

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

May 19, 2021

The Honorable Joseph R. Biden, Jr.  
President of the United States  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Dear President Biden:

We write to encourage you to take the historic step of directing federal agencies to end all new public financing support for fossil fuel projects overseas within 90 days. We applaud your Administration's immediate efforts to make climate action a top priority, and share the goal of securing a more stable and healthy planet. Putting an end to new public overseas financing of fossil fuels within 90 days is a simple step towards living up to that promise.

Your Leaders Summit on Climate was an important first step in reestablishing our rightful role as a bulwark against the existential threat that climate change poses. We were also pleased that your Executive Order on *Tackling the Climate Crisis at Home and Abroad* expressly directed relevant agencies to develop a strategy to end support for high-carbon projects.<sup>1</sup> The details and implementation of that strategy are critical to our shared goal of securing a more stable and healthy planet.

Climate science shows that a rapid transition away from fossil fuels is our best chance to limit global warming to 1.5°C or less, and thereby avoid the most destructive effects of climate change.<sup>2</sup> That effort must include halting the production of new gas and coal-fired power plants worldwide, coupled with retiring many fossil-fuel powered facilities.<sup>3</sup> Due to the short-term warming potency of methane, natural gas can no longer be considered a climate solution. Continued support for natural gas overseas diverts much-needed resources for renewable energy

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<sup>1</sup> *Executive Order on Tackling the Climate Crisis at Home and Abroad*, White House Briefing Room (Jan. 27, 2021), <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/executive-order-on-tackling-the-climate-crisis-at-home-and-abroad/>.

<sup>2</sup> *Recapturing U.S. Leadership on Climate: Setting an Ambitious and Credible Nationally Determined Contribution*, Environmental Defense Fund (Mar. 2021), <https://www.edf.org/sites/default/files/documents/Recapturing%20U.S.%20Leadership%20on%20Climate.pdf>.

<sup>3</sup> Alexander Pfeiffer, Richard Millar, Cameron Hepburn, and Eric Beinhocker, *The '2°C capital stock' for electricity generation: Committed cumulative carbon emissions from the electricity generation sector and the transition to a green economy*, Applied Energy (Oct. 2016), <https://www.sciencedirect.com/science/article/abs/pii/S0306261916302495>.

to old, CO<sub>2</sub>-producing energy solutions.<sup>4</sup> The continued financing of fossil fuels is particularly concerning given that current investments solidify carbon-polluting energy infrastructure, locking partners into decades of unnecessarily polluted electricity. These actions are counterintuitive to cutting greenhouse gases and empowering the global workforce of the future.

Ending federal support for new overseas fossil fuel projects will also help grow the demand for American-made clean energy products. The domestic and international markets for clean energy technology and manufacturing will drive the 21<sup>st</sup> century economy. Your Administration has repeatedly stressed the importance of positioning American workers at the forefront of the manufacturing, research, and development economies to create millions of American jobs. The clean energy job market grew three times faster than fossil fuel jobs prior to the pandemic, and continued to experience growth through the summer of the pandemic.<sup>5</sup> Current foreign investment practices commit federal resources to projects that will not benefit American workers or technologies in the long term. Ending new fossil fuel investments is an opportunity to support domestic job creation and growth by exporting clean energy technology and expertise globally.

Halting new overseas support for fossil fuels would also align the United States with some of our closest allies in this fight. In March 2021, the United Kingdom announced its intention to shift away from supporting fossil fuel projects overseas.<sup>6</sup> The European Investment Bank — the world's largest multilateral lender — announced it too will end virtually all support for oil, gas, and coal by the end of 2021.<sup>7</sup> Fossil fuel projects are increasingly risky investments for banks and taxpayers; the greenhouse gas emissions standards needed to prevent the worst climate impacts would render roughly 80 percent of global fossil fuel reserves and most fossil fuel projects unusable within a short timeframe. From 2016 to 2020, nearly half of the world's 60 largest banks decreased their fossil fuel investment exposure—with some divesting fully.<sup>8</sup> Additionally, the recent cyberattack on the Colonial Gas pipeline illustrated the challenges and vulnerabilities in fossil fuel investments, even on American soil. By ending our support for new overseas fossil fuel financing, we can join our allies and the private industry by investing in a cleaner, greener, and more sustainable future.

