

PRESS RELEASE

No more excuses: The World Bank must halt all funding for fossil fuels

WASHINGTON, D.C. 18 October 2019: The World Bank's subsidizing of fossil fuels is fanning the flames of the climate emergency and must stop, a coalition of civil society representing 112 organizations said in a letter to Bank leadership today. Despite the World Bank Group's (WBG) announcements at the Paris Climate Conference, flagrant contradictions to climate pledges still exist.

Instead of helping countries make the transition out of fossil fuels, the WBG, from 2014 to 2018 alone, has assisted the development of fossil fuels in 45 countries, either through project finance or development policy finance and technical assistance, according to research from the environmental group Urgewald.

During this time, the WBG provided over \$12 billion in project finance for 88 fossil fuel projects in 38 countries. In addition, the WBG assisted the development of fossil fuels through policy programs in at least 28 countries, including the development of coal in six countries.

But the World Bank Group can turn over a new leaf during its Annual Meetings this week. Member states should demand the Bank's managers to announce they are following the recommendations contained in the letter as set out by civil society and informed by the latest science:

- **End fossil fuel project funding by the close of 2020;**
- **Phase out lending for all fossil fuels after 2020**, including lending for 'associated facilities' for fossil fuel projects;
- **Require the private sector arm of the Bank, the International Finance Corporation (IFC) and its financial intermediaries to divest from all fossil fuels, not just coal;**
- **Devote at least 40% of finance to climate by 2020;**
- **Adhere to the UN Declaration on Human Rights and the UN Declaration on the Rights of Indigenous Peoples**, specifically pertaining to Free, Prior and Informed Consent.

Furthermore, the Bank should increase its investments in renewable energy, particularly in Sub-Saharan Africa and South Asia, where access to electricity and clean cooking remains low. The climate crisis is causing untold destruction across the world. The organizations calling on the Bank to correct course include those based, representing, or operating in parts of the world where millions of people have been hit by climate disasters and are vulnerable to climate change.

See our letter to the World Bank Group President.

"Beyond the greenhouse gas emissions of fossil fuel business lays the heavy health, social and

cultural burdens that local communities carry on their backs. The World Bank cannot afford to continue to invest in a sector that negatively impacts the lives of these communities either directly or indirectly!" said **Augustine Njamnshi**, *Coordinator of the African Coalition for Sustainable Energy and Access*

"We are calling for the World Bank to stop financing fossil fuels—now is the time to show real climate leadership and dedication to ecological sustainability, and human and Indigenous rights, as we face the unprecedented dangers of a world plunging into climate chaos. The World Bank has invested billions of dollars into the fossil fuel industry since the signing of the Paris Climate Agreement. Business as usual cannot continue. Now is the time for investments in renewable, regenerative energy for all," said **Osprey Orielle Lake**, *Executive Director of the Women's Earth and Climate Action Network (WECAN)*

"Deep water drilling for oil in Guyana's ocean is illegal and it is madness. The climate emergency and biodiversity collapse already threaten life on earth. The World Bank must immediately stop supporting oil related activities in Guyana," said **Melinda Janki**, *international lawyer and attorney-at-law in Guyana*.

"Finance without fossils must be the policy of the World Bank Group. The business model based on coal, oil and gas has led the world into the climate crisis. We call on the shareholders to end any support for fossils," demands **Ute Koczy**, *Director IFI Program, urgewald (Germany)*

"As a public Bank, the World Bank has a legal mandate to use its funds to end long term poverty, and a moral obligation not to fund climate change which perpetuates poverty for those most affected and left behind. The World Bank should therefore lead on solutions that end poverty, especially for the most vulnerable. The Bank should be focusing on the type of renewable energy that will bring sustainable, affordable energy to people around the world who don't yet have energy access. Investing in energy for the future is the way to lift people out of poverty, not locking countries into dirty fossil fuels of the past," said **Amanda Mukwashi**, *CEO, Christian Aid*

"Right now, Catholic bishops from around the world are gathering in Rome to respond to the social and environmental costs of fossil fuel extraction and climate change in the Amazon. But these challenges are also global, affecting communities everywhere. The World Bank must provide moral leadership and divest from fossil fuel projects today," said **Chloe Noël**, *Faith Economy Ecology Program Manager for the Maryknoll Office for Global Concerns*

"As one of the major funders of fossil fuel projects, the World Bank must take responsibility for its part in bankrolling the climate crisis. That means a swift and deliberate halt to funding all fossil fuel infrastructure and projects. Not a single new mine, not another pipeline, not one more compressor station or power plant can be built. Instead, the World Bank must heed the call of the millions of people who took part in the global climate strikes and commit to equitably funding projects that will accelerate transition to a liveable future and habitable climate," said **Tamara Toles O'Laughlin**, *North America Director for 350.org*

“Case after case demonstrates World Bank fossil fuel-generating projects fail to consider intersectional gendered and environmental impacts. In the Bank’s low-income target countries where women compose the vast majority of farmers - e.g. women produce about 80 percent of crops in Africa - fossil-fuel generating projects expose them to handling polluted water and soil in the production, collection, processing and preparation of food stuffs and fish. Then entire populations consume toxic-laden crops and fish. The Bank must stop violating rights to access clean natural resources and livelihoods which fossil-fuel generating projects destroy,” said **Elaine Zuckerman**, *President, Gender Action*

“The World Bank and the IMF have been spectacularly slow to wake up to the reality of climate change. The Bank continues to fund destructive oil and mining projects in the Global South, that not only fuel the climate crisis and escalate inequality but rob women and indigenous people of their lands and livelihoods. Meanwhile, the IMF prolongs debt and financial crises with its austerity policies, which leave countries unable to invest in the public services needed to achieve the sustainable development goals and less able to recover from climate disasters. Despite its rosy rhetoric on gender, the Bank’s policies exploit women’s unpaid labour, making their lives harder and leaving too many unable to access decent work,” said **Wangari Kinoti**, *policy advisor- women’s rights, ActionAid International*

“World Bank resources are helping states in northeast Brazil to legalize land takeovers by large companies that are also engaged in deforestation, misuse of pesticides, depletion of water sources, and forced evictions. Their agents are evicting communities from their territories, using death threats against indigenous and traditional rural communities that are fighting for their right to exist,” said **Altamiran Ribeiro** *represents the Pastoral Land Commission of the Catholic Church in the state of Piaui, Brazil*

“The Caribbean lives in fear during hurricane season. Those storms, so much stronger and more frequent now, not only kill people and destroy homes and businesses and infrastructure — they set us back years economically. We end up saddled with new debts on top of old ones, and then there are cuts in social programs in order to pay them off, putting us in a poverty spiral. The World Bank and IMF must support a UN fund that provides funds and debt relief *automatically* to countries following a climate disaster,” said **Heron Belfon**, *Project Coordinator, Jubilee Caribbean*

“The Bank has been bankrolling the climate crisis. In the face of a climate emergency, there is no longer a place for the World Bank operating as it had for decades resulting in the poverty of millions, environmental plunder, displacement of communities, systematic violations of human rights and climate change. Not only has the Bank been a detriment to countries like the Philippines, it remains a hazard to humanity’s survival by continuing to finance climate-change inducing projects like coal plants. We must not allow the Bank to reduce our future to a mere business proposition in favour of fossil fuels. The World Bank should stay out of climate and our future!” said **Aaron Pedrosa**, *Secretary-General, Sanlakas-Philippines*