

## KEY TAKEAWAYS

# Citi: Funding Fossil-Fueled Environmental Racism in the Gulf South



CLIMATE ADVOCATES HOLD A BANNER OUTSIDE OF CITI'S NEW YORK HEADQUARTERS. PHOTO: ADRIAN CHILDRESS

## Why Citi?

Citi claims to be advancing solutions to the climate crisis<sup>1</sup> and the racial wealth gap.<sup>2</sup> However, it is one of the biggest fossil fuel funders in the world.<sup>3</sup> The bank finances projects and companies in communities of color that cause dangerous impacts both for the people living nearby and beyond, as illustrated in a forthcoming report from Stand.earth.

*Citi: Funding Fossil-Fueled Environmental Racism in the Gulf South* looks at the effects of Citi's fossil fuel financing on communities in the U.S. Gulf South, primarily in Texas and Louisiana communities of color, and provides examples of the real-time health and climate harms communities face due to Citi's financing.

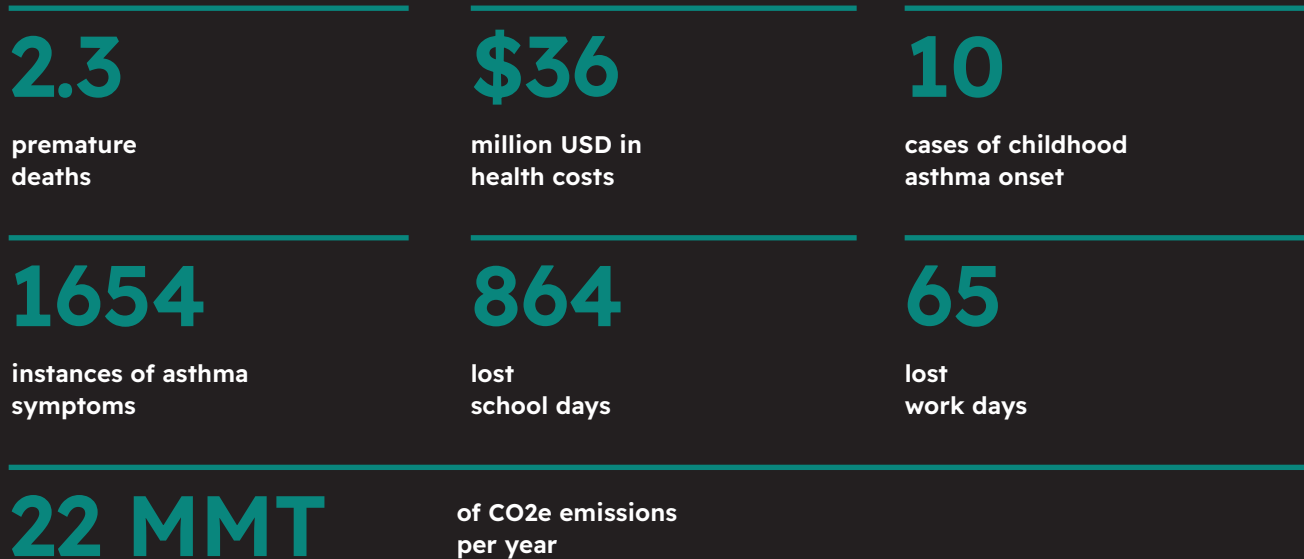
The four LNG facilities analyzed in the report are: Cameron LNG, Corpus Christi LNG, Port Arthur LNG, and Sabine Pass LNG. Citi's financing for Enbridge and Formosa Plastics Group, and related health and climate impacts are also analyzed.

- 1 Citi. Sustainability: Our Commitment. <https://www.citigroup.com/global/our-impact/sustainability/our-commitment>
- 2 Citi. Addressing the U.S. Racial Wealth Gap. <https://www.citigroup.com/global/our-impact/strengthening-community/us-racial-wealth-gap>
- 3 Rainforest Action Network, BankTrack, Indigenous Environmental Network, Oil Change International, Reclaim Finance, Sierra Club, Urgewald, CEED. (2024) Banking on Climate Chaos: Fossil Fuel Finance Report 2024. <https://www.bankingonclimatechaos.org>

