

CRÉDIT AGRICOLE: QUIT FOSSIL FUELS!

This briefing is one in a series published by BankTrack, the international tracking, campaigning and NGO support organisation targeting private sector banks. Visit www.banktrack.org for extensive data and coverage of the banking sector's finance for fossil fuels and other environmental and social impacts. This briefing is published in partnership with Friends of the Earth France. For any additional information or feedback, contact Yann Louvel at: yann@banktrack.org or Lucie Pinson at: lucie.pinson@amisdelaterre.org

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COAL DOWN BUT STILL NOT OUT AT CRÉDIT AGRICOLE, MAJOR OIL AND GAS REPUTATION RISKS IN THE PIPELINE

Crédit Agricole was the first French and European bank to commit to start reducing its involvement in the coal sector in May 2015, six months before COP21. But two years later, the bank continues to support coal projects indirectly, and has not taken any significant measures to limit its financing for the oil and gas sector. On the contrary, the bank directly financed the Dakota Access Pipeline project in the United States, and could also soon be supporting another of the most controversial projects in the world: the Keystone XL tar sands pipeline.

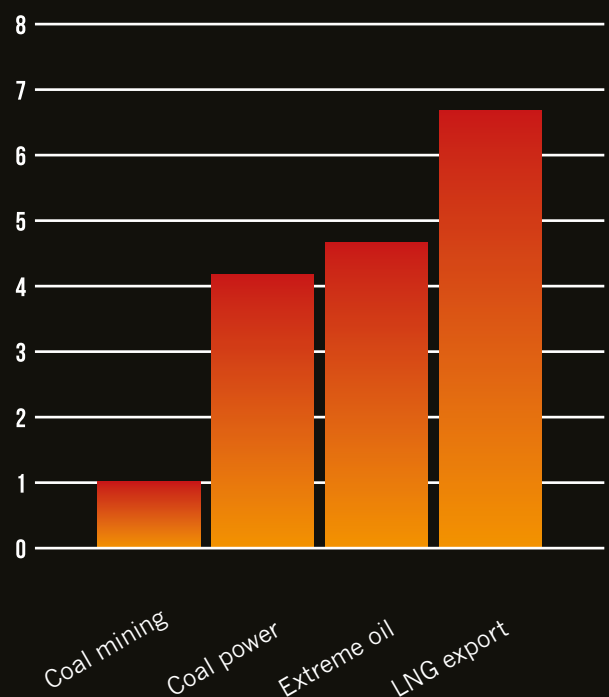
These projects are totally incompatible with climate science, which tells us that to stay under the Paris Agreement objective of 1.5°C, and even to limit global warming to 2°C, no new fossil fuel projects should be built around the world. There is simply no space in the world's carbon budget for the emissions of the more than 1000 coal plants still planned in the coming years, and unconventional fossil fuels like tar sands and shale gas must stay in the ground, and not be financed.

During the Paris climate summit, Crédit Agricole signed the Paris Pledge for Action, committing to 'ensure that the ambition set out by the Paris Agreement is met or exceeded to limit global temperature rise to less than 2 degrees Celsius.' It must therefore adopt new measures to meet this commitment, especially given an international context in which the President of the United States is threatening to pull out of the Paris Agreement. The only solution for Crédit Agricole is not to become an accomplice of the climate sceptics who took power in Washington. It is also the way it can do its fair share in the global fight against climate change, which already impacts millions of people around the world, worsening human rights violations and corruption.

Concretely, Crédit Agricole must commit by the end of the year to stop all fossil fuel project finance, as well as general corporate finance for companies active in unconventional fossil fuels. After its involvement in the Dakota Access Pipeline scandal and the violation of the Standing Rock Sioux rights, Crédit Agricole must start to turn the page on fossil fuels and exclude all infra-

structure projects planned in North America, including LNG export terminals from shale gas or Canadian tar sands pipelines like Keystone XL.

