



## Media Release

### Engagement on Renewable Energy Zones is not social license

In its submission to Powerlink's consultations on Renewable Energy Zones (REZs), the Australian Sugar Milling Council has cautioned Powerlink and the Queensland Government that community engagement is a necessary but not sufficient exercise in securing the renewables sector's social license.

With concerns around maintaining land under cane, greater respect for what constitutes good quality agricultural land is a must if the sugar industry is to avoid REZs displacing thousands of good paying sugar industry jobs in regional Queensland communities.

"Renewable Energy Zones have been earmarked across most of Queensland's cane growing regions, and we have real concerns how these zones will interact with the operations and viability of the sugar industry – an industry that contributes \$4 billion p.a. and 20,000 jobs to the Queensland economy", said The Council's CEO, Mr Ash Salardini.

Sugarcane is highly perishable and needs to be processed within 10-15 hours of being harvested. As such, the potential for losing good quality land under cane within 50km of a mill puts the geographical basis for sugar industry viability into question.

"We are not suggesting that renewable projects will replace all land under cane, however, even losing small percentages of land close to sugar mills can severely jeopardise the viability and existence of sugar milling."

"Sugar milling is a low margin, capital intensive process requiring high throughput - incremental losses of cane supply can be the difference between a good year or making substantial losses. We only have to look to the closure of the Mossman Mill to see the precarious nature of sugar production."

The sugar milling sector is not opposed to progress or renewable energy projects, but seek that the development of this nascent industry coexists with established industries not displace them. At the heart of ensuring this coexistence, is the recognition and respect for what constitutes good quality agricultural land.

"We have seen planning approvals for solar farms not only on highly productive land under cane, but ones that have millions of dollars of infrastructure located around them, including dedicated cane railways and irrigation infrastructure. With one ill-conceived planning approval, millions of dollars of investments within the sugar supply chain can be compromised."

"Just as renewable projects demand to be close to transmission lines and substations, it is important for cane to be collocated with cane rail and water infrastructure. To put this into context, the replacement value of the industry's cane rail network alone is over \$2 billion."

The Council seeks that the Queensland Government strengthens the definition (and protection) of good quality agricultural land within planning provisions to not only recognise the quality of the soil, but the value of the associated infrastructure that services the land.

"If a planning decision requires a solar project to be a few kilometers further from a substation if it preserves the utilisation of essential agricultural infrastructure so be it. Our sector shouldn't have to subsidise the viability of renewable projects."



“The sugar manufacturing sector believes the renewables sector and sugar production can coexist. Far from opposing renewables, sugar mills provide more than 450mw of installed renewable electricity cogeneration capacity and with the right government settings can provide over 1000mw of capacity – enough to power 950,000 Queensland homes.”

For further information please contact:

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***About the Australian Sugar Milling Council:*** *The Australian Sugar Milling Council is the peak industry body for the Australian sugar milling sector – contributing \$4 billion annually to the Australian economy and supporting more than 20,000 jobs. Our mission is to be the influential voice for positive change in the Australian sugar industry through leadership, advocating for the implementation of sensible public policy, and engendering productive government and industry collaboration. The ASMC works with its members, industry stakeholders, other industry representatives and government to develop and promote policies that enhance the sustainability, viability and economic contribution of the sugar industry in Australia.*