the Teck takeover is approved it will demerge its coal assets into a new standalone coal company. A demerger – whereby shareholders in Glencore would automatically receive shares in the new "CoalCo" – [would allow](#) Glencore to disassociate itself from the climate emissions and clean-up responsibilities of its mines. The company does "[not currently intend](#)" to incorporate coal-related emissions from the Teck mines in its climate targets.

None of this is what a corporation with any genuine interest in reducing emissions would do. Rather, it reveals a corporation determined to continue to profit from coal and promote its long-term role in the energy system, which will exacerbate rather than mitigate the climate emergency.

Opposing climate action and funding anti-climate PR campaign in Australia

The non-profit think tank [InfluenceMap](#) examined [Glencore's lobbying activities](#) and gave the company a "D" rating for its climate policy engagement. It noted that Glencore "has opposed ambitious climate policy" in Australia, the European Union and South Africa."⁶

Glencore's opposition to policies to tackle the climate crisis isn't always public or above board.

In 2019, the Guardian [reported](#) that starting in 2017, Glencore "spent millions bankrolling a secret, globally coordinated campaign to prop up coal demand by undermining activists, influencing politicians and spreading sophisticated pro-coal messaging on social media."

An investigation by Guardian Australia showed the covert campaign was called "Project Caesar" and orchestrated by "world-renowned political operatives at the [CJT Group](#)."

The covert campaign, according to the Guardian, used "astroturfing" tactics, helping to set up what looked like online grassroots groups to push so-called "clean" coal and to criticize renewables, as well as political parties, NGOs and citizens that supported climate action. Campaign websites were taken down following contact by the Guardian.

Glencore's opposition to policies to tackle the climate crisis isn't always public or above board.



Now responsible for multi-billion dollar Teck Mines clean up

Glencore's takeover poses immediate risks for people downstream from the Elk Valley mines, which have been leaking selenium into the Elk River–Kootenai watershed for decades, causing a "[long-simmering international dispute over the pollution](#)."

While [selenium](#) is an essential micronutrient, as a pollutant it bioaccumulates in aquatic organisms, and in anything that consumes them. Elevated levels of selenium can cause reproductive failure and deformities in fish, birds and amphibians. Excessive exposure in people can have [serious health effects](#), including weakness, decreased cognitive function and gastrointestinal disorders.

A [2023 United States Geological Survey study](#) found selenium concentrations in the Elk River have increased 551% in the past four decades.

The watershed is the Ktunaxa Nation homeland, and the pollution infringes their inherent rights to hunt and fish. Even 100 kilometres downstream from the mines, [fish populations are declining](#). For [more than a decade](#), the Ktunaxa Nation urged the United States and Canadian governments to deal with the mine pollution in the Elk River–Kootenai watershed.

Finally, in March 2024, the governments of Canada and the United States along with regional and Indigenous governments [activated the International Joint Commission](#) to try to tackle the pollution.

Teck has already spent \$1.2 billion on water treatment, but "barely put a dent" in the pollution problems.



Those unsolved environmental problems also present huge financial risks for Canadians, especially in light of the Glencore takeover.

In an [April 2024 analysis](#), environmental lawyers Calvin Sandborn and Fraser Thomson noted, “If the government is not careful, it could saddle Canadian taxpayers with a multibillion-dollar liability – and an unsolved pollution catastrophe.”

A [2024 report](#), done by Burgess Environmental for the conservation group [Wildsight](#), calculated it will cost at least \$6.4 billion to reverse the rising selenium concentrations from Teck’s mines – which may soon belong to Glencore.

However, as [Wildsight noted](#), the true cost of cleaning up the coal mine sites would be “far greater than \$6.4 billion if you consider other reclamation processes that will have to be done, such as land reforming, revegetation, biodiversity promises, aquifer remediation and water quality concerns other than selenium.”

Teck [said](#) it had a \$1.9B reclamation security in place by the end of the first quarter of 2024, \$4.5 billion less than Burgess found will be required.

As the world stops buying coal, how will such companies pay for massive future remediation and perpetual water treatment operations? If they can’t pay and posted security is inadequate, those costs could fall to the public.

