



June 18, 2023

Board of Directors

Prof. Benedict Okey Oramah

President & Chairman

African Export-Import Bank (Afreximbank)

REQUEST FROM AFRICAN NGOS TO STOP SUPPORT FOR FOSSIL FUEL PROJECTS IN AFRICA AND SIGN THE GLASGOW STATEMENT

Dear Prof. Benedict Okey Oramah and Board of Directors of Afreximbank,

We, the undersigned environmental and human rights civil society organisations working to promote environmental conservation, human rights observance and a just energy transition in Africa take this opportunity to appreciate you and your team for your continued efforts in accelerating trade and investments across Africa through financial boosts thereby making the continent competitive in world trade.

Today, we are reaching out to you in anticipation of the 30th Afreximbank Annual General Meeting (AGM), scheduled to take place from 18th to 21st June 2023. We would like to address a matter of utmost importance, concerning environmental sustainability and the vital role that financial institutions play in addressing the climate crisis in Africa.

As the AGM approaches, we believe it is imperative to emphasise the urgent need for stronger environmental commitments and actions within the financial sector. The impacts of climate change are increasingly evident across the continent, with vulnerable communities and ecosystems bearing the brunt of these effects, and yet financial institutions such as Afreximbank have continued to invest in the further expansion of fossil fuel projects, thus accelerating the climate emergency.

Specifically, we have noted with great concern that across the region, Afreximbank has continued to support or finance fossil fuel projects, which contravenes with [Article 2.1\(c\) of the Paris agreement](#) which calls on parties to make finance flows consistent with a pathway towards low greenhouse gas (GHG) emissions and climate-resilient developments.

Our concerns are based on the significant increase in Afrexim's approvals to the fossil fuel sector over the years. According to the [bank's 2021 Annual Report](#), between 2020 and 2021 approvals to the oil and gas sector rose from US\$2.41 billion in 2020 to US\$2.45 billion in 2021, and accounted



for 16.4 percent of total approvals. While the energy sector ranked second after the financial services sector, we are alarmed by the implications of such investments on climate change and grave human rights of such projects.

We highlight some of the problematic fossil fuel projects Afreximbank supported recently:

- In 2021, Afreximbank approved [US\\$1.04 billion](#) to the Nigerian National Petroleum Corporation (NNPC) for petroleum exploration activities. This decision faced strong opposition from civil society organisations and local communities due to serious environmental concerns.

- In July 2022, Afreximbank signed a [project preparation facility financing agreement](#) to advance the floating liquefied natural gas project in Nigeria, with a capacity of 1.2 million metric tons per annum. We emphasise that this project does not align with the commitments made during COP26, as it promotes the use of gas, which remains a significant contributor to greenhouse gas emissions and is [not considered a transition fuel](#).

- In October 2022, Afreximbank signed a [US\\$635 million](#) reserve-based facility term sheet with Amni International Petroleum Development Company. The primary purpose of this funding is to support the capital expenditure required for two oil and gas fields in Nigeria, with the goal of doubling oil production from approximately 10,000 to 25,000 barrels per day.

- In August 2020, Afreximbank committed [US\\$400 million](#) to the Mozambique LNG project. This project is surrounded by and has been linked to extreme violence in the province of Cabo Delgado. Also, the project will not increase energy access for communities but will escalate human rights violations as well as increase greenhouse gas emissions.

- In October 2022, Afreximbank approved [\\$200 million](#) towards the financing of the East African Crude Oil Pipeline. This pipeline has been [highly controversial](#) due to its actual and potential environmental and social impacts, as well as its contribution to the climate change emergency.

The above-mentioned projects have had significant socioeconomic impacts, including land grabbing, displacement, loss of livelihoods, increased poverty, and gender-related issues such as teenage pregnancies and gender-based violence. Local conflicts, militarization, and growing instability have also been observed, indicating the adverse consequences of these projects. The environmental impacts resulting from these projects have equally affected communities in and around the project areas. These impacts include land and water pollution, biodiversity loss, and



the disruption of vital ecosystems. Such environmental degradation directly contributes to undermining the progress towards achieving the Sustainable Development Goals (SDGs), particularly SDGs 1, 5, 8, 10, 14, 15, and 16.

We firmly believe that financial institutions like Afreximbank have a significant responsibility to support sustainable development and contribute to climate change mitigation. Therefore, we urge you, similarly to other governments worldwide that signed the [COP26 Statement on International Public Support for the Clean Energy Transition](#) (Glasgow Statement), to reassess your investments and prioritise projects that align with sustainable practices and global climate goals.

The [2023 synthesis report](#) of the Intergovernmental Panel on Climate Change (IPCC) highlights that human-induced global warming of 1.1 degrees Celsius has triggered unprecedented changes in the Earth's climate. This warming trend increases the likelihood of reaching dangerous tipping points in the climate system.

It is important to note that all 54 of African countries have signed the Paris Climate Change Agreement, which imposes a responsibility to limit activities that generate and release greenhouse gas emissions. Fossil fuels, a major source of such emissions, contribute significantly to the carbon footprint that countries must mitigate. Additionally, the fossil fuel industry is globally recognized as a declining sector, posing a risk of leaving Africa with [stranded assets](#).

