



COAL HYPOCRISY

*EUROPEAN BANKS' DOUBLE
STANDARD ON THERMAL AND
METALLURGICAL COAL IN AUSTRALIA*



BANKTRACK



October 2026

Metallurgical (“met”) coal is coal. When burned, met coal releases CO₂ just like thermal coal.¹ When mined, it leaks methane, and typically much more than thermal coal.² It scars and contaminates the same landscapes, damages the same rivers and reefs, harms the health and well-being of the same communities, and is often produced from the same mines.³ The only key difference is that met coal is used to make steel in blast furnaces, mainly as “coking coal,” while thermal coal is burned for electricity.

Yet, while most major banks now restrict finance for thermal coal, met coal remains a blind spot in the climate policies of financial institutions.⁴ Of the 97 major banks assessed in Reclaim Finance’s Coal Policy Tracker, only 12 exclude finance for met coal in some way.⁵ The distinction banks draw is commercial, not physical. There is no basis in the chemistry or physics of coal for treating met coal as a lesser climate or health risk than its thermal sibling.⁶

This double standard leads banks into untenable positions. A bank can finance a met coal mine near a thermal coal project it has publicly ruled out, treating it as though it were a different fuel. The Galilee and Bowen coal basins in Queensland, Australia, offer the clearest illustration of this contradiction.

A decade ago, the financial world drew a line in Queensland. More than 70 financial institutions — including more than 20 major banks — publicly refused to support some or all proposed thermal coal mines in the Galilee Basin and their associated port and railway infrastructure, because of the explicit damage they would cause to the climate, the Great Barrier Reef and Indigenous rights.⁷ Banks from Europe, the United States, Australia and Asia — including even the Bank of China — came together to shut the door on a new coal frontier.⁸ Deprived of external finance, Adani, the Indian conglomerate behind the project, was left to self-fund the heavily downsized Carmichael Mine,⁹ and no other Galilee project has proceeded since.¹⁰

Those refusals were the starting point for hundreds of policies from global financial institutions restricting their support for thermal coal. **Yet, just 150 kilometers away in the Bowen Basin — the world’s largest met coal export hub¹¹ — the same banks are financing companies developing another kind of coal with the same — and worse — impacts for the climate, the Great Barrier Reef and Traditional Owners.**¹² The only significant difference is that this coal is labelled “metallurgical” coal.

European banks are financing the companies driving this expansion. Between 2021 and 2025, international banks channelled US\$105.9 billion to companies planning met coal expansion in the Bowen Basin.¹³ Nineteen European banks provided more than a quarter of the total — US\$30.3 billion — even though many of them have Galilee commitments.¹⁴ Crédit Agricole (US\$4.5 billion) and Barclays (US\$3.4 billion) are the biggest financiers, followed by Santander (US\$3.1 billion), Deutsche Bank (US\$3.0 billion), UBS (US\$2.9 billion) and BNP Paribas (US\$2.5 billion). The leading roles played by Crédit Agricole and BNP Paribas in financing companies planning met coal mining expansion in the Bowen Basin are particularly striking given their early and emphatic refusal to finance similar projects in the Galilee Basin. Indeed, BNP Paribas (US\$1.3 billion) is BHP’s largest European financier: the BMA (BHP Mitsubishi Alliance)¹⁵ is Queensland’s largest met coal miner and the developer of the Peak Downs Continuation project, which plans to mine met coal until 2116. Glencore is the company most heavily financed by European banks overall, with UBS (US\$2.1 billion), Deutsche Bank (US\$1.6 billion) and Barclays (US\$1.5 billion) as its top financiers.