Sandborn and Thomson cautioned:

▶ **It is particularly important that government hold adequate security from coal companies – such as the standalone “CoalCo” that Glencore intends to spin off to take ownership of its coal/carbon steel operations.**

The problem is that coal is a “sunset industry.” Experts agree that the climate emergency simply cannot be addressed without sharp cuts to coal use, and the industry faces inevitable decline.

As the world stops buying coal, how will such companies pay for massive future remediation and perpetual water treatment operations? If they can’t pay and posted security is inadequate, those costs could fall to the public.

“The Investment Canada Act requires Innovation, Science and Industry Minister François-Philippe Champagne to be satisfied that the proposed sale of these mines to a Swiss multinational is ‘likely to be of net benefit to Canada,’” [Sandborn and Thomson concluded](#). “Clearly, the minister must analyze the new estimates of Elk Valley reclamation costs, and decide whether those costs truly amount to triple the posted security.”

Should Canadians trust Glencore to commit to ending the pollution from the mines, cover clean-up costs or support the just transition of coal workers and communities? Given its [corporate record](#), why would anyone trust Glencore at all – on anything?



A legacy of toxic pollution in Rouyn-Noranda Quebec

Glencore's record around the world inspires little trust. Nor does Glencore have what could be deemed – by any stretch of the imagination – a record as a responsible actor in Canada.

Glencore already has a large footprint in this country, where it fully or partially owns 40 companies.

One of Glencore's major industries in Canada is the contentious Horne Foundry in Rouyn-Noranda, Quebec, which processes copper concentrates. Glencore has owned the smelter since 2013.

Despite ongoing complaints from local residents, in 2017 the former Quebec government signed an agreement that allowed the Glencore smelter to emit 33 times the province's safe level of arsenic.

A 2022 study by Quebec's Institute of Public Health found people living closest to Glencore's smelter have higher cancer rates, shorter life expectancies, and more underweight births than is average in Quebec.

The smelter's general manager dismissed public concerns, saying "there is no scientific or any data that can correlate impact on the health of the people."

In August 2022, the Quebec government proposed the Glencore smelter reduce its arsenic emissions by 2027, but only to a level five times higher than what the government deemed safe.⁷

In late 2023, two citizens in Rouyn-Noranda filed a class action lawsuit against the government of Quebec and Glencore for "having emitted into the environment a cocktail of toxic and carcinogenic contaminants that exceeded and still greatly exceed the air quality standards in force in Quebec, thus violating their fundamental rights," and causing them damage. The allegations have not been proven in court.

Most controversial businessman of his generation

Today Glencore, headquartered in the tax haven of Baar, Switzerland, describes itself as "one of the world's largest globally diversified natural resource companies," operating in more than 35 countries, with 150,000 employees and contractors.

But commodity trading is where it all began for Glencore's predecessor, Marc Rich + Co, a company co-founded in 1974 by the man of that name.

Marc Rich is by far the most famous – and infamous – commodity trader in history.

As Financial Times journalists Javier Blas and Jack Farchy wrote in their 2021 book, *The world for sale*, in many ways Rich was "the founder of the modern commodity trading industry."⁸ Rich eventually became known as the "godfather of oil" and the "master of the global oil market."⁹

Commodity traders like Rich have tended to escape oversight because "they operate in the most opaque corners of the international financial system," and "typically trade through shell companies in offshore jurisdictions." The traders base themselves "in places like Switzerland and Singapore which are famed for their light-touch regulation,"¹⁰ a euphemism for tax havens, the financial secrecy jurisdictions that "enable people and entities to escape or undermine laws."

Switzerland is where Rich went to hide when US authorities attempted to bring him to justice in 1983 on 65 criminal counts.

"Rich spent almost two decades as a fugitive from US justice, holed up in Switzerland after he was indicted for tax evasion and trading with Iran at the same time that dozens of Americans were being held hostage in Tehran," wrote Blas and Farchy.¹¹



Not only was Rich on the FBI's "ten most wanted" list for two decades for "the biggest tax evasion case in United States history," but he also made "astronomical profits" supplying apartheid South Africa with oil during the 1980s international embargo against that country.

