

BUILDING PEOPLE POWER TO END INVESTMENT IN Amazon Crude

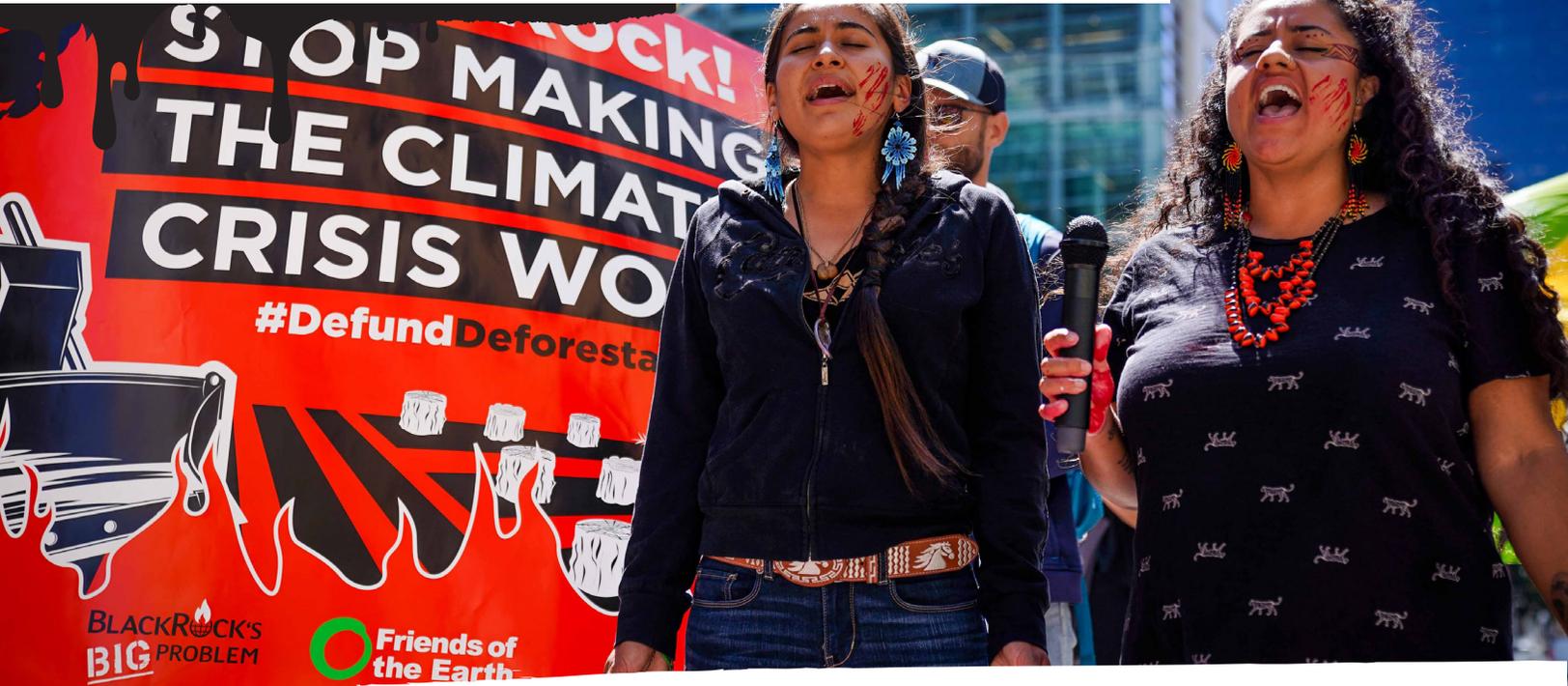
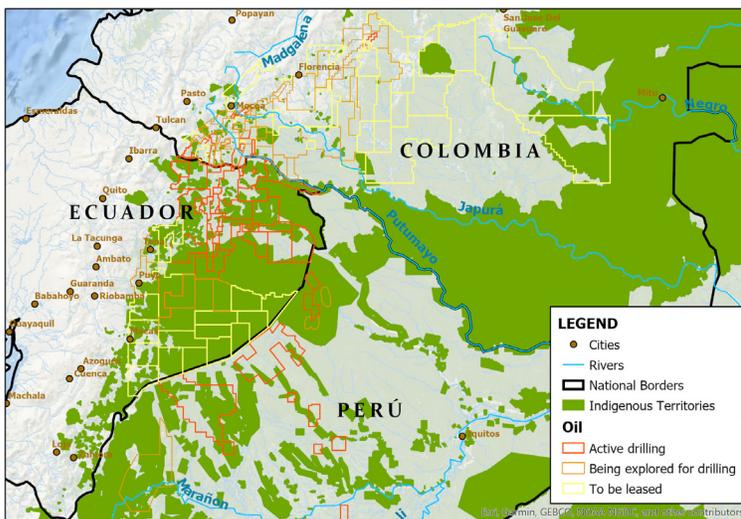


PHOTO: Ayse Gürsöz / RAN



- » The Amazon is essential in mitigating climate change. It absorbs 5 percent of global greenhouse gas emissions and is part of the Earth's natural "thermostat" by driving weather patterns and regulating the global climate.
- » It covers only 4 percent of the Earth's surface, but contains 33 percent of the world's plant and animal biodiversity.
- » Making up 1/5 of the rainforest, the western Amazon region spans Colombia, Ecuador and Peru, and is home to almost 1/2 of the Amazon's indigenous peoples.
- » Indigenous peoples protect this ecological abundance, which boasts the highest concentration of biodiversity found anywhere in the Amazon.