These 19 European banks restrict project finance for thermal coal mines, and 12 explicitly restrict, to some degree, their financing of companies developing thermal coal mines. Seven of the 19 restrict finance to met coal projects, but not one restricts finance to the companies developing them. **These banks apply a stricter standard to thermal coal than to met coal, even though met coal emits more CO₂ when burned¹⁶ and leaks more methane when mined.**

Swapping the Galilee carbon bomb for the Bowen carbon bomb. Australia supplies 42% of global met coal exports,¹⁷ the great majority from the Bowen Basin. In 2023-2024, the basin produced around 209 million tonnes of coal, mostly met coal,¹⁸ and plans are in place to expand basin met coal mining capacity further by more than 97 million tonnes per year.¹⁹

If all planned Bowen expansions proceed, emissions from the basin's coal would reach roughly 800 million tonnes of CO₂ per year.²⁰ This exceeds the estimated 705 million tonnes of CO₂ per year that made the Galilee Basin unbankable in the eyes of scores of financial institutions.²¹ It far exceeds Australia's total domestic emissions of 387 million tonnes of CO₂ from energy and industry in 2024.²² It is also more than the energy and industry emissions of Germany in 2024,²³ the European Union's largest emitter, and several times the fossil fuel emissions of France that same year.²⁴

These striking CO₂ numbers understate the basin's climate footprint, because they leave out its huge methane emissions. Satellite measurements attributed 1.6 million tonnes of methane to the Bowen Basin alone over 2019-2020²⁵ — almost double what Australia reports for coal mine methane leaks across the entire country.²⁶ This is equivalent to 134 million tonnes of CO₂-equivalent per year, counting the atmospheric impact of methane over a 20-year period.²⁷

Ecosystem and social impacts. Bowen and Galilee mines drain into the Fitzroy and Burdekin River catchments, both of which flow into the Great Barrier Reef lagoon. This puts a UNESCO World Heritage Area and the world's largest coral reef system at risk through pollution, sedimentation, flow alteration and other impacts.²⁸ The coal is shipped out through terminals inside or adjacent to the reef, bringing the risk of impacts from port-dredging and ships grounding on coral.²⁹ Mine-water discharge is seriously under-monitored,³⁰ and unauthorized releases have continued for years.³¹ On land, proposed mine lease areas cover 123,000 hectares, including 42,500 hectares of potential koala habitat,³² and the mines would also destroy habitat for endangered marsupial gliders.³³

The Bowen mines sit on Barada Barna, Widi, Iman and Gaangalu country. They are subject to the same Queensland framework for consent and cultural heritage protections, which was shown to be inadequate by Traditional Owners in the Galilee Basin.³⁴

Workers and the surrounding communities also face health impacts, including elevated hospitalization risks for respiratory and circulatory disease.³⁵

Expanding met coal mining is incompatible with a climate-aligned steel transition and creates long-term demand risks. The International Energy Agency (IEA) expects global met coal demand to decline by 5% between 2025 and 2030 even in the absence of any new steel decarbonization policies.³⁶ The IEA's assessment of the impact of existing government climate pledges forecasts a 56% drop in coking coal usage by 2050.³⁷ A report by German think tanks Agora Industry and the Wuppertal Institute shows that, with appropriate policies, coal can be completely phased out from steelmaking by the early 2040s.³⁸

The Bowen Basin is a carbon bomb that can still be avoided. Several flagship Bowen mine projects have yet to take a final investment decision (FID), so a refusal by a critical mass of banks to support the companies developing these mines could force these companies to reevaluate their plans.

Reclaim Finance is calling on financial institutions to close the met coal loophole:

- Extend the logic of the Galilee Basin commitments to the Bowen Basin — and to met coal in general.
- Exclude met coal expansion at both project and corporate finance levels.

[Executive summary — read the full report](#)



2010

A subsidiary of the Indian conglomerate Adani Group acquired exploration rights for the huge Carmichael thermal coal deposit in the north Galilee Basin. The flagship projects proposed in the basin were Carmichael and GVK-Hancock's Alpha mine and their associated rail lines and the expansion of a coal export terminal at Abbot Point.