In a 2007 interview with journalist Daniel Ammann, author of *The king of oil: The secret lives of Marc Rich*, the trader boasted about his unethical business behaviour, saying he did his "most important and most profitable" business by breaking international embargoes and doing business with apartheid South Africa.

A 2013 profile of Rich described him as a "buccaneer" who "drew more criticism than possibly any other businessman of his generation."

The decision by US President Bill Clinton to pardon "fugitive financier" and billionaire Rich on his very last day in the White House in 2001 outraged many people, and was considered "a stain" on Clinton's presidency. Clinton later said he regretted pardoning Rich.

Rich's former wife, it turned out, was a big donor to the Democratic Party and to the Clinton presidency. Rich died in Switzerland in 2013.

But years before that, in 1994, Marc Rich + Co changed its name to Glencore and claimed it had severed ties to Rich, even if "the approach to trading that Rich had pioneered would live on at Glencore."¹²

What happened in subsequent years bears that out.¹³

Blas and Farchy wrote that the "constant flow of stories – some of them extremely recent – that paint the industry in an unflattering light suggests that in too many cases, traders are still willing to put morality and the law to one side to turn a profit."¹⁴

"From the Democratic Republic of Congo and Ivory Coast to Brazil and Venezuela, many of the world's largest traders are in the crosshairs of anti-corruption prosecutors," they wrote.

Glencore was right in those crosshairs, and not in just one country and not just for its trading business.

Staggering scope of corruption - US Government

In 2017, the *Paradise Papers*, leaked to the International Consortium of Investigative Journalists, revealed Glencore's bribery scandal with Israeli billionaire and mining mogul Dan Gertler to obtain mining concessions in the Democratic Republic of Congo (DRC).

In 2018, the US Department of Justice subpoenaed Glencore as part of a money-laundering and corruption investigation into the company's copper and cobalt mines in the DRC, and its oil deals in Venezuela and Nigeria. A year later, the United Kingdom Serious Fraud Office announced it was investigating Glencore for "suspected bribery."

In 2022, Glencore pleaded guilty to foreign bribery and market manipulation schemes, and agreed to pay over US\$1.1 billion. The guilty pleas were part of "coordinated resolutions with criminal and civil authorities in the United States, the United Kingdom, and Brazil."

The charges arose from a decade-long scheme by Glencore and its subsidiaries to make and conceal corrupt payments and bribes through intermediaries in seven countries.

United States Attorney General Damian Williams for the Southern District of New York said this about Glencore's behaviour:

▶ **The scope of this criminal bribery scheme is staggering. Glencore paid bribes to secure oil contracts. Glencore paid bribes to avoid government audits. Glencore bribed judges to make lawsuits disappear. At bottom, Glencore paid bribes to make money – hundreds of millions of dollars. And it did so with the approval, and even encouragement, of its top executives.**

Marc Rich is by far the most famous – and infamous – commodity trader in history.



Extreme mining impacts in Colombia

In addition to its newly expanded footprint in Canada with the Teck takeover, Glencore has [16 current coal operations](#) in Australia, most producing thermal coal for export. It also has large reserves at its coal mines in South Africa, and its monstrous Cerrejón coal mine in Colombia.

The Cerrejón mine is Latin America's largest open-pit coal mine. It ["consumes and contaminates 24 million litres of water"](#) a day, and at least 17 rivers or streams have been diverted for its growth.

The Cerrejón mine has spawned many [complaints](#) about human rights abuses, environmental damage and pollution. The mine is in the territory of Colombia's largest Indigenous group, the Wayuú. According to a 2023 [Oxfam-led report](#), more than 25 Wayuú and Afro-Colombian farming communities have lost their land over the 40 years the Cerrejón mine has operated, affecting thousands of people.

The Cerrejón mine is Latin America's largest open-pit coal mine. It "consumes and contaminates 24 million litres of water" a day.

Over 336,000 people have developed respiratory complications that are directly attributable to the mine.¹⁵ Local people have [dubbed Cerrejón "The Monster."](#)

The Corporate Accountability Lab [observed](#) that the Glencore mine has been able to get away with so many human rights and environmental infractions because they are "expert at denying wrongdoing (despite court findings showing otherwise), not complying with judicial decisions, delaying processes through strong PR campaigns and interfering with official processes to obtain a favorable outcome."

