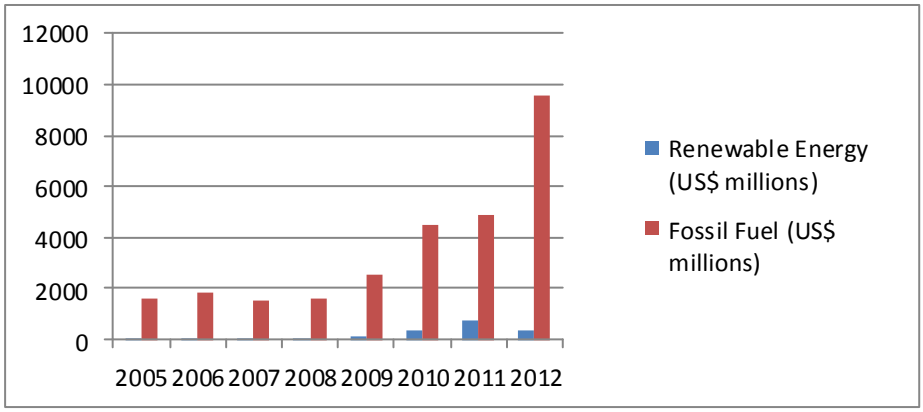
FACT SHEET: U.S. Export-Import Bank's Fossil Fuel and Renewable Energy Financing

The U.S. Export-Import Bank (Ex-Im Bank), a federal U.S. agency that promotes American exports abroad, is among the world's largest sources of public financing for fossil fuel projects located outside the U.S.—even exceeding fossil fuel financing provided by the World Bank.

The following graph charts the U.S. Import-Export Bank's self-reported levels of financing for fossil fuel and renewable energy projects approved between fiscal year 2005 and fiscal year 2012.



As the graph shows, Ex-Im Bank fossil fuel financing reached a new peak of $9.6 billion in the 2012 fiscal year—almost *double* the 2011 level, which itself was a record year. Meanwhile, Oil Change International reveals that these figures actually ignore additional Ex-Im Bank fossil fuel financing (including coal mines excluded from Ex-Im Bank's fossil fuel data). For 2012, Ex-Im Bank's total fossil fuel financing is conservatively estimated at $10.451 billion—nearly $1 billion more than Ex-Im Bank reported.

At the same time, Ex-Im Bank's renewable energy financing fell by more than half, from an already paltry $721 million to $355 million in its fiscal year 2011.

Recent examples of Ex-Im Bank fossil fuel financing include $4.75 billion for the Australia Pacific and Queensland Curtis liquid natural gas (LNG) projects. These projects will include fracking of coal beds, 16,000 gas wells, and hundreds of miles of pipelines that will transport gas to massive liquefaction plants and LNG export terminals located *inside* the Great Barrier Reef World Heritage Area. In response, Pacific Environment, the Center for Biological Diversity, and Turtle Island Restoration Network are suing Ex-Im Bank for violations of U.S. laws that protect the environment and cultural heritage.

In fiscal year 2011, Ex-Im Bank financed the 3,960 megawatt Sasan coal power project in India and 4,800 megawatt Kusile coal power project in South Africa. Sasan and Kusile will rank among the world's largest coal power projects with combined 56.9 million tons of annual CO_2 emissions, plus extensive pollution to local water and air, causing community displacement and health problems that potentially include increased rates of cardiopulmonary diseases and cancer deaths.

Another notable example of Ex-Im Bank's flawed energy financing priorities is the record-breaking $3 billion in financing the agency approved in December 2009 for ExxonMobil's enormous Papua New Guinea (PNG) LNG project—ironically the same week the world came together in Copenhagen in an attempt to iron out a global climate change agreement. In addition to its climate impacts, PNG LNG punches a pipeline through world class primary tropical rainforest and a nature reserve, causing fatal construction accidents and sparking conflicts with local communities that have at times turned deadly.

Ex-Im Bank's fast-growing fossil fuel financing undercuts President Obama's pledges to cut fossil fuel subsidies and to advance U.S. climate change-related diplomatic efforts abroad.

Ex-Im Bank's outdated bias toward fossil fuel financing is made even more egregious by the fact that clean energy exports can produce roughly three times more American jobs than fossil fuel related projects per $1 million in investment.

Worse, in July 2010, the U.S. Government Accountability Office (GAO) issued a report which found that Ex-Im Bank has failed to meet a Congressional directive to allocate 10% of its total annual financing to renewable energy and energy efficient end-use technologies. Among its chief criticisms, GAO found that Ex-Im Bank is failing to follow strategic planning practices and allocate sufficient staff and other agency resources to promote renewable energy and energy efficiency.

Ex-Im Bank's fast-growing fossil fuel subsidies worsen climate change, damage world-class environmental and cultural resources, and harm human health and well-being. Ex-Im Bank should redirect public financing to the fast-growing renewable energy sector—alleviating climate change pressures, spurring sustainable job growth, and quickening the distribution of clean energy technologies across the world.