We are confident that our talented civil and foreign servants are eager to facilitate and lead this shift towards overseas renewable energy financing and away from outdated and dangerous fossil

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<sup>4</sup> Han Chen, *World to Biden: Stop Financing Coal, Oil and Gas Abroad*, NRDC Expert Blog (Mar. 18, 2021), <https://www.nrdc.org/experts/han-chen/world-biden-stop-financing-coal-oil-and-gas-abroad>.

<sup>5</sup> Maria Stamas and Caroline Keicher, *High-Road Clean Energy Jobs: The Key to Building Back Better* (Feb. 25, 2021), <https://www.nrdc.org/experts/maria-stamas/high-road-clean-energy-jobs-key-building-back-better>.

<sup>6</sup> *Aligning UK international support for the clean energy transition*, United Kingdom Department for Business, Energy & Industrial Strategy (Mar. 2021), [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/972811/uk-support-clean-energy-transition-consultation-response.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/972811/uk-support-clean-energy-transition-consultation-response.pdf).

<sup>7</sup> Rosie Frost, *'Gas is over': EU bank chief calls for end to fossil fuel investment*, euronews (Jan. 22, 2021), <https://www.euronews.com/green/2021/01/22/gas-is-over-eu-bank-chief-calls-for-end-to-fossil-fuel-investment>.

<sup>8</sup> Catherine Clifford, *These are the world's largest banks that are increasing and decreasing their fossil fuel financing*, CNBC (Apr. 22, 2021), <https://www.cnbc.com/2021/04/22/which-banks-are-increasing-decreasing-fossil-fuel-financing-.html>.

President Joseph R. Biden, Jr.

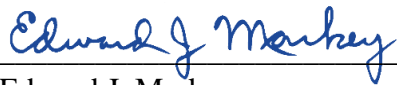
May 19, 2021

Page 3 of 5

fuels. By providing direction to the U.S. Export-Import Bank, U.S. International Development Finance Corporation, U.S. Trade and Development Agency, Millennium Challenge Corporation, the United States Agency for International Development, and other relevant institutions, the United States can take action today. This strategy should also apply to U.S. participation in multilateral institutions, including the multilateral development banks and the International Monetary Fund. U.S. foreign assistance programs should incorporate adequate support for low-income countries dependent on fossil fuel exports, and workers and communities dependent on fossil fuels for their livelihoods and local economic base, to ensure a just and orderly transition away from fossil fuels. This transition should include capacity building, technical assistance, and training in the use and adoption of green technologies, which offers new opportunities for a more equitable and inclusive energy industry of the future.

With U.S. leadership on international clean energy investments, we can stop financing the climate crisis, support domestic clean energy jobs, and join the global community in moving away from fossil fuel investments. We thank you for your leadership on addressing the climate crisis and look forward to continuing to work together on this issue.

Sincerely,



Edward J. Markey  
United States Senator



Earl Blumenauer  
Member of Congress



Bernard Sanders  
United States Senator



Ro Khanna  
Member of Congress



Nanette Diaz Barragán  
Member of Congress



Emanuel Cleaver II  
Member of Congress



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Steve Cohen  
Member of Congress



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Adriano Espaillat  
Member of Congress



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Jared Huffman  
Member of Congress



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Ilhan Omar  
Member of Congress



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Jan Schakowsky  
Member of Congress



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Jamaal Bowman, Ed.D.  
Member of Congress



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Jeffrey A. Merkley  
United States Senator

President Joseph R. Biden, Jr.

May 19, 2021

Page 5 of 5

cc:

Special Presidential Envoy for Climate, John Kerry

Secretary of State, Antony Blinken

Secretary of Energy, Jennifer Granholm

Administrator of USAID, Samantha Power

Assistant to the President for National Security Affairs, Jake Sullivan

Special Assistant to the President for Economic Policy, Robin Colwell

Acting Vice Chairman of the U.S. Export-Import Bank, James Cruse

Acting Chief Executive Officer of the Millennium Challenge Corporation, Mahmoud Bah

Acting CEO of the U.S. International Development Finance Corporation, Dev Jagadesan

Acting Director of the U.S. Trade and Development Agency, Enoch T. Ebong