2012

TO PRESENT

Resistance from the Wangan and Jagalingou Traditional Owners and the grassroots #StopAdani movement grew into an international campaign against the Carmichael project.

A parallel effort in France targeted Société Générale, a key supporter of the Alpha Coal project. This campaign broadened to other French banks, which were among the top 10 global banks financing coal in Australia, highlighting the critical role of the financial sector in enabling the expansion of Australian coal.

2014

Société Générale forced to withdraw from Alpha Coal, dealing a key blow to the project.

2015

Société Générale, Crédit Agricole and BNP Paribas ruled out financing for new coal mines anywhere in the Galilee Basin and for other related infrastructure projects, such as railways and export terminals.

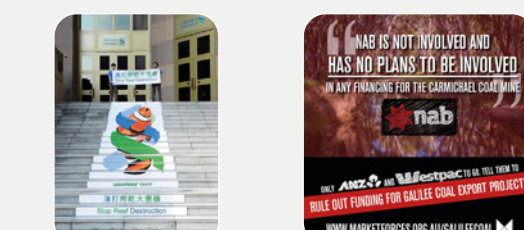
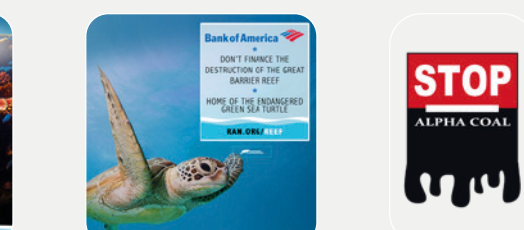
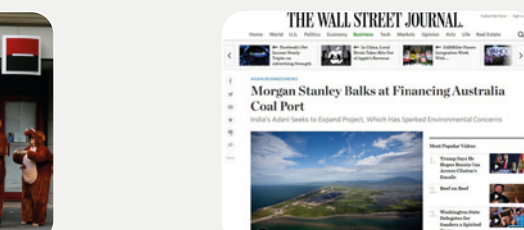
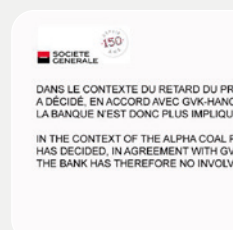
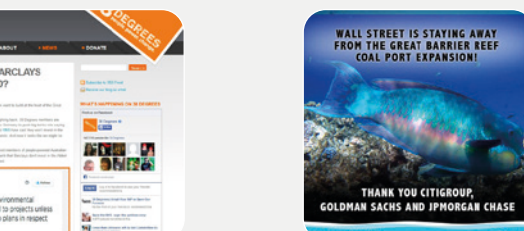
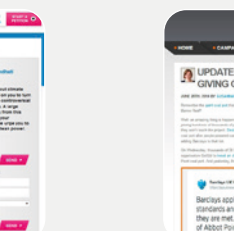
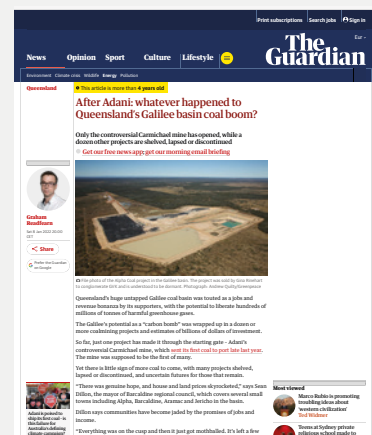


2015

2021

More than 70 banks, insurers and other financial institutions — including Chinese state lenders ICBC, China Construction Bank and Bank of China — publicly declined to fund some or all of the mines and related infrastructure in the basin. As of 2026, the Alpha Coal project remains dormant.

Unable to raise external finance, Adani self-funded a much smaller project producing roughly 10 million tonnes a year — just one-sixth of the originally planned capacity. The first coal was mined in mid-2021. No other mines have moved forward in the basin.