Right now, tens of millions of acres of indigenous Amazonian territories and isolated rainforest are slated to be auctioned off for new oil drilling in the western Amazon, threatening the most biodiverse rainforest in the world and the survival of the indigenous peoples who live in it.



WALL STREET MONEY IS STEEPED IN AMAZON CRUDE

While fossil fuel companies do the drilling, they access the capital they need to finance this extraction from global banks and asset managers. As shown in the Amazon Watch report *Investing in Amazon Crude*, in the past three years alone Wall Street has poured billions of dollars worth of debt and equity financing into companies like GeoPark, Amerisur, Frontera Energy, and Andes Petroleum. These companies operate in conflict with indigenous people of the Amazon who have explicitly rejected oil drilling on their territory. The “Dirty Five” below have made corporate responsibility commitments and supported climate initiatives like the Paris Agreement, yet they are among the world’s largest financiers of Amazon crude oil extraction. **Due to their complicity in the rights violations and climate chaos inherent to oil extraction in the Amazon rainforest, financial actors should be key targets for those of us that want to support indigenous people, defend the Amazon, and protect the climate.**

THE DIRTY FIVE

PHOTO: Lou Dematteis

BlackRock



1 : **BlackRock** (Asset Manager):

BlackRock got lots of praise for its recent commitment to “fundamentally reshape finance to deal with climate change”. The firm promised to reduce its investments in coal companies and keep a closer eye on how the agribusiness companies it’s invested in are causing deforestation, but a quick look at the numbers proves how little it walks the talk when it comes to protecting our climate: **As of (Q4)2019, BlackRock holds \$2.5 billion of stocks and bonds in Geopark, Frontera Energy, and Andes Petroleum.** BlackRock previously held a position in Amerisur as of (Q2)2018, but sold it in late 2018.

2 : **Citi** (Bank & Asset Manager):

Amazon Watch research found that **between (Q3)2017-(Q4)2019, Citi contributed \$827 million in debt financing to enable regional expansion of Amazon crude oil operations for Geopark, Frontera Energy, and Andes Petroleum.**



3 : **Goldman Sachs** (Bank & Asset Manager):

Amazon Watch research found that between (Q3)2017-(Q4)2019, Goldman Sachs contributed \$998 million in debt financing to enable regional expansion of Amazon crude oil operations for Andes Petroleum and Geopark, and that as of (Q4)2019 holds \$25 million of stocks and bonds in the two companies, **bringing its financing of Amazon crude oil to a grand total of \$1,022,689,853.**

4 : **HSBC** (Bank & Asset Manager):

Amazon Watch research found that as of (Q4)2019, HSBC holds \$595,000,000 in stocks and bonds in Geopark and Andes Petroleum, and that between (Q3)2017-(Q4)2019 it contributed \$648 million in debt financing to enable regional expansion of these companies’ oil operations. **This brings HSBC’s total contribution to Amazon crude oil extraction to \$1,242,771,657.**

JPMORGAN CHASE & CO.

5 : **JPMorgan Chase** (Bank & Asset Manager):

Shortly after BlackRock’s above mentioned announcement about “sustainability”, JP Morgan Chase also revealed new restrictions on its lending and underwriting of coal and Arctic oil and gas, as well as the first climate commitments from its asset management arm, and a strengthening of its clean financing target. Nevertheless, the bank’s new policies do not meet its responsibility to phase out its climate impact. Amazon Watch research found that as of

(Q4)2019, JPMorgan Chase holds \$401 million of stocks and bonds in Geopark, Frontera Energy, and Andes Petroleum, and that between (Q3)2017-(Q4)2019 the bank contributed \$490 million in debt financing to enable regional expansion of these companies’ operations, **bringing its total contribution to Amazon crude oil extraction to over \$890 million.**



WE CAN MAKE WALL STREET END OIL DRILLING IN THE AMAZON

All existing and planned oil operations in the western Amazon region are incompatible with:

- » The right to FPIC (Free, Prior and Informed Consultation and/or Consent), a set of principles enshrined in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the International Labor Organization's Indigenous and Tribal Peoples Convention 169; and
- » Multiple countries' commitments to prevent catastrophic global warming, as established under the UN Paris Agreement (2015).

Indigenous communities in the Amazon are fighting back against oil extraction operations in their territories with protests and legal action.

We can back them up. Here's what has to change:

Banks MUST:

- » End all forms of financing for the expansion of fossil fuel extraction and infrastructure;
- » Commit to phase out all financing for existing fossil fuel extraction and infrastructure on an explicit timeline that is aligned with limiting global warming to 1.5°C; and
- » Require that clients fully respect all human rights, particularly the rights of indigenous peoples, including the rights to their water and territories through free, prior and informed consent (FPIC), as articulated in the UNDRIP.

