Harnessing Australia’s Mining Potential

Why in news?

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Australia can supply India cleaner thermal coal, as well as equipment and technology for India’s mining sector.

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What is Australia’s mining potential?

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- Australia has the world’s largest economically proven deposits of iron ore, gold, nickel, and uranium, and is in the world’s top five for coal, copper, tin and lithium.
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- Australia has shown that its mining sector is world leading, It has the infrastructure, the transport and logistics, the technology and the skills to consistently deliver and grow.
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- Australia may not produce much steel, but a huge fraction of the world’s steel is elementally Australian.
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What are challenges for India in addressing energy demand?

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- India has more than enough thermal coal reserves to meet its own needs. But it struggles to do so.
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- In 2018 the nation imports over 160 million tonnes, despite the government’s goal of self-sufficiency.
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- From next year India is also set to become a net importer of iron ore as its demand for steel is about to escalate and will outstrip growth in domestic

supply of iron ore.
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- On any plausible scenario of India’s future energy demand and mix, thermal coal consumption will increase considerably.
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How India can harness the coal reserves from Australia?

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- Australia is already the major supplier of coking coal to India, the nation’s plentiful material resources to supply can underpin the Make in India strategy.
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- Australia can provide coal, gas and uranium, as well as its expertise in deploying renewable energy.
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- Australian thermal coal has higher energy content than domestic coal in India and imported coal from Indonesia and South Africa, that means less pollution for any given amount of energy generated,
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- India needs to dramatically improve its mine efficiency, health and safety performance and environmental management, all areas in which Australian companies have deep expertise.
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- Australian universities and researchers are a leading source of Australia’s comparative advantage in mining.
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- They can work with Indian mining companies to train their workforces and deepen their skills and solve applied problems.
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Source: Business Line

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