Many research studies, [documentaries](#) and reports, and even the United [Nations Office of the High Commissioner for Human Rights](#), have documented environmental infractions and human rights violations related to the mine's operations over the years, including ["dispossession, confinement and forced eviction tactics."](#)

In 2020, the United Nations special rapporteur on human rights and the environment, Canadian David Boyd, [called for a halt to operations](#) at Cerrejón, which he said had "seriously damaged the environment and health of the country's largest Indigenous community."

In 2021, Glencore published ["Facts on Cerrejón,"](#) which stated – apparently without irony – that "Glencore is committed to acting as a responsible steward of its mining assets, taking account of their impact on human rights and environment."

The contradiction between Glencore's "Facts on Cerrejón" and the reality of Glencore's mines as documented by numerous global NGOs is not just stark, but almost ludicrous.



In 2022, Boyd presented a [report](#) to the UN General Assembly about “sacrifice zones” around the world, where he said pollution and toxic substances caused nine million premature deaths. The special rapporteur’s report on Cerrejón was damning:

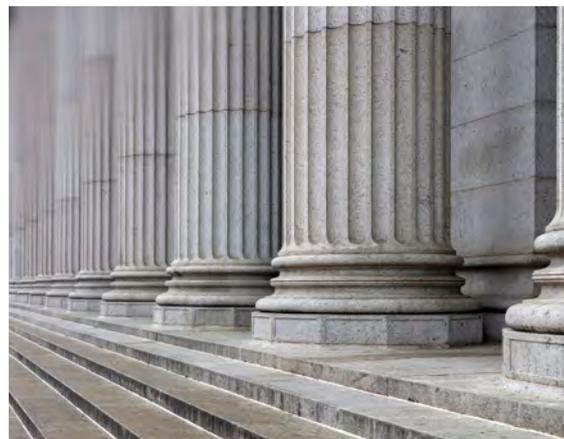
▶ **Colombia’s massive El Cerrejón open-pit coal mine has had devastating consequences for neighbouring Wayúú Indigenous communities. According to the Constitutional Court of Colombia, the mining operations have caused: emission of large volumes of hazardous air pollution (including fine particulate matter, nitrogen oxides, polycyclic aromatic hydrocarbons, sulphur, chromium, copper and zinc) in excess of Colombian standards and WHO guidelines; noise pollution exceeding Colombian standards; and damage, contamination and exhaustion of the local water supply. Residents near the mine suffer from high rates of respiratory illness and have elevated levels of toxic substances in their blood.¹⁶**

NGOs have also [documented](#) many occasions when the Cerrejón mine has failed to comply with orders from Colombia’s Supreme Court. A 2024 [investigation](#) by Ireland’s RTE noted that the Colombian Supreme Court has issued no fewer than 14 rulings against the mine, which exports thermal coal to several Western countries most notably Germany, Ireland, and Israel.

Rosa María Mateus Parra, a lawyer with the legal collective CAJAR in Colombia, [told RTE’s Luke Holland](#), “The coal that is arriving to Europe is coal that is stained in blood.”

A 2023 report by the London Mining Network and other NGOs [reported](#) that, “In the Philippines, Colombia and Peru, there are credible allegations that Glencore and its subsidiaries have funded violent repression of civil society members who oppose its mining projects.”

Glencore’s “business model continues to have severe consequences for the surrounding population and environment,” according to the [fact sheet](#).



Suing governments who protect their citizens

When governments impose environmental or human rights protections, Glencore frequently chooses to litigate for lost profits. Between 2016 and 2021, Glencore [filed](#) three investor-state dispute settlement (ISDS) cases against Colombia.

ISDS cases are a [controversial](#) mechanism of free trade agreements or investment treaties, designed to protect investors but not local peoples or the environment. In 2023, United Nations special rapporteur Boyd [warned](#) that ISDS cases have “catastrophic consequences” for the environment and human rights.

Glencore, however, continues to [wield ISDS](#) as a weapon to get what it wants. Activists are encouraging Colombia to “[withdraw from this unfair system of foreign investment protection](#).”¹⁷

Colombian President Gustavo Petro has been trying to [lead an energy transition](#) in his country. That would mean curbing production at Glencore’s Cerrejón mine, and Petro is [reportedly](#) seeking a “concerted exit” for Glencore from his country.