THE GALILEE PRECEDENT

TWO COAL BASINS, ONE DOUBLE STANDARD

**BANKS REFUSED TO FINANCE THE GALILEE BASIN.
NOW THEY FINANCE THE COMPANIES
DIGGING UP THE BOWEN.**

Climate

CO₂ The Bowen Basin emits 542 MtCO₂/year now and this would increase to 800 MtCO₂/year if planned expansion goes ahead, with a further +13 GtCO₂ in reserves. The Galilee Basin projects would have emitted up to 705 MtCO₂/year if fully developed.

Methane

CH₄ The Bowen Basin is even more methane-intensive than the proposed Galilee Basin mines, with 1.6 Mt methane (~134 MtCO₂e/yr using a 20-year warming metric) measured over 2019-2020, and systematic under-reporting from mining companies.

Local environment

Local environment Bowen Basin plans rely on controversial biodiversity offsets, will lead to koala and greater glider habitat loss, with deep acid/saline open pit lakes post-mining. Galilee Basin plans threatened the Bimblebox nature refuge and Great Artesian Basin.

Indigenous rights

Indigenous rights The Wangan and Jagalingou people have opposed Galilee Basin projects for over a decade. In the Bowen Basin, Native Title agreements exist but there are concerns about inadequate Cultural Heritage Management Plans and limited Traditional Owner control.

Great Barrier Reef

Port expansion and increased coal shipments will threaten Australia's Great Barrier Reef, with plans to expand two ports (Hay Point and Abbot Point), and mine water draining from the Fitzroy catchment into the reef lagoon. Plans to expand Abbot Point for the Galilee expansion were considered too risky by banks.

1 — Hail Creek Eastern Margin Extension

GLENCORE

Developer: Glencore
Capacity: Extension adds ~24 Mt ROM of coal
Horizon: +3 years
Status: Federal approval pending; no FID; under-reported methane flagged

2 — Moranbah South

EXXARO **AngloAmerican**

Developer: Anglo American / Exxaro (being sold to Stanmore)
Capacity: 18 Mtpa ROM
Horizon: 30+ years
Status: Pre-feasibility; no approval; no FID

3 — Winchester South

Whitehaven

Developer: Whitehaven Coal
Capacity: 17 Mtpa ROM
Horizon: 30 years
Status: Draft EA issued 2024; ACF / Mackay Conservation Group challenge ongoing; federal clearance pending; no FID

4 — Peak Downs Continuation

BHP **mitsubishi**

Developer: BMA (BHP 50% / Mitsubishi 50%)
Capacity: 20 Mtpa ROM; 1.26 Gt total
Horizon: Until 2116 (93 years)
Status: Withdrawn from EIS process; no approval, no FID

5 — Blackwater South

Whitehaven

Developer: Whitehaven Coal
Capacity: 10 Mtpa ROM
Horizon: ~90 years
Status: EIS underway; no federal approval, no FID

GALILEE BASIN THERMAL COAL

CO₂ **705**
MtCO₂/year

BOWEN BASIN METALLURGICAL COAL

CO₂ **800**
MtCO₂/year

CH₄ **134**
MtCO₂e/year

- Galilee Basin (thermal coal)
- Bowen Basin (metallurgical coal)
- Great Barrier Reef World Heritage Area
- Port or city/town
- Railway
- River and Lake