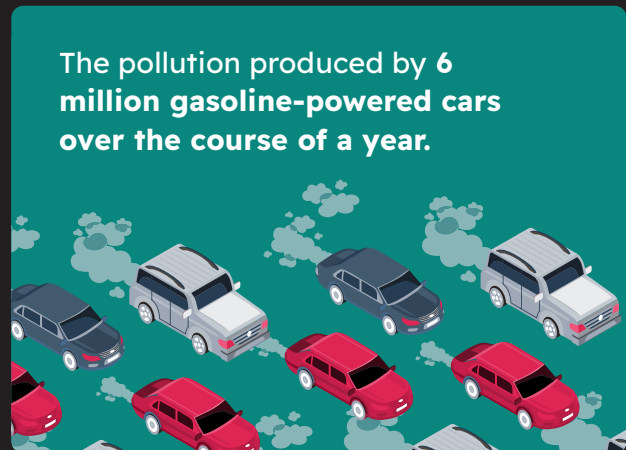
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### By the numbers

The report estimates that Citi has provided at least **\$1.6 billion in direct financing for these four LNG export terminals in the U.S. Gulf South**. Through its proportion of overall financing, Citi can be attributed with up to the following annual estimated impacts:



### CITI'S FINANCED EMISSIONS ARE EQUIVALENT TO



This means that over the course of an LNG terminal's lifespan of up to **35 years**,<sup>1</sup> Citi could be responsible for as many as **80.5 premature deaths** related to the air pollution from these projects.

<sup>4</sup> Environmental Protection Agency. Greenhouse Gas Equivalencies Calculator. <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

<sup>5</sup> Yang, S., Hastings-Simon, S., Ravikumar, A. P. (2022, June 7). Global liquefied natural gas expansion exceeds demand for coal-to-gas switching in paris compliant pathways. Environmental Research Letters, Volume 17, Number 6. DOI 10.1088/1748-9326/ac71ba.

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Additionally, Citi has provided over \$9 billion in financing for Enbridge from 2016 to 2023,<sup>6</sup> and financed \$668 million for Formosa Plastics from 2001 to 2015.<sup>7</sup>

Citi's corporate financing for Enbridge is associated with 50 MMT CO<sub>2</sub>e/yr; equivalent to the emissions produced by over 12 million gas-powered cars in a year.

The combined estimated health impacts related to air pollution projected for the Rio Bravo Pipeline's Compressor Station (Enbridge) and the Sunshine Project (Formosa Plastics) include 13 deaths and \$203 million in health costs per year.

## Recommendations

The remedy to this harm is simple: Citi must end its financing for polluting fossil fuel projects that are contributing to environmental injustices and redirect these funds towards sustainable and equitable development for the Gulf Coast and beyond.

## Not To Miss

The report also features case studies from three of the communities impacted by Citi's fossil fuel financing: Port Arthur, Texas; the Rio Grande Valley, Texas (proposed Rio Bravo pipeline), and St. James Parish, Louisiana (proposed Formosa Plastics facility). The case studies highlight the human cost of living near polluting facilities and present clear cases of environmental injustice. They also illustrate the courage of community leaders who stand up to corporations and their financial backers.

The two proposed projects—Rio Bravo Pipeline and Formosa Plastics—are clear cases of environmental racism.

The permitted air pollution from the Rio Bravo Pipeline's compressor station could result in up to \$15 million in health care costs, 730 instances of asthma symptoms, and 397 lost work and school days **every year**, according to analysis conducted for the report. So far, they have disregarded local tribal input and are moving forward without adequate environmental assessments. So far, Enbridge, who is developing the pipeline, has disregarded local tribal input and is moving forward without adequate environmental assessments.<sup>8</sup>

Formosa Plastics plans to build a \$12 billion petrochemical facility in a historically Black community in Louisiana, which would be the largest plastic manufacturing facility in the country. If the "Sunshine Project" is built, its permitted air pollution could lead to up to \$188 million in related health costs, 6,072 instances of asthma symptoms, 473 lost work days, 2,631 lost school days, and **12.2 premature deaths per year**, according to the report's findings. Local advocates are urging Citi to refrain from financing the so-called "Sunshine Project."

6 Rainforest Action Network, BankTrack, Indigenous Environmental Network, Oil Change International, Reclaim Finance, Sierra Club, Urgewald, CEED. (2024) Banking on Climate Chaos: Fossil Fuel Finance Report 2024. <https://www.bankingonclimatechaos.org>

7 Data provided by Rainforest Action Network, including financing for Formosa Plastics Group subsidiary entities.

8 Sierra Club. July 11, 2023. Rio Grande Valley LNG Projects Hit With Legal Challenges Over FERC's Flawed Approvals. <https://www.sierraclub.org/press-releases/2023/07/rio-grande-valley-lng-projects-hit-legal-challenges-over-ferc-s-flawed>