

United States Senate

December 21, 2022

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

Dear President Biden,

The 2021 Glasgow Statement commits the United States to end public financing of unabated international fossil fuel projects by the end of this year. To demonstrate that we are meeting our commitment, we urge you to publicly release a plan laying out how the United States will achieve this important goal. Although we understand that the United States has adopted and is implementing a policy to do so, your Administration has not made it public. To strengthen our position as a global leader on climate change, enable effective oversight of U.S. public finance, and catalyze similar efforts from multilateral banks and other countries, the United States must demonstrate in transparent and concrete terms how it intends to fulfill this crucial climate pledge.

In 2021, the United States signed the Statement on International Public Support for the Clean Energy Transition — the Glasgow Statement — as part of the Twenty-Sixth Conference of the Parties of the United Nations Framework Convention on Climate Change (COP26).¹ The signatories — 39 states and public finance institutions — made three crucial commitments within the context of achieving the Paris Agreement’s goals. First, they committed to prioritizing their “support fully towards the clean energy transition, using [their] resources to enhance what can be delivered by the private sector,” while “do[ing] no significant harm” to local communities and environments.² Second, they committed to stop new direct public support for the “international unabated fossil fuel energy sector” by the end of 2022, except in “limited and clearly defined circumstances that are consistent with a 1.5°C warming limit and the goals of the Paris Agreement.”³ Third, they committed to “encourage further governments, their official export credit agencies, and public finance institutions to implement similar commitments into COP27 and beyond”, especially in the context of the Organization for Economic Co-operation and Development and multilateral development banks.

¹ Statement on International Public Support for the Clean Energy Transition (hereinafter “Glasgow Statement”), UN Climate Change Conference UK 2021 (Apr. 11, 2021), <https://ukcop26.org/statement-on-international-public-support-for-the-clean-energy-transition/>.

² *Id.*

³ *Id.*

To date, the United States has not made public its plan for meeting these pledges by the end of the year. In order to assess whether the United States will succeed in meeting them, we must understand the steps the country is planning to take to achieve them. That is why we are asking you to release your plan for how the United States will fulfill its Glasgow Statement commitments.

A key element of that plan is how the United States will end new direct public support for the “international unabated fossil fuel energy sector” by the end of the year. The plan needs to explain how the United States defines the term “unabated” with reference to public support for the fossil fuel energy sector. We believe that this definition should include halting financing for coal, oil, and gas exploration, production, refining, transportation, and energy use.⁴ Similarly, we would like to see the plan identify any “limited and clearly defined exceptions” the United States is planning to apply to the public funding pledge — exceptions that must not create loopholes that allow the continued financing of fossil fuels. In addition, we ask that you clarify which agencies are covered, which should include the U.S. International Development Finance Corporation, U.S. Export-Import Bank, Millennium Challenge Corporation, and the U.S. Trade and Development Agency. Finally, we ask that you explain how the United States intends to work with multilateral development banks and other international financing institutions to more broadly end public financing of international fossil fuel projects.

The public release of our plan to implement the Glasgow Statement commitments will help the United States encourage other governments and their institutions, as well as public finance institutions, to hold themselves accountable to their pledge. A clear indication of our move away from public finance for international fossil fuel projects can also spur more climate-friendly financing decisions in other international bodies such as multilateral development banks. A transparent, open plan will also enable the United States to apply pressure to fossil-fuel financing countries such as China and Russia, which are glaringly absent from the list of Glasgow Statement signatories.

Finally, we urge the United States to follow through on its commitment and “accelerate[] alignment of international public and private sector financial flows” to drive energy transitions, so that the United States can move beyond rhetoric, keep its promises to the international community, and realize a truly clean energy future.⁵

⁴ *Release the Guidance: Backgrounder on U.S. International Energy Finance ahead of COP27 Deadline to Stop Funding Fossils*, Friends of the Earth and Oil Change International (Oct. 2022), https://priceofoil.org/content/uploads/2022/10/US_International_Energy_Finance_Brief_v3.pdf.

⁵ Glasgow Statement, <https://ukcop26.org/statement-on-international-public-support-for-the-clean-energy-transition/>.

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We will not be able to effectively meet our climate finance targets or lead the world on energy transition without transparent plans to which we can be held accountable. We urge you to release your Glasgow Statement plan before the end of the year.

Thank you for your attention to this important matter.

Sincerely,



Edward J. Markey
United States Senator



Elizabeth Warren
United States Senator



Jeffrey A. Merkley
United States Senator



Bernard Sanders
United States Senator