Investment firms and the investment arms of banks MUST:

- » Prioritize the creation of more "climate safe" (i.e fossil fuel free and deforestation free) funds, and make climate safe funds the default option for investment products, with a mandatory opt-in for non climate safe selections;
- » Commit to phase out from all fund offerings any fossil fuel company that does not have a clear and explicit timeline to align with limiting global warming to 1.5°C;
- » Use shareholder power to move companies away from Amazon oil extraction and other fossil fuel expansion activities, including by voting for Paris compliance shareholder resolutions;
- » Make any engagement with companies transparent, with clear deadlines and ambitious timelines for change; and
- » Assure that all investee companies fully respect all human rights, particularly the rights of indigenous peoples, including the rights to their water and territories through free, prior and informed consent (FPIC), as articulated in the UNDRIP.

Investment firms and the investment arms of banks MUST:

- » Immediately stop exploring for and producing new reserves, and implement plans to transition away from all fossil fuel extraction, beginning in sensitive ecosystems with strong indigenous opposition, such as the Amazon Headwaters region in the western Amazon.

If you are a customer or client of financial institutions investing in Amazon crude oil companies, you can:

- » **Pressure** the financial institutions with which you have relationships to effectively take into consideration the full range of legal, environmental, political, and financial risks involved in investing in fossil fuel companies;
- » **Urge** the financial institutions with which you have relationships to align their practices with their stated values; and
- » **Demand** that the financial institutions with which you have relationships fully divest from Amazon crude oil.
- » If the financial institutions with which you have relationships do not make these changes, **divest** from them or switch banks and *let them know why.*

TAKE ACTION: NO MORE PROFIT IN OIL EXTRACTION IN THE AMAZON

Instead of targeting oil drilling companies GeoPark, Amerisur, Frontera, and Andes Petroleum individually, Amazon Watch has come together with organizations and coalitions to target all the sectors that keep bankrolling and supporting the climate crisis and Amazon destruction. We are sustaining pressure on their leadership with direct action and media attention in order to radically shift finance away from fossil fuels and deforestation and towards a just clean-energy transition. Here are two ways you can make a difference:

Join the BlackRock's Big Problem Campaign



Since the financial crisis of 2008, asset managers have quietly become the biggest owners of the global economy. BlackRock is the world's biggest investor with over \$7.4 trillion USD in assets under management, and is the world's biggest owner of coal, oil, gas, and deforestation-risk commodities.

The **#BlackRocksBigProblem** Campaign has managed to turn the spotlight on BlackRock's climate liability and risk. In a significant win for the climate movement, CEO Larry Fink recently shared in his annual client letter a public commitment to "fundamentally reshape finance to deal with climate change." He also outlined significant new policy commitments for the company, including an intention to divest from coal and hold the companies that BlackRock finances to a new standard of environmental sustainability.

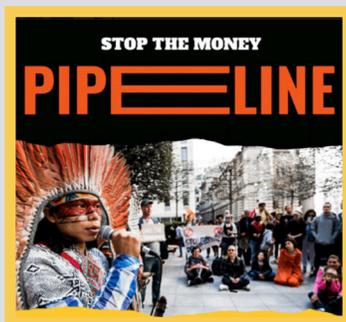
As of this writing, BlackRock has made **no explicit commitment to shift its capital from all climate-destabilizing investments**, including oil, gas or deforestation-risk commodity companies. Nor has it committed to any **indigenous rights** policy that would hold the companies it invests in accountable for respecting and upholding internationally-recognized indigenous rights to self-determination.

BlackRock is STILL the largest investor in deforestation-risk commodity companies. Deforestation is the second biggest driver of climate change after fossil fuels.

TELL BLACKROCK TO PUT ITS MONEY WHERE ITS MOUTH IS.

Go to: blackrocksbigproblem.com

Join the Stop the Money Pipeline Coalition



Stop the Money Pipeline (STMP) is a coalition of environmental advocacy organizations, indigenous groups, and activists that are calling for an end to the financing of climate destruction. Among others, the coalition is strategically targeting these key banks, asset managers, and insurance companies for their role in keeping climate-destroying industries afloat:

- » **JPMorgan Chase** is the world's top banker of fossil fuels; the bank has provided **\$196 billion** in financing to fossil fuel companies since 2016.
- » **BlackRock** is the world's largest investor in fossil fuels and deforestation-linked commodities, and manages **\$7.4 trillion** in assets worldwide.
- » **Liberty Mutual** is a top insurer of and investor in **massive fossil fuel projects** around the world, including the **Trans Mountain pipeline**.

JPMorgan Chase and BlackRock are both heavily invested in oil companies operating in the western Amazon, against the will of indigenous peoples living there. All three of the companies listed above are being targeted by **#StopTheMoneyPipeline** because of their role in financing the climate crisis.

USE YOUR WALLET. AND YOUR VOICE.

Go to: stophemoneypipeline.com



Protecting the rainforest and our climate
by supporting indigenous peoples
amazonwatch.org