But as journalist Julian Mathews [reported](#) in January 2024, Glencore is using the extremely [opaque ISDS](#) process to protect its profits and thwart President Petro’s efforts to steer Colombia away from coal, and to phase out fossil fuels.

“The company should have hung its head in shame for all the destruction it has caused,” a Wayúú plaintiff in an earlier constitutional court ruling told Mathews.



Leading major global coal expansion

Actions are also what matters when it comes to phasing out coal and tackling the climate crisis.

Despite pledges Glencore made in its 2023 climate plan that it was “responsibly winding down” coal, in the same year it spent US \$1.3 billion on capital expenditures on coal. Glencore plans to spend US \$5 billion more to expand its coal operations over four years.¹⁸

Glencore doesn’t show signs of phasing out its coal mining any time soon. Ongoing investment suggests, rather, the reverse. The corporation **boasts** it is one of Australia’s largest exporters of coal, and it has plans to expand or extend the lives of multiple coal mines in Australia.

Even metallurgical coal is no longer a safe bet, thanks to accelerating technology change. Steelmakers are planning to switch from blast furnaces to alternative methods that don’t use coal. The government of Australia – the world’s largest exporter of metallurgical coal – forecasts that global trade in met coal is already in decline.

In 2023, the Australasian Centre for Corporate Responsibility (ACCR) analyzed Glencore’s own data and **found** its coal production predictions do not appear to align with the [Paris Agreement](#), the legally binding 2015 international treaty on climate change.

ACCR did a [critical analysis](#) of Glencore’s [2024-2026 Climate Action Transition Plan](#), and concluded the plan lacks transparency on forward looking thermal coal plans; uses an inflated baseline year creating an impression of emissions reduction; steps back from its [previous Climate Report](#); drops alignment with the critical IEA Net Zero Roadmap to keep the 1.5°C goal within reach; and fails to consider the emissions implications of the Teck acquisition.

[According to the International Energy Agency \(IAE\)](#), the use of thermal coal will be increasingly replaced by renewables and decline “further and faster” than metallurgical coal. However, in the IAE Net Zero Emissions scenario, both thermal and metallurgical coal will decline rapidly to 2030, as more technology solutions become available.

As Simon Nicholas from the Institute for Energy Economics and Financial Analysis recently wrote in the *Globe and Mail*, “even metallurgical coal is no longer a safe bet, thanks to accelerating technology change. Steelmakers are planning to switch from blast furnaces to alternative methods that don’t use coal. The government of Australia – the world’s largest exporter of metallurgical coal – forecasts that global trade in met coal is already in decline.”

As the ACCR noted, Glencore’s business trajectory for the Elk Valley coal mines, which produce metallurgical coal, is “still significantly higher than the Net Zero Emissions pathway for metallurgical coal.”¹⁹

In other words, Glencore’s takeover of Teck’s coal mines in Canada is very bad news for the climate.

Conclusion: Glencore needs to responsibly wind down coal, clean up its act



As this report has shown, there are many reasons Canadians should be very, very worried about the Glencore takeover of Teck's Elk Valley coal mines, and of this notorious corporation expanding its already significant footprint and influence in Canada.

Until Glencore makes a commitment to responsibly wind down its coal assets in line with the goals of the Paris Agreement, support a just transition for workers and communities, and clean up its mining practices in Canada and around the world. The British Columbia government should greatly increase the amount of Glencore's clean up bond; both the federal and B.C. governments should enforce pollution prevention regulations much more robustly; and Canadian investors, workers, and communities should be very wary.

