

June 10, 2019

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
U.S. House of Representatives
4340 O'Neill House Office Building
Washington, D.C. 20024

Dear Chairwoman Waters and Ranking Member McHenry,

On behalf of our millions of members and supports, we write to recommend that the House Committee on Financial Services make fundamental reforms to the Export-Import Bank (Ex-Im Bank) as you consider legislation to reauthorize this important institution. Projects and loans from the Ex-Im Bank have supported fossil-fuel and other extractive projects that have caused substantial damage to World Heritage sites like the Great Barrier Reef, polluted the environment of local and indigenous communities, harmed human health, contributed to armed conflict and human rights abuse, and worsened corruption in developing nations.

Simply put, the Ex-Im Bank has not lived up to the ideals and principles that our nation cherishes. The Ex-Im Bank's environmental impacts are now global, as its disproportionate financial support of fossil-fuel projects exacerbates the damage from climate change and harms every American now and into the future. As an institution that is wholly funded by the American people, the Ex-Im Bank should comply with both the letter and spirit of all U.S. laws. Unfortunately, the Bank ignores most environmental laws in its operation, undermining environmental justice and equity around the world. Accordingly, we recommend the following reforms to the institution.

First, the Ex-Im Bank should fully comply with the National Environmental Policy Act ("NEPA") so that any American who cares about how their tax dollars are invested overseas has an opportunity to provide meaningful comment on the Bank's proposals. Currently, the Ex-Im Bank provides only the most cursory opportunity to provide input, and the Bank believes it has no obligation to consider or respond to what the public has to say when it ultimately makes a decision. The purposes of NEPA are to make sure that every agency of the federal government is fully aware of the environmental consequences of its actions and to provide the public a meaningful voice. Complying with NEPA would only strengthen the decision-making of the Bank and help guarantee that every project meets the high standards of the United States.

Second, the Ex-Im Bank should fully comply with the requirements of the Endangered Species Act ("ESA"). Last month, an international group of scientists released a report that one million species around the world face extinction in the coming decades due to climate change and other human activities. The ESA has a global scope — over 650 endangered and threatened foreign species are federally protected around the world — it makes little sense for the Ex-Im Bank to fund projects that hasten the extinction of wildlife and plants when our nation has already declared that we must take action to protect and recover them. Complying with the ESA would

provide an important safeguard to make sure that the Bank only funds environmentally sustainable projects.

Finally, the funding of fossil-fuel infrastructure should be phased out as quickly as possible, if not immediately. Every approved fossil-fuel project locks in additional greenhouse gas pollution for decades to come, worsening the global climate crisis, ignoring the warnings of the U.S. government's own climate scientists and scientists from around the world. The U.S. National Climate Assessment conclusively determined that climate change will cause more frequent and intense extreme weather events, damaging ecosystems, agriculture, infrastructure, and personal property resulting in tens to hundreds of billions of dollars in damage. Any profits made through the Ex-Im Bank are dwarfed by orders of magnitude by the damage caused by climate change.

If the Ex-Im Bank is allowed to continue its business-as-usual approach in the coming years, it will harm the environment at home and abroad, and will diminish the United States reputation and leadership abroad. Congress has an opportunity to fundamentally reform the Ex-Im Bank and we urge you to take action now to ensure the Bank helps improve the livelihood of people and a healthy environment around the world.

Sincerely,