



October 27, 2016

Mr. Jean-Laurent Bonnafé
Director and CEO
16 Blvd. des Italiens, Paris, 75009
France

Dear Mr. Bonnafé,

We write to ask you to take decisive action to protect our climate and communities.

The Paris climate agreement, which is on track to enter into force by the end of the year, commits the international community to limiting global warming to 1.5 degrees Celsius, to avoid the worst impacts of climate change. To meet this goal, leading global banks must play a crucial role.

As detailed in *Shorting the Climate*, the June 2016 report from Rainforest Action Network (RAN), BankTrack, Sierra Club and Oil Change International, the most urgent step that banks must take is to stop financing the most carbon-intensive, financially risky, and environmentally destructive sectors of the fossil fuel industry: coal mining, coal power, extreme oil (tar sands, Arctic oil, and ultra-deepwater drilling) and liquefied natural gas (LNG) export terminals.

RAN's new report, *A Bridge to Nowhere: The Climate, Human Rights, and Financial Risks of Liquefied Natural Gas Export*, further analyzes the destructive impacts of LNG export terminals in North America. These include impacts to the health, safety and livelihoods of coastal communities; damage to the habitats of protected species; and driving hydraulic fracturing upstream. LNG export terminals are a clear driver of global warming, despite natural gas sometimes being labeled a "bridge" fuel. Studies suggest that exported LNG is worse for the climate than coal, due among other things to methane leakage throughout the production, shipping and combustion processes and the energy intensity of those processes. As governments implement new regulation to realize the goals of the Paris agreement, LNG export terminals are prime candidates to become stranded assets.

The Sky's Limit, the September 2016 report from Oil Change International, in collaboration with RAN and 13 other organizations, analyzed the world's remaining carbon budget in light of the Paris climate agreement and found that the reserves in currently operating oil and gas fields alone would take the world beyond the 1.5 degree Celsius limit. The report called for no new fossil fuel extraction or transportation infrastructure to be built. This includes LNG export terminals.

As noted in *A Bridge to Nowhere*, since 2013 BNP Paribas has been one of the top ten funders, among major global banks, of the companies most involved with proposed or existing LNG export terminals in North America. As analyzed in *Shorting the Climate*, your bank lacks any enhanced due diligence process

for LNG export-related financing transactions, despite the environmental, social and financial importance of this subsector.

We note with concern that your institution is currently involved in a project that is inconsistent with your commitment to implement the Paris agreement. As noted in RAN's case study, *Rio Grande Valley: At Risk from Fracked Gas Export Terminals*, BNP Paribas is arranging debt and equity financing for the Texas LNG terminal in the Rio Grande Valley of Texas. This would cover 625 acres, threatening the habitat of the endangered ocelot and Aplomado falcon. It would generate massive air and water pollution, endangering the health of nearby communities already facing serious disparities, including Brownsville, which is 93% Latino and one of the poorest cities in the country. The climate emissions from the gas exported from this terminal would be the equivalent of almost 7 coal-fired power plants.

You can download RAN's case study -- which also details the impact of two other proposed LNG export terminals in the same area -- and report at <http://ran.org/lng>.

We urge you to ensure that BNP Paribas withdraws its involvement in the Texas LNG terminal. Going forward, we urge you to implement a policy prohibiting financing for any LNG export projects as well as for companies engaged in export terminal construction or operation.

We appreciate that BNP Paribas has taken positive steps to move away from the coal industry. In this critical period for the future trajectory of our climate, we urge you to build on that progress by taking action on your financing of LNG export infrastructure in North America.

We look forward to working with you to accelerate the global transition away from fossil fuels and toward a clean-energy economy.

Yours sincerely,



Lindsey Allen
Executive Director
Rainforest Action Network



Florent Compain
President
Les Amis de la Terre France



Johan Frijns
Director
BankTrack