

Case Study: Comalco's Local Achievement

Comalco Alumina Refinery is a significant example of how local content can become a driving force for a major project providing long term benefits for the local community.

Generating long term benefits for the Gladstone region has been a crucial factor for the project. Local industry opportunities, employment and community involvement have been on the project agenda since the early planning stage.

The refinery situated in Yarwun 10 km north-west of Gladstone, has strengthened Comalco's commitment to Gladstone and Queensland. The project team has worked closely with ICN Queensland to utilize industry opportunities for Australian and Queensland companies. The project has implemented both a Local Industry Participation Plan and an Australian Industry Participation Plan for the refinery. ICN has assisted the project management team in reviewing bid lists to find the most capable and cost effective suppliers from local industry. An ICN representative worked with the project team evaluating suppliers' capabilities and providing advice as to how suppliers could meet the requirements of the project.

Comalco's commitment to work with local industry since the commencement of the project has certainly paid off. More than \$1 billion worth of contracts have been secured with Australian and Queensland companies reaching 87 percent local content. It is expected that the project will generate approx \$1.3 billion worth of contracts at the completion of the alumina refinery.

Comalco's commitment to local industry includes the supplies of 16,000 tonnes structural steel. This package was bid on globally with the lowest procurement price coming from Asia. Despite value-added cost of logistics and import taxes using the Asian supplier, the project team decided to go local and show their support for the Australian steel industry.

When completed the refinery is expected to produce 1.4 million tonnes of alumina per year. About 400 new jobs are expected to be generated from this new refinery in Gladstone.

