

Congress of the United States
Washington, DC 20515

September 10, 2019

Board of Directors
Overseas Private Investment Corporation
1100 New York Avenue NW
Washington, D.C. 20527

Dear Members of the Board:

As Members of Congress, we write to you with extreme concern regarding the “Aleph Midstream S.A. (Argentina)” and “Vista Oil & Gas Argentina S.A.U.” projects pending approval at the September 11 meeting of the Board of Directors of the Overseas Private Investment Corporation (OPIC). These projects would not only contribute to carbon emissions dangerous to our climate, but would also pollute water sources and local ecosystems, jeopardize public health, and violate the rights of nearby indigenous communities. We also want to highlight that the projects’ environmental and social impact assessment (ESIA) appears to be incomplete and lacking in its justifications to assess the costs and benefits of these projects. We therefore urge the Board to reject these proposed projects.

The applications to OPIC from Aleph Midstream S.A. and Vista Oil & Gas Argentina S.A.U. are large-scale oil and gas fracking projects from the Vaca Muerta shale basin, accompanied by all the necessary production facilities to accompany a project of its size. Of many concerns, a primary factor is that these projects will produce significant, damaging emissions from the fracking process that would affect air quality and water sources polluted by fracking byproducts, as well as harmful secondary emissions from the usage of the fossil fuels being produced, which the project’s ESIA does not fully detail and account for.

It is important to highlight that the U.S. government has formally acknowledged the harm that these emissions cause. Just last year, the Fourth National Climate Assessment found that climate change, which is contributed to by fossil fuel development and usage, is already causing global temperatures to rise and leading to more frequent and extreme weather events. Additionally, the Climate Change and the Cost of Capital in Developing Countries report of the United Nations Environment Programme found that in the last ten years, climate vulnerability has cost the twenty nations most affected by catastrophes rooted in climate change an additional \$62 billion in interest payments alone. Furthermore, the Intergovernmental Panel on Climate Change Special Report on Global Warming of 1.5 °C has made clear that the nations of the world must greatly accelerate the pace of mitigation actions in order to remain under the 1.5 °C warming threshold, which these projects would fly in the face of.

Considering these studies, it seems imprudent to invest in fossil fuel development that will not only be incredibly detrimental to the environment, but would also be economic malpractice given the global move away from fossil fuels and the strong possibility of such investments ending up

as stranded assets. Further, because of the high financial and political risk of fracking in Argentina, global oil and gas companies are relying on unsustainable government subsidies to exploit fossil fuels in a country plagued by macroeconomic instability and staggering debt. Given the environmental impact of fossil fuels and the global move toward renewable resources, it would be irresponsible, both to the investor and the environment, to financially advance such harmful energy resources.

We are further deeply troubled by the glaring omission of vital information in the projects' ESIA, which provides no alternatives analysis, fails to appropriately assess greenhouse gas emissions, lacks appropriate public consultation, and did not obtain the free, prior, and informed consent of Indigenous Peoples. Particularly concerning is the inaccurate claim that the ESIA has identified no indigenous populations within or near the projects' sites. There are, at minimum, two indigenous Mapuche communities in the vicinity of this project, and it has, in fact, been documented that local indigenous communities have had recent conflicts with oil and gas companies in the area. The ESIA's failure to address the rights of indigenous communities is a clear violation of OPIC policy, Argentinian law, and international law.

Given the harm these projects could pose to both the environment and indigenous communities, and the incomplete nature of the ESIA to provide full understanding of these projects' impacts we urge the Board to not approve this project.

Sincerely,



Adriano Espaillat
Member of Congress



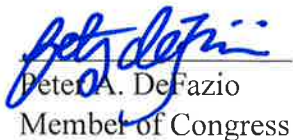
Gregory W. Meeks
Member of Congress



Alan S. Lowenthal
Member of Congress



Andy Levin
Member of Congress



Peter A. DeFazio
Member of Congress



James P. McGovern
Member of Congress



Ilhan Omar
Member of Congress



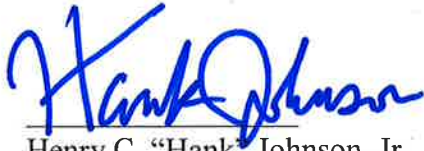
Raúl M. Grijalva
Member of Congress



Debra A. Haaland
Member of Congress



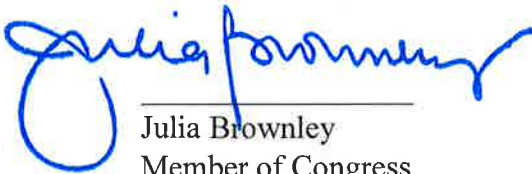
David N. Cicilline
Member of Congress



Henry C. "Hank" Johnson, Jr.
Member of Congress



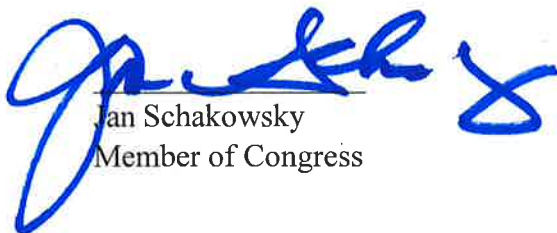
Jared Huffman
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Julia Brownley
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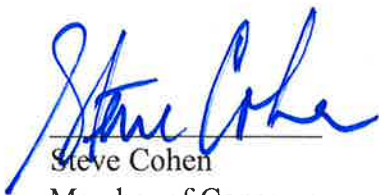
Alexandria Ocasio-Cortez
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