Considering that fossil fuel projects are substantial contributors to greenhouse gas emissions, which accelerate global warming and worsen the impacts of climate change and given their adverse effects on local environments, economies, and public health, we strongly urge Afreximbank to cease its support for such projects in Africa. Instead, allocate your investments towards projects that prioritise environmental conservation, climate justice, and the protection of human rights.

In light of the urgency to address the climate crisis, we humbly request Afreximbank to demonstrate its commitment to environmental sustainability by signing the Glasgow Statement.

The Glasgow Statement calls on governments and public finance institutions, including development banks and export credit agencies, to align their international public support towards the clean energy transition and out of unabated fossil fuels. This statement is based on the belief that it is necessary to ensure the world is on an ambitious, clearly defined pathway towards net zero emissions, that is consistent with the 1.5°C warming limit and goals of the Paris Agreement, as well as the best available science and technology. Thereby stimulating sustainable, resilient and



inclusive economic development globally, and supporting a just transition for affected communities.

By signing the Glasgow Statement, Afreximbank would not only showcase its dedication to responsible and sustainable finance but also inspire other financial institutions in Africa to follow suit. Afreximbank's commitment would not only strengthen Africa's stance in the global fight against climate change but also foster partnerships with governments, international organisations, and investors who prioritise sustainability.

In addition, by signing the Glasgow Statement, Afreximbank would join other African countries, including Burkina Faso, Ethiopia, Gabon, The Gambia, Mali, South Sudan, and Zambia, that have already made the commitment to stop any further support to the fossil fuel sector.

We acknowledge that transitioning away from fossil fuel projects presents challenges, but the urgency to address the climate crisis requires bold and decisive action. We encourage Afreximbank to engage in dialogue with impacted communities, environmental experts, and civil society organisations to ensure an inclusive and just transition.

We kindly request your attention to this matter and urge you to take decisive action during your upcoming AGM. The African continent is counting on financial institutions like AfreximBank to lead the way in sustainable finance and address the pressing challenges of climate change.

Therefore, the signatories call on you to;

1. Stop all plans to provide financial support for fossil fuel projects, including natural gas, and associated activities in Africa and make a public announcement of this decision.
2. Show your dedication to combating climate change and supporting renewable energy by endorsing and signing the Glasgow Statement.
3. Allocate your investments towards projects that prioritise environmental conservation, climate justice, and the protection of human rights.



List of Signatories

African Based CSOs

No	Name of CSO	Country
1	350Africa.org	Africa
2	Africa Coal Network	Africa
3	Don't Gas Africa	Africa
4	Greenpeace Africa	Africa
5	Ensemble pour la Justice climatique et la Protection des défenseurs de l'Environnement	Africa
6	Laudato Si' Movement Africa	Africa
7	New Apostolic Centre for Development (NCD)	Africa
8	Synergie des Jeunes pour le Développement et les Droits Humains	Africa
9	CARE FOR ENVIRONMENT	CAMEROON
10	Alerte congolaise pour l'environnement et les droits de l'homme (ACEDH)	DRC
11	Cadre de Concertation de la société civile de l'Ituri sur les Ressources Naturelles (CdC/RN)	DRC
12	Conseil pour la Terre des Ancêtres (CTA)	DRC
13	Innovation pour le Développement et la Protection de l'Environnement	DRC
14	AbibiNsroma Foundation (ANF)	Ghana
15	Alliance for Empowering Rural Communities (AERC)	Ghana
16	Center for Climate and Sustainability Empowerment (CCSE)	Ghana



17	Dream Hunt Ghana	Ghana
18	Network For Health and Relief Foundation (NHRF)	Ghana
19	The STEMinist Foundation, Ghana	Ghana
20	Union for development and Cooperation (UDEEC)	Guinea
21	Kishoka Youth Organization	Kenya
22	Natural Resource Women Platform	Liberia
23	União Provincial de Camponeses (UPC) de Cabo Delgado	Mozambique
24	Africa Network for Environment and Economic Justice (ANEEJ)	Nigeria
25	Connected Advocacy for Empowerment and Youth Development Initiative	Nigeria
26	Voice of The Vulnerable	Nigeria
27	Les Amis de la Terre-Togo	Togo
28	Africa Institute for Energy Governance (AFIEGO)	Uganda
29	Centre for Citizens Conserving Environment & Mgt (CECIC)	Uganda
30	Center For Environmental Research and Agricultural Innovations (CERAI)	Uganda
31	Community Transformation Foundation Network (COTFONE)	Uganda
32	Environment Governance Institute	Uganda
33	Friends with Environment in Development (FED)	Uganda
34	Youth for Green Communities (YGC)	Uganda



Signed in solidarity with African CSOs

No	Name of CSO	Country
1	Leave it in the Ground Initiative (LINGO)	Germany
2	Clean Air Action Group	Hungary
3	E3G	International
4	Oil Change International	International
5	BankTrack	Netherlands
6	Both ENDS	Netherlands
7	Just Finance International	Netherlands
8	Milieudefensie	Netherlands
9	Women Engage for a Common Future (WECF)	Netherlands
10	Corner House	United Kingdom
11	Center for International Environmental Law	United States
12	Friends of the Earth United States	United States
13	Inclusive Development International	United States