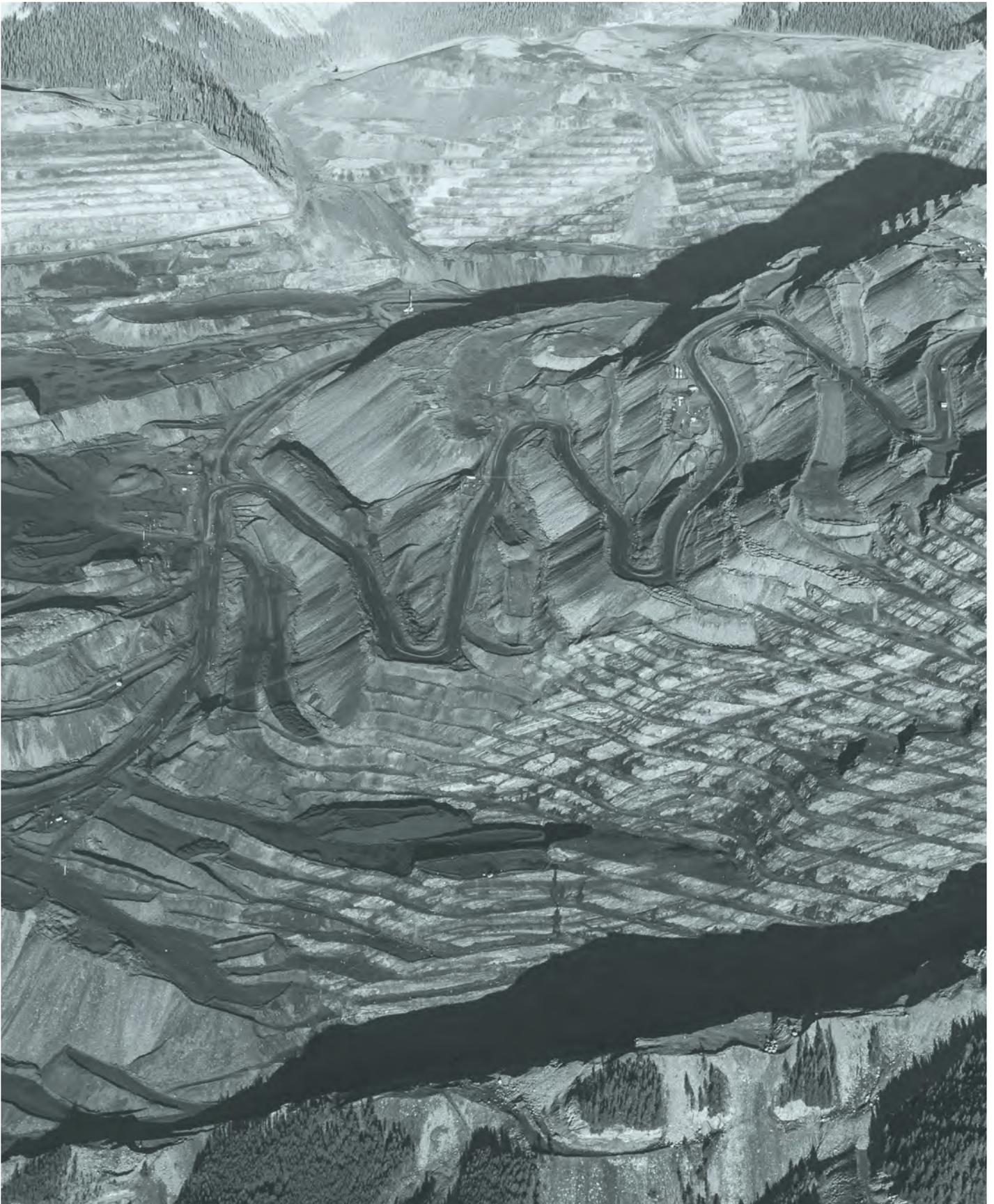
Approving Glencore's expansion runs counter to Canada's climate, human rights and environmental objectives and stated values. Glencore is a bad actor and this is a bad deal for Canada.

References

- 1 <https://www.business-humanrights.org/en/from-us/briefings/transition-minerals-tracker-2024-global-analysis/>
- 2 Glencore's efforts to obtain Teck assets in Canada began in March 2023, when it made an unsolicited offer to merge with the whole of Teck Resources on a stock-only basis. Teck rejected that offer on April 3, 2023. Glencore made a revised offer on April 11, 2023. At a later undisclosed date, Glencore [made an offer](#) to acquire only Teck's metallurgical coal operations (Elk Valley Resources) for cash. Teck then [announced](#) the sale on November 13, 2023.