0 50 100
kms

N

Table 1: The same banks, the same substance, two sets of rules

Bank	Thermal coal mining		Metallurgical coal mining	
	Projects	Developers	Projects	Developers
Crédit Agricole	Restricted	Restricted	Restricted	No restriction
Barclays	Restricted	Partial	No restriction	No restriction
Santander	Restricted	No restriction	No restriction	No restriction
Deutsche Bank	Restricted	No restriction	No restriction	No restriction
UBS	Restricted	No restriction	No restriction	No restriction
BNP Paribas	Restricted	Restricted	Restricted	No restriction
Commerzbank	Restricted	Partial	No restriction	No restriction
Standard Chartered	Restricted	Partial	No restriction	No restriction
BBVA	Restricted	No restriction	No restriction	No restriction
ING	Restricted	No restriction	Restricted	No restriction
HSBC	Restricted	Partial	Partial	No restriction
Société Générale	Restricted	Restricted	Restricted	No restriction
UniCredit	Restricted	Restricted	No restriction	No restriction
NatWest	Restricted	Partial	Partial	No restriction
Rabobank	Restricted	No restriction	No restriction	No restriction
BPCE - Natixis	Restricted	Restricted	No restriction	No restriction
CaixaBank	Restricted	Restricted	Partial	No restriction
DZ Bank	Restricted	No restriction	No restriction	No restriction
Intesa Sanpaolo	Restricted	Partial	No restriction	No restriction

Assessments from Reclaim Finance's Coal Policy Tracker, accessed July 2026 using the following colour coding:

No restriction	Score 0 for thermal coal/No exclusion for met coal
Partial	Score 1-4 for thermal coal/Weak exclusion for met coal
Restricted	Score 5-10 for thermal coal/Moderate or Robust exclusion for met coal

Key:

Projects	Covers dedicated project finance
Developers	Covers general corporate financing of companies developing new mines
Partial	Indicates restrictions limited in scope, for example applying only to some developers or only to new clients.

Only the exclusion of developers was considered for the column on met coal developers.

Table 2: Financing of companies planning met coal expansion in the Bowen Basin by European banks

Bank	Financing to Bowen developers 2021–2025 (US\$ million)
Crédit Agricole	4,477
Barclays	3,427
Santander	3,091
Deutsche Bank	2,957
UBS	2,858
BNP Paribas	2,464
Commerzbank	2,031
Standard Chartered	1,966
BBVA	1,426
ING	1,360
HSBC	1,342
Société Générale	933
UniCredit	800
NatWest	566
Rabobank	186
BPCE - Natixis	186
CaixaBank	86
DZ Bank	86
Intesa Sanpaolo	86
Total	30,329

Financing: Loans and bond and share underwriting to MCEL 2026-listed companies planning met coal expansion in the Bowen Basin, 01/01/2021–31/12/2025, at the corporate level, unadjusted; data analyzed by Reclaim Finance, based on Banking on Climate Chaos 2026. The figures above do not describe current bank exposure. UniCredit has informed Reclaim Finance that it has no current lending relationship with the companies or the project referenced, and that a review of its coal policy framework – which may extend to metallurgical coal – is under way and expected to conclude in the second half of 2026.

BOX 3: EUROPEAN BANKS WITH GALILEE COMMITMENTS THAT CAN STILL PROVIDE BOWEN FINANCE

“BNP Paribas do not intend to be involved in the financing of the development of coal mines projects in the Galilee Basin in Australia, nor of related dedicated infrastructure projects”



“Société Générale is not currently involved, and does not plan to be involved in the coal mine and infrastructure projects associated with the Galilee Basin in Australia”



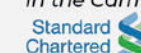
“Due to the number and magnitude of issues linked to the planned coal development projects in the Galilee Basin, Crédit Agricole SA does not intend to finance these projects or their associated facilities”



“[HSBC] is extraordinarily unlikely to go anywhere near [Abbot Point]”



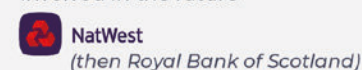
“Both parties [Standard Chartered and Adani] have agreed to end the bank's role in the Carmichael project”



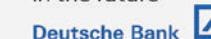
“Barclays has no plans to participate in financing the Abbot Point development or its associated mine/rail infrastructure”



“RBS is not involved in the Abbot Point expansion project and has no plans to be involved in the future”



“We are currently not involved with this project and will also not be involved with it in the future⁶⁶”