CREDIT AGRICOLE FINANCING (IN \$ BILLION, 2014-2016) TO COMPANIES ACTIVE IN :



All financing figures are taken from research published in the Fossil Fuel Finance Report Card 2016, see: www.ran.org/shorting_the_climate

DESPITE SOME EFFORTS MADE, STILL A LOT TO DO TO QUIT COAL FOR REAL

Crédit Agricole announced in October 2016 the end of its project finance for coal plants anywhere in the world, one of the first major international banks to do so the first global banks to do so.

However, there is still a lot to do for the bank to completely abandon its financing of the most climate-destroying of all fossil fuels. Direct project finance to coal projects only represents a small part of all these investments, the vast majority being channeled through general corporate loans and the issuance of shares and bonds to companies active in this sector.

Crédit Agricole has adopted some analysis and exclusion criteria for these companies, but they are still wholly inadequate. One concrete example of this is the fact that the bank does not systematically exclude companies planning new coal expansion around the world.

This is the case, for instance, for the companies AES Corporation and POSCO, which Crédit Agricole financed to the tune of \$100 and \$88 million dollars in the past three years respectively, despite both of them planning new coal power plants in Southeast Asia, a region already dramatically impacted by climate change and with a huge renewables potential. While Crédit Agricole would not finance any of these projects directly, nothing blocks the bank from supporting these companies, unless they are blacklisted.

It is therefore urgent for this French bank, which remains heavily involved in the coal sector, to reinforce its exclusion criteria, and to stop financing all companies planning new coal expansion. It must also stop financing companies deriving more than 30% of their revenues from coal mining, or 30% of their power production from coal, as well as companies producing or burning more than 20 million tons of coal a year.



To its credit, Crédit Agricole declined this year to finance the TJB2 coal plant in Indonesia, but it is still financing coal power developers in Southeast Asia

KEYSTONE XL: A MAJOR RISK FOR CRÉDIT AGRICOLE

Unlike BNP Paribas and Société Générale, Crédit Agricole is so far not involved in any of the new LNG terminals in North America. But it could very well get involved in four other tar sands pipelines, Trans Mountain, Line 3, Energy East and the famous Keystone XL, which was buried by the Obama administration two years ago, before being brought back to life by Donald Trump when he came to power in January.

Not only does Crédit Agricole have no sector policy excluding tar sands financing, but it is also the only French bank to finance all four companies behind this project and DAPL. While the opposition grows in the US against these four projects, Crédit Agricole must quickly announce new measures to ensure it won't be associated with Trump's anti-climate policy, with the pollution of Canadian rivers by tar sands exploitation, or with air pollution and diseases provoked by its refining in Texas.



Protest at Standing Rock against the Dakota Access Pipeline, photo: Rob Wilson

URGENT: CRÉDIT AGRICOLE SHOULD NOT BE AN ACCOMPLICE TO TRUMP'S ANTI-CLIMATE STANCE

The election of Donald Trump to the White House last November sent shockwaves around the world in the fight against global warming. The new president threatens to withdraw the US from the Paris Agreement, and back away from its climate commitments.

Donald Trump has wasted no time in dismantling environmental regulations and facilitating the expansion of fossil fuels in the United States... with the complicity of Crédit Agricole.

Among his first acts was to resurrect the controversial Dakota Access Pipeline and Keystone XL projects. Additionally, two tar sands pipelines as well as 40 LNG export terminals are expected to get the same treatment soon.

Crédit Agricole is already involved in the Dakota Access Pipeline scandal, a project denounced by the Standing Rock Sioux for threatening their access to water and their identity. The project has also been condemned globally after serious human rights violations, for which the project promoters are responsible.

Other planned infrastructure projects all involve the same risks and unacceptable impacts on climate, since they will provoke more shale gas and more tar sands extraction, as well as on local communities and indigenous rights. They also entail major reputation risks for all banks getting involved.

That's why it is urgent for Crédit Agricole to learn all the lessons from the Dakota Access Pipeline and commit to not finance further pipelines or LNG terminals in the United States.