

**COMMITTEE ON FINANCIAL SERVICES**

SUBCOMMITTEE ON CONSUMER PROTECTION AND FINANCIAL INSTITUTIONS  
SUBCOMMITTEE ON HOUSING, COMMUNITY DEVELOPMENT, AND INSURANCE  
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

**COMMITTEE ON OVERSIGHT AND REFORM**

SUBCOMMITTEE ON ECONOMIC AND CONSUMER POLICY  
VICE CHAIR – SUBCOMMITTEE ON THE ENVIRONMENT

**RASHIDA TLAIB**  
13TH DISTRICT, MICHIGAN

**CAPITOL OFFICE**  
1628 LONGWORTH HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(PHONE) (202) 225-5126  
(FAX) (202) 225-9985

**DETROIT CENTRAL NEIGHBORHOOD SERVICE CENTER**  
7700 2ND AVE.  
DETROIT, MI 48202  
(PHONE) (313) 463-6220

(WEBSITE) [www.TLAIB.HOUSE.GOV](http://www.TLAIB.HOUSE.GOV)  
(EMAIL) [RASHIDA@MAIL.HOUSE.GOV](mailto:RASHIDA@MAIL.HOUSE.GOV)

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

September 26, 2019

The Honorable Kimberly Reed  
President and Chairman  
Export-Import Bank of the United States  
811 Vermont Avenue, NW  
Washington, DC 20571

Dear Chairman Reed:

We are writing to urge the Board of Directors of the Export-Import Bank (EXIM) to reject Anadarko's application for a \$5 billion direct loan to finance the development and construction of a liquefied natural gas (LNG) project located on the Afungi Peninsula in northern Mozambique. This project poses tremendous financial, security, environmental, social and climate risks.

Mozambique LNG development would be devastating for the climate. The exploitation of these fossil fuels reserves and the building of new LNG terminals are impossible to reconcile with the goal of keeping global warming well below 2°C, let alone 1.5°C. LNG has an enormous climate footprint, due to methane leakage throughout its lifecycle, as well as the significant amount of energy required to transport and freeze gas for export. Estimates of greenhouse gas emissions from LNG supply chains are nearly double those of average pipeline supply chains. Due to these emissions, LNG may be even worse than coal as a source of energy.

Further, the project puts unique ecosystems and endangered species at great risk. The project is approximately 350 km<sup>2</sup> and would be located on the northern coast of Mozambique, where mangrove forests, coral reefs and seagrass beds are already very vulnerable habitats. Quirimbas National Park, which lies within the recently-designated UNESCO Biosphere Reserve, is only eight kilometers from the southern boundary of the project. The nearshore and offshore areas of the project include a number of species, such as sei whales, Indian yellow nosed albatross, leatherback, and hawksbill turtles that the International Union for Conservation of Nature considers to be imperiled. Habitat degradation, noise, and ship strikes will force species, such as humpback and sei whales, to leave the area. The traffic to and from the extraction wells and the floating LNG processing plant will put the wildlife that surrounds and inhabits Quirimbas at further risk. Moreover, spills or gas accidents may very well occur; they have become prevalent at energy extraction sites.

Besides the environmental impacts, Mozambique LNG would have detrimental impacts on local populations. The forced displacement of communities has already occurred and will worsen as the LNG development progresses. Land grabs of residential and farming land and fishing grounds, inadequate compensation negotiations, resettlement decisions without consent from communities, and government harassment have already taken place. These communities will lose the sources of income they depend on – fishing, small scale agriculture, and tourism – and are likely to compete over the remaining lands without benefiting from the gas development. The LNG project has already proven that it will create few local jobs, with the majority of the jobs going to outside workers. This disparity will likely lead to further conflict between locals and outsiders, as well as hyperinflation and increased strain on healthcare and water resources.

Moreover, this project will do little-to-nothing to address the urgent need to boost access to electricity for Mozambicans and to satisfy their growing demand for electricity. Mozambique lacks the infrastructure to use the gas for domestic needs, and there are no concrete plans to invest and build the pipeline and distribution network necessary to utilize the gas for local purposes. Moreover, much of the gas is already due to be exported, mainly to Asia.

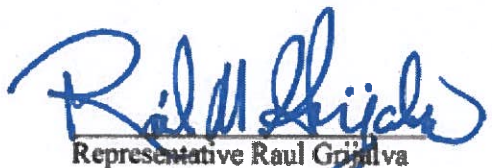
To make matters worse, the project is incredibly risky, both politically and financially. It has been plagued by violence and a massive debt scandal. Mozambique secretly borrowed about \$2 billion from 2013 to 2014 in deals arranged by banks including Credit Suisse AG and VTB Capital. French Bank BNP Paribas was involved in loan syndication. Though the investments were supposedly to pay for tuna fishing boats, the bonds primarily paid for military equipment, which the government has admitted that it wanted to use to protect the gas reserves. U.S. regulators are currently investigating the banks to see whether they made improper payments to Mozambican officials. In addition, armed groups in the region have killed more than 100 people since October 2017, causing many to flee to neighboring islands. In response to the violence, the embassies of the United States, France, and United Kingdom had issued warnings, recommending that their citizens leave the area. Some of the companies working in the area, including Anadarko, have placed their employees in the area on lock-down.

This project will harm the people of Mozambique, the environment, and the climate. EXIM Bank's Board must reject the Anadarko application. Thank you for your consideration, and we look forward to your prompt response.

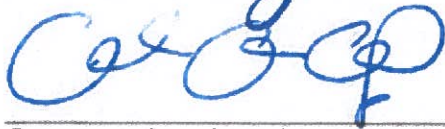
Sincerely,

A handwritten signature in blue ink that reads "Rashida Tlaib". The signature is written in a cursive, flowing style.

Rashida Tlaib  
Member of Congress



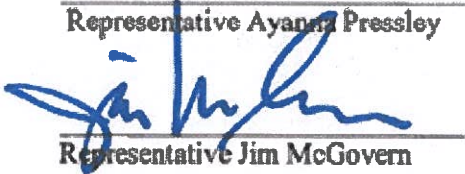
Representative Raul Grijalva



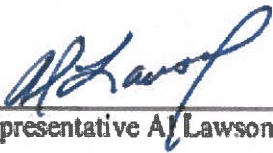
Representative Alexandria Ocasio Cortez



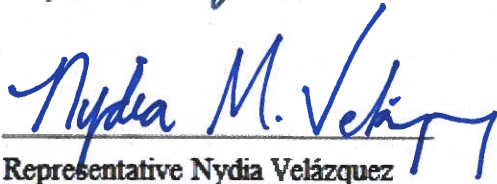
Representative Ayanna Pressley



Representative Jim McGovern



Representative Al Lawson



Representative Nydia Velázquez



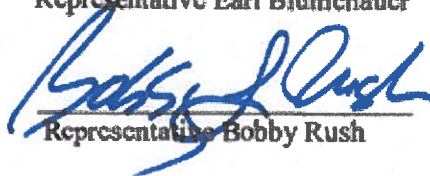
Representative Ilhan Omar



Representative Hank Johnson



Representative Earl Blumenauer



Representative Bobby Rush



Representative Eleanor Holmes Norton

Handwritten signature or name in blue ink, possibly "Hans".

Handwritten signature or name in blue ink, possibly "M. N. ...".