1. Met coal has the properties of low ash, low sulfur and specific fluidity/coking characteristics that make it suitable to be used in making coke for steelmaking. There are different qualities of met coal: hard coking coal (HCC), semi-soft coking coal (SSCC) and pulverized coal injection coal (PCI). PCI is technically metallurgical coal but not coking coal in the strict sense, as it is injected directly into the blast furnace rather than converted to coke first. In everyday market commentary, however, "coking coal" and "met coal" are used interchangeably. Some companies even use the term "steelmaking coal."
2. Wood Mackenzie, [Putting coal mine emissions under the microscope](#), 29 April 2021; Kayrros, [Methane Emissions from Australia's Bowen Basin](#), July 2021; P. Sadavarte et al., [Methane Emissions from Superemitting Coal Mines in Australia Quantified Using TROPOMI Satellite Observations](#), Environmental Science & Technology, November 2021
3. SteelWatch, [Met coal, what it is and why it is a climate risk](#), SteelWatch Explainer Series, April 2025
4. Reclaim Finance, [Coal Policy Tracker](#), accessed July 2026
5. Reclaim Finance, [Coal Policy Tracker](#), accessed July 2026
6. See e.g. SteelWatch, [Met coal, what it is and why it is a climate risk](#), SteelWatch Explainer Series, April 2025; J. Cortes-Ramirez et al., [The hospitalisation risk of chronic circulatory and respiratory diseases associated with coal mining in the general population in Queensland, Australia](#), Science of The Total Environment 949, November 2024.
7. Market Forces, [The Adani List](#), accessed July 2026. Only specific statements were considered, not general sector policies.
8. All statements on public record (2015–2017); Market Forces, [The Adani List](#), accessed July 2026.
9. Adani Mining (now Bravus Mining & Resources), [Adani ready to commence works](#), media release, 29 November 2018
10. The Guardian, [After Adani: whatever happened to Queensland's Galilee basin coal boom?](#), 8 January 2022
11. IEA, [Coal 2025](#), December 2025
12. A Traditional Owner refers to an Aboriginal or Torres Strait Islander individual or group who holds rights, interests, or spiritual responsibilities regarding a specific area of land or water based on traditional laws and customs.
13. Data analyzed by Reclaim Finance, based on [Banking on Climate Chaos 2026](#), scope as per methodology.
14. Data analyzed by Reclaim Finance, based on [Banking on Climate Chaos 2026](#). Scope: loans and capital markets activities, 1 January 2021–31 December 2025, to companies planning met coal expansion in the Bowen Basin and listed on Urgewald's Metallurgical Coal Exit List 2026.
15. Formed in 2001, the BMA is BHP's 50:50 joint venture with Mitsubishi Development.
16. 2.67 tCO₂ per tonne of coking coal versus 2.44 tCO₂ per tonne of other bituminous (thermal) coal – around 9% more. Derived from IPCC, [2006 IPCC Guidelines for National Greenhouse Gas Inventories](#), Volume 2, Chapter 1, Tables 1.2 and 1.4, 2006.
17. IEA, [Coal 2025](#), December 2025
18. Queensland Government Statistician's Office, [Bowen Basin population report 2024](#), p.2, 2024
19. Urgewald, [Metallurgical Coal Exit List 2026](#), January 2026
20. Reclaim Finance calculation. Current production: 137 million tonnes (Mt) of metallurgical coal × 2.67 tCO₂/t = 366 MtCO₂, plus 72 million tonnes of thermal coal × 2.44 tCO₂/t = 176 MtCO₂, i.e. 542 MtCO₂ per year. Planned expansion: 97 million tonnes per year of additional metallurgical coal capacity in the Bowen Basin × 2.67 tCO₂/t = 259 MtCO₂. Total: 800 MtCO₂ per year at full expansion, covering combustion emissions only and excluding methane released during mining. Emission factors: IPCC, [2006 IPCC Guidelines for National Greenhouse Gas Inventories](#), Volume 2, Chapter 1, Tables 1.2 and 1.4, 2006 (coking coal: 94,600 kgCO₂/TJ × 28.2 TJ/Gg; other bituminous coal: 94,600 kgCO₂/TJ × 25.8 TJ/Gg). Expansion capacity: Urgewald, [Metallurgical Coal Exit List 2026](#), January 2026.
21. Greenpeace, [Cooking the Climate and Wrecking the Reef](#), 2012
22. Our World in Data, [Australia Country Profile](#), accessed August 2026
23. Our World in Data, [Germany Country Profile](#), accessed August 2026
24. Our World in Data, [France Country Profile](#), accessed August 2026
25. Kayrros, [Methane Emissions from Australia's Bowen Basin](#), July 2021
26. Ember, [Tackling Australia's Coal Mine Methane Problem](#), June 2022
27. Kayrros, [Methane Emissions from Australia's Bowen Basin](#), July 2021