In response to Glencore's initial offers to acquire all of Teck, in April 2023, Prime Minister Justin Trudeau [told Bloomberg](#) the deal would have to go through a "rigorous process" to gain government approval. The Conservative Party issued a [statement](#) calling for Glencore's "hostile takeover" of Teck to be blocked, saying: "A Poilievre government would ...stop this hostile foreign takeover and take into account Glencore's previous unethical behaviour." In June 2023, British Columbia Premier David Eby also [said](#) he was anxious "about a company with a corporate record like Glencore buying major assets in British Columbia, particularly in the Elk Valley."

However, since the deal was confirmed, it seems earlier political opposition to a Glencore takeover and concerns about its corporate record have somehow been assuaged, or at least muted. We could find no evidence that any of these politicians have repeated concerns about Glencore's poor corporate record.
- 3 Global Energy Monitor's Global Coal Plant Tracker database <https://globalenergymonitor.org/projects/global-coal-plant-tracker/>
- 4 Glencore plc, "Annual Report 2023," Mar. 2024.
- 5 In addition to greenhouse gas emissions, burning coal releases many airborne toxins and pollutants, including "[mercury, lead, sulphur dioxide, nitrogen oxides, particulates and various other heavy metals.](#)" Its health impacts include asthma, brain damage, heart problems, cancer, neurological disorders, and premature death.
- 6 InfluenceMap also [rated](#) Glencore as "oppositional" to the Australian government's efforts to strengthen the country's [Safeguard Mechanism](#), Australia's flagship greenhouse gas emissions policy for its largest industrial facilities.
- 7 In October 2022, the *Coalition Québec meilleure mine* (Coalition for better mining in Quebec), comprising more than 30 organizations and representing more than a quarter of a million people, together with MiningWatch Canada, [submitted a list of demands](#) to the Quebec government. Those included bringing the smelter in line with provincial standards for air, water and soil contamination, reducing arsenic emissions to safe levels and more transparency from tests of the smelter's pollution. The Coalition and MiningWatch Canada [noted](#) that a recent survey found 81% of Québécois wanted the provincial government to hold Glencore's smelter to the same safety standards for arsenic and other metals in force elsewhere in Quebec, and that 83% wanted the government to employ the "polluter pay" principle for the Glencore smelter.
- 8 Blas, Javier and Farchy, Jack. 2021. *The world for sale: Money, power, and the traders who barter the earth's resources*. New York, NY: Oxford University Press. pp 19-20
- 9 Ibid. p 45
- 10 Ibid. p 19
- 11 Ibid. p 20
- 12 Ibid. p 132
- 13 Ivan Glasenberg joined Glencore in 1984 and became part of "[the inner circle](#)" (dubbed the "Rich Boys") in Rich's company, and a key figure in its secretive commodities trading. Glasenberg stayed on long after Rich left Glencore, becoming CEO in 2002 and its largest shareholder in 2012. He [stepped down as CEO](#) in 2021, but is still [Glencore's largest shareholder](#) and a long-time "fan" of coal.
- 14 Blas, Javier and Farchy, Jack. 2021. p 20
- 15 H. A. Arregocés, R. Rojano, L. Angulo, and G. Restrepo. (2018). 'Intake Fraction of PM from Coal Mine Emissions in the North of Colombia.' *Journal of Environmental and Public Health*, Article 8532463 <https://doi.org/10.1155/2018/8532463>.
- 16 For the footnotes in the original document from which this passage is sourced, see [Annex 1 to the United Nations Special Rapporteur report](#), March 2, 2022, "Additional sacrifice zones: Supplementary information to the report of special rapporteur, David R. Boyd, on the issue of human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment."
- 17 In March 2023, more than 220 organizations [called on the Colombian government](#) "to withdraw from international investment treaties that enable transnational companies to sue the country in tribunals designed to favor their interests."
- 18 <https://www.glencore.com/.rest/api/v1/documents/static/bcd27c43-43cf-4592-8557-83597fd5bf35/20240221+GLEN+2023+Preliminary+Results+presentation.pdf>
- 19 <https://www.theglobeandmail.com/business/commentary/article-when-glencore-spins-off-tecks-dirty-coal-it-also-spins-off-the-cleanup/>



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