November 17, 2026

Board of Directors
Export–Import Bank of the United States
Via economic.impact@exim.gov

Comments on proposed financing for an LNG expansion in Papua New Guinea
FR Doc. 2026–23087

Dear Members of the Board,

Taxpayers for Common Sense submit these comments on EXIM's consideration of a $3.775 billion direct loan or guarantee for an expansion of liquefied natural gas production in Papua New Guinea. EXIM has received an application and announced its intent to conduct a detailed economic impact analysis. Before approving financing, the bank should demonstrate why federal backing is necessary and whether the additional public benefits justify the risks to taxpayers.

We oppose federal subsidies that shift private investment risks onto taxpayers without a clear public benefit. Helping companies sell equipment is not, by itself, enough to justify billions of dollars in federal backing.

According to the notice, the financing would support approximately $2.25 billion in U.S. equipment and services. The remaining $1.525 billion would cover unspecified financing costs. The project would add 4 million metric tons of LNG production annually, expected to be sold in Asia-Pacific markets. American taxpayers would therefore be backing production overseas for sale to foreign buyers.

The notice does not identify the applicant or project sponsors. EXIM should disclose that information and explain who would receive the financing and who would be responsible for repayment.

With a direct loan, the government lends money and depends on the borrower to repay it. With a guarantee, the government promises to cover the guaranteed debt if the borrower fails to pay. Both put public money at risk without giving taxpayers ownership of the project.

EXIM should explain what private financing the applicant have sought and why the applicant failed to secure it. Federal backing can help companies obtain financing or secure better terms, but it does not make the underlying risks disappear. It transfers some of them to taxpayers. The bank needs to explain why the public should accept those risks.

Although the identity of the applicant is unidentified, the only ongoing project seeking financing in Papua New Guinea right now is TotalEnergies and ExxonMobil's LNG project. Earlier this year, the project has been denied financing by close to 30 banks, citing financial, environment, and climate risks. Federal taxpayers should not be underwriting risky projects that banks and private investors are unwilling to take on.

EXIM should also conduct economic analysis to distinguish U.S. sales that depend on EXIM's support from sales that would happen anyway. If the buyer would purchase the same American equipment without federal backing, taxpayers would take on risk without generating additional sales. Making the deal cheaper for the companies involved is not enough to establish a public benefit.

The bank should also examine whether demand in Asia-Pacific markets is likely to grow enough to absorb the added LNG supply. If the project would take sales from U.S. exporters, EXIM should account for those losses when estimating the benefits of the equipment sales it would support. Taxpayers need to know whether federal backing would create lasting economic gains or help one U.S. industry at the expense of another.

The financing costs also require an explanation. At $1.525 billion, they represent roughly 40 percent of the proposed federal commitment. EXIM should explain what these costs cover, who would receive the payments, and why financing them is necessary to support the U.S. exports. It should disclose the repayment terms and estimated budgetary cost, including how it accounts for possible default, and explain what protections would limit taxpayer losses if the borrower could not repay.

Repayment alone would not establish that the project serves the public interest. A fossil fuel project can generate profits for its owners while imposing costs on others. EXIM should use its environmental and social review to assess emissions across the project's life, including methane. Any claim that the LNG would replace more polluting fuels should be supported by evidence. Selling gas into Asian markets does not establish that it will replace coal rather than add to fossil fuel consumption or compete with cleaner energy.

Those findings should inform the bank's assessment of the financing's public benefits. Costs borne by communities and others reduce a project's value to the public, even when the borrower does not pay them. An assessment that counts export gains while overlooking those costs would give the public an incomplete picture.

EXIM should release nonconfidential financing details, provide a usable docket number, and explain the assumptions behind its analysis. The public should have an opportunity to review and comment on that information before the Board acts.

The burden is on EXIM and the companies seeking its help to show that federal backing is necessary and that the additional public benefits justify the risks. Taxpayers should not

have to accept those risks first and learn the terms later. If EXIM cannot make that case, it should decline the application.

Sincerely,

Steve Ellis
President
Taxpayers for Common Sense