28. UNESCO World Heritage Convention, Great Barrier Reef, World Heritage List, accessed July 2026
29. Australian Marine Conservation Society (AMCS), Dredging and Shipping Near Our Reef, accessed August 2026. The coal carrier MV Shen Neng 1 ran aground on Douglas Shoal in 2010, leaving a scar of some 400,000 square meters, the largest ever recorded on the reef. See Australian Transport Safety Bureau (ATSB), Grounding of the bulk carrier Shen Neng 1 at Douglas Shoal, Queensland, Marine Occurrence Investigation No. 274, MO-2010-003, 3 April 2010.
30. Queensland Government, Reef 2050 Catchment Water Quality Strategy, accessed July 2026
31. ABC, Documents reveal unauthorised sediment releases at Blackwater Coal Mine, 14 September 2025
32. M.S.R. Akther et al., Mapping Koala Habitat Disturbance in the Bowen Basin Queensland; A Project Report for Lock the Gate Alliance Ltd and Environmental Advocacy – Central Queensland, Koala Research CQ – CQUniversity, Rockhampton, 2024
33. Queensland Conservation Council, Confirmation of endangered greater gliders at controversial Gemini coal mine, October 2025
34. See e.g. C. O’Faircheallaigh, Negotiating Cultural Heritage? Aboriginal-Mining Company Agreements in Australia, Development and Change 39, January 2008; C. O’Faircheallaigh, Explaining outcomes from negotiated agreements in Australia and Canada, Resources Policy 70, March 2021; SBS NITV, ‘I feel helpless’: Qld govt rejects bid to stop mine on heritage site, 7 December 2021.
35. J. Cortes-Ramirez et al., Mapping the Morbidity Risk Associated with Coal Mining in Queensland, Australia, International Journal of Environmental Research and Public Health 19, January 2022; J. Cortes-Ramirez et al., The hospitalisation risk of chronic circulatory and respiratory diseases associated with coal mining in the general population in Queensland, Australia, Science of The Total Environment 949, November 2024
36. The IEA states that the reasons for this decline are “structural changes in steelmaking and slower growth in industrial activity” (IEA, Coal 2025, p.18, December 2025).
37. Ember, Why the steel industry needs to tackle coal mine methane, January 2023
38. Agora Industry & Wuppertal Institute, 15 Insights on the Global Steel Transformation, June 2023

CREDITS

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Reclaim Finance is an NGO affiliated with Friends of the Earth France. It was founded in 2020 and is 100% dedicated to issues linking finance with social and climate justice. In the context of the climate emergency and biodiversity losses, one of Reclaim Finance’s priorities is to accelerate the decarbonization of financial flows. Reclaim Finance exposes the climate impacts of financial players, denounces the most harmful practices and puts its expertise at the service of public authorities and financial stakeholders who desire to bend existing practices to ecological imperatives.

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